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Canada – Electronic Travel Authorization to Be Implemented

by KPMG Law LLP – Tax + Immigration, Canada (KPMG Law in Canada is a KPMG International member firm)

flash Alert

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Citizenship and Immigration Canada ("CIC") is expected to implement regulations that will require foreign nationals who do not otherwise require a visa to be pre-screened for admissibility concerns prior to travel to Canada.¹ This new Electronic Travel Authorization ("eTA") program will mirror the Electronic System for Travel Authorization ("ESTA") already in place in the United States. The program enforcement date will be March 15, 2016; however, eligible travelers may obtain an eTA as early as August 1, 2015.

Why This Matters

In practice, almost all visa-exempt foreign nationals will be required to apply for the eTA prior to travelling to Canada. As such, employers should encourage foreign workers to plan ahead and obtain the eTA as soon as possible. As the eTA may be valid for up to five years, it may be beneficial to obtain the eTA at the earliest opportunity. Visa exempt foreign nationals applying at a visa office abroad will be able to benefit from the automatic issuance of the eTA.

This new eTA system will assist CIC to more efficiently and quickly assess individuals' admissibility into Canada.

Purpose of eTA

The aim of the eTA is to allow CIC to identify individuals with admissibility concerns prior to their arrival at a Canadian port of entry. Under the current system, visa-exempt foreign nationals are not examined for admissibility until they arrive at the border. The eTA program will allow CIC to assess admissibility before a foreign national appears at a Canadian port of entry.

The program will also provide CIC with the ability to cancel a previously approved eTA, if it is discovered at a later date that the individual is inadmissible.

eTA: Application, Confirmation, and Duration

Similar to the ESTA program in the U.S., the eTA confirmation will be issued electronically; and in the majority of cases, it is expected to be approved within minutes. Cases that are submitted for further review will be subject to a service standard of 72 hours. During this time CIC must provide an approval, refusal, request for additional information, or advise the foreign national that his or her application has been sent for additional screening. Applicants will apply via an online system and will pay a \$7.00 processing fee per applicant, which is meant to help recover the cost of the eTA system.

The eTA will be valid for the lesser of five years from the day on which it is issued, or until the applicant's passport or travel document expires. If a foreign national obtains a new passport, a new eTA will be required before traveling to Canada.

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Who Is Affected?

The eTA program will only apply to individuals who can enter Canada without a visa, who are arriving by air. It is not required when entering at a land border or by sea. Please note that U.S. nationals and applicants from St. Pierre and Miquelon will be exempt.

Starting on March 15, 2016, visa-exempt work and study permit holders who are already in Canada will be required to obtain an eTA if they leave Canada and re-enter by air. Future applications for work permits and study permits will automatically be issued with an eTA as part of the study or work permit application at no additional charge

As noted above, visa-exempt foreign nationals who apply at visa offices abroad will be able to benefit from the automatic issuance of the eTA.

Brazil, Bulgaria, Mexico, Romania, Lithuania, and Poland

It is anticipated that the amendments will also include a lifting of the visa requirement for citizens of Brazil, Bulgaria, Mexico, Romania, Lithuania, and Poland; as a result, citizens of these countries will also require eTAs.

KPMG Note

Minimal information has been released with respect to the system and process to be created to implement these changes. KPMG Law LLP will continue to monitor the changes and provide our clients and our GMS *Flash Alert* readers with detailed information when it becomes available.

Footnote:

1 See SOR/2015-77 April 1, 2015, Immigration and Refugee Protection Act, Regulations Amending the Immigration and Refugee Protection Regulations: http://www.gazette.gc.ca/rppr/p2/2015/2015-04-22/html/sor-dors77-eng.php.

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For assistance with immigration-related matters pertaining to Canada, please contact your local qualified immigration counsel, or the following immigration professional with the KPMG International member firm in Canada:

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6 – 8 October 2015: Save The Date! KPMG's Global Mobility Forum in Rome!

Deploying Talent in the Borderless Economy

If you think it has become easier to deploy talent in the global economy, it is time to reconsider. The trend toward stricter immigration regulation defies the borderless economy. Taxes present significant hurdles to the free movement of employees across geographies. The diversity of labor laws complicates decisions with respect to benefit plan offerings and participation in the crossborder environment. The cost of compliance has never been higher.

Please 'Save the Date' in your calendar today and join us in Rome at KPMG's Global Mobility Forum to discuss and better understand the challenges of deploying talent in the borderless economy.

Venue: Rome Cavalieri Hotel, Rome Italy

For further information please contact your local KPMG People Services or Global Mobility Services representative.

The information contained in this newsletter was submitted by KPMG Law LLP in Canada. The information contained herein is of a general nature and based on authorities that are subject to change. Applicability of the information to specific situations should be determined through consultation with your tax adviser.

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