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U.S. Department of Justice  
Immigration and Naturalization Service

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IMMIGRATION AND NATURALIZATION SERVICE

OFFICE OF ADMINISTRATIVE APPEALS  
425 Eye Street N.W.  
ULLB, 3rd Floor  
Washington, D.C. 20536

[REDACTED]

File: EAC 00 283 52762 Office: Vermont Service Center Date: JUL 10 2002

IN RE: Petitioner: [REDACTED]  
Beneficiary: [REDACTED]

Petition: Immigrant Petition for Alien Worker as a Skilled Worker or Professional Pursuant to § 203(b)(3) of the Immigration and Nationality Act, 8 U.S.C. 1153(b)(3)

IN BEHALF OF PETITIONER:  
[REDACTED]

Public Copy

INSTRUCTIONS:

This is the decision in your case. All documents have been returned to the office which originally decided your case. Any further inquiry must be made to that office.

If you believe the law was inappropriately applied or the analysis used in reaching the decision was inconsistent with the information provided or with precedent decisions, you may file a motion to reconsider. Such a motion must state the reasons for reconsideration and be supported by any pertinent precedent decisions. Any motion to reconsider must be filed within 30 days of the decision that the motion seeks to reconsider, as required under 8 C.F.R. 103.5(a)(1)(i).

If you have new or additional information which you wish to have considered, you may file a motion to reopen. Such a motion must state the new facts to be proved at the reopened proceeding and be supported by affidavits or other documentary evidence. Any motion to reopen must be filed within 30 days of the decision that the motion seeks to reopen, except that failure to file before this period expires may be excused in the discretion of the Service where it is demonstrated that the delay was reasonable and beyond the control of the applicant or petitioner. Id.

Any motion must be filed with the office which originally decided your case along with a fee of \$110 as required under 8 C.F.R. 103.7.

FOR THE ASSOCIATE COMMISSIONER,  
EXAMINATIONS

*Robert P. Wiemann*  
Robert P. Wiemann, Director  
Administrative Appeals Office

**DISCUSSION:** The preference visa petition was denied by the Director, Vermont Service Center, and is now before the Associate Commissioner for Examinations on appeal. The appeal will be dismissed.

The petitioner is a bakery. It seeks to employ the beneficiary permanently in the United States as a pastry chef. As required by statute, the petition is accompanied by an individual labor certification approved by the Department of Labor. The director determined that the petitioner had not established that it had the financial ability to pay the beneficiary the proffered wage as of the filing date of the visa petition.

On appeal, counsel submits a brief.

Section 203(b)(3)(A)(i) of the Immigration and Nationality Act (the Act), 8 U.S.C. 1153(b)(3)(A)(i), provides for the granting of preference classification to qualified immigrants who are capable, at the time of petitioning for classification under this paragraph, of performing skilled labor (requiring at least two years training or experience), not of a temporary or seasonal nature, for which qualified workers are not available in the United States.

8 C.F.R. 204.5(g)(2) states in pertinent part:

*Ability of prospective employer to pay wage.* Any petition filed by or for an employment-based immigrant which requires an offer of employment must be accompanied by evidence that the prospective United States employer has the ability to pay the proffered wage. The petitioner must demonstrate this ability at the time the priority date is established and continuing until the beneficiary obtains lawful permanent residence. Evidence of this ability shall be either in the form of copies of annual reports, federal tax returns, or audited financial statements.

Eligibility in this matter hinges on the petitioner's ability to pay the wage offered as of the petition's filing date, which is the date the request for labor certification was accepted for processing by any office within the employment system of the Department of Labor. Matter of Wing's Tea House, 16 I&N Dec. 158 (Act. Reg. Comm. 1977). Here, the petition's filing date is February 18, 1997. The beneficiary's salary as stated on the labor certification is \$35,984.00 per annum.

Counsel submitted copies of the petitioner's 1996 through 2000 Form 1120S U.S. Income Tax Return for an S Corporation. The 1997

federal tax return reflected gross receipts of \$957,233; gross profit of \$577,587; compensation of officers of \$138,200; salaries and wages paid of \$99,680; and an ordinary income (loss) from trade or business activities of \$20,957. The 1998 federal tax return reflected gross receipts of \$939,960; gross profit of \$555,677; compensation of officers of \$127,450; salaries and wages paid of \$117,573; and an ordinary income (loss) from trade or business activities of \$26,686.

The 1999 federal tax return reflected gross receipts of \$1,019,734; gross profit of \$640,377; compensation of officers of \$117,900; salaries and wages paid of \$119,490; and an ordinary income (loss) from trade or business activities of \$36,351. The 2000 federal tax return reflected gross receipts of \$1,034,491; gross profit of \$548,066; compensation of officers of \$119,600; salaries and wages paid of \$80,027; and an ordinary income (loss) from trade or business activities of \$33,737.

The director determined that the evidence submitted did not establish that the petitioner had the ability to pay the proffered wage and denied the petition accordingly.

On appeal, counsel argues that:

As indicated on the appeal notice, the petitioner had sufficient cash on hand to pay the salary offered to the beneficiary in 1997 when it adds its ordinary income of \$20,957.00 to the \$29,595.00 it (sic) claimed depreciation for expenses incurred in prior years. The petitioner has shown its continuing ability to pay the wage offered by having submitted its 1998, 1999 and 2000 Federal Income Tax Returns, all of which show more than sufficient income to pay the salary offered to the beneficiary in each of these years.

Counsel's argument is not persuasive. As noted by the director, "[t]he burden is on the petitioner to establish that any deduction claimed on the 1997 and 1998 tax returns was not an actual expense to the enterprise, and that the deduction represents actual available funds. The record does not currently establish that the depreciation/amortization deduction was not an actual expense to the business and that it represents available funds to meet the wage."

The petitioner's Form 1120S for the calendar year 1997 shows an ordinary income of \$20,957. The petitioner could not pay a proffered wage of \$35,984.00 per year from this figure.

In addition, the 1998 and 2000 federal tax returns continue to show an inability to pay the proffered wage.

Accordingly, after a review of the federal tax returns furnished, it is concluded that the petitioner has not established that it had sufficient available funds to pay the salary offered at the time of filing of the petition and continuing to present.

The burden of proof in these proceedings rests solely with the petitioner. Section 291 of the Act, 8 U.S.C. 1361. The petitioner has not met that burden.

**ORDER:** The appeal is dismissed.