

# THE AUTHORITY AND LIMITATIONS OF PPAT IN GRANTING BUILDING RIGHTS BASED ON LEGISLATION

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**Abstract.** Building Use Rights (HGB) are one of the land rights that play an important role in development and spatial utilisation in Indonesia. In the process of transferring and granting HGB, Land Deed Officials (PPAT) have a strategic function as public officials who draw up authentic deeds as the basis for registering changes in land data. This study aims to analyse the authority and limitations of PPAT in granting HGB based on the provisions of laws and regulations, particularly regarding land status verification, document validity, and ethical and professional obligations in the performance of duties. The research method used is a descriptive method with a regulatory approach, examining the UUPA, PP No. 24 of 1997, PP No. 37 of 1998, and PP No. 18 of 2021. The results of the study show that PPATs have the authority to draw up deeds of legal acts on land, but this authority is limited by administrative law provisions, including the obligation to verify official documents, the prohibition on concluding the status of land without BPN data, and the obligation to refuse to draw up deeds on land whose status is unclear or in dispute. The application of the principles of duty of care and due diligence forms the ethical basis for PPATs to ensure legal certainty, prevent state losses, and maintain the integrity of the land registration process. Thus, the role of PPATs is not only administrative but also professional and moral in ensuring the legality of land transactions.

**Keywords:** PPAT, Building Use Rights, land registration.

## I. INTRODUCTION

In an agrarian context, land is part of the earth that can also be referred to as the earth's surface. Land management in Indonesia is regulated by Law No. 5 of 1960 concerning Basic Agrarian Principles (UUPA). Land in Indonesia is cultivated or used to fulfil real needs that can provide supply, allocation, control, and utilisation, as well as legal protection for the people. The orientation of "maximum prosperity for the people" and the delegation of state authority in managing agrarian resources are the basic principles that continue to underpin Indonesia's land policy (Sembiring, 2018).

Land within the territory of the Republic of Indonesia is one of the main natural resources, which, in addition to having deep intrinsic value for the Indonesian people, also plays a very strategic role in meeting the increasingly diverse and growing needs of the state and the people, both at the national level and in relation to the international community. Due to the importance of land for the life of the community, Article 33 paragraph (3) of the 1945 Constitution of the Republic of Indonesia emphasises that the state is given the authority to control the earth, water, and natural resources contained therein for the greatest prosperity of the people. This concept is understood as the State's Right of Control (HMN), which legitimises the state's regulation, administration, management, and supervision of agrarian resources, but is still limited by the

objectives of the people's prosperity and respect for legitimate rights (Sembiring, 2018).

Furthermore, the concept of "state control" is elaborated in Article 2 paragraph (2) of the UUPA, which grants the authority to: (1) regulate and organise the allocation, use, supply and maintenance of land, water and airspace; (2) determine and regulate legal relationships between people and land, water, and airspace; and (3) determine and regulate legal relationships between people and legal actions concerning land, water, and airspace. Therefore, it can be said that the basic framework for land law development in Indonesia is based on this constitutional mandate. At the implementation level, legal certainty and protection of land is built, among other things, through a land registration system as an official state record (Rajab et al., 2020).

Law No. 5 of 1960 (UUPA) guarantees legal certainty regarding land rights, so that the government conducts land registration throughout Indonesia. This has had a positive impact on the guarantee of legal certainty of land rights for the community. Various regulations were subsequently issued, including Government Regulation No. 24 of 1997 concerning Land Registration. In the context of legal certainty, certificates are positioned as strong evidence of physical and juridical data as long as they are in accordance with the data in the land register and survey documents, so that land registration is seen as an instrument of legal protection for rights holders (Rajab et al., 2020).

National land law as stipulated in the UUPA distinguishes between rights to land and rights of control over land. Land control rights reflect the authority, obligations, and certain restrictions for holders in taking action on land, while land rights such as Freehold Rights, Cultivation Rights, Building Rights (HGB), and Usage Rights are civil rights and become the object of legal actions. Land registration then becomes the process of creating evidence of land rights ownership through the recording of physical and legal data, which culminates in the issuance of a certificate (Rajab et al., 2020).

Land registration is one of the processes to provide legal certainty and legal protection to the community as holders of land rights. However, in practice, problems are still encountered, including disputes due to overlapping or multiple claims. Therefore, the verification procedure—including certificate checking—is understood as an important step to prevent disputes in the process of transfer of rights, as well as part of due diligence in land transactions (Putri & Gunarto, 2018).

