

ANGUILLA RESIDENCY BY INVESTMENT (ARBI)



Information Session

Thursday 23rd August 2018

6:00pm

Teachers' Resource Centre

Presented by: Mrs. Shantelle Richardson

www.AnguillaResidency.com

Outline of Presentation



- Purpose & Benefits of the Program
- Preview of Full ARBI Program
- Due Diligence & Fees Involved
- ARBI Phase 1: Retroactive FASTTRACK Period

Important Information



- Operating Location
 - ▣ Ministry of Finance, Economic Development, Investment, Commerce & Tourism

- Contact Information
 - ▣ AnguillaResidency@gov.ai

- Website
 - ▣ www.AnguillaResidency.com (not yet live)

www.AnguillaResidency.com

About ARBI



□ Purpose of Program

- Recognizes government's interest in providing an 'elevated' status to visitors who make significant financial investments into the island.
- It formalizes and clearly defines the requirements for the grant of PR status via investment in an effort to encourage further investment into the island.
- Intended to promote growth by:
 - Encouraging investment into our local real estate market,
 - Capitalizing the Government's capital development fund which will allow critical investment in priority projects for the good of our island.

www.AnguillaResidency.com

Why Residency in Anguilla









- Benefits of Residence/Target Market:

- An attractive option for persons who already have ties here and wish to formally make Anguilla their second home, by conferring the right to reside in Anguilla year-round without being subject to immigration control.
- Additionally, persons migrating from the highly developed nations can benefit from the transition to a low-tax jurisdiction that boasts slower paced living, a clean environment, low air pollution, low crime rates and a relatively good quality of life set amidst a tropical climate, amazing food, people and beautiful beaches.
- It is also equally appealing to those who continue to live abroad but desire an alternate country of residence for themselves and their family members for tax planning and other purposes.

Route to BOTC & British Status

- Permanent Resident status can be an attractive route to becoming a **British Overseas Territories Citizen** and eventually a **British Citizen**.
- However, the naturalization process to become a BOTC requires that the applicant has been lawfully residing in Anguilla for at least 9 months per year for a consecutive five year period prior to the date of application and a similar **time requirement** applies to registration as a British Citizen.
- However, we recognize that the time requirement enshrined in British Law is admittedly quite restrictive and therefore we do not consider this pathway to be the major attraction of our program, although it still remains a beneficial possibility for the smaller category of permanent residents of Anguilla who actually want to live here year round.

Difference between Residency & Citizenship

Program Benefit	ARBI Program	Citizenship Programs
Right to Reside	 Permanent Residents have the right to live without restrictions.	
Right to Work	 Work permit required	
Right to Vote	 Only citizens can vote	
Enhanced Freedom of Travel	 A PR document provides no passport or increased travel privileges	

Launch of Program

- Phase 1: **4th quarter 2018 (tentatively)**
 - Retroactive Fast Track Application Period
 - Relaxed application process
 - **Past** Real Estate Investments (completed before launch date)

- Phase 2: **1st quarter 2019 (tentatively)**
 - Full Program with All Residency Pathways Open
 - **New** Investors Application Period begins
 - Need for well-placed marketing agents and apparatus
 - Will secure such services ahead of Phase 2 launch

Pathways to Permanent Residency

Full Program

- Current Path:
 - Granted to persons who have been legally residing in Anguilla for at least 6 months per year for a period of **ten (10) or more consecutive years** immediately preceding the date of the application.
 - Permits of permanent residence are issued on payment of a fee of EC\$1,000 and are renewable annually on payment of the same fee.
- Proposed Path:
 - In lieu of 10 year time requirement, and annual payments thereafter, permits of permanent residence can be granted based on making a **significant financial investment** into one of three schemes of at least a given minimum.
 1. Capital Investment Fund
 2. Real Estate Investment
 3. Tax Residency*

Real Estate Investment Route

- To qualify for residency in Anguilla under the real estate investment option, an applicant must buy or construct real estate on the island valued at a minimum value of **USD\$750,000*** including the value of the land on which the home is located.
- Qualifies a family of up to 4 for permit of permanent residence. For additional family members the minimum value of the property is increased \$100,000 each.
- Eligible properties can be homes, villas, condominiums, hotel units or other forms of properties.
- The property must not be sold within **5 years** of the date of purchase.
- For applicants intending to buy property, real estate investors simply execute a sale & purchase agreement which is submitted with the application package. The actual investment need only be made if conditional approval is granted.
- Permit Fees to Government will apply which frontloads the current annualized payments and removes the 10 year time requirement.

