The Implementation of Waiver of Interest in Land Request from Status of Private Property to Building Rights on Land Based on Law Number 5 of 1960 Regarding Basic Agrarian Laws (Study in Central Lombok Regency)

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Abstract

This research aims to know and comprehend the conveyance procedure of Private Property on Land to be Building Rights on Land and to understand the legal protection for the its holders towards the third party’s lawsuit. This research is an empirical research by using primary data (direct interview with the informants and the respondents), interview on the related party, National Land Agency, Notary, Literary Study by studying some books and writings regarding the problems that will be studied). The result of this research is: 1). Procedure of Private Property waiver by Agrarian Affairs and Spatial Planning/National Land Agency Region Central Lombok Regency to be Building Rights on Land is by making a proposal addressed to the Minister of Agrarian Affairs and Spatial Planning/National Land Agency in Jakarta. In the proposal, it must have identity card of appellant, regarding the land proposed, other lands that are previously proposed. 2). Legal protection on the holder of Private Property stipulated in Article 32 subsection (2) Government Regulation Number 24 of 1997 explained strictly that the certificate is the Right Proof prevailing as the strong proof.

Keywords: Land; Waiver of Right; Basic Agrarian Laws

Introduction

Indonesia is a law state and not a power state, meaning that in every state affair, it must be based on the prevailing law (Indrayana, 2008). Therefore, in every affair, the state always uses Law as the reference from any affairs including state’s mastery on natural resources (Sidharta, 2016). The state masters all natural resources existing either land, water, or space and used for the society’s welfare. It is reflected in Article 33 subsection (3) in the 1945 Constitution of the Republic of Indonesia, which is: “Earth and water and natural wealth in it are mastered by state and are used mostly for the society’s welfare” (Asshiddiqie, 2009). Article 33 subsection (3) in the 1945 Constitution of the Republic of Indonesia is implemented in Law Number 5 of 1960 regarding Basic Agrarian Laws which is known by the community as Basic Agrarian Laws
In the general stipulation of Law Number 5 of 1960 regarding Basic Agrarian Regulations, it is mentioned that in the Republic of Indonesia in which its community’s life order including its economy, is still agrarian, earth, water, and space as the blessing of Almighty God which have significant function to develop a fair and a welfare community as expected (Erwiningsih, 2009). In Law Number 5 of 1960 that earth, water, and space including natural wealth in it have a relation with the state which is eternal in which the state has a right to master the management and the utilization for the sake of community’s betterment.

In terms of land management and utilization for the public interest, the state has a right to provide a land by way of right waiver from its original owner by paying compensation. In order to develop for the public interest itself, the government initially issued a legal regulation in form of President Regulation Number 55 of 1993 regarding Land Procurement for the Development Implementation for Public Interest jo the Minister of Agrarian Affairs and Spatial Planning/National Land Agency Regulation Number 1 of 1994 regarding Implementation Regulation of President Decision Number 55 of 1993 regarding Land Procurement for the Development Implementation for Public Interest, which is then amended to be President Regulation Number 36 of 2005 regarding Land Procurement for the Development Implementation for Public Interest. Besides, the definition of Land Procurement is in Article 1 subsection (2) Law Number 2 of 2012 regarding Land Procurement for Development for Public Interest.

**Research Method**

The type of legal research used in empirical research. In empirical research, it studies primary and secondary data. Primary data is the data obtained from interview result with the informants and respondents (Marzuki, 2017). This information or interview is done by the related parties such as the holders of building rights on land. Besides, secondary data is the data obtained through the records obtained from the related institution namely National Land Agency and Notary. Literary Study by studying some books and writings regarding to the problem that will be researched.

