

Fees and immigration levy

Monday, November 09, 2015

Why is Immigration New Zealand increasing its charges?

The increase gives effect to Budget 2015 decisions to enhance New Zealand's border security and support the implementation of Vision 2015. Some additional funding also provides for enhanced marketing and attraction functions and also enhanced protection of migrant workers (including students) from exploitative employers. INZ has achieved cost savings and efficiency gains ahead of the full implementation of the Vision 2015 programme and new operating model and these have been reinvested into its operation, but further cost savings would not be possible without compromising on the level of service delivery.

What is the cost of a visa if I apply using Immigration Online?

Generally, there will be a lower fee if you apply for visas using Immigration Online. There will be no cost increase overall for a visitor visa or student visa made using Immigration Online, for example:

- if you are applying for a visitor visa while in New Zealand using Immigration Online the total cost will be \$165 (application fee \$151 plus immigration levy \$14),
- if you are applying for a student visa while in New Zealand using Immigration Online the total cost will be \$250 (application fee \$233 plus immigration levy \$17).

Fees for certain online work visa applications (that is, using Immigration Online) are lower than the paper-based fees. For example, if you apply for a "work visa - other" while in New Zealand using Immigration Online the combined cost of the fee and immigration levy will be \$298 compared to \$318 if you apply via hard copy.

The fee for paper-based visitor visa applications will be the same as the fee for online visitor visa applications for an initial one year period to give tourism markets time to adjust, but a higher fee for paper-based visitor visa applications will be introduced at the end of 2016.

What is an immigration levy and what will it fund?

The immigration levy is a charge that will be used to help fund some immigration services. It will replace the migrant levy (charged only to successful residence visa applicants). The immigration levy will contribute to the cost of compliance activities, border functions and immigration marketing and attraction, in addition to existing research and settlement services. It is a charge in addition to the application fee (which covers the cost of processing the application).

How is the immigration levy different to the migrant levy?

The Immigration Amendment Act provides for the immigration levy to be charged to visa applicants. This contrasts with the current migrant levy, which is charged only to successful residence applicants. The immigration levy will be charged on each and every visa application, rather than (in most cases) once per lifetime (as the current migrant levy is).

Who will be required to pay the immigration levy?

The immigration levy will be charged to applicants applying for the following visas - visitor, work, student, limited and most resident visas, unless the applicant is exempt (see below). It will be paid per principal applicant (i.e. one levy per application) except in the case of group visitor visas (ADS and other) where each applicant will be charged (i.e. each person must pay the levy).

Who will be exempt from paying the immigration levy?

You will be exempt from paying the immigration levy if you:

- are a person who does not require a visa to travel to New Zealand, or
- are a citizen of a country with which New Zealand maintains a bi-lateral fee-waiver agreement, or
- are a diplomat, some officials or consular staff, or
- are a citizen of Samoa applying for a resident visa, or
- are a claimant for refugee status or protected persons and applying for a visa, or
- are applying for a visa as a refugee or protected person, or
- are applying for a resident visa on the basis of your relationship with a refugee or protected person, or
- are application for a visa under the Skilled Migrant Job Search category, or
- are applying for a visa under the Special Categories for Victims of Domestic Violence, or
- are applying for a visa under the Special Category for Victims of People Trafficking.

When do I need to pay the immigration levy?

When the changes take effect you must lodge your application with the application fee and immigration levy and all other necessary documents. If you do not include the immigration levy your application will be returned to you. It will be important to check Immigration New Zealand's new fees guide (when it is made available) to ensure you include the correct amount with your application.

Why are there different immigration levy rates?

The levy rates vary based on the immigration services that may be accessed by each broad category of visa applicants. The different rates provide a more accurate attribution of costs than a flat rate.

What if I already have an application being processed before the changes take effect?

If your application has been accepted for processing prior to the date that the changes take effect you will not pay the immigration levy, but if you have applied for residence you will still be subject to the migrant levy (unless exempt) if your resident visa is approved.

If my visa application is declined or I choose not to travel to New Zealand will I get a refund of my immigration levy?

No, the immigration levy is charged to visa applicants. The immigration levy will not be refunded because your application is declined or you choose not to travel to New Zealand. Many unsuccessful applicants still source information and services funded by the levy and it is only fair that they make a contribution.

When will the changes take effect?

It is expected that the changes will take effect in December. We will confirm the date the changes take effect later this month. Immigration New Zealand will also publish a new fees guide, outlining the new fees and immigration levy rates and the office and fees finder will be updated.

What impact will there be on the tourism sector?

Visa-free visitors to New Zealand - who comprise 80 per cent of visitors - will not pay the levy (and do not pay fees). There will be no cost increase overall for a visitor visa application made using Immigration Online. The total cost for paper-based visitor visa applications will not change from the current cost for an initial one year period. This will allow the tourism industry time to encourage clients and agencies to use the online channel for making applications. From year two, fees for visitor visa paper-based applications will increase (visitors that have moved to online applications will experience no change in overall cost).

Even with the increased charges New Zealand's fees will remain broadly comparable to competitor countries. Demand for immigration services is relatively price inelastic: fees and the immigration levy represent a small component of the overall cost of visiting New Zealand.

In addition Immigration New Zealand is working on ways to make it easier for Chinese visitors to apply online for their visa, for example the introduction of Chinese RealMe. Immigration New Zealand is exploring ways to extend the services offered through Immigration Online and it is also working towards offering eVisas to Chinese nationals.

What impact will there be on the international education sector?

There will be no cost increase overall for a student visa application made using Immigration Online, which includes education providers who use Immigration Online to apply on behalf of a student. For example if you are applying for a student visa while in the United States using Immigration online the total cost will be \$270 (application fee \$253 plus immigration levy \$17).

Education providers who are part of the Students Online (a partnership programme where providers have an MOU with Immigration New Zealand) and submit applications to Palmerston North have a different cost. The total cost will be \$117, which includes the immigration levy.

Even with the increased charges New Zealand's fees will remain broadly comparable to competitor countries. Demand for immigration services is relatively price inelastic: fees and the immigration levy represent a small component of the overall cost of studying in New Zealand.

What is the difference between the Immigration Levy and Border Clearance Levy?

The Border Clearance Levy will be introduced on 1 January 2016, and will be paid by arriving and departing passengers (subject to some exemptions). The Border Clearance Levy will fund border clearance activities of the Ministry of Primary Industries and the New Zealand Customs Service and is not related to the activities undertaken by Immigration New Zealand.

Is the \$92 fee reduction for certain applications being removed?

Yes, the \$92 fee reduction for some work and resident visas will no longer apply when the changes take effect. Prior to 2003, some applicants for residence and long term temporary work visas paid a \$92 settlement information fee. It covered the cost of a printed package of settlement information. Settlement information is now supplied online and the fee reduction is no longer appropriate.