

All The Ways To Stay

A Residency Visa Primer

By the Editors of Live and Invest Overseas™



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Creating A New Life For Yourself In A New Country...

...with a new culture, perhaps a new language, a new climate... is an exhilarating experience. When you begin researching all the possibilities, it's all this newness that excites and intrigues you. Falling in love with a new place is the first step.

But, as in any relationship, before you make a long-term commitment, you need to know how well the two of you can live together day-to-day.

Would You Be Welcome To Stay?

In the case of residing abroad, that means finding out how welcome you would be to put down roots and make the country your adopted home.

Just about every country in the world makes it easy to visit as a tourist and support the local economy with your money—as long as you leave again within a specific time frame (typically 30 to 90 days).

But each country has its own rules about who qualifies and how to remain within its borders as a long-term resident. The countries that we at Live And Invest Overseas recommend, all offer residency visas with reasonable requirements.

Still, the requirements vary considerably, and most countries offer more than one option. Your financial situation and age are critical considerations and have a lot to do with determining which options are available to you and which make the most sense.

So before you spend lots of time and money in plans for a new life overseas, you want to take a close look at the options for establishing residency in every country on your list.

You'll find all our recommended countries' various options for entry, residency, and naturalization explained in depth in our ["Passport to Freedom: The World's Top Havens for Residency, Citizenship, and a Second Passport"](#) report.

Making It Permanent

You could move around the world, traveling from one country to another every few months as your curiosity and wanderlust dictate. You could divide your time among three or four countries each year. You could avoid the cold, escaping for a few months somewhere sunny and sandy every winter...

Each of these "live overseas" strategies is ever more common and easier all the time to organize at any age. If you don't have the nest egg or investment income to support the lifestyle you're imagining for yourself, earn the money you need along the way through a business you carry around the world with you in your laptop.

You could do all those things and never have to worry about or invest in the time or expense of formalizing your residency status anywhere. Don't overstay the time in country allowed a tourist, and you avoid the question of residency altogether.

However, if you'd like to be able to live full-time and to stick around indefinitely in a particular country, then you need, early on in your planning process, to consider the options that country offers for becoming a legal resident.

In the 1980s, Costa Rica realized it could make a business of foreign, especially American and Canadian, retirees and promoted the world's first formal pensionado (retired) visa program. You qualified by showing a minimum amount of retirement income. In return, Costa Rica granted you the right to live indefinitely in the country and to benefit from tax and other incentives. In the decades since, Panama, Ecuador, Nicaragua, Uruguay, Belize, Colombia, the Dominican Republic, Malaysia, and others have conceived and put into action similar programs. North American retirees have become a hot commodity. Countries compete for your attention.

If you're not a retiree but want to settle indefinitely in a particular country, you also have many good options today and more all the time, most predicated on an investment in the country, typically in a piece of real estate. It's also possible in many places to qualify for residency by starting a business.

In 2012, the then-president of Panama, Ricardo Martinelli, launched a unique residency option that has come to be known as the Friendly Nations program. Panama had the easiest residency program to qualify for out of any of the countries that we know. Until Aug. 7, 2021, if you were from one of the 50 countries on the Friendly Nations list, you qualified for residency by opening a bank account with a minimum of \$5,000 plus one of the following: a Panama corporation, a job offer from a company in Panama, or property in Panama owned in your own name.

Now if you're from one of the countries in the list, you're required to make a real estate investment. You will need to acquire a Panamanian property of over \$200,000 either in cash or through a mortgage from a local bank.

Another way in which you can still apply for the Friendly Nations Visa is through a work permit.

This one-of-a-kind program was launched to attract educated, English-speaking labor from around the world to fill the thousands of jobs being created by the hundreds of foreign companies setting up shop in his country. He knew that if he didn't import enough workers to keep the foreign enterprises staffed, the foreign investors would go elsewhere. The program is one reason Panama City is the fast-growing boomtown that it is.

If you're nowhere near retirement age, need an income, but aren't up for starting a business of your own, put Panama at the top of your list. This is one place in the world where an English-speaking college graduate will find it relatively easy to land a job.

A local attorney can detail all the potentially suitable possibilities available in the countries on your list, and in most cases we recommend you use a local attorney to process the associated paperwork for the visa you choose to apply for. It's worth the minimal expense, and it saves you the effort of trying to wade through the related red tape in a foreign language.

