

**REGULATION OF THE GOVERNMENT OF THE REPUBLIC OF INDONESIA**  
**NUMBER 8 OF 2021**  
**ON**  
**AUTHORIZED CAPITAL, AS WELL AS REGISTRATION OF INCORPORATION OF,**  
**AMENDMENT TO, AND DISSOLUTION OF COMPANY WHICH FULFILLS CRITERIA**  
**FOR MICRO AND SMALL BUSINESS<sup>1</sup>**

BY THE GRACE OF GOD ALMIGHTY

PRESIDENT OF THE REPUBLIC OF INDONESIA,

Considering:

that in order to implement provisions under Article 109 and Article 185 letter b of Law [Number 11 of 2020](#) on Job Creation, it is deemed necessary to establish Regulation of the Government Authorized Capital, as Well as Registration of Incorporation of, Amendment to, and Dissolution of Company which Fulfills Criteria for Micro and Small Business;

In view of:

1. Article 5 paragraph (2) of 1945 Constitution of the Republic of Indonesia;
2. Law [Number 40 of 2007](#) on Limited Liability Company(State Gazette of the Republic of Indonesia of 2007 Number 106, Supplement to the State Gazette of the Republic of Indonesia Number 4756);
3. Law [Number 11 of 2020](#) on Job Creation (State Gazette of the Republic of Indonesia of 2020 Number 245, Supplement to the State Gazette of the Republic of Indonesia Number 6573);

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HAS DECIDED:

To establish:

REGULATION OF THE GOVERNMENT ON AUTHORIZED CAPITAL, AS WELL AS REGISTRATION OF INCORPORATION OF, AMENDMENT TO, AND DISSOLUTION OF COMPANY WHICH FULFILLS CRITERIA FOR MICRO AND SMALL BUSINESS.

## **CHAPTER 1 GENERAL PROVISIONS**

### **Article 1**

Under this Regulation of the Government, the following definitions are employed:

1. Limited Liability Company, hereinafter referred to as Company, is incorporated entity which takes form as partnership of capital, which is incorporated based on agreement, operate business activity using authorized capital, of which, all of them are divided into shares or individual incorporated entity which fulfills criteria for micro and small business as addressed under laws and regulations on micro and small business.
2. Incorporation Statement is electronic form for incorporation of individual Company that is incorporated by 1 (one) person.
3. Dissolution Statement refers to electronic form for dissolution of individual Company that is incorporated by 1 (one) person.
4. Day is calendar day.
5. Minister is minister who organizes governmental affairs within the sectors of law and human rights.

### **Article 2**

- (1) Company which fulfills criteria for micro and small business consists of:
  - a. Company which is incorporated by 2 (two) persons or more; and
  - b. individual Company which is incorporated by 1 (one) person.

- (2) Incorporation, amendment to articles of association, and dissolution of Company as referred to in paragraph (1) letter a is performed in accordance with provisions under laws and regulations on Company.

## **CHAPTER II AUTHORIZED CAPITAL**

### **Article 3**

- (1) Company must own authorized capital of Company.
- (2) Sum of authorized capital of Company as referred to in paragraph (1) is determined based on decision of founder of Company.

### **Article 4**

- (1) Authorized capital of Company as referred to under Article 3 should be subscribed and fully paid-up in sum of 25% (twenty-five percent) at minimum, which is proven with valid subscription receipt.
- (2) Valid subscription receipt as referred to in paragraph (1) must be submitted via electronic mean to Minister within maximum time period of 60 (sixty) Days since the date of:
  - a. deed of incorporation of Company for Company; or
  - b. filling-out of Incorporation Statement for individual Company.

### **Article 5**

Company which operates certain business activity, the minimum sum of authorized capital of Company should be in accordance with provisions under laws and regulations.

## **CHAPTER III INDIVIDUAL COMPANY**

### **First Division Incorporation**

#### **Article 6**

- (1) Individual Company is incorporated by Indonesian National by filling-out Incorporation Statement in Indonesian language.
- (2) Indonesian National as referred to in paragraph (1) should fulfill these prerequisites:
  - a. be at least 17 (seventeen) years old; and
  - b. legally capable.
- (3) Individual Company obtains status of incorporated entity after it is registered at Minister and obtains electronic registration certificate.
- (4) Individual Company which has obtained status of incorporated entity as referred to in paragraph (3) is announced by Minister on official page of directorate general which organizes duty and function within the sector of general administration.