The land registration process involving the transfer of land rights generally requires an authentic deed drawn up by a Land Deed Official (PPAT). The existence of PPATs is relevant because PPAT deeds form the basis for registering changes in land data, so the quality of document verification and procedural compliance are important factors in preventing administrative errors that could potentially lead to disputes. In the development of land services, certificate checking is also moving towards electronic services, making the PPAT's accuracy in examining documents and data consistency even more crucial (Prameswari & Westra, 2022; Ramadani & Hikmah, 2022).

The UUPA stipulates several primary land rights, one of which is the Right to Build (HGB). HGB is the right to erect and own a building on land that is not one's own for a certain period of time, and it plays an important role in development—especially for housing, shops, and urban economic activities. The regulation of HGB is also related to the dynamics of the end of the period and the mechanism for extension/renewal, which has consequences for the certainty of the status of the right holder (Anggreani & Santoso, 2024).

The importance of HGB encourages further regulation, which in current practice refers to the post-PP 40/1996 regime, including PP No. 18 of 2021. The registration of land rights is carried out by the National Land Agency (BPN/ATR), assisted by PPAT and other assigned officials. In certain contexts, including HGB on land with Management Rights (HPL) status, the transfer of HGB is possible in principle, but it is customary to require the written consent of the HPL holder, thus requiring additional administrative precautions and documentary evidence to be fulfilled (Aji et al., 2021).

The main duties and authorities of PPAT as stipulated in PP No. 37 of 1998 (and its amendments) confirm that PPAT carries out part of the land registration activities by drawing up deeds as evidence that certain legal actions have been taken, which will be used as the basis for registering changes in land data. On the other hand, the literature also emphasises that this authority is attached to the precautionary principle and the standard of document examination prior to the creation of deeds, including the obligation to refuse if the formal requirements are not met (Isnaini & Wanda, 2018; Azwardi & Arum, 2022).

In the transfer of HGB, PPAT must pay attention to the object and subject of authority so as not to cause legal problems in the future. Problems that often arise in the field include the creation of deeds when the status of the land is not yet clear, there are records of disputes, or the certificate verification process has not been carried out/is not yet final. In the context of modern service practices, research shows that PPAT administrative actions such as numbering deeds before certificate verification can have consequences on whether or not the registration process at the land office can be completed, thus emphasising the importance of procedural sequence and document due diligence (Adha & Silviana, 2024).

Based on this background, a study of the authority and limitations of PPATs in granting Building Use Rights based on legislation is important, especially to confirm the scope of PPAT authority in document verification, limitations on authority in determining the material status of land, and the administrative/legal consequences if deeds are drawn up without sufficient care. Conceptually, the focus of PPATs' due diligence in land transactions is also seen as a mechanism for preventing disputes and protecting the parties through accurate data verification (Putri & Gunarto, 2018; Prameswari & Westra, 2022).

## II. RESEARCH METHODS

This research is normative legal research with a descriptive-analytical nature, which aims to examine and explain the legal provisions governing the authority and limitations of Land Deed Officials (PPAT) in granting Building Use Rights (HGB). Normative legal research was chosen because the focus of the study was directed at positive legal norms, legal principles, and relevant legal doctrines, rather than on the collection of empirical field data (Soekanto & Mamudji, 2015).

The approach used in this study is the statute approach, which involves a systematic review of the laws and regulations governing land registration, the position of PPAT, and land rights. This approach is used to understand the structure of norms, the scope of authority, and the legal limitations of PPAT as determined by the legislators. The primary legal materials analysed include Law No. 5 of 1960 concerning Basic Agrarian Principles, Government Regulation No. 24 of 1997 concerning Land Registration, Government Regulation No. 37 of 1998 concerning PPAT Positions and their amendments, and Government Regulation No. 18 of 2021.

In addition to primary legal materials, this study also uses secondary legal materials in the form of scientific literature such as textbooks on agrarian law and notary law, as well as reputable national journal articles discussing the authority of PPAT, the principle of prudence, land registration, and the regulation of Building Use Rights. Secondary legal materials were used to strengthen the normative analysis, provide a doctrinal perspective ( ), and link legal norms with their implementation in practice (Marzuki, 2017).

