

What's New

Tax Insights



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Mexico Government announces increase in import tariffs on certain products



In brief

Mexico has announced a substantial increase in import tariffs of up to 50% on 1,463 tariff lines, applicable to imports from countries with which Mexico does not have a Free Trade Agreement (FTA). The measure was enforced on 1 January 2026 and is expected to impact exports from several countries, including India.

The tariff increase has been notified through a Presidential Decree published in Mexico's Official Gazette (Diario Oficial de la Federación [DOF]) on 29 December 2025 (Decree)¹, amending the Law of General Import and Export Taxes (LIGIE). The measure is aimed at protecting domestic industry, addressing global overcapacity, and supporting Mexico's industrial policy under Plan México.



In detail

The Decree has been issued pursuant to Articles 89 and 131 of the Mexican Constitution, the Foreign Trade Law and the Organic Law of the Federal Public Administration, with the stated objectives of strengthening national industry, addressing global overcapacity and unfair trade practices, encouraging nearshoring and the relocation of supply chains, and safeguarding domestic production and national security interests.

The Decree reforms various tariff lines under the LIGIE by increasing the General Import Duty (IGI) for selected products. The measure primarily targets sectors facing import pressure and global trade distortions and applies only to imports not benefiting from preferential treatment under Mexico's FTAs, subject to compliance with rules of origin.

Key sectors affected due to the increase in tariff include –

- Textiles and apparel
- Footwear
- Automotive and auto parts
- Steel and aluminium
- Plastics and chemicals

¹ Decree amending various tariff items of the tariff schedule of the General Import and Export Duties Law dated 29 December 2025

- Household appliances
- Furniture and toys

The Decree explicitly states that preferential tariff treatment under Mexico’s FTAs will continue to apply, provided the origin requirements are met. As India does not have an FTA with Mexico, Indian exports in the affected categories may face higher tariff barriers.

Key highlights of the measure

- The measure impacts approximately 1,463 tariff lines. Tariff rates have increased by 10% to 50%.
- The revised tariffs will take effect from 1 January 2026. The measure applies to imports originating from non-FTA partner countries.
- It is implemented through a Presidential Decree amending the Tariff of the LIGIE. The Decree was published in the Official Gazette (DOF) dated 29 December 2025.

Mexico tariff based on broad product groups

Product group	Final bound duties		MFN applied Duties (2024)	
	AVG	Max	AVG	Max
Minerals and metals	34.4	50	7.4	25
Chemicals	35.1	156	2.4	25
Wood, paper, furniture	34.2	50	5.5	25
Textiles	35.0	50	10.2	25
Clothing	35.1	50	21.8	25
Rubber, leather and footwear	34.7	50	6.5	30
Mechanical, office & computing machinery	35.1	50	2.8	25
Electrical machinery & electronic equipment	34.4	50	4.7	25
Transport equipment	36.9	50	10.7	50
Other Manufactures	34.6	50	5.4	25

The takeaways

While the tariff increases are broad-based, mitigation options may exist on a case-by-case basis, depending on product classification, supply chain structure and applicable trade remedies. Early assessment and strategic planning will be critical for Indian exporters to manage the impact of these changes.

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