The present research is sourced from primary and secondary data in which primary data is obtained from the interview field research with the community, with the observation competed with records on the normative measurement implementation towards in *concreto* in *concreto* legal event. Secondary data is the data obtained through a research by studying some books and writings (Irianto, 2009). Moreover, the secondary data consist of primary legal material which is a binding legal material obtained from legal regulations, the 1945 Constitution of the Republic of Indonesia, Basic Agrarian Laws Number 5 of ahun 1960 (State Gazette Number 104 of 1960), President Regulation Number 24 of 1997 regarding Land Registration, President Regulation Number 40 of 1996 regarding Business Rights on Land, Building Rights on Land, and Utilization Right, President Regulation Number 148 of 2015 regarding Land Procurement (the Fourth Amendment of President Regulation Number 71 of 2012). Secondary legal material; the legal material which explains that the legal material is obtained from books or literatures, experts’ opinions, journals relevant to the problem studies. Tertiary legal material is the legal material which supports primary and secondary legal material obtained from dictionary and encyclopedia.

The data collection technique in this research uses data collection method through direct observation in the research site or in the field. The purpose of this observation is to portray everything related to the research object (Hadisuprapto, 2011). The data collection method by
asking direct questions to the respondents or informants because this interview is highly important in a research or survey. In this interview, the researcher interviews two people from National Land Agency Office party of Central Lombok Regency namely Section Head of Private Property, Mr. Rudy Mahakarta Putra, L.L.B on Thursday, September 1, 2016 at 09.05 local time and Sub-section Head of Private Property Determination namely Mr. Musti, Bachelor of Social on Thursday, September 1, 2016 at 12.10 local time. From a Notary or Land Deed Official party, it is Mr. Zainul Islam, L.L.B, Magister of Notary on Friday, September 2, 2016 at 10.00 local time and Mr. Made Ari Utama, L.L.B on Thursday, September 1, 2016 at 10.30 local time. In addition, from community party, the researcher interviewed Mr. Lalu Asmayadi on Thursday, September 1, 2016, at 14.20 local time and Mrs. Erma Yulistiana on Friday, September 2, 2016, at 14.00 local time.

In order to obtain primary, secondary, and tertiary legal material, it is done by documentation technique by collecting and searching legal regulations, books, and the graduates’ opinions. After the data are collected, it is then classified perfectly, then it is analyzed by analytical descriptive method to get the answers from the research problems. The data and information obtained from National Land Agency Office party of Central Lombok Regency namely Mr. Rudy Mahakarta Putra, L.L.B as the Section Head of Private Property and Mr. Musti, S.Sos as the Sub-section Head of Private Property Determination. From Notary/Land Deed Official, it is Mr. Zainul Islam, L.L.B, Magister of Notary and Mr. Made Ari Utama, L.L.B. In addition, from community party, the researcher interviewed Mr. Lalu Asmayadi and Mrs. Erma Yulistiana and analyzed by explanation systematically. Moreover, the method or the way of result conclusion, it is done deductively and inductively.

Discussion

In September 24, 1960, Law Number 5 of 1960 is made regarding basic agrarian laws. State Gazette of the Republic of Indonesia Number 2043. This law is more known as basic agrarian laws. Basic agrarian laws realize the provision of Article 33 subsection 3 of the 1945 Constitution of the Republic of Indonesia as mentioned in Article 2 subsection 1 of Basic Agrarian Laws namely: on behalf of basic provision in Article 33 subsection 3 of the 1945 Constitution of the Republic of Indonesia and things as mentioned in Article 1 that earth, water, and natural wealth in it in the highest level are mastered by state, as the powerful organization of all communities. Article 33 of 3 in the 1945 Constitution of the Republic of Indonesia is the constitutional foundation for shaping legal politics and national law land containing the command for the state that earth, water, and natural wealth in it put in the state mastery are used to implement the most welfare for all Indonesian’s communities.

All regions of Indonesia is the unity of all Indonesian’s people that unite as Indonesia nation. This shows that land for Indonesia nation has communalistic feature, meaning that all existing lands in the area of the Republic of Indonesia united as the Nation of Indonesia. Land for Indonesia nation has religious feature meaning that the land in the Republic of Indonesia is the blessing of Almighty God. The relation between Indonesia and earth, water, and space is eternal. It means that as long as the people of Indonesia unite and as long as earth, water, and space of Indonesia still exist, there is no such power in any condition that can determine or can abolish the relation.