The technique for collecting legal materials was conducted through library research by searching for laws, legal literature, and scientific journals relevant to the research object. All legal materials were then classified, systematised, and analysed in an

integrated manner to answer research questions regarding the authority and limitations of PPAT in granting HGB.

The method of analysis of legal materials used is qualitative analysis, namely by interpreting legal norms systematically, grammatically, and teleologically without using mathematical models or statistical calculations. This analysis is carried out by describing the content of the norms, connecting relevant regulations, and drawing legal conclusions deductively from general provisions to their application in the context of PPAT authority. This qualitative analysis approach is considered appropriate for normative legal research because it allows researchers to examine the meaning, rationality, and legal implications of a legal provision in depth (Ibrahim, 2006).

### III. RESULTS AND DISCUSSION

#### The Authority of PPAT in the Preparation of AJB on HGB above HPL

The results of the study indicate that the authority of the PPAT in the preparation of Deeds of Sale and Purchase (AJB) for Building Use Rights (HGB) above Management Rights (HPL) is administrative-derivative in nature: The PPAT has the authority to draw up authentic deeds as evidence of legal actions that form the basis for registration, but their effectiveness in the registration process depends on the fulfilment of specific administrative requirements for HPL, particularly written approval from the HPL holder and the accuracy of the identification of the transferred object (the object transferred is the HGB, not the HPL). (Aji et al., 2021; Republic of Indonesia, 1997, 1998)

Other findings indicate that the practice of preparing AJBs for HGBs above HPLs requires explicit formulation of the object in the deed to avoid any misunderstanding that the HPL land is also being transferred. This obligation is considered important as a mechanism to prevent administrative defects in the land data change registration process. (Aji et al., 2021)

#### Limitations and Obligations of PPAT in Verifying Land Use Status before Creating Deeds for HGB Applications

The results of the study show that the limitations of PPAT's authority in verifying land use status are oriented towards the principle of document-based verification, namely the examination and validation of only official documents and land data available at the land authority, including through a certificate checking mechanism (manual/electronic). PPATs do not have the authority to determine the material status of land, settle disputes, examine physical boundaries substantively, or determine spatial planning compliance, as these areas fall under the authority of the Land Office and/or other authorised institutions. (Isnaini & Wanda, 2018; Ramadani & Hikmah, 2022)

The next finding confirms that when the verification results indicate risks (e.g., data inconsistencies, dispute records, overlaps, or unclear land status), PPATs have a professional obligation to postpone or refuse to issue deeds to prevent the creation of deeds that could potentially be invalidated/cancelled and result in legal liability. (Isnaini & Wanda, 2018; Maharani & Westra, 2022)

#### The Authority of PPAT in the Preparation of Deeds of Sale and Purchase of Land Use Rights on Land Management Rights

The sale and purchase of land is regulated in the UUPA, which is further regulated in Government Regulation No. 10 of 1961 concerning the Implementation Regulations of the UUPA. Article 19 stipulates that the sale and purchase of land must be evidenced by a deed made by and in the presence of a Land Deed Official (PPAT). The transfer of land rights, including the sale and purchase of land, is carried out through a Land Sale and Purchase Deed executed before a PPAT. (Republic of Indonesia, 1960; Republic of Indonesia, 1997)

Article 37 of Government Regulation No. 24 of 1997, which regulates legal acts of buying and selling land rights and their registration, states: "The transfer of land rights and ownership rights to apartment units through sale and purchase, exchange, grant, inclusion in a company, and other legal acts of transfer of land rights, except for the transfer of rights through auction, can only be registered if proven by a deed drawn up by an authorised PPAT in accordance with the provisions of the applicable laws and regulations". (Republic of Indonesia, 1997)

Land has now entered the realm of complex social issues. The nature and substance/content of land disputes can be changed through administrative law. The complexity of land issues has spread to social and cultural issues. As a result of these issues, many victims have fallen and been affected because they defended their land, even if it was only a small plot. (Putri et al., 2018)

Judging from several cases that have occurred, the most prominent conflicts are those between the community and the government or between state-owned companies and private companies. Another cause of land conflicts is the high economic value of land, as land is a symbol of existence and social status in society, which leads to land conflicts. As the value of land increases every year, it encourages people to own, protect, and care for their land as best as possible to the point of bloodshed. (Putri et al., 2018)

