

GMS Flash Alert

Immigration Edition

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United States - Consular Fee Increase Effective May 30, 2023

The U.S. Department of State (DOS) announced in a March 28, 2023 final rule that it is revising its "Schedule of Fees for Consular Services" for the processing fees attached to several non-immigrant visa (NIV) categories and the Mexican Border Crossing Card (BCC).¹ The adjustments will take effect on May 30, 2023, and will apply to the E, H, L, O, P, Q, and R visa categories, all non-petition-based NIV categories, and the BCC for Mexican citizens age 15 and over.

WHY THIS MATTERS

Although the consular fee increases announced are not as large as originally projected in the DOS' notice of proposed rulemaking (NPRM) published on December 29, 2021,² foreign nationals should be cognizant of these changes and be prepared to pay the new fees when they take effect on May 30, 2023. For those applying for a non-immigrant visa, our office recommends that foreign nationals submit the DS-160, *Online Nonimmigrant Visa Application*, and pay the respective fee in the upcoming weeks approaching the effective date, if they are able, to avoid the increased fee for the visa category under which they seek to apply.

For employers with mobile employees, the fee increases could raise international assignment and business traveler costs.

Background

The DOS seeks to update its fee schedule biennially in accordance with changes made to its Cost of Service Model (CoSM), which provides an outlook of the services it provides that are associated with its consular operations. The DOS then bases its fees on what the CoSM projects. More specifically, the calculation of the new fees is made using an Activity-Based Costing methodology, which determines direct and indirect costs to the DOS associated with providing services and factors in the projected demand for the years ahead.

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The most recent adjustments to the CoSM reflected a need for fee increases in order to address the rising costs involved in visa application processing. These adjustments were found in the NPRM published in the *Federal Register* on December 29, 2021, that offered a 60-day public comment period on the fee increases proposed.

As demand for these visas was greater than originally calculated, which generated a corresponding decrease in the unit costs of providing these services, the DOS reduced the originally projected increases to the visa fees in its final rule published on March 28, 2023.

The New Fees

Application fees for H, L, O, P, Q, and R visas will increase to \$205 from \$190. Fees for B-1/B-2, F-1, and all other non-petition based nonimmigrant visas (except E visas), as well as Mexican BCCs will rise to \$185 from \$160. Finally, the fee for E visas will increase to \$315 from \$205. Please see below for a summary of the information above in chart format:

Category	New Fee	Current Fee
H, L, O, P, Q, and R visas	\$205	\$190
E visas	\$315	\$205
Non-petition based nonimmigrant visas (except E visas)	\$185	\$160
Border crossing card for Mexican citizens age 15 years and older	\$185	\$160

Source: KPMG Law LLP in Canada

KPMG INSIGHTS

Also addressed in the final rule published is that the fee for waiving the two-year residency requirement applied to J-1 exchange visitors will remain at \$120 for now. We will aim to keep our readers apprised of any updates to that decision made by the DOS as soon as it occurs.

As a reminder, those who are submitting payment of their visa application fee after the effective date of May 30, 2023, must make sure that they are paying the new fee amount as the old amount will not be accepted.

FOOTNOTES:

- 1 See 88 Fed. Reg. 18243 (to be codified at 22 C.F.R. at pt. 22), "<u>Schedule of Fees for Consular Services Nonimmigrant and Special Visa Fees</u>" (March 28, 2023).
- 2 See 86 Fed. Reg. 74018, "Schedule of Fees for Consular Services Nonimmigrant and Special Visa Fees" (December 29, 2021).

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Contact us

For additional information or assistance, please contact your local GMS or People Services professional* or one of the following professionals with the KPMG International member firm in Canada:



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The information contained in this newsletter was submitted by the KPMG International member firm in Canada.

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