



USCIS hikes investment limit for EB-5 visa programme

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The United States Citizenship and Immigration Services (USCIS) has hiked the minimum investment criteria for an EB-5 Immigrant Visa programme, one of the most popular tools for Indians to secure US citizenship after the Trump administration tightened H1-B visa rules. EB-5 route is attractive for Indians as this provides them an opportunity to avail of a Green Card faster than an H-1B visa.

The investment required has been increased to \$900,000 from \$500,000 in targeted employment areas, regions where unemployment rate is high, and to \$1.8 million from \$1 million for the rest of the US.

This rule is effective from November 21 and is the first significant revision the agency has made since 1993, USCIS said in a statement. The hike will have a significant impact on Indians, who are the third largest filer of EB-5 visas after China and Vietnam.

How does EB-5 work?

The US issues 700 EB-5 visa per country per year. The applicant should invest \$500,000 in US projects and create employment for at least 10 Americans through this route.

Pankaj Joshi, Managing Director, Nysa Capital, in an earlier interaction told *Moneycontrol* that while the wait for Green Card through the coveted H-1B route takes decades, EB-5 process is much shorter and takes two-to-three years.

Take the case of R Prasad (40), an IT professional in the US. Prasad had applied for Green Card (GC) in 2009 and so far there is no sign of it yet. "Unless something changes, I am going to die an old man without receiving a GC," said a frustrated Prasad.

That is why, Joshi said, EB-5 could be a better option for those are keen on settling down here like Srinivasan N. Srinivasan is a businessman from Chennai and has invested \$500,000 in the US five years back and is a GC holder now.

"It is for my son's higher education as I think the US offers the best opportunities for both work and education. H-1B has always been in huge demand. So, I felt EB-5 is the best option even back then," he added.

There are more people who think like Srinivasan, another immigration expert pointed out. It is evident from the fact India has crossed the country cap of 700 EB-5 per year recently.

Visa retrogression

That is probably why the investment figure was hiked and also why it is going to take longer for people to secure a EB-5 now. The EB-5 backlog now dates back to 2015 and is likely to take five years to receive a visa. “Even so it is still better than a H-1B visa,” Joshi said.

According to the study by CATO Institute, Indian immigrants might have to wait on average 50 years to receive a GC. Based on the data available with the USCIS, close to 6,32,219 Indian immigrants and their families are waiting for GC as of April last year.

Abhinav Lohia, Director, South Asia & The Middle East, CanAm Investor Services, said in a statement that, “Demand from Indians will be very high till November and go down by 10-15 percent post that.”

Going forward, most Indian immigrants will be slower in applying for EB-5 visa and will also be careful with respect to their choice of regional centre and projects, he added.

But he pointed out that EB-5 will remain an option for the ultra high networth individuals as it will be the fastest way of receiving a GC.