Press Release

The Impact of Tariffs on Small Businesses

ALLIE WATSON | OCTOBER 21, 2025

While the Trump Administration has relied upon tariffs to achieve many stated policy aims, they have come at the cost of significant damage to U.S. businesses – particularly small businesses. In new research, Trade Policy Analyst Jacob Jensen estimates the direct tariff costs for U.S. small businesses and explains why small businesses are particularly vulnerable.

An excerpt:

> *This research estimates the direct tariff costs for U.S. small businesses to be at least $85 billion annually but may be as high as $100 billion. Small businesses also face challenges that are not factored into direct tariff cost calculations, which is why these figures are likely an underestimate of the overall impact of the Trump Administration's trade policy. These additional factors include added regulatory hours, new trade compliance measures, higher customs broker feeds, the end of a duty-free entry process, and competitive disadvantages compared to big businesses that contribute billions in indirect costs.*

Read the analysis.