CAPE Refund Portal Is Live — What Contractors Need to Know Now

A follow-up to our April 2026 alert on tariff refund opportunities for construction and infrastructure businesses

In our recent alert, we reported that U.S. Customs and Border Protection (CBP) was preparing to launch an online portal allowing businesses to claim refunds for tariffs imposed under the International Emergency Economic Powers Act (IEEPA). That portal — called CAPE, for Consolidated Administration and Processing of Entries — went live on April 20, 2026. With the system now operational for approximately two weeks, we are providing this follow-up with more detailed, practical guidance on what the refund process looks like in practice and what steps contractors should be taking right now.

Why CAPE Matters for Contractors

The CAPE system is a direct result of successful legal challenges establishing that the federal government could not impose sweeping tariffs under emergency powers without clear congressional authorization. Following the Supreme Court's landmark ruling striking down the Trump administration's use of IEEPA as a basis for imposing tariffs — a decision that could entitle U.S. importers to as much as $175 billion in refunds — CBP was directed to begin returning unlawfully collected duties. As we noted in our initial alert, imported steel, aluminum, and other building products have been hit hard by these tariffs, and contractors, developers, and suppliers who overpaid on duties may be owed significant money back.

How the Refund Process Works

CAPE is a new tool within CBP's Automated Commercial Environment (ACE) platform. Rather than handling refunds entry by entry, CAPE allows importers of record (IORs) or their licensed customs brokers to submit a single "CAPE Declaration" — a CSV file containing a list of entry numbers for which IEEPA refunds are requested — covering up to 9,999 entries per declaration, with no limit on the number of declarations submitted.

The process unfolds in several stages. First, after the declaration is uploaded through the CAPE tab in the ACE portal, ACE conducts two rounds of validation: one checking the declaration file itself (proper formatting, submitter authorization, and inclusion of entry numbers) and a second checking each individual entry (confirming each entry exists in ACE, includes at least one dutiable IEEPA HTS Chapter 99 code, and is not duplicated). If entries fail validation, the system rejects those entries but continues processing the remaining ones, and filers can download a validation results file to identify and correct issues for resubmission.

Once accepted, CBP removes the IEEPA tariff lines from each entry, recalculates duties as if IEEPA had never applied, and adds interest running from the date of original duty payment through the date of liquidation or reliquidation. For the quarter beginning January 1, 2026, the applicable overpayment interest rate is 7 percent for noncorporate taxpayers and 6 percent for corporate taxpayers. Unliquidated entries are estimated to liquidate 45 days after CAPE acceptance, while already-liquidated entries are reliquidated the next business day. Refunds are issued as a single consolidated lump-sum payment per IOR via Automated Clearing House (ACH), with processing expected to take 60 to 90 days after CAPE Declaration acceptance — and CBP expects "acceptance" itself to take approximately 10 days, putting total timelines at roughly 70 to 100 days from submission.

What Is — and Is Not — Eligible Right Now

Phase 1 is estimated to cover approximately 63 percent of entries for which IEEPA duties were paid or deposited. Coverage is generally limited to unliquidated entries and entries liquidated within the preceding 80 days that remain within the 90-day voluntary reliquidation window. CAPE will also accept — but not immediately process — entries with a liquidation status of "Suspended," "Extended," or "Under Review," as well as warehouse and warehouse withdrawal entries.

Notably excluded from Phase 1 are entries for which liquidation is final, entries flagged for reconciliation, entries with open or suspended protests, entries on a drawback claim, entries subject to antidumping or countervailing duties where the Department of Commerce has issued liquidation instructions, and entries not filed in or without a liquidation status in ACE. If your entries fall outside the current window, you are not permanently excluded — you are likely waiting for the next phase.

Practical Tips and Pitfalls to Avoid

Based on the program's initial weeks of operation and available guidance, contractors and importers should keep the following in mind:

Set up ACH payment details immediately. Refunds are paid exclusively by ACH. If your ACE portal account does not have current ACH bank account information on file, CBP will hold your refund until that information is provided. This bank account information is specific to refunds and is separate from any ACH information used to make payments to CBP.

Double-check your CSV file before uploading. Errors in the CAPE Declaration will delay your refund. The system is unforgiving on formatting and duplicates — each entry number must exist in ACE, contain a dutiable IEEPA HTS Chapter 99 code, and not appear in any prior declaration.

Complete unrelated corrections first. Any unrelated corrections to entry summaries should be completed before submitting a CAPE Declaration, as Post Summary Corrections may not be used to request IEEPA refunds.

Review your protest strategy carefully. If a protest was filed solely to recover IEEPA duties, it may be withdrawn within 80 days of liquidation, and the entry can then be submitted via CAPE for potentially faster processing. However, if a protest raises broader issues, importers should carefully consider whether to keep it in place, because Phase 1 will not process entries with an active protest.

Be cautious about selling your refund rights. As we noted in our initial alert, some financial firms are offering to purchase tariff refund rights outright. That option may appeal to those needing immediate liquidity, but the trade-offs deserve scrutiny.

What Remains Unclear

Phase 1 leaves a substantial subset of entries unresolved — most notably, those liquidated more than 80 days ago. CBP has indicated that future phases of CAPE are intended to address these "finally liquidated" entries, along with other currently ineligible categories, but has not provided any timeline for the rollout of those additional phases. In light of this uncertainty, importers should carefully evaluate whether filing protests for currently ineligible entries is appropriate, particularly where applicable protest deadlines are approaching. Importers should also consider whether filing a protective action in the Court of International Trade is warranted for entries that are "finally liquidated," bearing in mind the two-year statute of limitations applicable to such actions.

Contact Us

Andrews Myers is actively monitoring these developments and their implications for our construction, energy, and infrastructure clients. Whether you need help confirming your eligibility, preparing your CAPE Declaration, evaluating your protest strategy, or assessing alternative recovery approaches, our team is ready to assist. We encourage you to reach out to your Andrews Myers contact or our construction transactional practice to discuss how these refund opportunities apply to your business.

For more information, please contact Bill Erwin.