



## MIGRANT INVESTMENT POLICY - INVESTOR 2 POLICY SUMMARY

The Migrant Investment Policy is a two-stage residence category designed to encourage the investment of specialised skills and funds into New Zealand, providing a commercial return on the investment.

You must score enough points to be able to apply. First, applicants submit an Expression of Interest (EOI) to Immigration New Zealand (INZ).

### Points are allocated for:

1. Age (max 65)
2. Business Experience (min 3 years) - not passive or speculative. You must have owned or managed a business during that time employing at least 5 people or with turnover of at least NZ\$1 million every year.
3. English Language Ability (minimum IELTS 3.0).
4. **Investment Funds** of a minimum NZ\$ 3 million, invested in New Zealand for 4 years (but see below re Growth Investments):
  - ◇ Investment Funds may not be used for personal assets;
  - ◇ Funds must be unencumbered at source;
  - ◇ Funds do not need to be transferred to New Zealand until after an application is Approved in Principle.

For a list of what are deemed Acceptable Investments, [see our Guide](#).

The EOI is then entered into a two-weekly draw and if successful, the applicant receives an Invitation to Apply for Residence (ITA). Applicants must then submit an application for Residence Visa along with evidence to demonstrate they qualify for the points on the basis of which their EOI was selected. To be approved residence, applicants must also meet health, character and fit and proper person requirements.

Subject to verification, the application would be “Approved in Principle”, and the applicant has 12 months to finalise the transfer of funds and confirm the investments. Once fund transfer is complete and funds have been invested in acceptable investments, Residence Visa subject to conditions is granted.

### CONDITIONS ON RESIDENT VISAS

Once a Resident Visa is granted, you are subject to 4 years of the following conditions, or risk losing Residence:

- ◇ All funds nominated for points must be maintained in acceptable New Zealand investments, including those funds allocated to growth investments;

- ◇ At the 2-year mark, prove that the funds are still in acceptable investments;
- ◇ Spend 146 days per year (40%) in New Zealand in each of the last 3 years of the 4-year investment period. We advise at least 150 days in case of travel disruptions.

### **GROWTH INVESTMENTS AND PHILANTHROPIC INVESTMENTS**

Immigration defines a “growth investment” as any of the Acceptable Investments except for bonds and “philanthropic investments” (see below). There are advantages to putting a certain proportion of your funds into growth investments:

<i>Growth Investment (NZ \$)</i>	<i>Reduction of Required Investment (NZ\$)</i>	<i>Minimum time in NZ</i>	<i>Bonus Points</i>
<i>750,000</i>		438 days over 4 years from first arrival	20
<i>1,500,000</i>	500,000		

Applicants can choose to put some part of their nominated funds into philanthropic investments – that is:

- ◇ registered New Zealand charities; or
- ◇ a not-for-profit organisation providing social, cultural or economic benefits.

This is simply another choice of investment vehicle and does not give any additional advantages.

### **UNENCUMBERED ASSETS**

The funds or assets nominated to be transferred for New Zealand investments must be “unencumbered” and not borrowed. An encumbrance may be a mortgage or any other charge by a creditor. For instance, if you use your home worth US\$1 million but it has a mortgage against it of US\$750,000, then you must prove your ability to repay the mortgage in full from other funds that are not nominated as investment funds.

Once the application is approved in principle, permission may be sought to use funds borrowed against the asset for transfer to and investment in New Zealand.

### **FIT AND PROPER PERSON**

An applicant is considered to be a ‘fit and proper’ person if:

- all businesses they have influence over have complied with all relevant immigration, employment and taxation laws;
- the applicant has never been convicted of an offence arising in the course of, or resulting from, business dealings;
- the applicant has never been convicted of an offence involving dishonesty in New Zealand or a foreign country; and
- the applicant has never been involved in business fraud or financial impropriety.

An applicant is considered to have influence over a business if they exercise significant influence over its management and administration. This includes but is not limited to when acting as a director or senior manager.

It is not relevant to Immigration's assessment of a fit and proper person where the business operates or is registered or whether the applicant has subsequently ceased to hold a position of influence.

## THE PROCESS

Your personal profile is assessed by **Laurent Law**. If in our opinion, you meet the criteria, the process is:

1. You complete an Expression of Interest (EOI) form and courier it to us with supporting documentation. We assess the EOI and submit it to Immigration New Zealand (INZ).
2. The EOI is drawn and initial verification is carried out by INZ.
3. INZ will issue you with an Invitation to Apply for Residence (ITA) letter advising you to submit your Residence Visa application within 4 months from the date of the ITA.
4. We prepare your application, which must be supported by a comprehensive paper-trail of the source of funds that have been accumulated through legitimate activities of the principal applicant and/or spouse. If gifted or inherited, evidence will be required of the legitimate activities of the donor.
5. Residence Visa application is lodged and processed by INZ. Processing time could take up to 12 months from the date your application is lodged.
6. The application will then be "Approved in Principle" (AIP), subject to a condition that the investment funds be transferred to New Zealand through a recognised banking or Forex system and is invested in an acceptable investment within 12 months from the date of the AIP. A further 6 months may be granted on request before the first 12-month period expires, if you have evidence that you made reasonable attempts to transfer and invest.
7. Once funds have been transferred and placed into an acceptable investment, evidence must be provided to INZ to demonstrate that you meet the requirements for acceptable investments. INZ will then grant you a Residence Visa with 2-year travel conditions which will also be subject to the conditions referred to above.
8. The 4-year minimum term of investment starts from:
  - ◇ the date INZ advises you that your application is Approved in Principle if your funds are already in acceptable investments; **or**
  - ◇ the date you have transferred and invested all of the requirement investment funds, if you transfer your funds into an acceptable investment after your application has been Approved in Principle.
9. On application, a further 2-year travel condition may then be issued. At that time, evidence must be provided that the investment has been maintained in accordance with policy.
10. Once the 4-year investment term has been met and conditions have been lifted (including time spent in New Zealand), the applicant may apply for a Permanent Resident's Visa (PRV). The PRV allows unrestricted travel to and from New Zealand for the life of the applicant. It does need to be replaced when a passport is renewed.

11. Your spouse and dependent children (if they were included in the Residence Visa application) are granted the same PRV term, but do not have to meet the same requirements for time spent in New Zealand.

#### **NEW ZEALAND CITIZENSHIP**

A person may apply for New Zealand Citizenship if they satisfy all of the following:

1. they held a Resident Visa for 5 years preceding the date of application for Citizenship;
2. they have been in New Zealand for at least 1350 days during that 5 year period; and
3. in each of those 5 years they have spent at least 240 days (a little over 8 months) inside New Zealand

The Minister of Internal Affairs has the discretion under section 9 of the Citizenship Act to grant citizenship where criteria are not met, but where “exceptional circumstances” warrant. In practice, it is almost impossible to get an exemption, even in extreme situations.