Sanctioning Russia and Iran Act of 2026

Prelims: *Current events of national and international importance | International relations*

Why in News?

The U.S. Senate has voted to fast-track the passage of the Sanctioning Russia and Iran Act of 2026.

- It could see 100% tariffs on India for its Russian oil imports
- A previous version of the bill had set the tariff amount at 500%, but it was subsequently revised downwards.
- The Senate exhibited a rare display of bipartisan agreement by voting 86-12 to invoke a cloture motion to advance the Act.
- A cloture is basically a Senate procedure that sets a time limit for the debate and related actions on an issue before it is put to a vote.
- That is, it is a procedure meant to hasten the vote on a particular issue.
- According to Senate documents, the bipartisan Act "is designed to deprive Vladimir Putin of the revenue financing Russia's war against Ukraine" by imposing sanctions on Russia's political leadership, financial institutions, energy sector, and sanctions-evasion networks.
- Under the latest version of the Act, a tariff of "up to 100%" would be levied on the top five purchasers of Russian crude oil and natural gas.
- Currently, China accounts for about 47-50% of Russian crude oil exports, while India accounts for another 36-38%.
- The USA is steadily expanding its use of trade and economic measures to pursue strategic objectives.
- Reciprocal tariffs, Section 301 investigations, forced-labour measures, sector-specific duties, and now Russia-related sanctions reflect an increasingly broad toolkit of economic pressure
- The new version of the Act also creates a carve-out by exempting countries that are currently importing less than 15% of Russia's natural gas exports and are taking significant steps to reduce those imports.
- This carve-out would benefit several European countries that currently

import natural gas from Russia through pipelines or in liquefied form.

- The new version of the Act also empowers the U.S. to impose tariffs of up to 100% on the top five countries facilitating Russian oil sanctions evasion.

Reference

Times of India | India going to face 100% tariffs