Basic Agrarian Laws based on the standing that to achieve what has been determined in Article 33 subsection 3 of the 1945 Constitution of the Republic of Indonesia tahu 1945 should not and does not deserve that the state acts as the land owner is right if the state as the powerful
organization of all communities act as the business agency. The authorities for state as powerful organization of all communities are for the highest level.

Basic Agrarian Laws provide a recognition regarding *Ulayat* right existence of customary law community as long as its presence is still existing. It means that if the presence does not exist anymore, *Ulayat* law of customary law community will not be revived anymore and the new *Ulayat* will not be created anymore. Even though the presence of *Ulayat* right is still recognized in national land law, but in its implementation based on this principle, then for national and state interest, it is not justified if the customary law community based on their *Ulayat* right refuse to re-open the forest to conduct big projects for instance new agriculture area, transmigration, and residence. The interest of law community must obey wider national and state interest and their *Ulayat* right’s implementation must be in line with the wide interest. It cannot be justified if in the state’s nature, law community still maintains the content and the implementation of their *Ulayat* right absolutely as if the relation is released from the law communities and other regions in the state environment as a unity. It does not mean that the related law community’s interest is not paid attention at all. If the public interest including state and nation’s interest and collective interest from community are willing to take private property, then the right holder must release or give the interest in land through waiver of interest in land by giving a deserve and a fair compensation.

Interest in land existing in someone cannot be justified that his land is used or not used only for his private interest, moreover if it harms the community. The utilization of the land must be in line with the nature, purpose, and condition so that it is beneficial in terms of welfare and happiness for those who have it or for community and state. Private interest will not be forced at all by public interest. Basic Agrarian Laws pay attention on private interest. Community interest and private interest must balance each other so that the basic purposes can be achieved namely welfare, justice, and happiness for all people. A land must be preserved well in order to make it more prosperous and to prevent its damage. The obligation to preserve it is not only burdened for its right owner, but also is burdened for all people, law agency, or institution that has legal relation with the land.

There is a principle that only Indonesian citizen that can have this Private Property right. This principle emphasizes that only Indonesian citizen that can be placed as the subject of Private Property right. The Indonesian citizen that also becomes foreign citizen is not allowed to have the Interest in Land, but he only can have the land which has utilization right status or the rent status for buildings with limited time period. Private property cannot be owned by foreign citizen and the private property conveyance to foreign citizen is highly forbidden with the threat of null and void.

Equality principle is for all Indonesian citizens. This principle determines that all Indonesian citizens both man and woman have equal chance to obtain interest in land. Here, it does not problematize the original Indonesian citizens, the decent Indonesian citizens, or the naturalized citizens. Also, it does not differentiate the religion and the tribe of the Indonesian citizens. Interest in land obtained is all rights covering Private Property, Utilization Right, Business Rights on Land, Building Rights on Land, and Rent Right. The benefits and the results from what is obtained from interest in land are not only perceived by himself, but also his family. The principle of agricultural land must be done or attempted actively by the owner himself and preventing the exploiting ways. This principle emphasizes that whomever has interest in land for the agriculture purpose, they must do or work themselves the agricultural land actively and in doing or working it, they must prevent the exploiting ways. To uphold this principle, regulations are implemented regarding maximum or minimum level of land mastery or land ownership in one
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capable group. Land mastery or land ownership that exceeds the level is not allowed because it can harm public interest. The regulation regarding maximum level of agricultural land width leads to money that can be owned by someone which aims that the person can have adequate income for a better living for himself and his family. The principle of agricultural land must be done or worked actively has a meaning that agricultural land is not allowed to be ignored by its owner in which the land is not used with the nature, the purpose, and the condition.

The principle of land utilization according to plan to achieve what has been dreamed by the nation and the state in agrarian must have a plan regarding to the purpose, utilization, and the procurement of land for several needs and interests. Based on its hierarchy, there is a national plan and a regional plan. There is also a general plan and a detailed plan. Based on administrative region, there is a national region, a provincial area, and a municipal/regency area.

