

Costa Rica: Remote Worker Visa Implemented

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Country / Territory



At a Glance

- The Costa Rican government published the regulation implementing the long-awaited Short-Term Visa for Remote Workers or Service Providers, after the original law was approved in August 2021.
- The remote work visa allows foreign nationals who are employed outside Costa Rica or who provide services to persons or entities outside Costa Rica and have a stable average monthly income of at least USD 3,000 (or USD 4,000 if accompanied by dependents) to reside in and work remotely from Costa Rica for up to one year, without local employer sponsorship.
- Interested applicants can apply for this visa under a significantly more streamlined process than originally announced by the General Immigration Directorate.
- As a reminder, the visa does not allow foreign nationals to perform local remunerated work in Costa Rica.

The situation

The Costa Rican government published the regulation implementing the long-awaited Short-Term Visa for Remote Workers or Service Providers, which allows foreign nationals to begin applying for the visa.

A closer look

Details of the new visa include the following:

- **Eligibility.** The visa allows foreign nationals who are employed outside Costa Rica or who provide services to persons or entities outside Costa Rica and have a stable average monthly income of at least USD 3,000 (or USD 4,000 if accompanied by dependents) to reside in and work remotely from Costa Rica for up to one year, without local employer sponsorship.
 - **Streamlined process.** The application process for the new visa has been streamlined since it was originally announced by the General Immigration Directorate. Notably:
 - **Criminal clearance certificates not required.** Applicants do not need to submit apostilled/legalized criminal clearance certificates from their country of origin or residence, as is required for other visas valid for more than six months. The General Immigration Directorate will verify criminal records internally during the application process.
 - **Evidence of proof of income relaxed.** Applicants prove their required average monthly income through bank statements accompanied by a sworn declaration of income, instead of apostilled/legalized bank statements which are often difficult to obtain.
 - **Apostille/legalization of documents not required.** Applicants do not have to apostille other supporting documents such as marriage and birth certificates, as is required for other visa types.
 - **Processing times.** The government expects to adjudicate these applications in 15 calendar days from the date of filing through a streamlined digital application process.
 - **Health insurance requirement.** Applicants and their families are required to hold private medical insurance valid for the entire duration of their stay in Costa Rica.
 - **Tax and other benefits.** The law offers tax benefits for the principal visa holder, including exemptions from income tax and taxes on the importation of technological work equipment. It also offers visa holders the ability to open savings accounts in national banks.
 - **Eligibility for renewal.** To renew the visa for one additional year, visa holders must have remained in Costa Rica for at least 180 days during the initial one-year period.
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Impact

- **Working remotely.** The visa offers foreign nationals an option to work remotely from Costa Rica, whereas other visa options in Costa Rica either require company sponsorship or do not automatically confer work authorization.
 - **Local work restricted.** Visa holders are not able to perform local remunerated work in Costa Rica.
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Background

- **Economic recovery.** Costa Rica's tourism sector, and, as a result, the Costa Rican economy has been significantly affected by the COVID-19 pandemic. Consequently, Costa Rica created this new visa category to attract long-term visitors and increase local economic activity due to the flexibility in work locations that many employers are now allowing.
 - **Changes in the regulation.** The law creating the remote work visa was originally approved in August 2021. However, implementing regulations were delayed and initially published with burdensome requirements. Following the public comment period in which private and public organizations voiced complaints, the regulation was revised and signed by the president.
 - **Remote work visa warning.** In countries where remote work is unregulated, workers and employers may unknowingly put themselves at risk of noncompliance with many aspects of the law, exposing them to possible fines or other penalties, depending on the country. Importantly, noncompliance with regulations could result in employers losing their rights to hire foreign labor. Additionally, this type of work arrangement may have employment or tax law impacts. Employers should also consider tax and labor law implications beyond the scope of immigration-related impacts as part of their decision-making process.
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Looking ahead

As this is a new visa category, foreign nationals should expect that some initial issues may arise and for improvements to be made to the application process

as the regulation goes into effect.

This alert is for informational purposes only. If you have any questions, please contact the global immigration professional with whom you work at Fragomen or send an email to lar@fragomen.com.