The most important thing about residency visa options for any country is to understand the rules before you get too far into your relocation plans. You don't want to begin house hunting in a country only to find that you don't qualify for any visa option and won't in fact be able to take up full-time residence as you'd hoped.

Finally, remember that visa rules change, and visa programs come and go. When you identify an option that works for you, act on it even if you're not planning an immediate move. Put your residency visa in your back pocket when you're able and keep it current. Then you're assured the right to take up residence in your chosen Shangri-la whenever it suits you.

Let's review the differences between being a tourist, a resident, and a citizen. Residency is not the same thing as citizenship, for example, and this is an important distinction to understand...

A Pocket Dictionary For Residency Jargon

Here's some relevant terminology to keep in mind as you research the particular visa options for the countries that have your attention:

A visa is a document that allows you to remain within a country's borders for a specified period, sometimes with specified restrictions, limitations, and/or benefits.

A tourist visa is a short-term permit to enter and travel in a country—it's the easiest form of entry into a country. This is all you'll need for your initial scouting visits, and maybe all you'll ever need if yours is a plan of perpetual wandering.

Most Western passport holders (including Americans and Canadians) aren't required to apply for tourist visas to most countries. You need only show up. When you arrive at the entry point into the country (land, airport, or seaport), you show your passport, and you're automatically granted a tourist visa and allowed to enter the country. To make sure, though, check the

government website of the country you wish to visit (or www.visahq.com/citizens) at least several weeks before you plan to travel.

There are some exceptions to the rule. Some countries will require that U.S., Canadian, or EU passport holders apply for a tourist visa ahead of time at the country's embassy or consulate. The countries that have this requirement are generally not tourist destinations or retirement havens.

Though you don't have to apply to be able to enter the country, some countries require tourists to fill out paperwork, or even prove that they have a return ticket or sufficient funds for their stay. Each country sets its own price for a tourist visa, usually within the range of \$5 to \$25. This is often included in your airfare, but you may have to make a separate payment. Some may also charge an exit fee when you leave.

A tourist visa allows you to stay in a country for 30 to 90 or even as many as 180 days (in the case of Mexico and Panama, for example), depending on the country and the passport you carry. To stay in a country beyond the number of days allowed for by the tourist visa, you'll need a residency visa.

On the other hand, some people live for years in a country by leaving periodically and returning with a new tourist visa (doing what are called border or visa runs). This has been a popular "residency method" in the past, but is illegal in many countries now and is less viable every year. Plus, the cost of that travel adds up. We don't recommend this as a realistic or safe option, though there are some countries that have no laws against it.

When you hold a **residency visa or permit** for a country, you're a legal resident. In exchange, you have to meet certain requirements. You may have limited to extensive options depending on the country, your financial status, and age. Remember that a resident is not a citizen. This is an important distinction, especially for tax purposes. You're not a citizen, and you don't necessarily have the right to work. A work permit is a separate thing.

Residency visas come in different forms—temporary and permanent, for example. **A temporary visa**, as you might guess, gives you the right to remain in the country for a limited time, typically one year. After that time, you must renew your status. The reapplication is usually a formality, but you may be asked to prove again that you meet whatever requirements you were required to meet to obtain the visa in the first place. This may also involve a cost in obtaining documents, paying an attorney, and paying a government fee.

Some temporary residency permits lead automatically to permanent residency after a given period of time, but this is not true in every country. In some cases, it depends on the type of temporary residency permit you obtained.

In most cases, you will be required to make a new application for permanent residency once you meet the time required as a temporary resident. After you've renewed your temporary residency visa a certain number of times (three or maybe five, for example), you can be eligible to switch to a permanent visa. It depends on the type of temporary residency visa you started with.

If you have to apply separately for permanent residency after meeting the temporary residency requirements, your status will be reviewed to ensure you followed all of the requirements for temporary residency. Some countries require a minimum amount of time spent in the country each year. Most want to ensure you are paying your taxes.

Most countries separate the idea of legal residency and residency for tax purposes. Generally if you spend 183 days or more within the borders of a single country, they consider you a resident for tax purposes no matter what your legal status.

Permanent residency permits usually, but not always, require that you live in a country for a period as a temporary resident. Some countries offer programs that grant permanent residency from the start, this is the case with the Fast Track program in the Dominican Republic and Panama's Friendly Nations program, for example.

Once you've obtained permanent resident status, you're done. You're free to live in the country as long as you like and to come and go as you please.