After Indonesia becomes the independent and sovereign country, colonial agrarian law that has dualism is not in line with the condition of interest and the needs of community that is developing, so that it needs to be changed to be national agrarian law. In arranging the policy of national agrarian law development, it must pay attention on some factors, such as:

**Formal factor:** the condition of agrarian law in Indonesia before prevailing Basic Agrarian Laws is the condition of conveyance, temporary condition because the regulations prevailing nowadays are based on the transferred regulations in Article 142 United Laws of 1950, Article 192, United Republic of Indonesia of 1949, Article II of Transferred Regulation of the 1945 Constitution of the Republic of Indonesia after amendment, in which all of them collectively determine the great line that the regulations prevailing in Dutch Indies hold a power that still prevailed as long as the legal regulations are not contradicting with the prevailing constitution.

**Material factor:** from material factor side, colonial agrarian law is dualism. This dualism can cover based on its law and its subject. According to its law, in one side, western agrarian law is applied as set in Civil Code and the other side, customary agrarian law is applied as set in customary law of each region. Besides, according to its subject, western agrarian law is only applied for European people and group as well as foreign eastern group. Moreover, customary agrarian law is only applied for people from native group.

**Factor of State Vision:** from this factor, the objective of colonial agrarian law is absolutely not in line with the vision of Indonesia stipulated in Paragraph IV, the Preamble of the 1945 Constitution of the Republic of Indonesia and the mastery purpose of earth, water, and natural wealth in it for the community’s welfare as set in Article 33 subsection 3 of the 1945 Constitution of the Republic of Indonesia. It is because colonial agrarian law is made with the purpose of interest, benefit, welfare, and prosperity of Dutch Indies government and foreign big businessmen in Indonesia. While, national agrarian law is made with the purpose of achieving the welfare and the prosperity for all Indonesian people.

This Government Regulation on Private Property occurs because of the proposal of Interest in Land; all is from state’s land, by the appellant by fulfilling procedures and requirements determined by local Agrarian Affairs and Spatial Planning/National Land Agency. After everything is completed, the local Agrarian Affairs and Spatial Planning/National Land Agency issues Certificate of Right Granting. In addition, the certificate is registered by the appellant to the Office of National Land Agency in Municipal/Regency to be recorded on land book and published as Certificate of Interest in Land. Law Number 5 of 1960 regarding Basic Agrarian Law sets interest in land granting through Government Determinations, such as:
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Article 22 subsection(2) Private Property is there because of government determination according to ways and conditions that have been set by government regulation.

Article 37 letter a on Building Rights on Land is there regarding to the lands granted directly by the state due to government determination.

Article 41 subsection (1) on Utilization Right is a right to utilize and or to take the yield from land which is directly mastered by the state or other people’s land, that provide authorities and obligations set in the granting decision by the authorized officials or in the agreement with the land owner, in which it is not a renting agreement or land management agreement; everything as long as not contradicting with the spirit and the regulations of Basic Agrarian Law.

Government Regulation Number 40 of 1996 regarding Business Right, Building Rights on Land, and Utilization Right on Land, determines that Business Rights on Land, Building Rights on Land, and Utilization Rights on Land can be made by granting of right which are:

Article 6 subsection (1) on Business Rights on Land is given by the decision of granting of right by the Minister (read the Head of National Land Agency of the Republic of Indonesia) or the trusted official.

Article 22 subsection (1) on Building Rights on State Land is given by the decision of granting of right by the Minister (read the Head of National Land Agency of the Republic of Indonesia) or the trusted official.

Article 22 subsection (2) on Building Rights on Land; Management Right is given by the decision of granting of right by the Minister (read the Head of National Land Agency of the Republic of Indonesia) or the trusted official.

Article 42 subsection (1) on Utilization Right on State Land is given by the decision of granting of right by the Minister (read the Head of National Land Agency of the Republic of Indonesia) or the trusted official.

Article 42 subsection (2) in Utilization Right on Land. Management Right is given by the decision of granting of right by the Minister (read the Head of National Land Agency of the Republic of Indonesia) or the trusted official.

According to the Minister of Agrarian Affairs/ the Head of National Land Agency Number 16 of 1997 regarding the Conveyance from Private Property to be Building Rights on Land or Utilization Right and Building Rights on Land to be Utilization Right. In this decision, there are two types of interest in land that can be descended namely:

Interest in Land can be descended to be Building Rights on Land or Utilization Right for 30 (thirty) years and 25 (twenty five) years.