To reduce these issues, it is recommended that transactions or transfers of land rights be carried out in the presence of a Notary/PPAT. This is to create legal certainty and prevent mutual harm to each party. A PPAT is a public official who has the authority to make authentic deeds ( ) regarding certain legal actions concerning land rights or Ownership Rights to Apartment Units (Article 1 point 1 of Government Regulation 37 of 1998), including Deeds of Sale and Purchase (AJB). (Republic of Indonesia, 1998)

The Deed of Sale and Purchase (AJB) of land also plays an important role in the eyes of the law. Article 37 of Government Regulation No. 24 of 1997 concerning Land Registration states that the AJB is valid evidence of the transfer of rights to land and buildings that are the subject of the transaction. The Deed of Sale and Purchase (AJB) of land is an authentic deed made by a PPAT (Land Deed Official) which is a perfect form of evidence in the hierarchy of evidence. It has formal and material evidentiary power as well as valid and strong evidence regarding the legal relationship between the parties who made it, thus ensuring legal certainty. (Republic of Indonesia, 1997)

One of the PPAT's authorities is to draw up a Deed of Sale and Purchase (AJB) for land. A deed of sale and purchase is an authentic deed drawn up and issued by a Land Deed Official

(PPAT). Land sale and purchase deed documents generally contain details of property sale and purchase activities, including the names of the seller and buyer, the date and time of transfer, points of agreement, and details of the land/building that is the subject of the transaction. They also verify all data from the evidence of ownership submitted by the parties. (Republic of Indonesia, 1998)

The PPAT plays a very important role in the preparation of land sale and purchase deeds (AJB), namely by assisting the parties involved in the sale and purchase process to be safer and obtain legal protection by preparing a sale and purchase deed (AJB) when conducting a sale and purchase transaction. A land sale and purchase deed (AJB) is proof of a sale and purchase transaction and transfer of rights to land or buildings. (Putri et al., 2018)

The authority possessed by PPAT according to PP No. 24 of 2016 is a public official who is authorised to draw up authentic deeds regarding certain legal actions concerning land rights or ownership rights to apartment units. PPAT is tasked with carrying out some land registration activities by drawing up deeds as evidence that certain legal actions have been carried out, such as:

1. sale and purchase;
2. exchange;
3. gifts;
4. contribution to a company (inbreng);
5. division of joint rights;
6. granting of building rights/rights of use over freehold land;
7. granting of encumbrances;
8. granting of power to impose encumbrances. (Republic of Indonesia, 2016)

In the land purchase process, there are requirements that must be met by the parties as stipulated in Government Regulation No. 18 of 2021 concerning land registration, and all parties must follow the entire process in order for it to be considered legally valid. One of these requirements is the Deed of Sale and Purchase (AJB). The AJB cannot be made arbitrarily; it must be made through a Land Deed Official (PPAT) in order to be considered legal. The requirements for a Deed of Sale and Purchase (AJB) for land are as follows:

1. Land data;
2. Original land certificate;
3. Proof of payment of property tax for the last 5 years along with the STTS (Receipt of Deposit);
4. Original Building Construction Permit (IMB);
5. Proof of payment of property tax, electricity bills, and water bills;
6. Roya letter or proof of settlement if the property was previously used as bank collateral;
7. Proof of land title certificate authenticity verification from the National Land Agency (BPN) (this point can be handled independently or with the assistance of a Notary/PPAT). (Putri et al., 2018)

The seller must provide a photocopy of their ID card, a photocopy of their family card, a photocopy of their marriage certificate (if married) and proof of income tax payment from the tax office. Buyer requirements include photocopies of the husband and wife's ID cards (if married), photocopies of the family card, photocopies of the marriage certificate,

photocopies of the Taxpayer Identification Number (NPWP) and a copy of the Indonesian citizenship certificate or name change certificate (if any, for Indonesian citizens of foreign descent). In addition to these requirements, if the land is inherited, a letter clearly stating the sale and purchase agreement signed by the other heirs must be attached. It is also important for the seller to explain that the land is not in dispute so that the buyer does not encounter difficulties in the future. (Putri et al., 2018)

