

Panama Immigration – Visa and Residence Options

Panama immigration is one of the most inviting in the world, whether you'd like to travel or to immigrate. **This amazing country has immigration visas that offer permanent or temporary residency.** In some instances, permanent residence may lead to *Panamanian citizenship and passport*. How can a country that has so much to offer be so accommodating to foreigners?

The aim of some Panama immigration programs is to attract overseas *tertiary educated professionals* and various *skilled workers* to fill the gap caused by Panama's economic growth in recent years. The rules are clear and do not pose significant threat to Panamanian citizens due to laws that govern Panamanian companies. These laws only allow the hiring of a certain percentage of foreigners when companies are unable to locate skilled workers and professionals to fill their hiring needs. **It is important to note certain business enterprises like retail businesses are off limits to residents (non-citizens).** Additionally, residents are prohibited from practicing in certain professional areas such as, medical, or veterinary doctor, attorney-at-law, architect, and engineer.

Overview of Panama Immigration

The most impressive residency program ordered by Presidential Decree in 2012 is the *Panama Friendly Nations Visa*. This visa allows citizens of 50 'friendly' nations to apply for permanent residency and become Panama citizens with less financial requirements compared to other programs. Alternately, other Panama immigration visas are developed for wealthy immigrants who are able to invest in Panama's economy by starting new corporations or buying into real estate or other industries. Other Panama Immigration Visas include the *Agricultural Investor Program*, *Reforestation Visa*, and the *Self Economic Solvency Visa*. Middle income foreigners who wish to retire in Panama on a fixed pension, annuity, or retirement fund will find a visa tailored exclusively to their needs. This Panama immigration visa program is called the *Retiree/Pensioner Visa Program*, sometimes referred to as the *Pensionado Program/Visa*.

All Panama immigration applications require the applicant to hire a Panamanian lawyer who specializes in immigration law. (our law firm specializes in immigration law) It is also important to note, only two Panama Immigrant Visas grant immediate permanent residency. These two visas are the *Pensionado* and *Panama Friendly Nation* visas. The other visas require a

two-year provisional temporary residency period before qualifying for permanent residency.

Benefits of Panama Immigration

- Ability to have a **second home** in a beautiful country where you can live peacefully or visit Panama part-time.
- Panama is ideal as a “**safe haven**” to escape to with your loved ones in the event of war, political or civil unrest in your home country
- **Lifetime residency** based on the visa you choose, rules to maintain residency are uncomplicated
- Live in a **tropical paradise** where the *economy is stable, crime is low* and *costs of living are low* compared to majority of developed countries
- **Tax Breaks!** Panama is undoubtedly more “tax friendly,” e.g. income from overseas sources are not taxed and do not need to be declared.
- **Legal asset protection and privacy**, many overseas lawsuits have no jurisdiction in Panama courts
- **Less restrictions, regulations, and taxes** that prevent the growth of businesses.
- **Real estate ownership** is totally possible and affordable whether city or beachfront property
- Possibility to get **Panama passport** and **citizenship** through some residency programs

General Documents Required for all Residency Programs

The following is a list of *general requirements* and documents that must be submitted in order to satisfy all immigration applications in Panama. These documents are requested in accordance with Panama Immigration Law. Your chosen Panama Immigration Visa will determine which additional documents are required. To have a look at some of the required forms you can find them on the [National Migration Service website](#).

1. Submit a formal application to be a permanent resident along with a notarized Special Power of Attorney allowing your lawyer to act on your behalf
2. Get a notarized copy of your entire passport. Your passport should have at least one year validity.
3. Provide a background check on your criminal history from your home country or the country where you have resided for the past two years, duly authenticated by an Embassy or Consulate of Panama, or Apostilled in the same country. This report must be prepared by a “national”, “central”, or “federal” police agency

- a. If the criminal background report does not originate in the applicant's country of citizenship, but as a resident, his or her legal residence must be identified with a copy of the legal residency ID that must be Apostilled or authenticated.
 - b. If the applicant has been a Panamanian resident for the last two years in a row (not leaving the country), the Panama national police is required to provide the criminal background report.
4. Original medical examination report from a Panamanian doctor
 5. 2 Certified Checks:
 - a. US\$800 in case of applicant's repatriation (deportation fund) payable to "Servicio Nacional de Migracion" (National Immigration Service)
 - b. US\$250 payable to "*Tesoro Nacional*" (National Treasury) for the Panama immigration application fee.
 6. Sworn Affidavit explaining the applicant's purpose for seeking Panama Permanent Residency and ability to support family and dependents. Your lawyer will provide you a form for this purpose.
 7. All documents must be "*original*", "*updated*", "*official*", and "*authenticated*".

