



GOMEZ TOMICZEK

MOVING TO PANAMA "GOLDEN VISA"



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In October 2020, the President of Panama created a new *Golden Visa* to encourage foreign investment in the country. Unlike the existing immigration categories, this new permanent residence permit has four important advantages:

1. **VIP desk** for the submission and processing of the Golden Visa application.
2. **Accelerated processing** of the application (30 days procedure).
3. **Possibility to submit the application through a lawyer and without being personal present in Panama.**
4. **One-time application** which grants permanent residence permit.

How does the new Golden Visa differ from other investment categories?

Unlike the other existing investor visas the Golden Visa offers the possibility of obtaining permanent residency in Panama with a single application, conditioned to the fact that the investment must be maintained for a minimum period of five years (*which is reviewed annually by the government*). If the investment is liquidated prior to the fulfillment of this period, it will result in the cancellation of the already approved residence permit.

A very interesting detail of the *Golden Visa* is the fact that the application can be submitted through a lawyer in Panama without the personal presence of the applicant. Previously, in order to apply for a residence permit in Panama, it was necessary to appear in person at the immigration office. For the Golden Visa, the National Immigration Service established a special department to receive and process these applications, like a exclusive VIP counter. In addition, the government is obliged to process the application within a maximum period of 30 working days.

This means that applications can be submitted by an attorney even before the applicant and their dependents travel to Panama. Once the applicants arrive in Panama, they must go through the normal passport registration process to receive their migration ID card.

What are the requirements to qualify for the Golden Visa?

In addition to the general requirements such as a police clearance certificate, health certificate, application fees, etc., a proof of an investment in Panama made with funds from a foreign source is required.

There are three investment categories for the Golden Visa. It is not possible to combine the different investment options:

1. **Real Estate Investment:** Minimum amount of investment \$300,000 (Starting November 2022, the minimum amount required for real estate investment increases to \$500,000 for new applications).
2. **Investment through a securities house in Panama:** Minimum amount of investment \$500,000.
3. **Investment in a time deposit - CD (*Plazo Fijo*) with a Panamanian bank:** Minimum amount of investment \$750,000.

REAL ESTATE INVESTMENT IN PANAMA:

Acquisition of ONE (1) real estate property in Panama whose cadastral value is at least three hundred thousand US dollars (US\$300,000).

The property must be acquired BEFORE the application is submitted. It is not possible to acquire several properties (for example three apartments) and combine their value in order to reach the minimum investment amount required. There are no legal requirements regarding the use of the property: It is possible to invest in a house, apartment, commercial property, agricultural land or waste land etc. However, the property must be titled, *Derechos Posesorios* or *Rights of Possession* are not accepted by the National Immigration Service.

The investment can be made either as a natural person or in the name of a legal entity (company or foundation), as long as it can be proven that the main applicant is the final beneficiary of the company/foundation which is the legal owner of the property (in this case, additional documents must be submitted).

IMPORTANT: *Starting November 2022, the minimum amount required for real estate investments increases to \$500,000 for new applications.*

Promising investment opportunities for a plan B

Housing trends are changing. The experience of the current situation is causing people to turn away from the city centers in search of secluded areas that still provide access to basic necessities such as fresh water, electricity, and high-speed Internet access (to work remotely or from home). Although Panama City is a dynamic and modern metropolis, much of Panama's interior remains quiet and pristine.

But it is not only the location that will influence one's decisions when buying a property abroad. The second important point to consider is residency. For a longer stay in a country, holding a plan B, retirement option or a second (holiday) home abroad, a residence permit is required. When countries began to close their borders in 2020, tourists were the first group to be blocked. However, in the case of Panama, foreigners with residence permits were allowed to enter at any time. Now, for the first time, the possibility of applying for a permanent residence permit from a distance through a lawyer has been created.

Opportunities arise from crises. Panama is considered a "safe haven" in the region. Despite the immediate economic downturn, Panama's economy continues to grow the strongest in Latin America, and the prospects for recovery (according to risk rating agency Moody's) are positive (BAA1). Real estate investors would be well advised to follow developments in the country closely, as the new pricing environment, together with the appropriate strategy, creates room for very interesting investment opportunities.

WHICH DOCUMENTS DO I NEED TO APPLY FOR THE GOLDEN VISA?