#### **Article 7**

- (1) Incorporation Statement as referred to under Article 6 paragraph (1) is registered via electronic mean at Minister by filling-out the form.
- (2) Form as referred to in paragraph (1) contains:
  - a. name and place of domicile of individual Company;
  - b. time period for incorporation of individual Company;
  - c. intention and purpose, as well as business activity of individual Company;
  - d. sum of authorized capital, subscribed capital, and paid-up capital;
  - e. nominal value and number of shares;
  - f. address of individual Company; and
  - g. full name, place and date of birth, occupation, address, residency identity number, and taxpayer identification number, as well as director and shareholder of individual Company.

- (3) Form for Incorporation Statement as referred to in paragraph (2) is addressed in Appendix I which is an integral part to this Regulation of the Government.

## **Second Division**

### **Amendment**

#### **Article 8**

- (1) Incorporation Statement of individual Company as referred to under Article 7 may be amended.
- (2) Amendment as referred to in paragraph (1) is performed by filling-out form for amendment to Incorporation Statement of individual Company in Indonesian language.
- (3) Against amendment to Incorporation Statement of Company as referred to in paragraph (2), amendment may be performed for more than 1 (one) time through amendment to amendment statement of individual Company.
- (4) Form for amendment as referred to in paragraph (2) contains:
  - a. name and place of domicile of individual Company;
  - b. time period of operation of individual Company;
  - c. intention and purpose, as well as business activity of individual Company;
  - d. sum of authorized capital, subscribed capital, and paid-up capital;
  - e. nominal value and number of shares;
  - f. address of individual Company; and
  - g. full name, place and date of birth, occupation, address, residency identification number, and taxpayer identification number of founder, as well as director and shareholder of individual Company.
- (5) Amendment as referred to in paragraph (2) and paragraph (3) is established based on decision of shareholder of individual Company which has the same legal consequence with general meeting of shareholders.
- (6) Amendment statement as referred to in paragraph (2) and paragraph (3) is filed to Minister via electronic mean to obtain certificate on amendment statement.

- (7) Amendment statement prevails since the issuance of certificate on amendment statement.
- (8) Individual Company which has been declared bankrupt cannot be amended as referred to in paragraph (2) or paragraph (3), unless upon approval from receiver.
- (9) Approval from receiver as referred to in paragraph (8) is attached in amendment statement.
- (10) Forms for amendment to Incorporation Statement of Company as referred to in paragraph (2) and form for amendment to amendment statement as referred to in paragraph (3) are addressed in Appendix II which is an integral part to this Regulation of the Government.

### **Article 9**

- (1) Individual Company should transform status of its incorporated entity to become Company if:
  - a. shareholder becomes more than 1 (one) person; and/or
  - b. fails to fulfill criteria of micro and small business as addressed in provisions under laws and regulations on micro and small business.
- (2) Individual Company, before transforming as Company as referred to in paragraph (1), performs change of status through notarial deed and be registered via electronic mean at Minister.
- (3) Change of status as referred to in paragraph (2) is performed in accordance with provisions under laws and regulations on Company.

## **Third Division Financial Statement**

### **Article 10**

- (1) Individual Company must draw up financial statement.
- (2) Financial statement as referred to in paragraph (1) is reported to Minister by performing filling-out of form for submission of financial statement via electronic mean, no later than 6 (six) months after the end of current accounting period.

- (3) Form for submission of financial statement as referred to in paragraph (2) contains:
  - a. report on financial balance;
  - b. income statement; and
  - c. note on current year's financial statement.
- (4) Financial statement as referred to in paragraph (2) is included in list of individual Company.
- (5) Form for submission of financial statement as referred to in paragraph (3) is addressed in Appendix III which is an integral part to this Regulation of the Government.

#### **Article 11**

Minister issues receipt on admission of financial statement via electronic mean, after the applicant fills out form as referred to under Article 10.

#### **Article 12**

- (1) Individual Company which fails to submit financial statement as referred to under Article 10 is imposed with administrative sanction in the forms of:
  - a. reprimand;
  - b. termination of access right for service; or
  - c. revocation of status as incorporated entity.
- (2) Provisions on procedures for imposition of administrative sanction as referred to in paragraph (1) are addressed under Regulation of the Minister.

### **Fourth Division**

#### **Dissolution**

#### **Article 13**

- (1) Dissolution of individual Company is determined based on decision of shareholder of individual Company which has the same legal consequence with general meeting of shareholders, that is incorporated in the forms of Dissolution Statement and be notified via electronic mean to Minister.