One final term that's increasingly used is **electronic visa or e-visa**, which won't indicate a new or distinct kind of visa but merely indicates you can apply for the visa online, saving you time and money. Some countries call this an **Electronic Travel Authorization (eTA)**.

Visa Comparisons At A Glance

Tourist Visa	
Pros	Cons
Minimal or no paper-work required	May not be renewed unless you exit country
Depending on the country an extension may be granted	Lacks the legal rights residency or citizenship provide

	Usually not permitted to remain in country more than 90 days (180 days in the most generous cases)
Residency	
Pros	Cons
Legal basis for extended stay in country	There will be fees
May provide work permit	There will be paperwork
Does not conflict with held citizenship	Difficult to accomplish if you entered country as a tourist
Can often lead to second citizenship	Some countries require a physical presence of at least 183 days
May require minimal presence to maintain	May bring additional or unwanted tax liabilities
	It takes time
Citizenship	
Pros	Cons
Rights similar if not equal to natural-born citizens	Some countries have separate laws that impact naturalized and economic citizens—eg. required military service
May be allowed to hold multiple citizenships	You will be liable for taxes as a citizen
Can pass on to next generation	In most cases, permanent residency is a prerequisite
May vote and in some countries even run for office	In the cases where residency was not required, you'll have to make a sizeable "investment" into the country that you may not ever be able to get back again
Doesn't typically require any annual physical presence in country—you can come and go as you please	

Even More Residency Terms

Misc. Terminology:

- **Visa Run** – The practice of exiting and re-entering a country's boundary to renew a tourist visa, thus granting you another few months in the country before you have to leave again. The term border run is used interchangeably.

Citizenship And Nationality Terms:

- **Dual Citizen, Dual or Multiple Citizenship(s)** – A person who is a citizen of two countries at the same time, or

the act of holding two or more citizenships. The term dual national(ity) is used interchangeably.

- **Jus Sanguinis** – The rule that a child’s citizenship is determined by its parents’ citizenship.
- **Jus Soli** – The rule that a child’s citizenship is determined by the place of its birth.
- **Naturalization** – To confer the rights of a national on a foreigner. To gain citizenship based on naturalization (as opposed to investment), you’ll need to be a resident in the country for a number years (typically 5 or 10); this is distinct from the immediate citizenship you can purchase through donation or investment in certain countries.
- **Economic Citizenship** – Granted to those who make government-approved investments in industry or real estate in a given country.
- **Golden Visa** – This is the name given to the economic residency offers throughout certain countries, including: Austria, Belgium, Bulgaria, Cyprus, Greece, Latvia, Lithuania, Malta, Monaco, Portugal, Switzerland.
- **CIP** – Citizenship-by-investment program; these programs allow foreigners to purchase citizenship through a significant donation or investment in the country.
- **Grey Market** – Product or service sold or provided outside of the intended or authorized channel.

Geographical Terms:

- **CARICOM** – The Caribbean Community; an organization of Caribbean nations and dependencies promoting economic integration and cooperation among its members: Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Guyana, Haiti, Jamaica, Montserrat, Saint Lucia, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago.
- **MERCOSUR** – The Southern Common Market; a South American regional trade bloc of nations: Argentina, Brazil, Paraguay, Uruguay, and Venezuela (suspended since Dec. 2016); Bolivia has been in the process of incorporation since July, 2015.

- **EU** – The European Union; a political and economic union of 27 member states: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden.
- **Schengen Zone** – An area comprising 26 European states that have officially abolished passport and all other types of border control at their mutual borders. It’s important to note that the EU is not the same as the Schengen Zone.
- **ASEAN** – Association of Southeast Asian Nations; a regional intergovernmental organization of 10 Southeast Asian member nations: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam. ASEAN has its own visa program to allow you access to all of these countries, and the border controls between the countries are more open than between those of other Southeast Asian countries.

Types Of Residency Visa

Most of the countries on our list offer a “**retiree**” visa (typically called a **pensionado visa** in Spanish-speaking countries). The only requirement is that you receive a pension—government or private—in an amount that meets the country’s minimum requirement. The minimum monthly financial requirements vary by country but range from \$600 to \$2,500, sometimes more.

This means that a U.S. citizen receiving the average monthly Social Security check (which is about \$1,980) would be eligible for a retiree or “pensionado” visa in a few countries south of the border.

