

calculating AUD value of the income to be generated from those investments. However, officers may accept a (higher) investment rate proposed by the applicant provided evidence is submitted of that rate being currently available in Australia for that amount of capital investment.

6. For income that is to be derived from capital investments to be made in Australia (i.e. "on-shore"), gross income figures may be accepted. However, for the reasons immediately below, only net income figures should be used in calculating the value of overseas pensions and offshore income-producing investments.

7. The term 'available for transfer to Australia' reflects policy intention that the various monetary figures described in 410.227(1) provision be calculated on the basis of having to be "gross on-shore" (in Australia). It is policy that that portion, if any, of an applicant's gross off-shore income that will end up as, for example, foreign tax payments, cannot reasonably be said to be available for transfer to Australia.

8. Officers should regard future income (such as future pension or preserved pension rights) as being available for transfer only if satisfied that such income will become available to the applicant at time of decision. Income that will not become available by that time (e.g. pension rights "rolled-over" until a much later date) should not be regarded as available for transfer. [However, its accrued capital value (if any) may be used in calculations if the applicant proposes to convert it to capital before travelling to Australia.]

Assessing availability for transfer

9. Unless there is reason to believe otherwise, officers may regard as 'available for transfer' that portion (if any) of the applicant's income that will derive from pensions already held and current offshore investments.

10. For other resources, it is policy that, provided all prescribed criteria for visa grant are satisfied, applicants demonstrate that their resources are available for transfer by converting them into a form (i.e. capital) available for immediate transfer to a bank account held in Australia.

11. At that stage of visa processing, it is not intended that officers recalculate the AUD value of the applicant's income (or that portion of capital to be invested in Australia) unless there has been a significant variation (e.g. as a result of currency fluctuations).

12. Should an applicant (having been given reasonable opportunity to do so) not provide evidence of having converted their resources into capital available for immediate transfer, it is open to officers to refuse to grant a visa on the grounds that the applicant did not, at time of decision, satisfy them as to the availability of their resources for transfer.

Retirement Visa – Capital Criteria

Transferable resources

410.227(1)(a)

[throughout]

'resources ... available for transfer to Australia'

Assessing resources

1. Under policy, a non-monetary resource (e.g. assets such as furniture and effects) held outside Australia may be considered to be available for transfer only if the applicant converts that resource/asset into capital prior to being granted their visa.

2. Under policy, resources (capital, pension, assets etc.) already in Australia may be included:

- . the policy intention underlying this provision is to ensure that applicants bring to Australia sufficient resources such that they do not become a burden on Australia's welfare services;

- . it is accepted that applicants who have the prescribed amount of resources in Australia satisfy this underlying policy intention.

3. Initially, the applicant should provide documentary evidence (in the form of account statements and letters from managers of banks or other financial institutions and pension funds) of

- . current capital;

- . current pension (with evidence that it is transferable and will continue to be paid notwithstanding that the holder may take up residence in Australia);

- . valuation of that portion of their (unencumbered) non-monetary assets (if any) that they propose to convert to capital;

- . current income from (or, if to be so converted, estimated capital value of) investments and insurance/assurance policies with a statement as to

- . which of these they propose to convert to capital; and

- . which, rather than be converted to capital, will continue to be "off-shore" income-generating investments only.

4. Applicants should provide evidence of the value of resources held outside Australia in local currency. Officers should use current official exchange rates to calculate the Australian dollars (AUD) equivalent.

5. If all, or part, of an annual income will derive from capital investments that the applicant proposes to make in Australia, officers generally should use current Australian investment rates as a guide to