



Reynolds: UK Poised to Overturn Tariffs

Description

The UK may be in a prime position to challenge the new US trade tariffs, which are set for announcement on Wednesday, according to Trade Secretary Jonathan Reynolds.

In an interview with the BBC, Reynolds expressed concern over the impending import taxes that President Trump plans to impose, which are rumored to impact multiple nations.

Despite these challenges, he remains optimistic that ongoing negotiations with the Trump administration could facilitate a reversal of these tariffs, positioning the UK advantageously compared to other countries.

Reynolds noted, "While the ultimate decision lies with the US, I am confident that we can move towards a scenario where tariffs are eliminated, thereby reinforcing our bilateral relationship."

Tariffs typically raise the cost of imported goods, possibly stifling economic growth by increasing prices for consumers, as economists warn.

Digital Taxes

Chancellor Rachel Reeves proposed adjusting the UK's digital services tax on major tech firms as part of negotiations to mitigate the impact of US tariffs.

This tax, implemented in 2020, imposes a 2% levy on tech giants, yielding approximately £800m annually.

Industry Concerns

The UK pharmaceuticals sector, which exported £6.6 billion to the US in 2024, is anxious about potential tariffs. Chief Executive Steve Bates highlighted that the US holds a significant share of the global pharmaceuticals market.

Moreover, the Scotch whisky industry is also apprehensive, as it prepares for possible tariffs that could impact its lucrative export market.

Vocabulary List:

1. **Tariffs** /'tærɪfs/ (noun): Taxes imposed on imported goods.
2. **Optimistic** /,ɒptɪ'mɪstɪk/ (adjective): Hopeful and confident about the future.
3. **Mitigate** /'mɪtɪɡeɪt/ (verb): To make less severe serious or painful.



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4. **Economists** /ɪˈkɒnəməsts/ (noun): Experts in economics; the study of production distribution and consumption of goods and services.
 5. **Apprehensive** /ˌæprɪˈhensɪv/ (adjective): Anxious or fearful about the future; uneasy.
 6. **Reinforcing** /ˌriːɪnˈfɔːrsɪŋ/ (verb): To strengthen or support an idea concept or relationship.

Comprehension Questions

Multiple Choice

1. Who is expressing concern over the new US trade tariffs in the text?
Option: Chancellor Rachel Reeves
Option: Jonathan Reynolds
Option: Steve Bates
Option: Joshua Neveet
2. What is the potential impact of tariffs on imported goods according to the text?
Option: Decrease in consumer prices
Option: Stifling of economic growth
Option: Increase in demand
Option: Boost in exports
3. Which industry is anxious about potential tariffs in the text?
Option: Pharmaceuticals
Option: Automobiles
Option: Textiles
Option: Agriculture
4. What tax is mentioned as being adjusted in relation to US tariffs?
Option: Income tax
Option: VAT
Option: Digital services tax
Option: Property tax
5. Who proposed adjusting the UK's digital services tax?
Option: Jonathan Reynolds
Option: Steve Bates
Option: Rachel Reeves



Option: Joshua Nevett

6. What is the possible annual yield of the UK's digital services tax according to the text?

Option: £600m

Option: £800m

Option: £1 billion

Option: £500m

True-False

7. Jonathan Reynolds is optimistic about the UK's position compared to other countries regarding the new US tariffs.

8. The UK pharmaceuticals sector exported £6.6 billion to the US in 2024.

9. The Scotch whisky industry is not concerned about possible tariffs.

10. Chancellor Rachel Reeves is not involved in the negotiations to mitigate the impact of US tariffs.

11. Tariffs typically lower consumer prices for imported goods.

12. The US holds a significant share of the global pharmaceuticals market.

Gap-Fill

13. According to the text, Chancellor Rachel Reeves proposed adjusting the UK's digital services tax in

_____.

14. The UK pharmaceuticals sector exported £6.6 billion to the US in _____.

15. The UK's digital services tax imposes a _____ levy on tech giants.

16. The Scotch whisky industry is preparing for possible tariffs that could impact its lucrative export market in _____.

17. Trade Secretary Jonathan Reynolds expressed concern over the impending import taxes that President



Trump plans to impose, which are rumored to impact _____ nations.

18. Despite challenges, Reynolds remains optimistic that ongoing negotiations could facilitate a reversal of these tariffs, positioning the UK advantageously compared to _____ countries.

Answer

Multiple Choice: 1. Jonathan Reynolds 2. Stifling of economic growth 3. Pharmaceuticals 4. Digital services tax 5. Rachel Reeves 6. £800m

True-False: 7. True 8. False 9. False 10. False 11. False 12. True

Gap-Fill: 13. 2020 14. 2024 15. 2% 16. the future 17. multiple 18. other

Vocabulary quizzes

Multiple Choice (Select the Correct answer for each question.)

1. What is a tax on imported or exported goods called?

Option: Disparity

Option: Financial

Option: Tariff

Option: Revitalizing

2. What is the term for publicly supporting or recommending a particular cause or policy?

Option: Advocating

Option: Infrastructure

Option: Optimistic

Option: Mitigate

3. What are measures taken to protect or secure something?

Option: Safeguards

Option: Burden

Option: Compelled

Option: Insulated

Gap-Fill (Fill in the blanks with the correct word from the vocabulary list.)

4. The government announced a plan aimed at _____ the country's economy.



5. Small businesses may qualify for a tax _____ based on their annual revenue.

Matching Sentences (Match each definition to the correct word from the vocabulary list.)

6. Companies that produce goods in factories or plants.
7. Protected from outside influences or disruptions.

Answer

Multiple Choice: 1. Tariff 2. Advocating 3. Safeguards

Gap-Fill: 4. Revitalizing 5. Exemption

Matching sentence: 1. Manufacturers 2. Insulated

CATEGORY

1. Business - LEVEL4

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