Management Rights (HPL) are state rights delegated to an agency/institution to manage land. HPL holders do not own the land, but have the authority to plan land use, use the land for their own purposes, grant part of the land to third parties with HGB or Right of Use, and set conditions for use. On HPL land, third parties may be granted a Right to Build (HGB) for a certain period. When an HGB is sold, only the HGB right is transferred, not state land or HPL land. This needs to be emphasised in the AJB. The transfer of HGB rights on HPL is not as free as the transfer of HGB on state land or freehold land. There are additional administrative requirements, namely involving the HPL holder. (Kurniawan, 2020)

The HPL holder has the authority to grant permission to the party that will receive the HGB. Each HPL holder agency (e.g., local government, state-owned enterprise, or BP Batam) may set specific conditions such as contribution payments, reimbursement of management costs, and compliance with land use provisions. The PPAT can only proceed with the deed after written approval from the HPL holder has been received. For the AJB to be valid, the PPAT must include a specific provision, namely the identification of the object of sale and purchase. In this section, the PPAT must state that: "The object of sale and purchase is Building Use Right Number ... located on Management Right Land Number ... managed by ...". This formulation is important to avoid any misunderstanding that the HPL land is also being sold. A statement of the HGB status must be included, namely the land area, certificate number and date, HGB validity period, land boundaries and renewal/extension provisions (which refer to the master agreement with HPL) (Kurniawan, 2020).

Based on the above normative description, it can be concluded that the authority of the PPAT in the AJB over the HGB above the HPL is derivative-administrative in nature: the PPAT deed is a prerequisite for registration of the transfer, but its operational validity is determined by the fulfilment of the HPL holder's approval/permission and the accuracy of the object identification (HGB, not HPL land). Thus, the results of the discussion confirm that the PPAT's standard of care in the context of HGB-HPL focuses on (i) ensuring the existence of an HPL holder's approval document, and (ii) formulating the object of transfer precisely to prevent "over-claiming" as if the HPL were also being transferred. (Kurniawan, 2020)

#### **Limitations and Obligations of PPAT in Verifying Land Use Status Before Drafting Deeds for Building Use Rights Applications**

PPATs have the authority to draw up authentic deeds regarding certain legal actions on land. However, in terms of verifying land use status, the authority of PPATs is not unlimited. There are legal, administrative, and technical limitations that must be complied with. PPATs do not have the authority to determine whether the land is state land, freehold



land, HGB land, HP land, or HPL land, forest area land, or land resulting from exchange or release of an area. PPATs may only verify official documents issued by the competent authorities (BPN/ATR, HPL agencies, or forestry agencies). PPATs are prohibited from concluding the status of land based on assumptions, verbal information, personal surveys, or unofficial data. (Isnaini & Wanda, 2018; Ramadani & Hikmah, 2022)

PPATs only examine the validity of documents, not the physical condition of the land. In drawing up deeds, PPATs only verify physical documents such as certificates, measurement letters/field maps, HPL approval documents (if any) and letters of no dispute. PPATs do not have the authority to physically check the land or determine the accuracy of boundaries in the field. Physical inspection is the authority of the National Land Agency (through survey officers) and village/sub-district government officials (for land history information). PPATs only record what has been approved by the authorised officials. (Putri et al., 2018; Ramadani & Hikmah, 2022)

PPATs must rely on BPN data (limited verification authority). PPATs must check certificates (electronic or manual document checks) before drawing up deeds. However, PPATs are not allowed to change BPN data. If discrepancies are found, PPATs are not allowed to draw up deeds and must ask the parties to correct the data at the land office. PPATs do not assess the material accuracy of BPN data. PPATs consider BPN data to be official records. Assessing whether land is disputed or not, or its status of use in accordance with spatial planning, is not within the authority of PPATs. (Maharani & Westra, 2022; Putri et al., 2018)

The PPAT is not authorised to assess spatial planning compliance, determine whether the land complies with RT/RW, building zoning, and area status. The PPAT can only request a City Plan Statement (KRK), Spatial Planning Information and record it in the deed. If it turns out that the land use status is not in accordance, the PPAT cannot decide whether the transaction is permissible or not, but must refer to the provisions of spatial planning regulations. (Isnaini & Wanda, 2018)

The PPAT does not have the authority to investigate the origin of land outside of official documents. The PPAT only examines the origin of land based on certificates, land history from the National Land Agency (BPN), and letters of reference from the village head. The PPAT may not conduct field investigations, examine boundary witnesses, verify customary disputes, or substantively check the history of land ownership. All of these are the authority of the BPN in the registration process and the court if there is a dispute. (Isnaini & Wanda, 2018)