For Canadians, it can be more complicated, as you have two different systems. Nevertheless, the total amount collected from both systems should allow you to qualify for most programs, assuming the country allows you to combine pension payments.

Typically, a retiree visa comes with tax-exemption benefits, including the ability to bring your household goods, personal belongings, and a car into the country duty-free.

Some countries may not have a specific retiree residency permit category, but would qualify retirees under a different option, as long as you can show you can support yourself and not become a burden to the state.

Pensionado visa programs can come with age restrictions and require that the minimum monthly income is retirement income specifically (from a pension or Social Security, for example). This is not the case for a *rentista* visa available from some countries. You can generally apply for *rentista* residency status at any age. You qualify by showing minimum monthly income (the amount differs country to country), but this income can come from any reliable source.

Some of the best retiree-visa programs in the world are detailed in our [“6 Residency Havens That Roll Out The Welcome Mat”](#) report.

Without a minimum amount of provable monthly income, you could make an investment in the country to qualify for residency, typically in a piece of real estate or an operating business. If you intend to start a business anyway, obviously that’d be the residency strategy to pursue. Otherwise, an investment in a piece of property is certainly a less onerous requirement than starting and operating a business. Some countries also allow you to qualify for an investor visa by putting funds in a local bank CD.

Even wealthy countries have investor residency programs. The United States, for example, will give a residency visa to someone from one of 76 countries if they invest a substantial amount into a business based in the United States. Suffice it to say that the poorer the country, the lower the investment bar will likely be.

Most countries encourage foreign investment through incentives ranging from tax incentives for large multinational corporations to providing a path to residency for a small investor.

Invest For Residency In:

- Colombia
- Ecuador
- Nicaragua
- Panama

Another option available in some countries is a **“person of means” visa**. You qualify by showing that you have sufficient assets to support yourself while residing in the country (and therefore will not be a burden on the state). The cost of living in a country is usually a guide to the level of assets you’ll have to show to qualify for a person of means visa. Typically, you’ll be required to put a minimum of \$100,000 in a local bank (in an interest-bearing account). This essentially amounts to investing for residency.

Not all countries have this visa option, so don’t think that you can simply “buy” your way into wherever you want to live... although that is effectively what you can do in some countries.

For the very wealthy who want to reduce their total tax burden, Switzerland is still a popular destination. The Swiss government allows you to negotiate an annual tax with whatever canton you want to reside in. That tax is your only tax, i.e., there is no graduated tax on your income. For those with multi-million-dollar incomes who live in a high-tax jurisdiction, Switzerland is a good choice for residency to reduce your overall taxes, but it isn’t an option for everyone. And, frankly, choosing your country of residency based on your tax situation isn’t the wisest decision. Saving on income tax won’t make up for not enjoying where you’re living... unless you’re saving enough to allow you to travel most of the time.

However, there are plenty of places with good residency visa options that also have potential tax benefits.

Although you might not be of student age, keep in mind that most countries offer **student visas** to anyone seeking an education locally—you don’t have to be a teen or a 20-something to qualify in most cases. These are typically only given for the length of the course you’re enrolled in, though, so these aren’t viable long-term options for most folks.

Volunteer and religious missionary visas also exist for most countries (and in some cases you can qualify for them even if you aren’t technically a volunteer), but they are generally only given for the length of the program or mission... maybe a year or two at the most. **Diplomatic visas** are another option. Again, these won’t apply to the vast majority of folks going overseas, and certainly aren’t long-term options.

Your final residency visa option can be to **marry a local or have a child born in the country**. While this probably shouldn’t dictate your decision process for a residency permit, if you marry someone not from your home country, you should easily be able to obtain legal residency status in your spouse’s country of origin. Likewise, if you have a child in a foreign country, you’re able to seek permission to stay in the country with the child (many countries don’t stipulate whether you fathered or bore the child).

Residency through marriage or children should allow you to skip the temporary visa period and move directly to permanent residency. After some period of marriage (typically at least three years) and residency, you can apply for citizenship in your new country.

A work visa or permit is another thing entirely, and typically needs to be applied for specifically. Just because you’ve applied

and received the right to live in a country doesn't mean you can also work in it. Some residency visas come with the possibility to opt for a work permit (like Panama's Friendly Nations visa), but these are rare. More often, you must apply for a work permit first, and once it's granted you'll be given a temporary residency permit equal to the length of the work permit.

