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# Trump Threatens 100% Tariff on French Wine Over Digital Tax

The warning revives a transatlantic trade fight that could hit one of France’s most important export sectors.

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President Donald Trump has threatened to impose a 100% tariff on all wine and Champagne from France if Paris does not remove its 3% digital services tax, reopening a trade dispute that could again hit one of France’s most important export sectors.

The warning came in an interview with the New York Post before Trump’s arrival in Évian-les-Bains for the G7 meeting, where he was expected to meet French President Emmanuel Macron. According to the interview, Trump said he had urged Macron not to tax American companies and warned that if France kept the levy in place, “I will have no choice” but to apply a 100% duty on French wines and Champagne.

The threat targets a long-running French tax first introduced in 2019 on revenue earned in France by large technology groups, including major U.S. companies such as Amazon, Apple, Facebook and Alphabet. Washington has opposed digital services taxes in Europe for years, arguing that they unfairly single out American firms.

For the French wine industry, the renewed threat revives a familiar risk: becoming collateral damage in a broader dispute over technology policy and transatlantic trade. The United States remains one of the most important foreign markets for French wine and Champagne, and any move to double down on tariffs would likely have immediate effects on exporters, importers, distributors and restaurants on both sides of the Atlantic.

French wine shipments to the United States were already under pressure in 2025. The U.S. market accounted for nearly €1.9 billion in French wine exports, or 17.9% of the total, but sales fell by 19% from 2024, according to figures cited in the report that circulated Monday in European wine media. The decline was attributed mainly to existing tariffs and the weaker dollar against the euro.

At present, wines from France and other European Union countries are already subject to a 15% U.S. tariff that has been in force since August 2025, although that measure has remained part of a broader legal and political dispute in the United States over tariff authority and possible refunds. Trump’s latest statement raises the possibility of a much sharper escalation aimed specifically at France.

The timing is sensitive for producers in Champagne, Bordeaux, Burgundy, the Rhône Valley and other major regions that depend heavily on exports to American buyers. A 100% tariff would sharply raise retail prices in the United States unless importers or producers absorbed part of the cost, something many businesses say is difficult in a market already facing slower demand and tighter margins.

The threat also lands at a moment when global talks on digital taxation remain unresolved. The Organization for Economic Cooperation and Development brokered a broad agreement in 2021 among 136 countries to reshape international corporate taxation, but key parts of that framework have not been fully implemented. Until then, several countries, including France and Spain, have kept their own digital services taxes in place.

That wider impasse has increased friction with Washington. OECD Secretary-General Mathias Cormann said recently that fragmented digital taxes are harmful for business, trade, investment and growth, and called for governments to return to negotiations. His remarks reflected growing concern among policymakers and companies that unilateral tax measures could trigger new rounds of retaliation.

French officials had recently suggested that the digital tax issue might no longer be at the center of bilateral tensions, but Trump’s comments indicate otherwise. The White House position described in the interview suggests that Washington still sees the French levy as an active grievance.

The stakes are high for France because wine is not only a major export but also a strategic symbol of national agriculture and regional employment. The country is the world’s leading wine exporter by value, and access to the U.S. market is central for many producers, especially those selling premium bottles where American consumers play an outsized role.

Champagne houses would be especially exposed if tariffs were imposed exactly as threatened. The United States is one of Champagne’s largest export destinations by value, and higher duties could disrupt shipments during a period when producers are already navigating inflation, currency swings and changing consumer habits.

American importers would also face consequences. Many rely on French wines across price categories, from entry-level bottles sold in retail chains to high-end labels placed on restaurant lists and auction markets. A sudden jump to a 100% tariff could force cancellations, delayed orders or rapid price increases for consumers.

Trump has used tariff threats repeatedly in disputes with European allies, often linking unrelated sectors such as agriculture, luxury goods and industrial products to broader policy disagreements. In this case, wine once again appears to be serving as leverage in a fight centered on taxation of digital giants rather than on agriculture itself.

There was no immediate indication Monday that France planned to suspend or repeal its digital services tax in response to Trump’s ultimatum. Macron was expected to receive Trump ahead of the G7 discussions at Évian, where trade tensions were likely to add another layer to talks already shaped by economic rivalry among major powers.

For now, wine producers and traders are left waiting for signs of whether the threat will become formal policy or remain part of Trump’s negotiating pressure. In an industry used to planning months ahead for harvests, bottling schedules and export contracts, even uncertainty can carry a cost.