Capital Development Fund

- The Capital Development Fund is a special fund that will be established by the Government of Anguilla for the purpose of financing public sector projects in an effort to grow, develop and diversify Anguilla's economy and fund meaningful social projects.
- Fund will be separate from the Gov't consolidated fund and managed and administered prudently.
- Will have defined criteria and specific regulations outlining the terms of its use.
- The required minimum investment for this category is **US\$150,000**

Other Pathways



- Tax Residency

- The granting of a certificate of Tax Residency in Anguilla is being explored as an important tangible offering to investors who desire an alternate country of residence for tax planning purposes. This route will have very specific criteria and rules to ensure that it is marketable without being in contravention of global compliance rules.

Due Diligence Process

- A program that bypasses the 10 years of residence requirement, demands a robust due diligence process is followed to verify the information submitted, and review—in great detail—the present and past activities of applicants in effort to ascertain a risk profile of prospective permanent residents of our island.
- Use of well-reputed international due diligence companies to verify the authenticity, correctness of information contained in application package.
- Companies we will potentially use:
 - Thomson Reuters
 - Exiger
 - Wealth X
 - Other Companies

Revocation of PR Status

- In accordance with Sections 24 and 25 of the Immigration and Passport Act, the Governor has the right to revoke any Permanent Residence with immediate effect in the event of:
 - ▣ Involvement in illegal activity of any card holder as laid out in the Act previously;
 - ▣ A breach of any of the conditions of the grant of their permit e.g. re-selling real estate in under 5 years
- Revocation Clause protects the integrity of the program
- Use of residency cards which allow for revocation to take place with immediate effect.

Fee Schedule (Full Program)

Fee Category	Capital Development Fund	Real Estate
Processing Fee (family of up to 4 members)	US\$3,000	US\$3,000
Processing Fee (additional family members)	US\$500	US\$500
Due Diligence Fee (Adult)	US\$7,500	US\$7,500
Due Diligence Fee (Child <18)	US\$3,000	US\$3,000
Permit Fee (single applicant)	N/A	US\$10,000*
Permit Fee (family of up to 4 members)	N/A	US\$20,000*
Permit Fee (additional family members)	N/A	US\$5,000*

Phase 1



Retroactive Fast Track Period

4th quarter 2018 – 1st quarter
2019

Tentatively

Phase 1: Retroactive Fast Track Period

- Retroactive Application Period Open for minimum of 6 months from date of launch
- Closes on date when Phase 2 is launched. ***
- Open to retroactive applicants who would be immediately eligible for PR status due to significant investments already made into real estate on Anguilla.
- Retroactive Applicants are any non-belongers who are legally owners/title holders of property in Anguilla before the launch date.
- Investments made after launch date of phase 1 would be considered new investors, rather than retroactive investors.
- **30 day Turnaround: Application to Approval**

Retroactive Fast Track Period

- Shorter Application Form
 - ▣ Excludes sources of wealth information since investment has already been made.

- Less Supporting Documentation
 - ▣ Documentation would have been filed previously with various departments such as Immigration & Lands & Surveys.

- Lighter Due Diligence Process
 - ▣ Due Diligence Process would have been done previously during Alien Land Holders' Application Process

- Lower Costs

Fee Schedule

Retroactive Fast Track Period

- These fees are applicable during the retroactive fast track period ONLY.
- Recognize persons who have made investments into Anguilla without any promise of permanent resident status or other benefit.

Fee Category	Real Estate Investor
Processing Fee (family of up to 4 members)	US\$2,000
Processing Fee (additional family members)	US\$250
Due Diligence Fee (Adult)	US\$500
Due Diligence Fee (Child <18)	US\$0
Permit Fee (single applicant)	US\$5,000
Permit Fee (family of up to 4 members)	US\$10,000*
Permit Fee (additional family members)	US\$1,000

Role of Authorized Local Agents



- ❑ Absolute non-acceptance of applications at the ARBI Office without an agent.
- ❑ Responsibility of authorized agents to be the first point of verification/due diligence to advise clients on their likelihood of meeting the eligibility profile
- ❑ Inability of agents to verify/guarantee approval

Conclusion



- Why ARBI Program?
- Benefits of Program
- Routes to Residency Full Program
- Phase 1: Retroactive Fast Track Period
- Role of the Agent in the Process

Feedback



Thank You !

Email us at:

anguillaresidency@gov.ai

- **DISCLAIMER:** The attached ARBI Presentation is shared for information purposes only and classified as strictly private and confidential. Given the strong likelihood of change, the contents of the presentation should not be reproduced in part or in whole without the express consent of the ARBI Team at the Ministry of Finance.

www.AnguillaResidency.com