IMPORTANT: Once Panama immigration has issued a resolution of an approval (or denial) of your residency application, these checks are non-refundable.

As it relates to Panama Immigration Visa application, the following definitions applies to the words "*original*", "*updated*", "*official*", and "*authenticated*"

- **Original:** The original document, not a copy;
- **Updated:** Recently issued document not more than two (2) months old
- **Official:** Issued straight from designated agency or company and not reproduced via the internet/computer, copier or other outside source;
- **Authenticated:** Notarized and authenticated by the nearest Panama Consul or by Apostille.
- **Apostille:** An Apostille is a certification that a public document is authentic.

Types of Panama Immigration Visas

In this section, we will discuss *8 types of Panama Immigration Visas*. While some Panama immigration visa programs offer temporary residency permits, others offer permanent residency permits or full citizenship and Panama passports. Your immigrant status will depend on the selected residency program. Pay attention to the details surrounding all these Panama immigration programs because some only offer temporary resident visas, or Panama work permits.

1. Panama Pensioner (Retiree) Visa (Pensionado Visa)

You need to be at least 18 years of age to retire in Panama. Can you imagine retiring at 18 years old? What a life! **Retirees 18 years or older with proof of access to a lifetime pension or annuity of at least US\$1,000 per month qualify for this visa.** In order to provide proof of pension, a document from the government agency or company responsible for making the payments must be notarized and authenticated by the closest Panama Consul or by Apostille. This minimum amount can be reduced by purchasing real estate in Panama valued at least US\$100,000. In this scenario, the monthly minimum is reduced to US\$750. Each additional dependent must have another US\$250 assigned to be paid per month by the annuity or pension. The annuity or pension may be covered by a private company, military, government agencies, corporations, a bank, an insurance company, or a trust. This Panama visa provides several discounts from movie theaters, restaurants, hotels, pharmacies, concerts, and domestic airlines along with other products or services.

How to Qualify for Panama Pensioner Visa

- A letter from the overseas government entity or corporation that operates the pension, or a mutual fund company, or a trust company, or a bank, or an insurance company that certifies that the funds exist and promises payments will be for the lifespan of the applicant.
- Proof of existence of the private company issuing the payments.
- Copies of documents/statements showing the payments are being made or transferred to a bank account
- Approved dependents include spouses and children up to 25 years of age who are enrolled as full-time university students. Panama requires proof of an additional US\$250 per month for each dependent. Children 18 years+ who are not full-time university students or disabled will lose their Pensionado Visa status and they will have to apply for another visa program for which they qualify.

IMPORTANT: Spouses can combine their pensions to meet the minimum US\$1,000 pension or annuity

Panama Pensioner Visa Application Process and Required Documents

In addition to the general documents listed above, below are the additional documents required for the Panama Pensionado Visa. These documents must be submitted in your application to Panama immigration to become a permanent resident

1. A letter from the government agency or company responsible for making the payments must be notarized and authenticated by the closest Panama Consul or by Apostille, confirming the applicant is receiving a pension or annuity of at least US\$1,000 per month for

- life. Both spouses can combine their pensions and/or annuities to cover this amount.
2. Additional payment of US\$250 required as an immigration fee for each dependent payable to “Tesoro Nacional” (National Treasury).
 3. Applicants who purchased real estate in Panama valued at least US\$100,000 must submit a Certificate of Public Registry showing the applicant as titled owner to benefit from the reduced monthly pension requirement (US\$750 instead of US\$1000).
 4. If a private company is responsible for providing a pension or annuity, the following documents must be submitted:
 - a. Letter from the bank, insurance company, trust company, mutual funds company, or foreign administrator of pensions, certifying that sufficient funds exist to ensure the annuity or private pension for the applicant’s lifetime and this company is making the payments
 - b. Proof of existence and area of business operation of the company supporting the annuity or pension
 - c. Proof of pay-outs made by the company or bank statement showing deposits.
 5. Proof from the overseas government that the private company is thoroughly registered and compliant.
 6. Copy of legal marriage certificate if married and/or birth certificates of all child dependents under 18 years of age if applicable.
 7. All documents submitted should be original, recent, official, and authenticated.