Countries With A Permanent Residency And Work Option

The Americas

- Argentina
- Belize
- Brazil
- Canada
- Chile
- Costa Rica
- The Dominican Republic
- Ecuador
- Guatemala
- Mexico
- Nicaragua
- Panama
- Peru

Asia And Oceania

- Malaysia
- New Zealand
- The Philippines
- Thailand

Europe

- France
- Italy
- Ireland
- Portugal
- Spain
- United Kingdom

Finally, some but not all residency programs can lead to citizenship and a second passport. If this is an agenda for you, be sure you confirm that the residency program you choose qualifies you for eventual naturalization (i.e., earning citizenship through time spent in the country on a residency visa).

Again, before we go further, let's make the difference between legal residency and citizenship clear:

Legal residency allows you to live in a country. Depending on the residency visa, it may not allow you to work in the country, only to live there. In addition, there can be other restrictions on you as a foreign resident that vary country by country.

Citizenship travels with you. You don't lose your citizenship of your home country just because you move to another country. In fact, most countries allow for dual citizenship. So even if you become a naturalized citizen of a second country, you don't necessarily lose your original citizenship automatically. This is true of the United States, meaning that, as an American, you can obtain a second citizenship and a second passport without affecting your U.S. citizenship and passport status in any way. When you do this, you become a dual citizen.

Long-term legal residency can lead to citizenship. Again, it depends on the type of residency visa you hold and how long you hold it. Some countries require you to be a permanent resident for at least three to five years before you're eligible to apply for citizenship. This means that your residency while you hold a temporary residency visa doesn't typically count toward the years of residency required before you can apply for citizenship.

Other countries simply require you to have a certain number of years of residency, whether temporary or permanent, as long as it is legal residency. Living in the country under a tourist visa doesn't count toward the required residency duration for citizenship.

If you don't want to make the time investment that naturalization requires, some countries will allow you to bypass the whole residency process by making a sizable investment into the country. These programs are called **citizenship by investment program, or CIPs**.

Why would you want dual citizenship or a second passport?

If you have a long-term commitment to your country of residency, you might want to become a citizen. Residency doesn't allow you to vote, for example, but citizenship does. Citizenship also eliminates the need to renew your permanent residency permit.

But citizenship in a new country can come with new obligations. Some countries, for example, have required military service for men (and in some cases women) up to a certain age. Therefore, becoming a naturalized citizen could create an obligation to serve in your new country's army.

You have to take a long look at the benefits and obligations of being a citizen of a specific country before making any decision.

That said, there are good reasons to want to obtain dual citizenship and the second passport that comes along with it. Citizens have the right to work, while foreign residents often don't. Employment and other restrictions are lifted when you acquire citizenship. In Panama, for example, many professions (including those requiring a license, such as to practice as an attorney, a doctor, a real-estate broker, or an insurance agent) are protected and open only to citizens. Other countries impose similar restrictions.

Assuming you are retired and not looking for employment, the best reason to get a second citizenship is the second passport that comes along with it. With a second passport, your travel options become broader, safer, and easier.

Unfortunately, the world still has places that aren't necessarily safe to travel in if you hold a U.S., U.K., or even a Canadian passport. Holding a second passport gives you the option to use your other passport when traveling someplace where you wouldn't want to show your original passport.

A second passport also allows you broader options for visa-free travel. As mentioned in the section on tourist visas, many countries don't require one for U.S., Canadian, or U.K. citizens, but some do. This is increasingly true for U.S. passport-holders.

Furthermore, some countries require you to send in your passport as part of the visa application process. This is true of Brazil, for example. A U.S. citizen can obtain a five-year multi-entry tourist

visa, but he must send his passport to a Brazilian embassy or consulate and pay a substantial fee to do so. However, an Irish passport-holder doesn't have the same hurdles to jump. He can simply show up in Brazil and pass on through immigration.

The reverse is true in Mongolia, where almost every other passport-holder in the world must get a tourist visa issued before arriving in the country. The U.S. has a special treaty with Mongolia that allows U.S. passport holders to bypass that requirement and arrive in the country without a tourist visa already issued. You do have to have your travel plans arranged with a local tour operator, but eliminating the process of obtaining the tourist visa ahead of time makes it easier to travel.

Get Citizenship-By-Investment In:

- Antigua & Barbuda
- Dominica
- Grenada
- Saint Lucia
- Saint Kitts & Nevis
- Cyprus
- Malta
- Vanuatu

