

The Complete **E-2 Visa** Business Roadmap



Everything you need to know about
starting an E-2 Visa business:

A 12 STEP GUIDE 

WELCOME

If you plan on starting a business in the US as an immigrant, it is completely normal to be unsure of what steps you need to take. That is why this e-book can help you set up your business correctly, navigate the immigration process, and start off strong. In this e-book, we will go through 12 steps to help you prepare for your E-2 business journey.

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STEP 1:

Analyze the Business You Want to Pursue

Here are four **key questions** to help get you started:

1. What experience do you have?

Most business visas, including the E-2, will require you to demonstrate that you are capable of successfully operating the business. This means you will need to have adequate and related experience. This may not need to be as directly related as you think though.

Consider what types of experience you have done in your home country that could be transferable, even if they aren't what you've been doing for your full-time job. You may be able to make a compelling case for more types of businesses than you think by mixing both professional and personal experiences.

2. What do you enjoy doing?

Related experience does not necessarily mean it has to be in the exact business type you plan to run in the United States. Many business skills are transferable, so don't limit yourself just to the industry in which you have prior experience.

This means you can also take into account what you're passionate about. Your business will consume a great deal of your time so consider what you enjoy doing that you may also have enough experience to succeed at doing. It is important that you are passionate about the business you will run and that you care about what you will do.

3. How much do you have to spend/invest?

The type of business you can start will largely depend on how much you are able to spend. Starting or purchasing a construction company with several pieces of heavy equipment will be considerably more expensive than a consulting firm with a small office and a few computers. Considering how much you reasonably have to spend can help you direct your search.



4. Where do you want to settle and does your business match?

If you have a specific destination in the United States in mind, then you need to make sure your business is feasible in that area. As an example, if you want to settle somewhere like Los Angeles, California or Miami, Florida you wouldn't want to have a retail store for snow gear. Likewise, if you know the business you want to start, consider which location will give you the best chance of success. More on that below!

These are certainly not the only considerations you need to make but they are some of the largest in choosing the business that is right for you.

STEP 2: Establish New, Purchase Existing, or Franchise?

Whether you already know what you want to do or you're still just figuring it out, you'll have another important consideration to make. There are three primary ways to become a business owner:

1. Establish a new business

You may want to build a business from scratch. This is arguably the most difficult path to ownership but will provide you the greatest amount of flexibility and control.

PROS

- Control over all initial business setup decisions
- Able to make investments gradually over time instead of all at once

CONS

- More challenging if no international business experience
- Especially difficult if not currently in the country



2. Purchase an existing business

There are always businesses for sale. If you have the desire to run a business but aren't partial to starting one and being able to make all the decisions - as many will already be made and determined - then purchasing an existing business may be the right path for you.

PROS

- Skip the learning curve as the business is already operating
- Quicker startup time than starting a new business
- May be easier to get visa approved as viability is proven

CONS

- Greater initial investment
- Less control over initial business decisions

3. Open a franchise

Franchising allows you to have the excitement of starting a new business but with the built in branding, systems, and other support that come with a franchise.

There are many franchises that routinely work with business immigrants, as well as organizations that help match foreign investors to great franchises. Reach out and we can refer you to one in our network.

PROS

- Proven, established brand and business concept
- Structured training and support from franchisor

CONS

- Limited flexibility on marketing, operations, and other business decisions
- Licensing fees limit profitability potential

STEP 3: Market Research

Market research will help you collect information that will allow you to make informed decisions about your business as well as give you an indication of the potential of your business.

There is a lot to consider when first researching your business. One of the first things is to understand how you can operate.

Your early focus when planning your business is to become broadly aware of whether the type of business you want to operate has specific regulations, requires certain licenses, or has other restrictions. Not only will these be set at the federal level but they will vary from state to state and city to city, as we'll discuss more below.

Another vital consideration when starting or purchasing a business is understanding your customers and their needs. You will also need to understand other key players in the market.

The goal is to determine how much opportunity there is for your business idea to be successful and to identify potential hurdles you may need to overcome.

