

Hong Kong Passports, who are citizens of British Dependant Territories, do not require visas to enter Canada as visitors.

The visit allows the businessman to personally evaluate opportunities for investment, as well as to investigate costs, taxes, sources of finance and the services available from local, provincial and federal agencies.

As circumstances dictate and if appointments can be arranged, some applicants find it useful to meet officials in one of the provincial ministries involved in economic development to discuss preliminary business plans.

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To qualify for selection as an immigrant entrepreneur an applicant must intend and be able to establish, acquire or make a substantial investment in the ownership of a business or commercial venture which will make a significant contribution and which will create or maintain employment for at least one Canadian resident.

The businessman must participate actively in the management of the venture and the jobs must be for people other than members of his immediate family.

Most business immigrants will have formulated a specific project or proposal before submitting their applications. Wherever possible, a concise but well defined description of the business project should be offered in support of the application.

After preliminary screening an interview with a Canadian visa officer is arranged to confirm the applicant's business background and to determine the extent of his commitment to the project. If it appears that the applicant could meet the requirements for immigration and where the case is supported by a business proposal, the project is then referred to officials in the appropriate provincial ministry for further evaluation.

Bringing their specialized economic knowledge to bear on the project, they report on the viability and economic impact of the venture. Unless they endorse the project, the case cannot be unconditionally approved.

If the project attracts provincial support, routine immigration formalities, including medical examination, are completed before an immigration visa is issued.

Where an entrepreneur does not have a specific or sufficiently defined proposal ready in support of his application but has an impressive business background, the

visa officer or provincial agency may recommend his provisional admission.

After completing normal immigration requirements and it is determined that there is no federal or provincial objection to admission, the applicant is issued a Minister's Permit and Employment Authorization valid for up to one year to allow him into Canada to test his business skills in the market place.

In some cases where business development involves a long term project, an extension for a second year will be considered. The progress of the entrepreneur's business activities will be monitored by provincial and immigration officials in Canada. When they are satisfied with development of the project, arrangements will be made for the applicant to collect immigrant visas either in Hong Kong or at another visa office that is mutually convenient.

There is no provision in Canadian law whereby a visitor or permit holder may adjust his status to permanent resident while in Canada. Applicants whose ventures do not lead to job creation will be required to leave Canada.

When put in the context of a family's planning for immigration, the processing period for business applications is not long. They are dealt with on a priority basis and most are finalized within three to seven months of the date the application is submitted.

Visas and permits issued to entrepreneurs are valid for presentation for seven

months from the date of the medical examination. Officials in Canada are routinely notified when cases are approved.

Some people confuse investment with immigration, believing that there are minimum financial requirements for approval. This simply is not so.

The emphasis is clearly on the applicant's business experience and the potential that his enterprise and investment hold in creating jobs for Canadians.

A good project offered by someone with no aptitude for business or with no related experience will not be considered in support of his application.

Another popular misconception is that a lawyer or consultant is necessary to the success of an application. With the accent on experience, it is obviously the track record and personal abilities of the applicant that will determine whether a case is accepted.

Professional assistance may occasionally be helpful in preparing business proposals, particularly in complex cases, but it is no substitute for careful personal research by a qualified entrepreneur.

This program is about people. Anyone with the necessary background and an idea for a viable business venture that will create jobs in Canada is encouraged to apply. ■

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COVER STORY

Pre-Immigration Tax Planning: Think Before You Make the Move.

By Philip Marcovici and Norris H.C. Yang

Canada boasts a tax system considerably more complex than that of Hong Kong.

For the potential immigrant, the word "taxes" is second only to the word "winter" on his list of things to get used to. Like a down parka and a pair of sturdy boots, pre-immigration tax planning can achieve much in the way of easing an immigrant's entry into Canada.

The following review outlines Canada's tax system with an emphasis on techniques to minimize taxation resulting from such immigration. A note of caution: pre-immigration tax planning means planning before you go. Significant opportunities for tax minimization may be lost once the move to Canada is made.

Residents

An individual resident in Canada is subject to Canadian federal income tax on worldwide income. Taxable income is determined on a net basis.

The addition of provincial taxes generally results in a maximum overall tax rate of approximately 50 percent.

Gains from an adventure in the nature of trade are taxable at normal rates. Capital gains are accorded special treatment.

A "capital gain" is measured by deducting the adjusted cost of a capital asset from the proceeds received upon the disposition of the asset.

One-half of capital gains are included in a resident's income and one-half of capital