



How to obtain residency by investing in the US: the E-2 visa

Living in the US by way of Investment: Why the E-2 visa is fast becoming the popular choice over EB5 visas!

Over the last 5 years, statistics are showing a gradual increase in the number of Nationals of E-2 Visa Treaty countries (75 countries in total including Grenada, Thailand and Philippines) who are willing to invest a substantial amount of capital in a US business to enable them and their immediate family to reside in the United States.

In 2017, 43,670 E-2 visas were issued to those looking to relocate to the US. This figure significantly exceeds the annual cap of 10,000 visas per year imposed by the government on those looking to apply for an EB5 visa. In addition, not only is the cap worldwide, each country has its own percentage cap of applicants which can apply for the EB5 visa, leading to enormous delays of years, for certain nationals of countries, such as China and Vietnam, already using their annual quota.

By contrast, the processing for an E-2 visa is extremely fast (a matter of weeks) and the processing cost relatively low in comparison to the EB5.

E-2 Visa holders initially hold their E-2 status for one year and thereafter are able to renew their status every two years subject to satisfying the requisite conditions. Thereafter, the investor can reside and conduct business in the U.S. for as long as the visa extensions are approved without being a green card holder or a citizen (both being subject to worldwide taxation).

A Family Option

A successful applicant can include his/her spouse and dependent children up to 21 years old in their application. This allows the spouse the opportunity to apply for work without having to apply for a sponsored visa and allows the children to attend the school of their choice in the U.S. In addition, in several states, the dependent visa allows children to qualify for in-state tuition at state universities, therefore significantly reducing their tuition fees. It should however be noted that dependent children are not permitted to work part time on the visa.

The Investment

Other than being a national of an E-2 Treaty country, there are no minimum investment requirements by an applicant, but the regulations do state that:

- The investment must be "substantial", sufficient to develop a successful and non-marginal business in the U.S.;
- The business must be in a real and operating commercial enterprise;
- The applicant must invest in, and become a majority owner of a qualifying business; and
- The applicant must have control of the funds used to purchase/operate the business and you must bear the risk of the investment.

One option is of course to establish a business in the U.S., another alternative is for an investor to open a customized franchise business. Diverse and experiencing a rapid growth, U.S. franchising is a valid option for a treaty investor who wants to apply under the E-2 Visa.

Whilst, the E-2 Visa does not provide a path to legal permanent residency in the U.S., it can however be used to gain access to the U.S. whilst preparing an EB-5 application. Therefore, instead of waiting several years, sometimes up to 10 years, before entering the U.S. following the approval of an EB-5 application, a treaty investor could decide to apply for an E-2 Visa and go earlier to the U.S. while awaiting their approval for the EB-5 visa.

Just in case you are not a national of an E-2 Treaty country, there are always other options in applying for an E-2 Visa. As explained, whilst the E-2 visa is only available to people from specific countries (e.g. Philippines), only the main applicant is required to be a citizen of the E-2 treaty country.

Where an investor is not from a Treaty country, the investor can apply, for instance, for the Grenada Citizenship-by-Investment program (CIP) by purchasing a property in Grenada in order to become a citizen of Grenada before applying for the E-2 visa. Grenada is the only CIP in the world that allows the investor, citizenship of a treaty country, thereafter allowing the investor to make an E-2 Visa application.



For further information about the E-2 Visa, franchise opportunity, or any other investment immigration opportunities, contact your Harvey Law Group representative.

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