

L-1 Visa H-1B Visa – International Relations

Due to a new \$100,000 H-1B visa fee, companies are now exploring the L-1 intra-company transfer visa as an alternative. However, the L-1 is not a universal substitute as it requires at least one year of prior employment abroad with the same company.

The L-1 Visa as an H-1B Alternative

The U.S. administration's recent decision to impose a \$100,000 fee on new H-1B visa applications has led companies and skilled workers to explore other visa options. The L-1 visa, an intra-company transfer visa, has emerged as a significant potential alternative for eligible employees of multinational corporations, impacting talent mobility strategies for Indian IT firms and global tech companies.

Understanding the L-1 Visa

Definition – The L-1 visa is a non-immigrant visa designed for intra-company transfers. It allows a multinational company to temporarily transfer an employee from one of its foreign offices to a U.S. office.

Categories of L-1 Visa –

L-1A – For executives and managers.

L-1B – For employees with specialized knowledge of the company's products, services, research, equipment, techniques, or management.

Eligibility and Duration

Eligibility Criteria – The employee must have worked for a qualifying organization abroad (parent, subsidiary, or affiliate of the U.S. company) for at least one continuous year within the three years immediately preceding their admission to the U.S. The petition must be filed by the employer on behalf of the employee; individuals cannot apply independently.

Maximum Duration of Stay

L-1A (Executives/Managers) – Up to a maximum of 7 years.

L-1B (Specialized Knowledge) – Up to a maximum of 5 years.

Key Advantages and Limitations

Advantages of the L-1 Visa

No Quota or Lottery – Unlike the H-1B, the L-1 visa is not subject to an annual cap or a random lottery system, and applications can be filed year-round.

Faster Processing (Blanket Petitions) – Large multinational companies can obtain "blanket L" certification, which allows for faster processing of individual L-1 visa applications for their employees.

Green Card Pathway – L-1 visa holders can apply for permanent residency (a green card) without jeopardizing their current non-immigrant status.

Limitations of the L-1 Visa

Tied to a Single Employer – The visa is tied to the specific multinational company. The employee cannot freely switch to another employer in the U.S.

Ineligible for F-1 Students – International students on an F-1 visa typically cannot qualify for an L-1 visa immediately after graduation because they lack the required one year of prior work experience with the company abroad.

Fixed Duration – The visa cannot be extended beyond its maximum allowed period simply because a green card application is pending.

Comparison – L-1 Visa vs. H-1B Visa

Feature	L-1 Visa	H-1B Visa
Purpose	Intra-company transfers for existing employees.	For workers in "specialty occupations" requiring a specific degree.
Eligibility	Minimum 1 year of work abroad with the same company.	Generally, a Bachelor's degree or its equivalent in a relevant field.
Annual Cap / Quota	No cap.	85,000 per year (65,000 regular + 20,000 for advanced degrees).

Lottery System	No.	Yes, due to high demand exceeding the annual cap.
Prevailing Wage	Not a formal requirement.	Required; employer must pay the prevailing wage for the role.
Duration	L-1A - 7 years; L-1B - 5 years.	Initially 3 years, extendable to a maximum of 6 years.
Employer Flexibility	Tied to the same multinational company.	Can switch employers with a new H-1B petition (portability).
Green Card Path	Allowed; does not jeopardize current status.	Allowed, but may require extensions beyond 6 years if GC is pending.
Student Eligibility	F-1 students are generally ineligible.	A common pathway for F-1 students after completing OPT.

Conclusion - The L-1 is not a direct replacement for the H-1B. It is a specialized visa for multinational transfers, offering significant advantages for eligible employees but with a much more limited scope.

Current Data and Trends

L-1 Visa Issuance (U.S. State Department) -

FY2019 - 76,982

FY2021 (Pandemic Low) - 24,863

FY2023 - 76,571 (returned to pre-pandemic levels)

Refusal Rates - Have shown an increase from approximately 7% to 12% in 2023, indicating heightened scrutiny.

Strategic and Policy Implications

For Indian IT and Big Tech Firms - Companies may increasingly rely on L-1 transfers for their experienced, eligible employees to bypass the new \$100,000 H-1B fee. This could encourage offshore staffing models, where employees work abroad for a year to become L-1 eligible, or for roles where candidates are not eligible for L-1.

For Global Talent Mobility - The L-1 visa serves as a crucial tool for multinational corporations to retain and deploy highly skilled, experienced employees with deep institutional knowledge across their global operations.

From the U.S. Perspective - The policy framework maintains a focus on protecting the domestic labor market (via the H-1B cap and fees) while still allowing multinational firms to bring in essential, experienced talent.

Regarding Global Competition - Workers who are eligible for the H-1B but not the L-1 visa may find other countries with skilled worker programs, such as Canada, Australia, and the UK, more attractive. This could divert global talent away from the U.S.

Source - <https://edition.cnn.com/2025/09/24/tech/trump-h1b-fee-callout>