

# THE OWNERSHIP OF LIVING OR INHABITING HOUSE BY FOREIGNERS DOMICILED IN INDONESIA (Government Regulation Number 103 Year 2015, dated December 22, 2015)

BY GRACE OF GOD THE ALMIGHTY  
THE PRESIDENT OF THE REPUBLIC OF INDONESIA,

Considering:

- a. that in the framework of executing the provision of Article 42 of Law Number 5 Year 1960 on Basic Regulation of Agrarian Principles and in order to provide better legal certainty about the ownership of living or inhabiting house by foreigners domiciled in Indonesia, Government Regulation Number 41 Year 1996 on the Ownership of Living or Inhabiting House by Foreigners Domiciled In Indonesia needs to be replaced;
- b. that having regards to letter a, it is necessary to stipulate a government regulation regarding the ownership of living or inhabiting house by foreigners domiciled in Indonesia;

In view of:

1. Article 5 paragraph (2) of the Constitution of 1945;
2. Law Number 5 Year 1960 on Basic Regulation of Agrarian Principles (Statute Book of the Republic of Indonesia Year 1960 Number 104, Supplement Statute Book of the Republic of Indonesia Number 2043);
3. Law Number 6 Year 2011 on Immigration (Statute Book of the Republic of Indonesia Year 2011 Number 52, Supplement Statute Book of the Republic of Indonesia Number 5216);

DECIDES:

To stipulate:

THE OWNERSHIP OF LIVING OR INHABITING HOUSE BY FOREIGNERS DOMICILED IN INDONESIA.

Article 1

Referred to in this government regulation as:

1. Foreigner Domiciled in Indonesia hereinafter called Foreigner shall be a person being not Indonesian Citizen, contributing benefit, undertaking business, working or investing in Indonesia.
2. Living House shall be house having special plot and any of the walls of the building is not built exactly in the border of plot.
3. Flat Unit hereinafter called Sarusun shall be flat unit having the main objective used separately from the main function as inhabiting place or having connecting facility to public road.

#### Article 2

- (1) Foreigner may have house for living or inhabiting place by right to use.
- (2) Foreigner permitted to own the living or inhabiting house as meant in paragraph (1) shall be foreigner holding stay permit in Indonesia in accordance with the provision of legislation.
- (3) In the case of foreigner passing away, the living or inhabiting house as meant in paragraph (2) may be bequeathed.
- (4) In the case of the heir as meant in paragraph (2) constituting foreigner, the heir shall be obliged to have stay permit in Indonesia in accordance with the provision of legislation.

#### Article 3

- (1) Indonesian citizen marrying foreigner may have the same land title as other Indonesian citizens.
- (2) The land title as meant in paragraph (1) shall not constitute joint asset proven by agreement on separation of assets between husband and wife, which is made by notary deed.

#### Article 4

The living or inhabiting house which may be owned by foreigner as meant in Article 2 paragraph (1) shall constitute:

- a. Single House on the land of:
  1. Right to Use; or
  2. Right to Use on Proprietary Right authorized on the basis of agreement on the granting of right to use on proprietary right by deed of land conveyancer.
- b. Sarusun built on the land plot of right to use.

## Article 5

Foreigner shall be granted right to use the newly purchased single house and strata title on Sarusun on right to use for the newly purchased Sarusun.

## Article 6

- (1) Single house granted on land of right to use as meant in Article 4 letter a point 1 shall be granted for a period of 30 (thirty) years.
- (2) The right to use as meant in paragraph (1) may be extended for 20 (twenty) years.
- (3) In the case of the extension period as meant in paragraph (2) expiring, the right to use may be renewed for a period of 30 (thirty) years.

## Article 7

- (1) Single house on the land of right to use on proprietary right authorized on the basis of the agreement as meant in Article 4 letter a point 2 shall be granted right to use for an agreed period, maximally 30 (thirty) years.
- (2) In the case of the period as meant in paragraph (1) expiring, the right to use may be extended for a maximum period of 20 (twenty) years in accordance with the agreement with holder of land title.
- (3) In the case of the extension period as meant in paragraph (2) expiring, the right to use may be renewed for a maximum period of 30 (thirty) years in accordance with agreement with holder of land title.

## Article 8

The extension and renewable as meant in Article 6 and Article shall be executed as long as foreigner still have stay permit in Indonesia.

## Article 9

The agreement as meant in Article 7 shall be recorded in land book and certificate of the land title.