Building Rights on State Land or on Management Land owned by an Indonesian Citizen of Indonesian Legal Agency is descended to be Utilization Right on the request of right holder or his power of attorney for 25 (twenty five) years.

The request to change Interest in Land to be Building Rights on Land or Utilization Right and Building Rights on Land to be Utilization Rights is proposed to the Head of local Agrarian Affairs and Spatial Planning/National Land Agency completed with certificate of
Interest in Land or Building Rights on Land which is requested to change its right or certificate of land ownership regarding in terms of unregistered Interest in Land. Auction Report Excerpt issued by the auction official if the party’s right is won by Legal Agency in a general auction. An agreement letter from the Mortgage Right holder must be there if the interest in land is given Mortgage Right.

In terms of Interest in Land which is requested for its unregistered right change, the proposal of right change is done along with the proposal of Interest in Land registration. The Interest in Land and the resolution of its right conveyance registration after the Interest in Land is listed in accordance with the prevailing regulation. In addition, it terms of Interest in Land in which it is proposed for its right change won by Legal Agency through general auction, the request of Interest in Land change registration is proposed by related Legal Agency along with the request of right conveyance registration and both requests must be finished by listing the right change firstly and then listing the right conveyance by keeping paying attention on unregistered Interest in Land.

Based on the explanation of Section Head of Interest in Land, Mr. Rudi Mahakarta Putra L.L.B and Subsection Head of Interest in Land Determination, Mr. Musti, Bachelor of Social that the conveyance of Interest in Land to be Building Rights on Land as the above explanation that in proposing a request of discharging Interest in Land to be Building Rights on Land is not that difficult as long as the requirements set by the local Agrarian Affairs and Spatial Planning/National Land Agency are fulfilled. It is because there are many appellants who claim that in the request process of Interest in Land to be Building Rights on Land is made difficult by the local party of Agrarian Affairs and Spatial Planning/National Land Agency. Moreover, the cases of land right waiver to be Building Rights on Land occurring in this one year time period (2015 – 2016) are of 9 appellants.

The available land right which is in private property right status, according to its law, cannot be obtained from land sale and purchase because the company which has status of Legal Agency or Limited Liability Company according to law in Indonesia does not fulfill the requirement to purchase land right regarding to Article 26 subsection (2) in Basic Agrarian Laws Number 5 of 1960. Therefore, to obtain the land, the Legal Agency or Limited Liability Company can proceed and conduct waiver of private property right to be state land, in which after the land owner is given compensation, then the certificate of the private property right is released to be state land and is obliged to be followed with the new right request which is in line with the related needs. The procedures are set further in Decision Letter of Agrarian Minister Number 21 of 1994 which started to be applied from December 7, 1997 regarding “The Procedures of Obtaining Land for Company for Capital Investment” for the sake of implementing Article 6 of the Minister of Agrarian Affairs/the Head of National Land Agency Number 2 of 1993. In the implementation of waiver of the land status right from Private Property Right to be State Land in which the owner has waived Private Property on his land, because if the candidate of right receiver is Indonesia Legal Agency, then it does not fulfill the requirement as the subject of Private Property Right.

Based on the consideration, Indonesia Legal Agencies (Limited Liability Company, Government Institution, Regional Government, State-owned Enterprise) are not allowed to obtain the land with the status of Private Property through Conveyance of Land Sale and Purchase (Article 26 Subsection 2 of Basic Agrarian Laws). If the land consists of more than one separated certificated, after all certificates released which then becomes state land, the company party asks Building Rights on Land to National Land Agency as in line with the measurement figure and land map that have been agreed by local National Land Agency in accordance with the width waived and made in one certificate.
The land owner with Private Property Right changes his land status to be Building Rights on Land by asking discharge of interest in land to local National Land Agency and the company must obtain principle permit (Agreement Letter on Project Plan Principle) proposed to Regional Government (Municipal/Regency) and location permit (obtained after having principle permit) in which location permit is the permit given to the company to obtain the land needed for capital investment and right conveyance permit is also applied and to utilize the land for capital investment purpose. This location permit proposal is addressed to National Land Agency Office.

