

Trump claims 'billions of dollars are pouring into the coffers of the USA' because of his tariffs, but that's just a drop in the bucket

[John W. Schoen](#)

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Krisztian Bocsi | Bloomberg | Getty Images

A man cycles past a container ship operated by China Shipping Container Lines.

President [Donald Trump](#) on Thursday celebrated his administration's tariffs on Chinese goods, claiming that they're bringing in "billions of dollars" for the U.S. However, according to Treasury Department data, the tariff revenue is just a drop in the fiscal bucket.

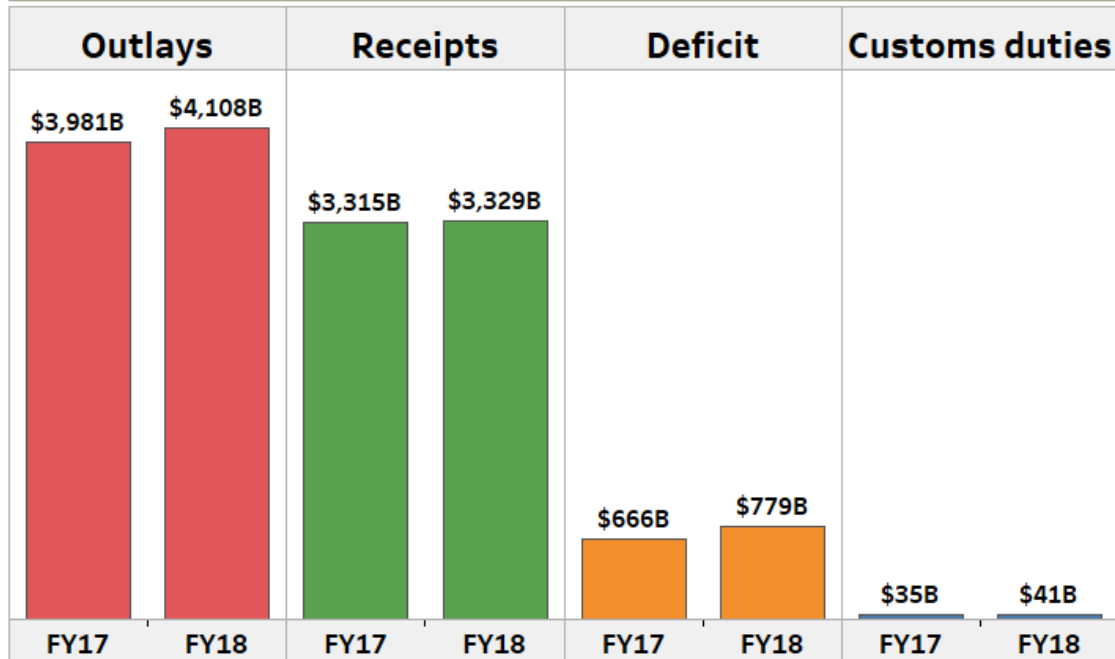
Trump tweeted: "Billions of Dollars are pouring into the coffers of the U.S.A. because of the Tariffs being charged to China, and there is a long way to go."

Yet tariffs collected in the latest fiscal year ended Sept. 30 rose by less than \$7 billion from fiscal 2017, according to the Treasury. That amounts to less than 0.2 percent of the \$3.3 trillion the Treasury took in during the latest fiscal year.

Drop in the bucket



SOURCE: Treasury Dept.