IMPORTANT: Child dependents will receive temporary residency until they attain the age 18 to 25 if enrolled as full-time university students. Child dependents diagnosed with a verifiable mental or physical disability will remain under the Panama Pensionado Visa after 18 years of age.

2. Panama Friendly Nations Visa

The *Panama Friendly Nations Visa* is officially called the *Permanent Residence for Nationals of Specific Countries*. **This visa is ideal for professionals and entrepreneurs from 50 countries that maintain ‘friendly’ relationships with Panama and is centered on a professional, economic, and investment activity.** Citizens of these 50 countries can relocate to Panama with their immediate family and get permanent residency faster than any other Panama visa. The Friendly Nations Visa requires primary applicants to open a local bank account with a minimum balance of \$5,000, as well as prove economic or professional solvency through one of the following activities:

- Buy an existing Panama company or create a new one
- Get hired by a Panamanian company

The 50 friendly nations are: Andorra, Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Ireland, Israel, Japan, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Monaco, Marino, Montenegro, Netherlands, New Zealand, Norway, Poland, Portugal, Serbia, Singapore, Slovakia, Spain, South Africa, South Korea, Sweden, Switzerland, Taiwan, United States of America, Uruguay, United Kingdom (Great Britain & Northern Ireland).

3. Panama Professional Employment Visa

One of the reasons Panama developed several of its immigration visas was to attract overseas tertiary educated professionals and various skilled workers to fill the gap caused by Panama's economic growth in recent years. Foreigners who work for a Panamanian company in a "*professional*" capacity while paying social security taxes and holding a college degree can receive permanent residence after two years of holding a temporary residence. **This option is ideal for foreigners who want to work in Panama.** Consequently, the applicant's area of professional practice must not conflict with any of the professions reserved for Panamanian nationals, for example, medical or veterinary doctor, attorney-at-law, architect, or engineer.

All applicants are required to have tertiary training, and different from other visa programs, they must make two applications, two years apart. The reason behind two applications is because temporary residence cards are valid for one (1) year. When submitting the final application, applicants must demonstrate that they have been employed in Panama for the last nine months and have maintained compliance by paying local social security. General documents required for applying for this immigrant visa can be found in the *General Documents Required for all Residency Programs* section above.

4. Panama Reforestation Investor Visa

In its efforts to promote eco-friendly initiatives, the Panama government established the *Reforestation Investor Visa*. **This visa requires a minimum investment of US\$40,000 or US\$80,000 in a reforestation project certified by the state.** This includes buying a minimum of 20 hectares of lands with title and an additional investment of US\$2,000 per dependent. In return, applicants /investors receive permanent residency visas. Additionally, these reforestation investments have provided good returns for investors.

There are several reforestation projects around Panama ready and waiting to welcome an investment of US\$40,000 or US\$80,000. The US\$80,000 investment leads to a permanent residency after one year, while the smaller US\$40,000 investment leads to a permanent residency after five years requiring the visa to

be renewed each year until the fifth year. Most of these projects are managed by foreign entities, mostly from Europe. The investor's capital is calculated towards purchasing at least 20 hectares of forest land. Apart from doing the investment in one's own name, the investor can also choose to make the investment using a legal Panama entity. As stated previously, an additional US\$2,000 investment is required for each dependent that will be included in the submission of the visa application.