## Article 10

- (1) In the event that foreigner or heir constituting foreigner that has house built on land of right to use or based on agreement with holder of land title is no longer domiciled in Indonesia, the foreigner or heir shall be obliged to relinquish or transfer of right to house and land to other party matching the requirements in one year.

- (2) In the case of the right to house or land being not yet relinquished or transferred to other party matching requirement in the period as meant in paragraph (1):
- a. the house is auctioned by the state, in the case of the house being built on land of right to use on state land;
  - b. the house becomes property of holder of the land title, in the case of the house being built on land on the basis of the agreement as meant in Article 4 point 1 letter b.
- (3) The proceeds of the auction as meant in paragraph (2) letter b shall become right of former right holder.
- (4) Further provision on foreigner or heir constituting foreigner that is not domiciled anymore in Indonesia as meant in paragraph (1) shall be regulated by a regulation of the minister in charge of immigration affairs.

#### Article 11

Further provision on procedures for granting, relinquishing or transferring right to the ownership of living or inhabiting house by foreigner shall be regulated by a regulation of the minister in charge of agrarian affairs.

#### Article 12

Following the enforcement of this regulation, Government Regulation Number 41 Year 1996 on the Ownership of Living or Inhabiting House by Foreigners Domiciled In Indonesia (Statute Book of the Republic of Indonesia Year 1996 Number 59, Supplement Statute Book of the Republic of Indonesia Number 3644), shall be revoked and declared null and void.

#### Article 13

The government regulation shall come into force as from the date of promulgation.

For public cognizance, the government regulation shall be promulgated by placing it in Statute Book of the Republic of Indonesia.

Stipulated in Jakarta

On December 22, 2015

THE PRESIDENT OF THE REPUBLIC OF INDONESIA,

sgd.

JOKO WIDODO

Promulgated in Jakarta

On December 28, 2015

THE MINISTER OF LAW AND HUMAN RIGHTS OF THE REPUBLIC OF INDONESIA

sgd.

YASONNA H. LAOLY

STATUTE BOOK OF THE REPUBLIC OF INDONESIA

YEAR 2015 NUMBER 325

ELUCIDATION

ON

GOVERNMENT REGULATION REPUBLIK INDONESIA

NUMBER 103 YEAR 2015

REGARDING

THE OWNERSHIP OF LIVING OR INHABITING HOUSE BY FOREIGNERS DOMICILED IN

INDONESIA

## I. GENERAL

In the framework of supporting the rising development in line with cooperation between Indonesia and friendly countries and the rising number of foreigners working and undertaking their business in Indonesia, the demand for living or inhabiting house for foreigners has continued to increase so that it is necessary to prepare policies granting legal certainty as well as facility in the provision of service or license to secure land title of living or inhabiting house for foreigner.

The facility is granted by observing the principles of land affairs, among other, nationality principle, that only Indonesian citizen may have proprietary right while foreigner may only be granted land title in the form of right to use and right to rent.

In relations thereto, it is necessary to restrict living or inhabiting house to be granted to foreigners.



## II. ARTICLE BY ARTICLE

### Article 1

Sufficiently clear

### Article 2

#### Paragraph (1)

Sufficiently clear

#### Paragraph (2)

Stay permit consist of diplomatic stay permit, official stay permit, visit stay permit, limited stay permit and permanent stay permit.

#### Paragraph (3)

May be inherited is living or inhabiting house belonging to foreigner which may be inherited to Indonesian citizen or foreigner.

#### Paragraph (4)

Sufficiently clear

### Article 3 up to Article 6

Sufficiently clear

### Article 7

#### Paragraph (1)

The agreement is made in writing between foreigner and holder of land title with a view of granting legal certainty to foreigner and holder of land title.

#### Paragraph (2) and Paragraph (3)

Sufficiently clear

## Article 8 and Article 9

Sufficiently clear

## Article 10

## Paragraph (1)

Sufficiently clear

## Paragraph (2)

## Letter a

The auction proceeds are granted to the said foreigner after being subtracted by cost of auction as well as goods or other expenses already spent.

## Letter b

Sufficiently clear

## Paragraph (3)

Former right holder is foreigner or the heir

## Paragraph (4)

Sufficiently clear

## Article 11 up to Article 13

Sufficiently clear

## SUPPLEMENT TO STATUTE BOOK OF THE REPUBLIC OF INDONESIA

NUMBER 5793

(R)