PPATs are prohibited from drawing up deeds if the status of the land is unclear, if the results of document verification show that the status of land use is unclear, there are overlapping rights, the land has not been registered, the land is in a forest area but has not been released, and there are records of disputes in BPN documents. In such cases, PPATs are obliged to refuse to draw up deeds. Signing a deed under these conditions may result in the deed being invalidated, the deed being revoked, and administrative or even criminal liability if negligence or aiding and abetting forgery is proven. (Isnaini & Wanda, 2018; Azwardi & Arum, 2022)

PPATs carry out their responsibilities with high ethical standards. This principle emphasises that PPATs are not only legally responsible but also morally and socially responsible for ensuring the validity of the transactions they facilitate. This principle is based on the concept that professions with public authority must act as guardians of public trust. (Isnaini & Wanda, 2018)

In the context of PPAT, the application of the principle of high prudence in carrying out duties includes ensuring that the documents prepared or certified meet the applicable legal requirements. PPATs must be objective, independent, and impartial in every transaction they handle. Thus, if there are indications of document falsification or irregularities in the authority of the transacting parties, PPATs have a responsibility to delay or refuse to draw up deeds in order to prevent wider losses to other parties and the state. (Isnaini & Wanda, 2018; Azwardi & Arum, 2022)

The application of the principle of professional accountability is particularly relevant in transactions involving local government assets, given the potential for abuse of authority that could harm state finances. This principle requires PPATs to:

1. Conducting in-depth examinations of documents and data submitted by the parties so that they not only meet formal requirements but are also materially accountable. This examination includes checking the validity of land certificates, the legal status of the land, and ensuring that the parties authorised in the transaction truly have the right to act on behalf of the local government. PPATs are also expected to cross-check with relevant agencies if there are doubts about the documents submitted ( ). (Putri et al., 2018; Maharani & Westra, 2022)
2. Refuse to draw up deeds if there are strong indications that the documents or parties to the transaction are not valid. In this case, PPATs have the prerogative to delay the deed drawing process if irregularities are found that could potentially pose legal risks. This step is in line with the principle of prudence, which requires PPATs not to simply follow the wishes of the parties without ensuring the legality of the transaction. (Isnaini & Wanda, 2018; Azwardi & Arum, 2022)
3. Actively educate the parties concerned about the legal requirements applicable to land transactions, especially those involving local government assets. This education includes explanations of the legal procedures that must be fulfilled, the potential risks if the documents do not comply with the applicable provisions, and the importance of involving authorised agencies such as the National Land Agency (BPN) and the legitimate local government in every stage of the transaction. This educational role is important to prevent unauthorised parties from manipulating the local government land sale and purchase process for specific purposes. (Isnaini & Wanda, 2018)

This principle emphasises that the responsibilities of PPATs are not limited to formal recording, but also include broader ethical and professional responsibilities in ensuring that the transactions they facilitate are conducted in accordance with applicable laws. This requires PPATs to prioritise greater legal interests, such as preventing potential losses to the state due to

the manipulation of data or false documents used in local government land transactions. (Azwardi & Arum, 2022)

The duty of care principle requires PPATs to perform their duties with a high degree of care in verifying documents and authorised parties. This principle serves as an ethical and professional guideline so that PPATs do not only act as formal recorders in transactions but also as parties responsible for ensuring the legality and validity of every aspect of the transactions they facilitate. (Isnaini & Wanda, 2018)

In practice, the application of the duty of care principle includes various concrete steps that must be taken by PPATs to mitigate legal risks, particularly in transactions involving local government assets. These steps include:

1. Ensuring the validity of land certificates by checking with the land office PPATs have an obligation to directly check land certificates with the Land Office (BPN) to ensure that they are valid and match the data registered in the land registry and registration map. This procedure is important to avoid the use of fake certificates or documents that have been cancelled. PPATs also need to ensure that the land is not on the list of disputed land or objects of seizure that could cause potential legal problems in the future. (Putri et al., 2018; Maharani & Westra, 2022)
2. Verify the identity and authority of the transacting parties. In addition to ensuring the validity of land documents, PPATs are required to verify the identities of the parties involved in the transaction. This can be done by checking ID cards, tax identification numbers, or other documents that can identify the parties concerned. In the context of local government land transactions, verification must include checking the decree (SK) appointing the authorised official, power of attorney, or other documents proving that the transacting party has the legal authority to represent the local government. This step is important to prevent unauthorised or illegitimate parties from conducting transactions that could potentially harm the state. (Isnaini & Wanda, 2018)
3. Ensuring that the land being sold is not in dispute or encumbered by other rights that could cause legal problems. The PPAT is obliged to examine the legal history of the land to be sold. This examination includes checking the status of the land at the Land Office to ensure that it is not in dispute, is not encumbered by any rights, or is not the subject of collateral that could potentially cause legal problems in the future. (Putri et al., 2018; Maharani & Westra, 2022)