- (2) Dissolution of individual Company as referred to in paragraph (1) occurs due to:
  - a. based on decision of shareholder of individual Company which has the same legal consequence with general meeting of shareholders;
  - b. time period of operation which is determined in Incorporation Statement or its amendment has expired;
  - c. based on court order;
  - d. revocation of bankruptcy based on decision of commercial court that is final and binding, bankruptcy assets of individual Company are insufficient to pay bankruptcy claims;
  - e. bankruptcy assets of individual Company which has been declared bankrupt are in the status of insolvency as addressed under the law on bankruptcy and suspension of debt payment obligation; or
  - f. revocation of business licensing of individual Company, thus it requires individual Company to perform liquidation by filling-out Dissolution Statement.
- (3) In case dissolution occurs based on provisions as referred to in paragraph (2) letter a, letter b, and letter d, shareholder appoints liquidator.
- (4) In case shareholders fails to appoint liquidator, Board of Director acts as liquidator.
- (5) Form for Dissolution Statement as referred to in paragraph (1) is addressed in Appendix IV which is an integral part to this Regulation of the Government.

#### **Article 14**

- (1) Further provisions on procedures for incorporation of, amendment to, and dissolution of individual Company are addressed under Regulation of the Minister.
- (2) Changes to form for Dissolution Statement as referred to under Article 7 paragraph (3), form for amendment to Dissolution Statement and form for amendment to amendment statement as referred to under Article 8 paragraph (10), form for submission of financial statement as referred to under Article 10 paragraph (5), and form for Dissolution Statement as referred to under Article 13 paragraph (5) are determined by Minister.



## CHAPTER IV FINAL PROVISIONS

### Article 15

When this Regulation of the Government enters into force, Regulation of the Government [Number 29 of 2016](#) on Amendment to Authorized Capital of Limited Liability Company (State Gazette of the Republic of Indonesia of 2016 Number 137, Supplement to the State Gazette of the Republic of Indonesia Number 5901), is revoked and declared to be invalid.



## Article 16

This Regulation of the Government enters into force on its promulgation date.

For the purposes of public cognizance, it has been ordered that the promulgation of this Regulation of the Government should be achieved through its publication in the State Gazette of the Republic of Indonesia.

Established in Jakarta

on 2 February 2021

PRESIDENT OF THE REPUBLIC OF INDONESIA,

signed.

JOKO WIDODO

Promulgated in Jakarta

on 2 February 2021

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

signed.

YASONNA H. LAOLY

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2021 NUMBER 44

**ELUCIDATION  
OF  
REGULATION OF THE GOVERNMENT OF THE REPUBLIC OF INDONESIA  
NUMBER 8 OF 2021  
ON  
AUTHORIZED CAPITAL, AS WELL AS REGISTRATION OF INCORPORATION OF,  
AMENDMENT TO, AND DISSOLUTION OF COMPANY WHICH FULFILLS CRITERIA  
FOR MICRO AND SMALL BUSINESS**

**I. GENERAL**

Law [Number 11 of 2020](#) on Job Creation addresses provisions on Company which fulfills criteria for micro and small business that may be incorporated either by 2 (two) persons or more, or 1 (one) person. This condition is performed in the event of upgrading the rank of ease of doing business, as well as individual competitiveness. Law [Number 11 of 2020](#) on Job Creation delegates to Regulation of the Government, the provisions on authorized capital, incorporation, content of Incorporation Statement and form, amendment to Incorporation Statement, content and form for amendment to Incorporation Statement, obligation to draw up financial statement of Company, and transformation of status of individual Company for micro and small business to become Company.

Under this Regulation of the Government, it addresses matters on authorized capital for Company, as well as procedures for incorporation, amendment, obligation to submit financial statement, and dissolution of individual Company that is incorporated by 1 (one) person.

**II. ARTICLE BY ARTICLE**

**Article 1**

Self-explanatory.

**Article 2**

Self-explanatory.

### **Article 3**

Self-explanatory.

### **Article 4**

Self-explanatory.

### **Article 5**

Self-explanatory.

### **Article 6**

Paragraph (1)

Self-explanatory.

Paragraph (2)

Self-explanatory.

Paragraph (3)

Self-explanatory.

Paragraph (4)

Announcement of individual Company on the page of directorate general which organizes duty and function within the sector of general legal administration acts as fulfillment of publicity principle.

### **Article 7**

Self-explanatory.

### **Article 8**

Self-explanatory.

### **Article 9**

Self-explanatory.

## **Article 10**

Paragraph (1)

Self-explanatory.

Paragraph (2)

“Current accounting period” refers to accounting period which is started since the date when certificate was issued.

Paragraph (3)

Under this provision, financial statement is used as database on profile of individual Company and basis for consideration in determining criteria of individual Company.

Paragraph (4)

Self-explanatory.

Paragraph (5)

Self-explanatory.

## **Article 11**

Self-explanatory.

## **Article 12**

Self-explanatory.

## **Article 13**

Self-explanatory.

## **Article 14**

Self-explanatory.

## **Article 15**

Self-explanatory.



**Article 16**

Self-explanatory.

SUPPLEMENT TO THE STATE GAZETTE OF THE REPUBLIC OF INDONESIA  
NUMBER 6620

