



MIGRANT INVESTMENT POLICY – INVESTOR 1 POLICY SUMMARY

This is a flagship visa programme of Immigration New Zealand (“INZ”) and can offer a simple way to obtain Residence for high net-worth individuals.

KEY POINTS

- Minimum NZ\$10 million investment to be made in “acceptable investments”:
 - ◇ Investment Funds may not be used for personal assets;
 - ◇ Funds must be unencumbered at source, but may be borrowed against nominated assets if it is not economically viable or practical to liquidate the assets, e.g., selling a business;
 - ◇ 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](#).

- Interest/return on investments is available to the applicants to use as they wish.
- You must continue to meet the “fit and proper person” requirements (refer below).
- Term of investment is 3 years.
- The minimum time required in New Zealand is at least 44 days in each of the 2nd and 3rd years.

GROWTH INVESTMENTS AND PHILANTHROPIC INVESTMENTS

Immigration defines a “growth investment” as any of the Acceptable Investments except for bonds and “philanthropic investments” (see below).

If you invest a minimum of NZ\$ 2.5 million in “growth investments, the minimum time required in NZ is 88 days at any time over the 3-year period.

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

1. Your application is prepared and supported by a comprehensive paper-trail of the source of investment funds that have been accumulated through legitimate activities of the principal applicant and/or spouse. If assets are gifted or inherited, evidence will be required of the legitimate activities of the donor (the person who made the gift to you).
2. Residence application lodged and processed by Immigration New Zealand (INZ). Processing time could take more than 12 months from the date it is lodged.
3. Residence application is 'Approved in Principle' (AIP), subject to a condition that the investment funds are 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 12 months may be granted on request before the 12 month expires, with evidence to show that you have made reasonable steps to transfer and invest.
4. 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 conditions under section 49(1) of the Immigration Act 2009 (i.e., retention of acceptable investment funds over the term of investment).
5. The 3-year minimum term of investment starts from:

- ◇ the date of the AIP, if your funds are already in NZ and meet the requirements for acceptable investments; **or**
 - ◇ the date you have transferred and invested all of the requirement investment funds if you transferred your funds into an acceptable investment after the AIP.
6. After the first 2 years, you must prove that you have maintained an acceptable investment in order to get additional travel conditions.
 7. Once the 3-year investment term has been met and s 49(1) conditions have been fulfilled (including time spent in New Zealand), the applicant may apply for a Permanent Resident Visa (PRV). The PRV allows unrestricted travel to and from New Zealand for the life of the applicant. It does need to be transferred when a passport is renewed.
 8. You must spend at least 44 days per year in NZ in years 2 and 3 of the 3-year investment term. We advise at least 80 days per year in case of later travel disruptions. If a minimum of NZ\$ 2.5 million is placed in growth investments (other than bonds and philanthropic investment), then you can spend 88 days at any time over the 3-year investment term.
 9. Your spouse and dependent children (who were included in the Residence Visa application) are granted the same PRV term as the principal applicant, but do not have to meet the same requirements for time spent in New Zealand.
 10. Exceptions to the above may be considered by the Minister of Immigration, if additional 'benefits to New Zealand' can be identified.

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 before applying 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.