

October 2014

Changes to the Tier 1 (Investor) Visa Process

Government has announced a series of amendments to the Tier 1 (Investor) Visa immigration process which come into force on 6 November 2014. Whilst these changes were not unexpected, as they are broadly in line with the recommendations of the Migration Advisory Committee report of February 2014, there are nonetheless some unexpected amendments.

Headline Features

1. The minimum investment threshold will increase from £1 million to £2 million.
2. It is still possible to obtain accelerated indefinite leave to remain after two or three years and the investment levels for these accelerated programmes remain at £10 million and £5 million respectively.
3. It will no longer be possible to use money borrowed against assets to qualify under the Tier 1 programme.
4. Applicants will be required to invest all of the funds and they will no longer be able to allocate 25% to investment in personal assets such as property.
5. There will no longer be a requirement to top up investments where values have decreased, however, there may still be a requirement to top up in the event that investments are sold.
6. Finally, the changes apply to applications made on or after 6 November 2014 and any applications prior to this date will be assessed under the current rules.

Commentary

We are pleased to see that Government has removed the obligation to top up investments, as this requirement has proved to be one of the main barriers to applicants seeking to invest in a more positive manner under the programme. It is hoped that with this removal, future investors will now be encouraged to look beyond the gilt market and invest in a broader manner delivering tangible benefits and adding to the growth of the UK as a whole. It is also noteworthy that Government is carrying out further consultation on broadening the class of investments permitted under the programme to deliver real economic benefits to the UK, and we look forward to their report on the outcome of this consultation process.

Rooks Rider Solicitors has a team of individuals who are able to answer any queries that you may have in respect of the Tier 1 (Investor) Visa, and are able to advise on all other aspects relating to the application process and your move to the UK.

For further information or to discuss any of the issues raised in this briefing note, please contact a member of Rooks Rider Solicitors' Wealth Planning team:



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