The optimal application of the duty of care principle not only protects the parties to the transaction but also protects the PPAT itself from potential legal liability due to negligence or procedural errors. In the context of transactions involving local government assets, the application of this principle becomes even more crucial given the high risk of corruption, document manipulation, or abuse of authority that could result in losses to the state. (Azwardi & Arum, 2022)

The principle of due diligence is a professional standard that requires PPATs to conduct a thorough and in-depth examination of the legal, administrative, and technical aspects of a transaction. In the context of land transactions, this principle requires PPATs to not only passively accept the documents submitted by the parties, but also to take active steps

to ensure the validity and accuracy of these documents. (Maharani & Westra, 2022; Ramadani & Hikmah, 2022)

This examination includes checking the history of land ownership, the legal status of the land, and potential conflicts of interest that could affect the validity of the transaction. For example, PPATs need to check whether the land has ever been the subject of a court dispute, whether there are indications of forged signatures or data manipulation, and whether the parties authorised in the transaction have certain interests that could potentially cause losses to the state. (Isnaini & Wanda, 2018; Maharani & Westra, 2022)

The results of the discussion show that the limits of the PPAT's authority in verifying land use status lie in the principle of "document-based verification": the PPAT acts based on official land data and the results of electronic checks/services, while the material assessment of land status (disputes, overlaps, physical validity of boundaries, and other substantive issues) falls within the domain of the National Land Agency (BPN) and dispute resolution mechanisms. These findings are in line with the literature that emphasises the importance of certificate verification (including electronic verification) to reduce disputes, but at the same time places PPAT in a position where they are obliged to reject/postpone deeds when administrative risk indicators arise (data mismatches, dispute records, or unclear status). (Putri et al., 2018; Maharani & Westra, 2022; Ramadani & Hikmah, 2022)

#### IV. CONCLUSIONS

The authority of PPAT in granting and transferring Building Use Rights (HGB) is derived from the provisions of the UUPA, PP No. 24 of 1997, PP No. 37 of 1998, and PP No. 18 of 2021. PPAT has the authority to create authentic deeds as evidence of legal actions on land that form the basis for registering changes in land data. The limitations of PPAT authority include administrative and legal restrictions, such as the obligation to rely on official BPN data, the lack of authority to determine the material status of land, and the prohibition on conducting field investigations or determining spatial planning compliance. PPAT can only verify documents, not determine the substance of land status.

PPATs are obliged to refuse to issue deeds if there are discrepancies in the data, the status of the land is unclear, there are records of disputes, the land is located in a forest area that has not been released, or there is no permit from the HPL holder in the case of HGB on HPL land. The application of the principles of duty of care and due diligence is a professional obligation of PPATs to ensure that the deeds issued meet formal and material requirements. This obligation includes document verification, certificate checking, verification of the identity of the authorised parties, and ensuring that there is no potential loss to the state. The role of PPAT has administrative, legal, ethical and social dimensions, so that PPAT not only performs a recording function, but also acts as a guardian of legal certainty in land transactions.

PPATs need to improve verification standards by maximising the examination of document validity through the BPN electronic system to minimise the risk of fake certificates, data duplication, or overlapping rights. The government needs

to strengthen technical regulations regarding the creation of deeds on HPL land so that there are clearer operational standards, particularly regarding the requirements for HPL holder approval. Improved professional training for PPATs is essential to deepen their understanding of due diligence principles, professional ethics, and legal risks in land transactions involving state or local government assets.

Coordination between PPAT, BPN, and local governments needs to be strengthened to ensure the smooth running of the land registration process and reduce the risk of disputes or abuse of authority. It is recommended that land data, including land history, dispute status, and spatial zoning, be fully digitised so that PPAT can carry out verification quickly, accurately, and transparently.

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