

July 26, 2021

## New Immigration law to contribute to the country's economic recovery

On July 13, 2021, the Costa Rican Legislative Assembly voted on the second (final) debate the approval of the bill of law to allow foreigners who provide remunerated services remotely for a legal entity abroad ("Digital Nomads") to stay in Costa Rica for a year, with the option to extend their stay for one additional year, by creating a new immigration category as remote employee or provider of remote services. The approved bill of law has been transferred to the Executive for the President to sign it as a new Law and will then be published in the Official Gazette.

After the Law has been published in the Official Gazette, the regulation to this Law should be published in, approximately, sixty days, which should include pending details of this new visa and the procedure to apply for it.

To be eligible for the Digital Nomad Visa, the foreign individual must comply with the following special requirements:

- Prove he/she has been receiving, in the last twelve months, a stable monthly salary, fixed income, or an average monthly income, in an amount equal to or greater than US\$3,000, or its equivalent in a foreign currency. If the applicant chooses to request the visa also for his/her family (spouse or life partner, children under twenty-five years old or disabled children, as well as any elderly adult who lives with the applicant), the monthly income to be evidenced will be US\$4,000, which amount can be integrated with the income of the spouse or any of the other family members. In either case, this income should be continually received even though the applicant is not in his/her country of origin.
- Have private insurance for medical services that cover the applicant for the entire duration of his/her stay in Costa Rica. Likewise, all the family members must be covered with this insurance if they are also beneficiaries of the visa.
- Comply with the payment of the visa, which amount will be established by the regulation to this Law.

The following incentives have been approved by this law, for Digital Nomads:

- Legal residency in Costa Rica for one year, with the option to request an extension for another year, with the condition of having stayed in Costa Rica for a minimum of 180 days during the first year.
- Income tax exemption for the amounts declared by them as income. This benefit will not apply to the beneficiary's family.
- Exemption of all import taxes of basic personal computer, technology, telecommunications, or similar equipment, necessary for the beneficiary to carry out his/her work in the country.

- The foreign driver's license of the beneficiary will be valid for purposes of driving in Costa Rica.
- Savings account opening in the national banks of Costa Rica.

Regarding fiscal residency, Digital Nomads will not be automatically considered fiscal residents, per specific local laws applicable to the subject matter.

The Digital Nomad awarded these benefits will enjoy them during the term of the visa.

To obtain legal advice on Costa Rican Employment and Labor, Human Resources, and Immigration Law, please do not hesitate to contact us.

## Your Key Contacts



**Anna Karina Jiménez**

Partner, San José

D +506 2503 9815

M +506 8382 3038

[annakarina.jimenez@dentons.com](mailto:annakarina.jimenez@dentons.com)



**Silvia Hernández**

Senior Associate, San José

D +506 2503 9816

M +506 8706 1976

[silvia.hernandez@dentons.com](mailto:silvia.hernandez@dentons.com)