General requirements (to be presented by ALL applicants):

1. **Complete copy of valid passport** (cover page, photo page with name, date of birth, passport number, date of issue, etc. and all other pages), notarized by a Panamanian notary. Please note that the passport must be valid for at least six (6) more months at the time of application.

NOTE: *If the application is presented without the personal presence of the client, the document must be authenticated by means of apostille or by the local Panamanian consulate.*

2. Criminal Background Check issued by the competent authority in the country of origin or permanent residence.

NOTE: A nationwide criminal record check must be performed. Local or regional criminal background checks will not be accepted. For a successful application, all applicants must not have any criminal records, furthermore, regardless of the country of origin, there must be no previous convictions in the USA - FBI Register. *The document must be authenticated by means of apostille or by the local Panamanian consulate.*

IMPORTANT!: The criminal background check is valid for six (6) months (unless otherwise specified), unless the applicant departs from Panama. If the applicant travels to Panama and leaves the country without formally applying for a residence permit, the criminal background check automatically loses its validity. *The document must be duly authenticated (apostille or through local Panamanian consulate).*

3. Health certificate issued by a physician licensed in Panama. The health certificate must not be older than three (3) months.

NOTE: *If the application is to be filed without the personal presence of the client, the document must be issued by a local doctor, duly authenticated by apostille or by the local Panamanian consulate.*

4. Government application fees:

4.1. Cashier's check for USD\$5,000 in favor of the National Treasury (application fee) for the principal applicant.

4.2. Cashier's check for USD\$5,000 in favor of the National Immigration Service (repatriation deposit) for the principal applicant.

Family members (spouse/children) included in the application must pay USD\$1,000 each in favor of the National Treasury (application fee) and USD\$1,000 each in favor of the National Immigration Service (repatriation deposit). *Therefore governmental application fees as a single applicant USD\$10,000, and as a married couple USD\$12,000.-.*

NOTE: *The checks will not be refunded by the Republic of Panama, regardless of whether the application was positive or negative.*

5. Affidavit (application form with personal information).

6. Five (5) passport photos (white background, US standard).

7. Power of attorney and formal application signed by a licensed attorney.

NOTE: *If the application is to be file without the personal presence of the client, the signature of the applicant(s) on the power of attorney must be certified by a local notary public and over-certified by means of an apostille or by the Panamanian consulate.*

If you are applying as a married couple or family with children, the following additional documents must be submitted (ONLY applicable when applying as a couple or family):

8. Proof of kinship: marriage certificate (married couple) or birth certificate (ONLY for children included in the application). The certificate(s) must not be older than six (6) months. The certificate(s) must be duly certified by means of apostille or the local Panamanian consulate. *The birth certificate must only be presented, if children are included in the application.*

9. Declaration of liability (duly notarized). *Only necessary if the application is submitted as a married couple/family.*

NOTE: *If the application is to be filed without the personal presence of the client, the signature on the declaration of liability must be certified by a local notary public and over-certified by means of an apostille or by the Panamanian consulate.*

10. Proof of domicile in Panama Extract from the land register of the acquired property (*see proof of investment*).

Special requirements (ONLY to be met by the MAIN applicant):

11. Certification of the investment: Certification issued by the Directorate of Investment Promotion in Panama (Ministry of Commerce and Industry) about the investment made in Panama (**minimum amount of investment USD\$300,000**).

12. Extract from the land register: Extract from the Land Registry (Public Registry) of the acquired property in Panama.

13. Certificate from ANATI (National Land Titling Authority): Certification issued by the National Agency for Land Registration (ANATI) on the value of the property (**minimum amount of investment USD\$300,000**).

14. Bank statement or certification from the foreign bank:

Proof that the origin of the funds for the investment come from abroad:
Certification or account statement from the applicant's foreign bank duly signed and sealed by the bank. *The document must be duly certified by means of apostille or by the local Panamanian consulate.*

IMPORTANT! Authentication, translation and mailing of documents:

A. All documents NOT issued in Panama must be duly authenticated (by apostille or diplomatic certification).

B. All documents NOT issued in Spanish must be translated into Spanish by a certified interpreter in Panama (our office will forward the necessary documents to a translation agency in Panama).

- C. Please send all documents in advance to our office by e-mail (scan in color) for review.**

- D. Original documents must NOT be mailed to Panama by regular mail. All original documents must be sent to Panama exclusively by DHL, UPS or FEDEX (no exceptions).**

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