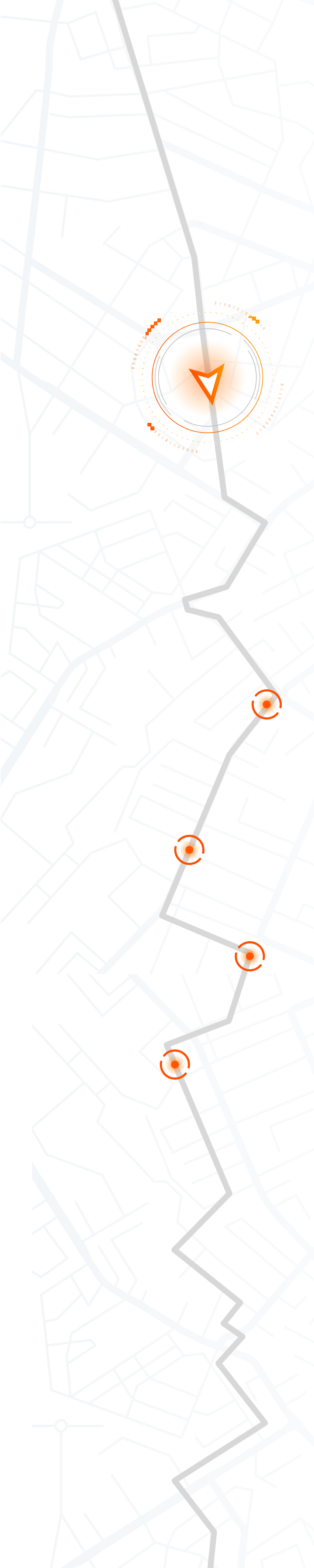
A business owner who knows the perspective of their market also knows these facts:

1. The demand for their product or service.
2. The number of customers that would be interested in their products and services.
3. The income range and employment range of their employees.
4. The location of their customers and business reach.
5. The number of similar options that already exist on the market.
6. The pricing of their product and services.

There are **2 common approaches** to market research:

1.Primary: Conducting specific, targeted research yourself. This is done in a variety of ways. In terms of consumers, this would be done by reaching out directly to them through surveys, focus groups, interviews, or observation.

2.Secondary: Relying on information already gathered and published by others. This approach is useful for general statistics and demographics. It saves time, energy, and money, but may not be as specific as you might like, especially in terms of clients.



Most insightful market research includes a combination of both types. Unfortunately, if you are not in the country, it can be difficult to conduct the type of research you need.

If you think you will need assistance with your market research, check out our in-depth market study.

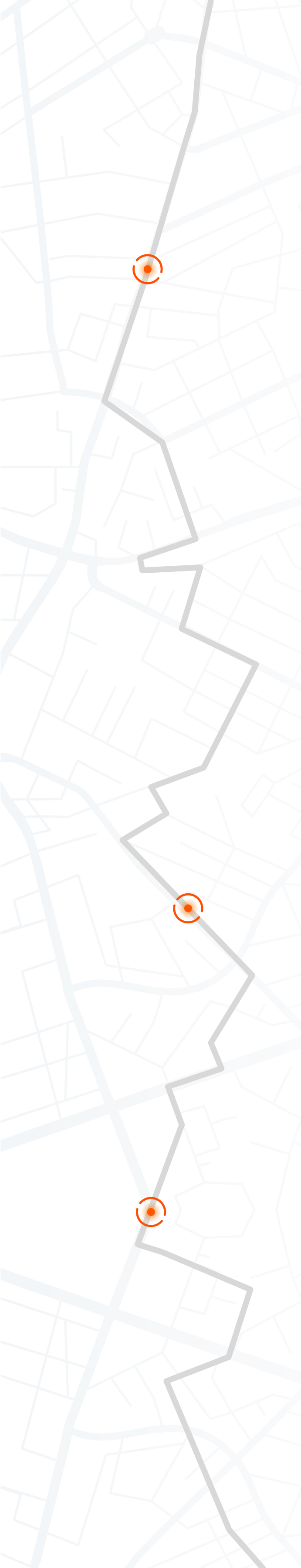
STEP 4: Choosing Where to Operate

One of the most important steps when starting a business is deciding whether or not you need a physical office space or a warehouse. This choice depends on the type of your business. There are 4 broad business categories:

- 1. Manufacturing business** – processing materials into a finished product by using chemical processing, human labor, or machinery
- 2. Retailing business** – selling clothes, groceries, shoes, or other goods from wholesalers to the end client.
- 3. Wholesaling business** – buying goods from manufacturers and reselling them in batches to retailers
- 4. Service business** – providing services instead of a physical product to the customer

Choosing a working space depends on the category of your business. In many cases, such as with manufacturing, wholesaling, or physical retailing businesses, a physical working location is a given. However, if you are a service business that doesn't require direct interaction with clients or an online retail business, an office may be optional.

A physical office space is usually recommended for visa applications, though in some cases it is not required. Changing attitudes and trends towards remote work, especially since the pandemic, have caused a shift here but for immigration applications, you should still be cautious in considering operating without a physical space.



