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Insights

IEEPA Tariff Refunds: Trade Court Sets March 19 Progress Deadline as CBP Builds CAPE Refund System

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Overview

On March 12, 2026, the U.S. Court of International Trade ("CIT") issued an order confirming that U.S. Customs and Border Protection ("CBP") is making "satisfactory progress" towards developing a process to issue refunds of unlawfully collected International Emergency Economic Powers Act ("IEEPA") duties (with interest), continued the suspension of the court's prior immediate?compliance directive, and ordered CBP to file another short progress report by 2:00 p.m. EDT on March 19, 2026.[1] Public reporting on CBP's March 12 filing describes the emerging refund platform as new functionality within CBP's Automated Commercial Environment ("ACE") referred to as the Consolidated Administration and Processing of Entries ("CAPE") system, including a web?based claims portal reported as approximately 70% complete.[2]

Background and Prior Alerts

On February 20, 2026, the U.S. Supreme Court held that IEEPA does not authorize the imposition of tariffs, invalidating the executive?order tariffs imposed under IEEPA. On March 4, 2026, Judge Richard K. Eaton of the CIT issued an order in Atmus Filtration, Inc. v. United States holding that all importers of record whose entries were subject to IEEPA duties are entitled to the benefit of the Supreme Court's decision and directing CBP to liquidate and reliquidate covered entries without regard to the unlawful duties.

On March 6, 2026, the CIT entered an order suspending the court's amended order to the extent it directed immediate compliance, after considering CBP's March 6 declaration describing operational constraints and the need to develop new ACE functionality. This supplement reflects developments through the CIT's March 12, 2026 order continuing that suspension and imposing the next reporting deadline of March 19, 2026. See our prior alerts here and here.

What We Know After the March 12 Order

The CIT's March 12, 2026 order found CBP's progress satisfactory, continued the suspension of the amended March 5 order (as previously suspended on March 6), and required CBP to submit another progress report by 2:00 p.m. EDT on March 19, 2026.[3]

Public reporting indicates that CBP is developing the CAPE system as an enhancement to ACE to administer IEEPA tariff refunds, including a web?based portal component reported as approximately 70% complete.[4]

Practical Action Steps for Importers

• Inventory entries on which IEEPA tariffs were paid and confirm liquidation status (unliquidated, liquidated but not final, or final).

• Confirm electronic refund eligibility in ACE, including completion of the electronic refund authorization required under CBP's Electronic Refunds interim final rule, as CBP has stated that refunds will be rejected for importers that have not completed the required electronic setup.

• Compile entry summaries, proof of payment, and liquidation data in anticipation of potential submission requirements through ACE/CAPE.

What Comes Next

The next key milestone is CBP's court?ordered progress report due March 19, 2026, and any follow?on order from the CIT addressing timing and implementation of the refund process.[5]

Importers and other affected businesses with questions about refund eligibility, the status of specific entries, liquidation timing, or recovery strategies are encouraged to contact Kendall A. Schnurpel, Alex C. Wimmer, or their regular Krieg DeVault attorney.

[1] Atmus Filtration, Inc. v. United States, Court No. 26?01259, Order (Ct. Int'l Trade Mar. 12, 2026).

[2] Erik Larson & Zoe Tillman, U.S. Tells Judge Web?Based Portal for IEEPA Refunds 70% Complete, Bloomberg (Mar. 12, 2026).

[3] Atmus Filtration, Mar. 12, 2026 Order, supra note 1.

[4] Larson & Tillman, supra note 2.

[5] Atmus Filtration, Mar. 12, 2026 Order, supra note 1.

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