

# United States Senate

WASHINGTON, DC 20510

December 10, 2025

The Honorable Donald J. Trump  
President  
The White House  
1600 Pennsylvania Avenue N.W.  
Washington, D.C. 20500

The Honorable Howard Lutnick  
Secretary  
U.S. Department of Commerce  
1401 Constitution Avenue N.W.  
Washington, D.C. 20230

Dear President Trump and Secretary Lutnick:

Global tariffs have caused havoc in the economy. Although you have long claimed that tariffs are not inflationary, your administration recently announced exemptions to global tariffs for certain agricultural products. I welcome this news and agree with National Economic Council Director Kevin Hassett, who stated that due to the exemption of these goods from global tariffs, “the prices will go down, of course.”<sup>1</sup> Americans are facing rising prices and actions that would lower prices – even actions that roll back ill-advised policies that your administration pursued – should be acknowledged. In order for prices to go down, help small businesses during the important holiday season, and allow Americans to celebrate the holidays to the fullest extent, I write today to urge your administration to rescind all global tariffs this holiday season.

The holiday season is a make-or-break moment for many small businesses, accounting for nearly a third of annual sales for some businesses. Success in the holiday season can determine whether a business stays open through the following year.<sup>2</sup> Yet, global tariffs have caused serious disruptions to global supply chains and created deep uncertainty, leaving importers struggling to secure inventory. Many small and mid-sized businesses are left delaying or reducing orders, fearing they are unable to meet customer demand or profit margins. This unpredictability makes business planning nearly impossible and risks higher prices and empty shelves just as families begin their holiday shopping.

America’s 36.2 million small businesses are the backbone of our economy, generating more than 40 percent of the nation’s gross domestic product (GDP) and employing nearly half of the American workforce.<sup>3</sup> Yet, since April, small businesses have been bearing the brunt of your

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<sup>1</sup> Kevin Hassett, “High prices are ‘being fixed fast, and real incomes are up’: Hassett,” interview by Jonathan Karl, *ABC News*, November 16, 2025, video, [https://www.youtube.com/watch?v=BGtk3QHy\\_xA](https://www.youtube.com/watch?v=BGtk3QHy_xA).

<sup>2</sup> Alicia González, “How Small Businesses Can Manage Holiday Demand This Season,” *Forbes*, October 6, 2025. <https://www.forbes.com/sites/aliciagonzalez/2025/10/06/how-small-businesses-can-handle-holiday-demand-and-boost-sales/>

<sup>3</sup> U.S. Small Business Administration, Office of Advocacy. “New Advocacy Report Shows Small Business Total Reaches 34.8 Million, Accounting for 2.6 Million Net New Jobs in Latest Year of Data,” November 19, 2024.

trade policies and have been burdened with rising costs and regulatory uncertainty. Approximately 60 percent of small businesses have experienced higher costs for imported materials or goods due to recent tariff increases.<sup>4</sup> Of these businesses, about 57 percent say their costs have increased by 10 to 25 percent, while nearly 24 percent say their costs have increased by 26 to 50 percent.<sup>5</sup> The direct tariff cost for U.S. small businesses is estimated to be as high as \$200 billion annually.<sup>6</sup>

This comes at a time when nearly all small businesses – approximately 93 percent - believe that their holiday sales will be essential to their survival, a significant increase from 52 percent last year.<sup>7</sup> Due to regulatory uncertainty and limited capital, small businesses can't commit to long-term investments or afford to stockpile inventory.

Last year alone, consumers spent nearly \$378 billion on imported goods for gifts in November and December, much of which is now subject to tariffs.<sup>8</sup> Had the current tariffs been in effect, consumers would have faced an additional \$28.6 billion in costs, or roughly \$132 more per shopper.<sup>9</sup> Furthermore, recent analysis shows that households are facing average cost increases of roughly \$2,200 to \$3,800 annually because of tariffs.<sup>10</sup>

As the holiday season approaches, the impact of tariffs continues to fall hardest on consumers and small businesses alike. Working families face higher prices on everyday goods, while local retailers struggle to absorb rising costs and stay competitive. Providing tariff relief now would help lower prices, ease the strain on families, and give small businesses the breathing room they need to thrive during this critical holiday season and keep their businesses running.

I urge you to swiftly take action to remedy the devastating impacts tariffs will have on small businesses and consumers this holiday season. Specifically, I ask that you suspend the global tariffs to deliver meaningful relief to small businesses, protect consumers, and help ensure that American families aren't met with higher prices or shortages during this critical time of year.

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<https://advocacy.sba.gov/2024/11/19/new-advocacy-report-shows-small-business-total-reaches-34-8-millionaccounting-for-2-6-million-net-new-jobs-in-latest-year-of-data/>

<sup>4</sup> Small Business Majority. Tariffs Handout 2025.

<https://smallbusinessmajority.org/sites/default/files/policydocs/Small-Business-Majority-2025-Tariffs-Handout.pdf>

<sup>5</sup> Small Business Majority. Tariffs Handout 2025.

<https://smallbusinessmajority.org/sites/default/files/policydocs/Small-Business-Majority-2025-Tariffs-Handout.pdf>

<sup>6</sup> U.S. Chamber of Commerce. "Latest Tariffs Spell \$200 Billion Annual Tax for Small Businesses." Accessed December 2025. <https://www.uschamber.com/tariffs/latest-tariffs-spell-200-billion-annual-tax-for-small-businesses>

<sup>7</sup> eMarketer. "Small Businesses Gear Up for a Challenging Holiday Season." Accessed December 2025.

<https://www.emarketer.com/content/small-businesses-gear-up-challenging-holiday-season>

<sup>8</sup> The Hill. "Trump Tariffs Could Push Holiday Shopping Costs Higher." Accessed December 2025.

<https://thehill.com/business/5577849-trump-tariffs-holiday-shopping-costs/>

<sup>9</sup> LendingTree. "Holiday Expenses Could Spike Due to Tariffs, Study Finds." Accessed December 2025.

<https://www.lendingtree.com/debt-consolidation/tariffs-holiday-expenses-study/>

<sup>10</sup> Yale Budget Lab. "The State of U.S. Tariffs: August 7, 2025." Accessed December 2025.

<https://budgetlab.yale.edu/research/state-us-tariffs-august-7-2025>

Sincerely,

A handwritten signature in blue ink that reads "Kirsten Gillibrand". The signature is fluid and cursive, with the first name "Kirsten" and last name "Gillibrand" clearly distinguishable.

Kirsten Gillibrand  
United States Senator