Ask your immigration lawyer what is right for you depending on your business, case, and immigration strategy.

In any case, if you decide that your business needs a working space, here is something you should be paying attention to.

Location, location, location!

If you are, for example, opening a business-to-consumer (B2C) business such as a restaurant or clothing shop, the most challenging - and important - part of choosing a space is picking a place that is accessible and has a lot of traffic. You will likely pay higher rents for an area like this but if your business will rely even partially on foot traffic this can have a drastic impact on your business.

If you are a business-to-business (B2B) business, you may want to be close to your clients or competitors, or perhaps your biggest concern will be locating in a place where it will be easy to recruit the right talent for your specific type of work.

The state, city, and neighborhood you choose to open in can directly impact both the revenue potential of your business, as well as your likely expenses. So, this decision should not be made lightly.

Even if location isn't as vital for your specific business's success, location still has several important implications including:

Taxes

Different states, countries, and cities have different income, sales, property, and corporate tax treatment.

The common approach to learning about your local tax treatment as a starting point is to visit state and local government websites. You should also reach out to an accountant or tax advisor who can give you more specific advice and information.

Business laws

Every state and many cities have specific guidelines and laws that impact businesses. In most business transactions, the laws that govern it will be the business laws of the city or state in which you are located. Make sure you carefully consider the business laws of wherever you plan to operate.



Zoning laws

Before you rent or purchase a space, check the zoning laws of the area where you plan to open. It is vital to know the possible restrictions that may impact your type of business, if applicable. Zoning laws can unfortunately ban or restrict certain types of businesses or business activities in the area you want to operate.

STEP 5: Contact an Immigration Attorney

Starting or purchasing a business is stressful on its own, not to mention pairing it with the complexities of the immigration process.

This is why we strongly recommend having an immigration attorney. Although it is not mandatory, it's far more convenient and time-saving than going through the process alone.


It is also imperative to contact an attorney early in the process as they may recommend you hire employees or be operational before applying. This will depend on your specific case.

There are many ways an immigration attorney can help, including

- Choosing the most advantageous visa type for you
- Guiding you through every step of the immigration process
- Maximizing your application to improve your chance of case success
- Connecting you with the other professionals you will need, like business plan writers or tax advisors

Here are just a few of the specific questions you should prepare to ask an attorney, and an example of the types of questions they will help you address:

- What is the right visa type for me?
- What is the current average processing time for the recommended visa type?
- Can I become a citizen after I've gotten approved?

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- Can I bring my wife, children, or other family members?
 - Does the company need to be operating prior to applying?
 - How much of the business should I own in order to apply?
 - How many days of the year should I be present in the US?
 - How much should I invest? What is considered “substantial”?
 - Can the investment I make be from loan funds, inheritance, etc.?
 - If I have a partner, do they need to be a US citizen or resident?
 - What state is recommended to settle in for my proposed business type?
 - What business structure type do you recommend?
 - Can you vet the business I’m considering purchasing or franchising?
 - Can you recommend a business and/or tax advisor?
 - How many employees should I have?
 - Do I need a physical office space?

If you are ready to hire an immigration attorney but don’t know which attorney is the right one for you, we can help! We work closely with an array of excellent and experienced immigration attorneys we’d be happy to connect you with.

Contact us today for more details!

STEP 6:

Decide on Visa Type (With Your Lawyer)

If you’re reading this guide, you’ve likely already decided that the E-2 Visa is the best path for you.

However, depending on a variety of factors, your lawyer may advise you that another path may be suitable. The following are some of the considerations your lawyer will review with you:

- Country of residence
- Professional experience
- Current net worth
- Amount available to invest
- Immigration goals

Your lawyer may very well confirm that the E-2 is the best option. Alternatively, they may steer you towards other business visa options such as

- **EB2-NIW**
- **L1**
- **EB5**

They may also identify a variety of other immigration options not related to business that could be more suitable or advantageous for you. It will all depend on your exact circumstances.



STEP 7:

Register a Company

If you're buying an existing business, the business is already registered and you might assume the current structure and registration status or you may choose to start from scratch from the sale.

In any case, if you will need to register the business, you will need to make two key decisions:

- 1.** What legal entity (business) structure you will choose
- 2.** In what state you will register your business

Important Note: It is recommended you consult a business and/or tax advisor. The legal entity type you choose will determine how much personal liability you have for the business and how you - and the business - will be taxed.



Choose your Structure

Here are the main types of business entity structures to choose from in the United States:

Sole Proprietorship - Meant for businesses with only one owner.