Benefits of Reforestation Investment in Panama

- **Permanent residency for the applicant and dependents**, this can open doors for a full Panama citizenship with a Panama passport. Panama law states that a foreigner must be a permanent resident for a minimum of 5 years before applying for citizenship.
- Highly **profitable** investment
- The Earth is our most important and most endangered resource. All over the world tropical rainforests are under threat and are being cut down for wood making them more and more depleted and close to possible extinction.
- The cost of timber is rising as demand increases and supply is barely able to keep up.
- Panama reforestation investment provides an ideal opportunity to **save the environment** by reducing rainforest depletion. Reforestation is centered on planting new trees to replace the ones cut down for their timber.

There is no doubt this recent approach to sourcing lumber from sustainable reforestation projects and not from rain forests is better for the environment. For individuals who are champions of the Earth and are able to afford this visa, this one of the most 'green' investments one can find. The Panama immigration reforestation visa is often referred to as Panama's Green Investment Visa.

How does Panama Reforestation work?

One goal of Panama reforestation projects is to *plant new trees, grow them, maintain them* every couple years, *harvest them* between year 15 and 20, and plant more trees in their places. Panama offers investments in mahogany and teak reforestation. However, teak is in higher demand because it maintains better resistance to decay, is resilient to weather conditions, and repels insect infestation. Teak is often used for furniture inside and outside in addition to decking for vessels. Teak is also easy to manipulate in wood crafting because of its elastic fiber.

Because of these driving forces, reforestation of teak in Panama is very profitable. Bear in mind it will require up to 20 years for a teak tree to reach

maturity. Teak may not be indigenous to Panama because it was imported in the early 1900's however it has been well sustained under Panama's climate

With this residency program, there is no requirement to get your hands dirty. **No is farming necessary when you invest in a Panama reforestation project. The government certified companies involved in the project will sell you the required minimum hectares and carry out the maintenance during the full life of the investment.** This includes thinning and selling the thinned lumber, harvesting and selling the teak at current market value. With Panama's Reforestation Visa, going green has never been more profitable.

Panama Reforestation Investor Visa Application Process and Required Documents

General documents required for applying for this immigrant visa can be found in the *General Documents Required for all Residency Programs* section above. In addition to the general documents required for submitting an application to become a resident in Panama, the following are additional documents required for the *Panama Reforestation Visa*.

1. Ownership of a legal entity, e.g. a Panama Corporation to purchase the reforestation property
2. A sworn affidavit from the treasurer or secretary (not the applicant) confirming the ownership and shares belonging to the applicant along with total capital stocks.
3. Panama Public Accountant (CPA) certification clarifying in detail the total value invested in the Panama reforestation project by the applicant. The accountant must show documents supporting this.
4. Certificate authenticating shares owned by the applicant.
5. Copy of official tax returns showing the invested capital. If the first tax year has not ended yet, then a copy of the certificate of the corporation's tax ID (RUC) must be submitted.
6. Copy of the National Environmental Authority (ANAM) resolution certifying the reforestation project.
7. Copy of the Panama Public Registry certificate of the business (corporation) and the property's title.
8. Proof of the direct investment of a minimum of \$80,000 USD in the reforestation project. Acceptable documents include:
 - a. Audited Financial Statement
 - b. Bank certification that funds were transferred or payment was made (required)
 - c. Documents that merchandise was imported
 - d. Receipts for purchase and sale.

How to Extend a Panama Reforestation Visa

In order to request an *extension of the Panama Reforestation Visa* the following documents must be submitted.

- Certification of Incumbency (Paz y Salvo) for the applicant
- Proof of disbursements from the reforestation project during the past year or proof that the reforestation company is providing maintenance and that their contract remains in force.

5. Panama Self Economic Solvency Visa

Lots of countries have set up their immigration programs to benefit more wealthy foreigners. In other words, the less money you have, the harder it is to immigrate in some countries. Panama immigration has structured its visas to benefit all different kinds of immigrants. Many countries offer investor visas for wealthy foreigners, some of these visas require a minimum US\$1 million in order to qualify. However, **Panama's Self Economic Solvency Visa only requires a minimum US\$300,000 investment.** If you are able to comply with one of the 3 options below, you can qualify for this visa.

