

The UK Immigration Funding Requirement is reduced to £50K based on Endorsement Letters from these Endorsing Bodies. New visa routes being introduced and the Tier 1 (Entrepreneur) visa is being closed.

*UK Visas and Immigration (UKVI) finally announced the changes and updates to the UK's Immigration Rules on 3rd March 2019. **With 16 years of experience in UK immigration law consultation and services, UVIC are here to give you our take on the latest changes. This article is mainly about UK visa routes Tier 1 (Entrepreneur) and Tier 1 (Investor).***

Let's have a look at the significant changes.

1. Introducing new Start-up and Innovator categories for those coming to the UK to set up a business, replacing the Tier 1 (Graduate Entrepreneur) and Tier 1 (Entrepreneur) categories. The English language requirement is being set at upper intermediate (B2) level (equivalent to IELTS 5.5);
2. The Innovator category is intended for more experienced businesspeople. Applicants will need only £50,000 to invest in their business.
3. For the Tier 1 (Investor) category, investment in UK government bonds is no longer being included. Currently applicants must provide evidence that they have held the funds that they will invest in the UK for 90 days, and the requirement is being extended from 90 days to 2 years.
4. The new policies take effect from 29 March 2019.

New visa routes being introduced and the Tier 1 (Entrepreneur) visa is being closed

The two new categories will be needing endorsement of applicants by UK trusted bodies. These bodies will assess applicant's business ideas for their innovation, viability and scalability.

Unlike Tier 1 (Graduate Entrepreneur) category, which is only for those who are graduates

of a UK Higher Education Institution, **the Start-up category applicants will not need to be graduates only and will not need to have secured any initial funding**. Endorsing bodies are also not limited to Higher Education Institutions anymore, now including other qualified bodies such as leading incubators, accelerators, government agencies and business development organizations. Successful applicants will be granted 2 years' leave, doubled from 1 year, and will be able to develop their business after their visas being granted.

Another newly-introduced category - the Innovator category, will replace the Tier 1 (Entrepreneur) category. **The applicants will only need £50,000 to invest in their business, reduced from £200,000 for applicants in Tier 1 (Entrepreneur) category**. Applicants need to provide their original business plan and obtain an endorsement form from an approved endorsing body such as incubators, accelerators, government agencies and business development organizations, to ensure their business plan meets the requirement of the Innovator visa.

English Language requirement for both new categories is to be set at upper intermediate (B2) level (equivalent to IELTS 5.5);

Tier 1 (Investor) application – options of source of funds being limited

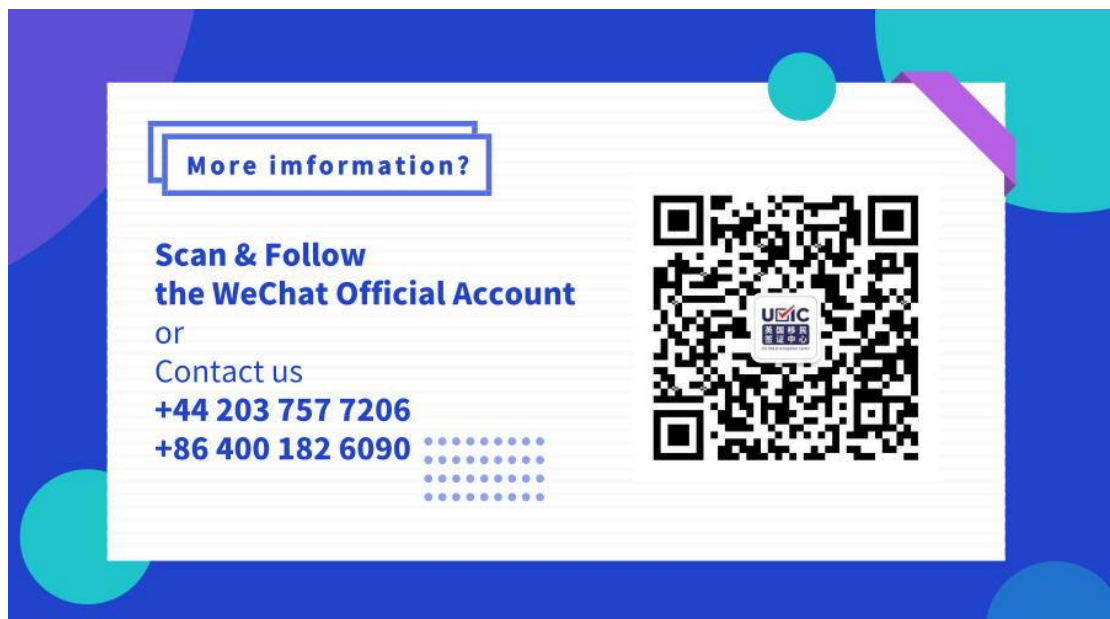
Starting from 29 March, investment in UK government bonds is being excluded. Tier 1 (Investor) migrants can only invest in share capital or loan capital in active and trading UK registered companies to provide greater benefit to the UK economy.

Current applicants must provide evidence that they have held the fund that they will invest in the UK for at least 90 days or otherwise an evidence of source of those funds will be needed. Under the new provision, **this 90-day requirement is being extended to a 2-year requirement**, to provide greater assurance of the provenance of applicants' funds.

Additionally, the new rules for initial Tier 1 (Investor) applications do not allow leave to be granted if the funds were obtained unlawfully in the UK or would constitute unlawful


conduct if it occurred in the UK. This is believed to have something to do with the UK money laundering crackdown.

For investor who entered the category under the old rules, the arrangements will continue until 5 April 2023 for extension applications and 5 April 2025 for settlement applications. From then on, applications shall be made under the new provision.



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