Big Tech basically took Trump’s unpredictable trade war lying down

A month earlier, the nonpartisan policy group the Center for American Progress drew on government labor data to conclude that US employers cut 12,000 manufacturing jobs in August, and payrolls for manufacturing jobs had decreased by 42,000 since April.

As tech companies take tech tariffs on the chin, perhaps out of fears that rattling Trump could impact lucrative government contracts, other US companies have taken Trump to court. Most recently, Costco became one of the biggest corporations to sue Trump to ensure that US businesses get refunded if Trump loses the Supreme Court case, Bloomberg reported. Other recognizable companies like Revlon and Kawasaki have also sued, but small businesses have largely driven opposition to Trump’s tariffs, Bloomberg noted.

Should the Supreme Court side with businesses—analysts predict favorable odds—the US could owe up to $1 trillion in refunds. Dozens of economists told SCOTUS that Trump simply doesn’t understand why having trade deficits with certain countries isn’t a threat to US dominance, pointing out that the US “has been running a persistent surplus in trade in services for decades” precisely because the US “has the dominant technology sector in the world.”

Justices seem skeptical that IEEPA grants Trump the authority, ordinarily reserved for Congress, to impose taxes. However, during oral arguments, Justice Amy Coney Barrett fretted that undoing Trump’s tariffs could be “messy.” Countering that,

small businesses have argued that it’s possible for Customs and Border Patrol to set up automatic refunds.

While waiting for the SCOTUS verdict (now expected in January), the CTA ended the year by advising tech companies to keep their receipts in case refunds require requests for tariffs line by line—potentially complicated by tariff rates changing so drastically and so often.

Biggest tariff nightmare may come in 2026

Looking into 2026, tech companies cannot breathe a sigh of relief even if the SCOTUS ruling swings their way, though. Under a separate, legally viable authority, Trump has threatened to impose tariffs on semiconductors and any products containing them, a move the semiconductor industry fears could cost $1 billion.

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