The Trump administration says it can’t process tariff refunds because of computer problems



The US Customs and Border Protection says it currently can’t comply with an order to process billions of dollars in refunds stemming from tariffs imposed by President Donald Trump. In a filing on Friday, CBP executive director Brandon Lord says the agency’s digital import processing system is “not well suited to a task of this scale,” as reported earlier by CNBC.

The CBP’s admission comes after the Supreme Court struck down the tariffs imposed by Trump under the International Emergency Economic Powers Act (IEEPA) last month. This week, the International Trade Court ruled that importers impacted by the tariffs are entitled to refunds with interest. The CBP

estimates that it collected around $166 billion in IEEPA duties as of March 4th, 2026.

Companies like Nintendo, FedEx, and Costco have filed lawsuits against the US government in the International Trade Court, demanding refunds for the tariffs that the Supreme Court has deemed “illegal.”

The CBP says it currently processes imports through its Automated Commercial Environment (ACE) system. In the filing, Lord says that using the department’s existing technology, it would take more than 4.4 million hours to process refunds for the over 53.2 million entries with IEEPA duties. Despite these current limitations, the CBP says it’s “confident” it can develop and launch new capabilities to “streamline and consolidate refunds and interest payments on an importer basis” — but this could take 45 days.

“The process will be simpler and more efficient than the existing functionalities, and CBP will provide guidance on how to file refund declarations in the new system,” Lord says.

https://www.theverge.com/policy/890904/trump-administration-cbp-tariff-refunds-technology-issues