1. **Certificate of Deposit (CD):** Foreigners need to deposit at least US\$300,000 in a Panama bank as a Certificate of Deposit for a minimum of 3 years. An additional \$2,000 deposit is required for each dependent. The applicant must invest an additional \$2,000 USD for each dependent. The Certificate of Deposit must be registered in the applicant's legal name. Monthly interest earned from the 3 year CD investment may be deposited into any Panama bank savings account. This interest earned is not subject to income taxes.
2. **Purchase Panama Real Estate:** The second alternative is to invest a minimum of US\$300,000 equity in a titled Panama real estate. This transaction must be done using cash as loan from a mortgage does not qualify. An additional \$2,000 USD must be invested per dependent. The difference between a CD and titled Panama real estate is that real estate can exist in the owner's name or in a Panama Foundation's name as long as the applicant is either a beneficiary or the founder. Titles originating in a Panama Trust or Panama Corporation do not qualify. The primary applicant must still provide proof that he or she will be able to financially support oneself and family.
3. **Combined CD and real estate investment:** This alternative is a combination of the two options above (cash and equity). A minimum combined total of US\$300,000 may be invested in Panama real estate and a Panama bank Certificate of Deposit. Additionally, US\$2,000 investment is required for each dependent.

Panama Self Economic Solvency Visa Application Process and Required Documents

In addition to the general required documents for application to Panama immigration to attain a permanent residence, the following documents are required for the *Self Economic Solvency Visa* dependent on the option chosen. (see *General Documents Required for all Residency Programs* section above)

Panama Bank Certificate of Deposit Option

1. Certification from the Panama bank that the applicant has a personal CD account with the bank for a minimum of US\$300,000, to be held for a minimum 3 years plus an additional US\$2,000 for each dependent.
2. Copy of the Panama bank's CD certificate authenticated by the issuing bank.

Panama Real Estate Ownership Option

1. Certificate from the Panama Public Registry Certificate proving the titled deed is in the applicant's legal name valued at a minimum US\$300,000 free and clear of debt.

IMPORTANT: (a.) If the title deed is in the name of a Panama Foundation, proof is required by the applicant that he or she is the founder or a beneficiary. (b.) If the applicant spent a minimum of US\$300,000 cash for the Panama real estate, the remainder of the balance can be financed with a mortgage loan. The applicant only needs to satisfy the minimum US\$300,000 investment required by Panama Immigration law.

Combined Option

1. Certified copy of the title deed registered with the Panama Public Registry
2. Authenticated copy of the Panama bank CD certificate
3. Panama bank certification that the minimum requirements have been satisfied by depositing a minimum of US\$300,000 in a CD account for at least 3 years.

6. Panama Business Investor Visa

Panama invites foreign investors and business investors to make significant investments and support the country's growth and development. Panama, as such, provides *government-sponsored citizenship* through investment programs, making it possible for foreigners to acquire permanent residence. Because the minimum investment is very reasonable, the residency program is quite appealing to foreigners who want to invest in business or retire in Panama. **The Panama Business Investor Visa requires at least an investment of US\$160,000 in a legal new business or newly set up corporation.** Obtaining a commercial license, registering with social security and employing five Panamanian workers in addition to paying their social security benefits and paying at least a minimum wage are other requirements.

Each *Panama Business Investor Visa* involves three 2-year temporary resident visas before qualifying to become a permanent resident.

Panama Business Investor Visa Application Process and Required Documents

All documents must be at least 2 months old upon visa application and passports must have at least 1 year validity. Additionally, all documents must be authenticated by the nearest Panamanian Consulate and the Apostille.

- Birth and/or marriage certificates that prove the relationship between dependents and the applicant are required.
- Copies of the passport(s) of the applicant and dependents that have been notarized by a Panamanian notary.
- 8 passport-size photos.
- A copy of the applicant's driver's license or a government-issued photo-I. D. that has been authenticated by a Panamanian consulate or Apostilled.
- A criminal history report that goes back at least two years and has been authenticated by the appropriate federal or governmental agencies in the country of which the applicant and by the Panamanian Consul in that country or by an Apostille.
- Proof of legal residency if the applicant is not a citizen but is a resident of a friendly nation.
- Documentation indicating the applicant is a member of the Board of Directors or is a majority shareholder in a Panama company or corporations (when the application is based upon economic ties).
- Marriage Certificate with Apostille (if married)
- Birth Certificate with apostille (when children coming with the parents)

7. Marriage to a Panama Citizen Visa

Foreigners seeking permanent residence through marriage to a Panama citizen must prove the marriage is valid and is not a sham. Additionally, the applicant should live with the Panamanian partner in stability and continuity in order to be eligible for the Married to Panamanian Visa.

