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Infosheet on Immigration

Investor Category - Transfer of Funds From China

The Migrant Investment Category is considered to be a success story. To date, it has injected a total of around \$646 million of capital in the NZ economy.

The main contributing countries are USA, China, and UK. In terms of the value of investment USA is number one. In terms of the number of applicants, China is by far ahead with around 30% of the total number of applicants under the Investor 2 Category. We would predict Japan will soon sneak up in terms of value.

However, China also has the highest decline rates with around a 36% rate of decline. The main reason for decline is essentially not meeting the transfer of funds requirement. The NZ Government instructions require that the investment fund must be transferred through the banking system directly from the principal applicant's bank account(s) to New Zealand.

Given the foreign exchange restriction in China and the difficulty with providing evidence of earning, this requirement has provided a stumbling block for a large number of applicants from China. An applicant could meet all the requirement but still be declined on the basis that the investment fund was not transferred appropriately. Therefore, unless this requirement is met, the application will be declined.

Is there a magical solution?

This has been an age old question since the inception of the policy.
The answer is simple NO!

Applications will be considered on a case by case basis. However, as evidenced by the number of application being approved from China it is possible for Chinese applicants to satisfy this policy. So far, the following options have been accepted by the Business Migration Branch:

- 1) If the applicant already have foreign currency in or out of China;
- 2) If the applicant is earning salary that is paid in foreign currency;
- 3) If the applicant sells an asset and is paid in foreign currency;
- 4) If the applicant operates a business outside of China and had offshore account;
- 5) If the applicant operates a company in China and transfer the funds through company to company account.

* The above list is not exhaustive and we would recommend that you approach us to determine what is the most appropriate way to ensure compliance with the immigration instructions and avoid costly mistakes.

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