As a sole proprietor, taxation is simple but the owner assumes full, personal liability for all activities of the business.

Partnership - Intended for businesses with two or more owners.

The taxation and liability treatment for you as an owner will depend on whether or not you are a general partner of the business. This will be determined with other partners in the business and outlined in a partnership agreement.

Limited Liability Company - Applicable to businesses with one or many owners.

Very similar to a partnership but, as the name implies, the type of structure provides limited liability for each owner. In other words, if the business is sued or faces bankruptcy, your personal assets are secure, unlike in other structures.

Corporation - This is the entity most commonly chosen for larger business, especially those that intend to raise funds via the sale of shares in the business.

A corporation is treated as a distinct legal entity, entirely separate from its owners. Owners in a corporation are known as shareholders, holding a certain stake in the business. Both the company as well as the shareholders are taxed.

Choose Where to Register

In addition to choosing your business structure type, you will need to decide in which state to register.

You must first register your business in a state before you can register with the federal government.

The state where you register will usually be where the business will be located. However - if applicable - your business or tax advisor may recommend registering in a different state for legal or tax reasons.



STEP 8: **Open a Bank Account**

Once you have completed registering your business, you will be able to open a business bank account.

You should open a business bank account as soon as possible. It is always recommended to separate personal and business finances. Furthermore, it makes record keeping and verifying business spending (investment) much easier.

Once your company is established, opening a bank account is easy.



1. Choose a bank

Consider rates and benefits of several banks before making your decision. Several have minimum balance requirements or offer interest on your balance.

You will also want to consider if you need a local bank or not. If you will be a retail business dealing with a lot of cash daily, having a bank with a local office is strongly recommended for deposits. However, if you are a service-based business, a local bank may not be necessary.

As most banking can be done online these days, be sure to know what sort of support and transactions can be done virtually to determine if a local bank is – or is not – a requirement for you.

Research how accommodating various banks are regarding foreign-owned businesses. Although the account will be in the business name, with the business EIN, for most structures they will still want your personal information as well.

Some banks have more stringent policies regarding non-citizens without a US-issued Social Security Number.



2. Gather all required documents:

EIN - As a result of the federal part of the business registration process you'll be provided with an EIN, or Employer Identification Number. In addition to employer-related matters, an EIN is also how the government validates your business.

Formation documents - When you register your business with the state, you'll receive documentation confirming your business has been established.

Ownership agreements - If there is more than one owner in your business, you will have an ownership agreement. This outlines who owns what share of the business, what responsibilities fall under each owner, as well as other pertinent details.

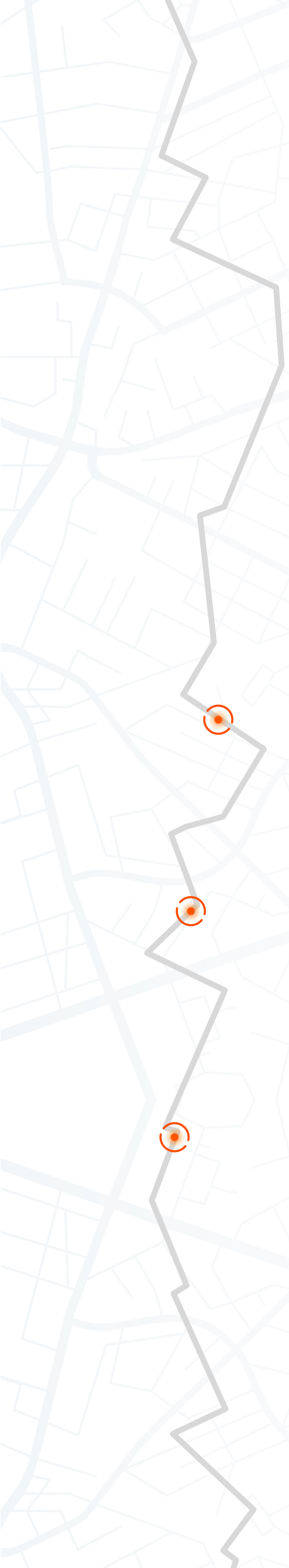
Business license (if applicable) - Several types of businesses require licenses or permits at the federal, state and/or local level. This applies to certain types of professionals, like lawyers, or business activities, like serving alcohol.

Thanks to the digital age, there are now a number of virtual banks. Make sure to factor these into your options but know they will be just as stringent in terms of what they require from you in order to open the account. Furthermore, if dealing with an online bank, make sure to do your research to ensure they are well-established and legitimate.