However, **the fact that a foreigner is married to a Panamanian does not grant the right to residence in Panama.** The National Immigration Service could deny entry or residence on grounds of hygiene, morality, public safety, or social needs.

The application requirements include:

1. Submit a formal application to be a permanent resident along with a notarized Special Power of Attorney allowing your lawyer to act on your behalf

2. Get a notarized copy of your entire passport. Your passport should have at least one year validity.
3. Criminal record from the country of origin, and from any country where the applicant lived for 2 or more years, including Panama. The criminal record needs to be authenticated, either with Apostille or certified by the issuing country.
4. Health certificate from an accredited local doctor not older than 3 months.
5. Payment of \$250 USD to the National Treasure.
6. Five (5) passport-sized photos.
7. Marriage Certificate (valid only for 6 months) from Panama's Civil Registry. The marriage must be registered in Panama's Civil Registry, even if celebrated abroad.
8. Panamanian partner's Birth Certificate (valid only for 6 months) from the Civil Registry.
9. Copy of the Panamanian partner's National ID (cedula), authenticated by the Civil Registry.
10. Birth Certificate (valid only for 6 months) of the couple's Panamanian children, if any.
11. Marital Interview.
12. The National Immigration Service has the right to visit the couple's home at any time to inspect the living situation.

A *temporary residence card* will be issued upon application. Two years later, the applicant can apply for *permanent residence*. The application requires the same documents, except the Criminal Record and the payment to the National Treasure.

8. Parents of a Child Born in Panama Permanent Residency

Panama established a new law in 2012 allowing the parents of a child born in Panama to apply for *permanent residency*. **This child must be five years of age or older in order to apply for this permanent visa.** The parents of future children born in Panama can apply for this permanent visa after the child's fifth birthday. The parents of a child born in Panama during the previous 5 years to apply for permanent residency.

Many countries globally are faced with a growing number of foreigners who overstay their visas and have become illegal immigrants, in addition to being parents of children born in Panama. A perfect example of this scenario is the mother of a child who is a citizen of Panama while the mother is an illegal immigrant who could be arrested and deported. The Constitution of Panama does not allow deportation of Panama citizens. Instead, the country has taken a more humane response by allowing both parents to become permanent

residents. In making this decision, Panama asks the question, If the mother is deported while the child who is a citizen cannot be deported, who would take care of the child?

Visa Application Process and Required Documents

In order to apply for permanent residence as a parent of a child 5 years or older the following documents should be submitted along with the general required documents for application to Panama immigration. (see *General Documents Required for all Residency Programs* section above)

1. Submit the child's Panama birth certificate, proving that the child was born in Panama and is 5 years or older
2. Procure a criminal background report of both parents from the national police of their respective home countries.
3. If one or both parents have always lived in Panama over the past 2 years they are allowed to get the criminal history report from the Panama national police.
4. Submit a Letter of Responsibility signed by a Panama citizen.
5. Provide proof of economic solvency by submitting a bank statement from a Panama bank reflecting sufficient funds to take care of a family. Additionally, economic solvency must also be proven by the Panama citizen who submitted the Letter of Responsibility.

Conclusion

Most Panama immigration laws were created to encourage foreign investment in Panama which in turn benefits the local economy. Many international investors and businesses find superb prospects in Panama that encourage investment in reforestation, manufacturing plants, assembly plants, import / export processing facilities, software development facilities, call centers and a range of other business activities. Several times, investors find that a Panamanian residency visa is just an “*added benefit*” to the investments they make in Panama. The fact that there are specific Panama immigrant visas and Panama residency programs for investors is plenty motivation to move to Panama and acquire Panama citizenship and a Panamanian passport.