Land sale and purchase can be done with the process of Sale and Purchase Deed, then the appellant to local Agrarian Affairs and Spatial Planning/National Land Agency Region for all certificates is transferred to company’s title and combined to be one certificate for all land width. As in line with the explanation of Section Head of Interest in Land of Agrarian Affairs and Spatial Planning/National Land Agency Region in Central Lombok, Mr. Rudy Mahakaarta Putra “that legal protection to Interest in Land owner is stipulated in Article 32 subsection (2) in Government Regulation Number 24 of 1997 emphasizing that certificate is a Proof of Right prevailing as a strong proof. The attempt to obtain decision power from Supreme of Court seems like not able to be obtained completely for some reasons”:

a. Several other legal attempts, like Verzet and review are still opened
b. Mostly community has different perception and considers that court verdict does not reflect fairness principle.

Legal protection and legal certainty for the parties who hold the certificate of interest in land ownership is also not complete because:

a. The holders of the private property are ignored their rights to be participated as the defendants and only open legal attempt through verzet.
b. The process of problematized certificate obtaining leads to lawsuit potency in the next future.

Government institution which issues land certificate which is actually in a problem should be able to ask for civil responsibility and compensation indictment; however, since the land registration system which adopts passive system will be able to free government institution and its civil judicial responsibility. The legal subject rights on a land with a proof in form of certificate must be protected since the certificate of interest in land is the written proof made by the authorized general official; thus, according to Article 164 HIR and Article 1866 in Civil Code are the authentic proves that have perfect proving power and in Article 32 subsection (2) in Government Regulation Number 24 of 1997 determined strictly that certificate is the Proof of Right prevailing as a strong proof.

Conclusion

The procedure of waiver of Interest in Land by Agrarian Affairs and Spatial Planning/National Land Agency Region in Central Lombok to be Building Rights on Land is by making a proposal addressed to the Ministry of Agrarian Affairs and Spatial Planning/National Land Agency in Jakarta. In the proposal, it must be attached the appellant’s identity card, regarding to the land proposed, other lands that have proposal previously. The documents that must be completed are as follows:
a. Copy of Identity Card/Proof of Indonesian Citizenship/Other Identity Proves
b. Copy of Deed/Regulation of Legal Agency Establishment and its Legalization.
c. Copy of Agreement Letter of Business Field from Institution
d. Copy of Recommendation Letter from the Ministry of Foreign Affairs
e. Copy of Land Mastery Statement (for Institution)
f. Appellant’s Statement Letter regarding land width and land status owned.
g. Letter of Land Conveyance from Government
h. Letter of Short-term and Long-term Land Utilization Plan

Legal protection to the Interest in Land owner is stipulated in Article 32 subsection (2) in Government Regulation Number 24 of 1997 emphasizing that certificate is the Proof of Right prevailing as a strong proof.

Suggestions

The realization procedures of Private Property Right from private status to be Building Rights on Land are actually made easy but from government, it must have transparency regarding cost so that the community can control the cost that will be used; the appellant also must be more active in completing the documents so that the realization request of waiver of Private Property to be Building Rights on Land can be done punctually. Legal protection on a land in order that the Building Rights on Land still exist is done by registering it in land book and certificate will be issued in which it is made as the legal protection in the land ownership. Furthermore, if the term is out, it can be extended as long as it meets the prevailing requirements. In Government Regulation Article 22 subsection (2), it is explained that the land must be registered in land book since it is the proof that the land and its right owner as well as the land mentioned in the measurement letter have been registered based on law according to this Government Regulation.

References

Books


**Journals**


**Legal Regulations**

The 1945 Constitution of the Republic of Indonesia

Law Number 5 of 1960 regarding Basic Agrarian Regulations (State Gazette Number 104 of 1960)

Law Number 22 of 2012 regarding Land Procurement for Public Interest

President Regulation Number 40 of 1996 regarding Business Rights on Land, Building Rights on Land, and Utilization Right

President Regulation Number 24 of 1997 regarding Land Registration

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