# Fine art exempt from US tariffs but market faces uncertainty



As New York’s bustling season of art fairs and auctions begins, the fine art sector finds itself partially shielded from the newly implemented US trade tariffs. Under historic US laws cited in recent White House legislation, artworks are exempt from these duties, classified as “informational material” under the protection of the First Amendment’s free speech provisions. This exemption has brought a degree of relief to an art market already feeling the strain from economic uncertainty and trade disruptions.

Despite this specific exemption for fine art, the broader impact of tariffs remains a cause of concern, particularly the baseline 10% tariff imposed on other categories such as furniture, antiquities, and collectibles. This has introduced significant uncertainty, with many stakeholders uncertain how the current 90-day pause on tariffs might evolve once the pause ends.

Hugh Gibson, director of London’s Thomas Gibson Fine Art, expressed the widespread frustration within the trade ahead of exhibiting at TEFAF New York (May 9-13). He told the Financial Times, “It’s so painful. I don’t know how any shipper, or anyone, is meant to implement any of this.” This sentiment was echoed by numerous galleries, shippers, customs brokers, and art advisers, who have had to rapidly familiarise themselves with the complex legal framework underpinning the exemption, specifically 50 USC 1702 (b).

Adam Green, a Dallas-based art adviser, described an intense scramble to understand the rules among his clients shipping artworks from London to the US. He said to the Financial Times, “I almost pulled an all-nighter. Everyone was trying to figure it out. In the end, it became apparent that because of this strange clause, artworks—and items such as CD-ROMs and microfiches—were exempt.” This clause currently forms the foundation for the art trade’s cautious navigation of the new tariff landscape.

Nevertheless, the unpredictable direction of US trade policy, especially under the administration of former President Donald Trump, has kept the art world on edge. Edouard Gouin, chief executive of fine art logistics group Convelio, highlighted the uncertainties: “Recent days have shown anything remains possible.” Nigel Dunkley, co-director of London’s Union Pacific gallery, referring to the ongoing volatility, said, “Who knows if Trump will slap on 300 per cent tariffs tomorrow? It’s the wild, wild west.”

While fine art remains exempt from tariffs, other sectors such as design galleries, antiquities, and jewellery are potentially at risk. TEFAF New York includes several exhibitors specialising in these areas, many from Europe and the UK, placing them in a state of limbo. Leanne Jagtiani, director of TEFAF New York, said, “We will continue to monitor the situation regarding TEFAF New York and its wider implications.” Similarly, Frieze New York advised exhibitors to liaise closely with their shippers due to potential ongoing changes.

Shipping has also been directly affected. DHL has reported “multi-day delays” and has halted business-to-consumer shipments to the US valued over $800, lowering the customs clearance threshold from $2,500. The exemption for fine art under US law, however, may not protect artworks in the event of retaliatory measures by the UK or EU, introducing further risks. As Green stated, “There is growing speculation that if the UK or EU retaliate then artwork is likely to be included.”

The impact of these uncertainties is already manifesting in the market. Nigel Dunkley noted that one $90,000 art deal was cancelled, citing tariffs as the reason. Thaddaeus Ropac, an international gallerist exhibiting at Frieze New York, shared that while the tariff threat did not alter their selection of works, they had reduced the volume shipped. Many are delaying shipments, awaiting greater clarity.

Gibson shared his strategic preparations for TEFAF, choosing works by American sculptor John Chamberlain and French artist Jean Dubuffet. He observed the complexity in determining tariff liabilities, depending on artworks’ origins and the point at which tariffs might apply. “If there are tariffs, which there might not be, Chamberlain is OK as the works were made in the US and are coming from his estate,” Gibson explained, adding, “One would hope that tariffs would only be applicable at point of sale, that’s the logical scenario, but we are not in a logical world.”

Beyond art-specific issues, wider economic concerns loom large. The escalating US-China trade war, which includes tariffs as high as 125%, and other sector-specific duties (such as 46% on imports from Vietnam and 24% on Japanese seafood), threaten broader economic instability that could indirectly impact the art market. Green noted, “Certain [US] collectors are in the clothing business and import from Vietnam. I know someone who owns a sushi restaurant and gets fish from Japan. Macro issues will have a significant effect on the art market.”

Market sentiment is subdued. Ropac mentioned in April, “We have tried to contact clients but they have other things on their minds. People are not in the mood to purchase art, they are nervous about the situation.” Political factors beyond economics, including ideological tensions around “wokeness” in the creative industries, also add to the market’s apprehension.

Despite the challenges, some optimism persists. The weaker US dollar could make prices more appealing, as Nigel Dunkley observed. Ropac noted an environmental silver lining in reduced shipping volumes, pleasing his gallery’s head of sustainability. Green highlighted the collaborative spirit reminiscent of the Covid-19 pandemic, with industry players sharing intelligence closely.

Green concluded with a cautious note on opportunities for buyers: “People were already more cautious, but there is still a lot of demand for high quality.” The potential exemption of art from tariffs positions it as one of the few tariff-free categories in an increasingly fraught trade environment, providing some impetus for the market as the New York season unfolds.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

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* <https://www.jdsupra.com/legalnews/making-sense-of-canada-and-mexico-7460110/> - This legal analysis examines the potential impact of new 25% ad valorem tariffs on imports from Mexico and Canada, highlighting the uncertainty regarding the exemption status of art and sculpture from these tariffs.
* <https://www.theartnewspaper.com/2025/03/05/trump-tariffs-us-artists-materials-costs-rising> - This article reports on how U.S. artists are experiencing rising material costs due to new tariffs, with specific mention of the 20% tariff on imports from China and 25% tariffs on imports from Mexico and Canada.
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* <https://www.theartnewspaper.com/2019/11/20/a-giant-wall-art-world-feels-the-pinch-of-trumps-25percent-import-duty-on-printed-works> - This article highlights the art world's concerns over a new 25% import duty on printed works, introduced by President Trump, and its potential impact on the art trade.
* <https://www.theartnewspaper.com/2025/03/03/trump-tariffs-canadian-art-trade-impact> - This article examines the potential impact of U.S. tariffs on the Canadian art market, noting that art has not been included on lists of goods that would be part of a U.S. tariff, but a retaliatory Canadian tariff on goods from the U.S. already includes art on its list.
* <https://www.ft.com/content/95d583a9-36a8-4fad-97ca-8215cd73034d> - Please view link - unable to able to access data