



GROSSMAN YOUNG & HAMMOND
TRANSCENDING BORDERS™

4922 Fairmont Avenue, Suite 200
Bethesda, MD 20814
240.403.0913

8737 Colesville Road, Suite 500
Silver Spring, MD 20910
301.917.6900



Attorney Q&A: L Visas for Startup Companies

With [Sofia Hassander, Esq.](#)

Q: What is the L-1 visa?

A: The L visas (L-1A and L-1B) make it possible for employers to transfer employees who are working for the company abroad temporarily to the US. The L-1A enables a U.S. employer to transfer an **executive or manager**. The L-1B enables a U.S. employer to transfer a **professional employee with specialized knowledge**. It can also be used to transfer an employee of a foreign company which does not yet have a U.S. office to help establish one.

Q: Is it only for big corporations or can smaller companies use the L-1 as well?

A: L visas are available to corporations of any size. However, small businesses and/or startups looking to obtain an L visa may face hurdles because the L visa, established in 1970, was originally created to facilitate multinational companies investing in the US economy. Consequently, USCIS expects to see clearly structured organizations with steady salaries, neither of which are characteristics of start-up companies. Further, qualifying for the visa requires proving “business viability” to USCIS, and this can sometimes be challenging for younger and/or smaller companies. However, these challenges generally can be addressed with a well-prepared petition.

Q: What are some of the challenges for smaller companies or start-up companies when sponsoring an L-1 visa?

A: In small businesses, especially start-up companies, employees tend to wear many hats and may not even have official titles. USCIS officials adjudicating L visa petitions are used to multinational companies with clear hierarchies. The unstructured nature of startups inevitably leads to skepticism at USCIS. Many start-up companies have no corporate offices or official employees for some time because they prioritize minimizing overhead costs. The L-1A, however, requires support from subordinate employees and a “new office” petition requires a physical office location. USCIS will typically want to see at least three to five subordinates supporting the managerial candidate’s L-1A petition.

Salaries can also present issues for startups seeking to obtain L visas. Start-up and small business executives often work for no salary until their companies are generating sufficient cash flow and employees are sometimes paid below market. USCIS, however, wants to see employees at all levels earning salaries commensurate with industry standards. Similarly, the minimal starting and operating capital typical of small businesses may lead USCIS to question the viability of the business.

Q: Can the L-1 employee bring his family?

A: Yes. L visa recipients may be accompanied by their spouse and/or child (so long as the child is under 21 and unmarried). Family members of L-1 recipients are eligible for an L-2 visa, which would typically be granted for the same period of stay as the L-1 and grants the family member work authorization.

Q: How long can you stay on an L-1 visa – is there a pathway to a green card?

A: The L visa is a nonimmigrant visa category, meaning you cannot switch directly from an L visa to a green card. However, the L visa classification does allow for dual intent, which means you can file for adjustment of status and apply for a green card while you are in the country in L visa status.