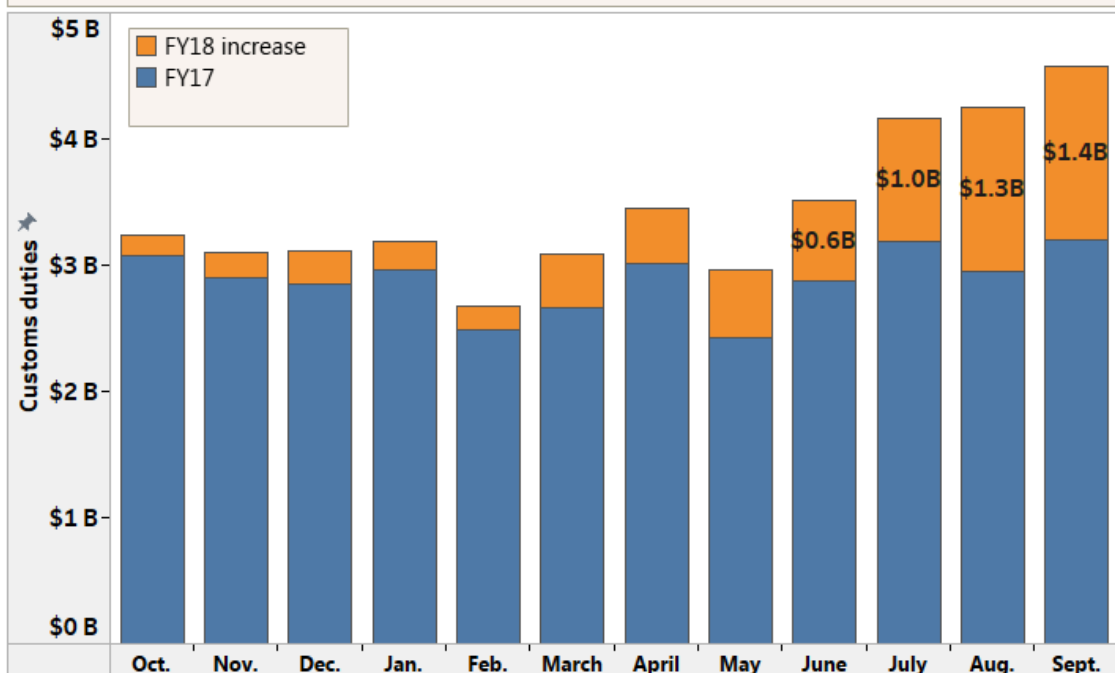


Trump departed midday for a summit of world leaders in Argentina, where he is set to meet with Chinese President [Xi Jinping](#) to discuss a widening trade war between Washington and Beijing. Trump said Monday that he expected to move ahead with raising tariffs on \$200 billion in Chinese imports to 25 percent from the current 10 percent, and repeated his threat to slap tariffs on all remaining imports from China.

US customs duties

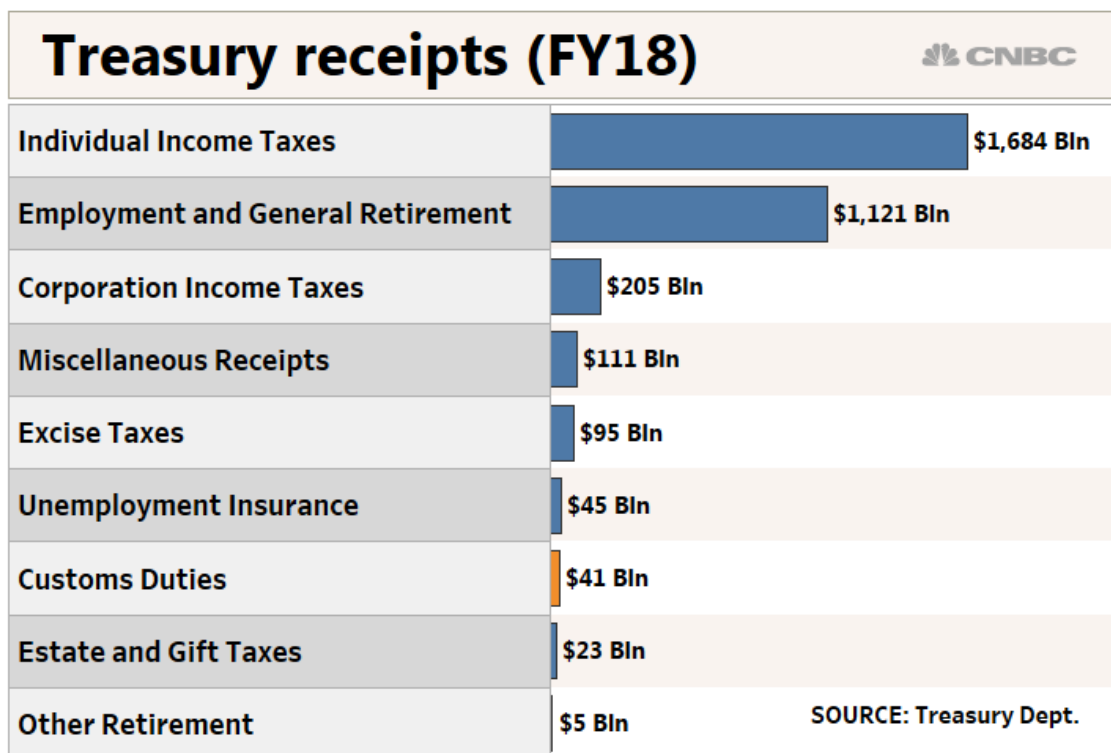


SOURCE: Treasury Dept.



When Trump first sparked global trade tensions with major U.S. trading partners in July, U.S. businesses had hoped the disputes would be resolved quickly. But while the U.S., Canada and Mexico are set to sign an updated trade deal on Friday, negotiations with China have shown little progress.

As U.S. companies struggle to hold the line on prices while paying more for imported parts and supplies produced in China, Trump sought to highlight the benefits to American taxpayers from the increased tariffs collected by the Treasury. But companies are widely expected to pass along the cost of higher tariffs to American consumers. [One recent study estimated](#) the economic impact of Trump's trade policies, in lost wages and higher prices, at \$2,400 per household in 2019.



The U.S. government closed the 2018 fiscal year \$779 billion in the red, its highest deficit in six years, according to the latest Treasury Department financial statements.

The increased shortfall came as Republican tax cuts cut into revenues and expenses rose as higher interest rates raised the cost of carrying the growing national debt.

Trump and congressional Republicans have touted the tax cuts as a boost to growth and jobs. Independent tax analysts expect the deficit to surge as corporate and individual tax cuts kick in and government spending increases.

WATCH: [Navarro going to G-20 summit 'not a good sign'](#)