STEP 9: Secure Office Space

Once you know what business you will pursue and where you will locate, and you have registered your business and opened a bank account, it's time to officially secure your office space!



If you purchased an existing business, you may just assume the physical space(s) where the business already operates. However, if you intend to move that space or are starting a brand-new business, this will be among your next steps.

Although this is listed as Step 9, securing an office space may happen at a different point in your journey. This will depend on a variety of other factors and your lawyers or business/tax advisor will tell you the exact right time to do this.

In some cases, you may want to do this prior to registering your business. In other cases, you might do this during the process of getting a business plan, as a version or parts of that plan may be used in your lease application.

In any case, here are the general steps you will follow when you are ready to officially call a space “home” for your business.

1. Evaluate Your Office Needs

How much space do you need? Is foot traffic important? Part of this consideration will tap into the market research you conducted early on in the business planning process.

2. Estimate Your Budget

Whether you plan to purchase a space or rent, you will likely have a recurring charge for your office space. Make sure you know what the top dollar amount is that you can afford based on your projected revenue and other expenses.

3. Find Suitable Options

With a clear idea of what type of office space you want and your budget, the next step is to find available commercial spaces to lease or purchase. You may be able to identify some options online. You will then be able to set up times to tour spaces, or you can send a representative to do this on your behalf if you’re not in the area yet.



4. Organize Business Documents, Including Financials

You will need to provide a lot of information about your business to secure a lease or a loan, if necessary, to purchase a space. Landlords or banks will want to know that your business idea is sound and more importantly, that you will generate enough revenue to be able to make your payment.

5. Negotiate/Secure Lease

Once all your documents are in hand, you will apply, get approved, and then negotiate the exact terms of your lease including payment dates, discounts if things are paid in advance, how long the lease term will be, etc.



STEP 10: Get a Business Plan

One of the main requirements of the E-2 application is the business plan. Having a professional business plan written specifically for immigration purposes can significantly improve your chance of getting a visa approval.

An immigration business plan is not like other types of business plans, such as one you might use to apply for a bank loan or to appeal for investor funding.

Every business plan should be written with two main things in mind: purpose and audience. Here's how those two items relate to your E-2 business plan.

- **Purpose** - to get your visa approved
- **Audience** - immigration officials

Chances are, if you're applying for an E-2, you already have the business acumen to write a business plan. However, immigration business plans are tricky for the following reasons:

1. Common language

You need to write in plain language, and not fill it with business jargon.

2. Simplified business model

You need to explain your business in a simple, straightforward manner no matter the complexity of your business model or industry.

3. Addressing main objectives

You're not trying to persuade someone to give you a loan or invest money. You're only trying to convince them your business is viable and will have a positive impact on the US economy.

Understanding how to properly angle your business plan for immigration purposes is our specialty, writing over 3,000 immigration business plans per year. Furthermore, writing your own business plan can be extremely time consuming.

Don't leave such a vital component of your immigration application to chance. When you reach this step, we hope you'll consider us. Our business plan experts will create a custom business plan that will fit your needs.

Check out our **business plan samples**.

STEP 11: Gathering the Necessary Documents for the Application

There is some overlap between this step and getting a business plan.

As already mentioned above, the business plan is a key component of your application. There will be many other documents that will be required as well.

Some you will gather while the business plan is being worked on but others you will need to provide in order for the business plan writing to start.

Here is a list of many of the key documents that will overlap the business plan writing and the application itself.

Your lawyer will review with you the full list of what you need for the application in your specific case.

1. Curriculum vitae
2. Business formation documents
3. Evidence you will be in a management or executive capacity
4. Evidence of ownership stake
5. Itemized list of investments into the business
6. Financial statements (if established)
7. Purchase orders or other sales commitments (if just starting)
8. Lease agreement (if applicable)
9. Franchise agreement (if applicable)



Gathering the necessary documents
= a strong business plan

A strong business plan
= increased chances of visa approval



STEP 12: Apply!

Once you've decided all the particulars of your business, taken at least the first steps to set it up, confirmed your visa type, gathered all your application documents - including your business plan, **it's time to apply!**

Your lawyer will advise you of the exact process but the biggest difference will be whether you are applying through a Department of State consulate or the United States Citizenship & Immigration Services (USCIS).

Consulate - Those outside the United States

USCIS - Those within the United States

Once you've applied, it's time to pat yourself on the back for making it through the application process!

All that's left to do is wait for any follow up questions on your application and for a decision.

Following the steps above will help ensure you have a solid business and a strong application.

We're cheering for your approval!

