Change in the Status of an Individual Company and Its Legal Consequences in Terms of Article 153h of the Government Regulation in Lieu of Law of the Republic of Indonesia Number 2 of 2022 Concerning Job Creation

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Abstract
This research examines the change in status of an individual company to a limited liability company based on Article 153H of the Government Regulation in Lieu of Law of the Republic of Indonesia Number 2 of 2022 concerning Job Creation. The problems formulated are, first, how the role of the Notary in the process of changing the status of the individual company and second how the legal consequences arising from the change in the status of the individual company based on the Government Regulation in Lieu of the Law of the Republic of Indonesia on Job Creation. This type of research is normative juridical with a statutory approach and conceptual approach. The method used is a literature study, and the data is processed non-statistically and assessed descriptively and qualitatively. The results of the study concluded, first, that there is a role of a Notary in the change of status, namely, first as an official authorized to make deeds in the process of changing status, second, registering changes in the status of individual companies to the Minister of Law and Human Rights of the Republic of Indonesia, as regulated in the government regulation in lieu of the law and its implementing regulations, namely the Regulation of the Minister of Law and Human Rights of the Republic of Indonesia Number 21 of 2021 concerning Requirements and Procedures for Registration, Establishment, Changes, and Dissolution of Limited Liability Companies, secondly, the legal consequences for individual companies that change their status, namely that the individual company is not dissolved first, but continues to be a limited liability company with the capital partnership.

Keywords: the role of Notary; Individual Company; status change.

Kata kunci: peran Notaris; Perseroan Perorangan; status change.
Introduction

The form of a legal entity in the form of a limited liability company is regulated in Law Number 40 of 2007 concerning Limited Liability Companies and has not changed at the end of 2020. On October 5, 2020, the House of Representatives (DPR) passed the Job Creation Act. After the enactment of Law Number 11 of 2020 concerning Job Creation (hereinafter referred to as the Job Creation Act), several provisions in the Limited Liability Company’s Law are amended with the aim of ease of doing business which is regulated in CHAPTER II concerning Principles, Objectives, and Scope of Article 2 point (i) letter c which is explained in the explanation section regarding ease of doing business, namely "What is meant by “ease of doing business” is that job creation supported by a simple, easy, and fast business process will encourage increased investment, empowerment of micro, small and medium enterprises to strengthen the economy which can open up the widest possible employment opportunities for the Indonesian people." (Reynaldi, 2022).

However, along the way, the Job Creation Act underwent several judicial reviews requested by several elements of society to the Constitutional Court. After experiencing several trials, the Constitutional Court issued Constitutional Court Decision Number 91/PUU-XVIII/2020 dated November 25, 2020, which one of the contents is to order the legislators to make improvements within a maximum period of 2 (two) years after this decision is pronounced and if within that period no improvements are made, then the Job Creation Act becomes permanently unconstitutional. Until a replacement law is formed, the Job Creation Act remains in effect in Indonesia.

The government then followed up on the Constitutional Court’s decision by issuing Government Regulation in Lieu of Law of the Republic of Indonesia Number 2 of 2022 on Job Creation (hereinafter referred to as Government Regulation in Lieu of Job Creation Act) on December 30, 2022. In the Government Regulation in Lieu of the Job Creation Act, there is Article 184 which reads as follows:

When this Government Regulation in Lieu of Law comes into force:

a. All implementing regulations of the Law that have been amended by this Government Regulation In lieu of Law are declared to remain in force to the extent that they do not conflict with this Government Regulation In lieu of Law; and

b. All laws and regulations that are the implementing regulations of Law Number 11 of 2020 concerning Job Creation shall remain in effect as long as they do not conflict with this Government Regulation in lieu of a law.

After looking at the articles relating to the regulation of limited liability companies and all implementing regulations, it turns out that the articles remain and have not changed at all so the provisions relating to limited liability companies remain valid. The implementing regulations relating to the regulation of limited liability companies are also not inconsistent with the Government Regulation in lieu of the Job Creation Act.

Economic development in Indonesia shows a trend where the private sector is increasingly prominent. Moreover, with a series of economic deregulations, the role of the private sector, which mostly chooses a business entity in the form of a Limited Liability Company, has become increasingly dominant when compared to other forms of business, so it is undeniable that most of the businesses that stand and run
businesses in Indonesia are in the form of Limited Liability Companies. (Hansen, 2021).

A Limited Liability Company, hereinafter referred to as Ltd, must be established by at least 2 (two) people based on an agreement. This shows that a Limited Liability Company is an association of people who agree to establish a business entity in the form of a limited liability company. Because the basis for the establishment of a Limited Liability Company uses an agreement, the establishment of a Limited Liability Company cannot be separated from the conditions for the validity of an agreement according to the provisions contained in Article 1320 of the Civil Code. (Prasetya, 2004).

The requirement for the establishment of a Limited Liability Company, which requires that it must be established by at least 2 (two) persons, has become an obstacle for economic actors so that a form of Limited Liability Company established by 1 () person, i.e. an individual company, has been accommodated by the Government in the Government Regulation in Lieu of the Job Creation Act. The breakthrough in the form of an individual company on the one hand can be a stimulus to restore the national economy from the pressure of the Covid-19 pandemic, but it cannot be denied that there are still weaknesses in the provisions that are feared to be exploited by parties with bad intentions. Therefore, it is important to examine how the regulation of micro and small enterprise criteria based on the Job Creation Act (which has been amended by the Government Regulation In lieu of the Job Creation Act) and its implementing regulations as well as legal gaps and proposals for improving the regulation of micro and small enterprise criteria. (Shinta Pangesti, 2021).

The government regulates a new form of legal entity in the form of a sole proprietorship with limited liability. The establishment of the entity for micro and small businesses is sufficient by filling out a statement form electronically without the need for a notarial deed. This individual company is one-tier, where the sole shareholder is also the director without the need for a commissioner. (Laoly, 2021). The statement was made by the Minister of Law and Human Rights of the Republic of Indonesia Yasonna Laoly. As we all know, the Limited Liability Company that we know so far requires the role of a notary, which must be established with an agreement as outlined in a Notarial deed, while this form of limited liability company in the form of an individual company during the establishment or formation process does not involve the role of a notary. Individual companies also only have 1 (one) shareholder.

The basic concept of a Limited Liability Company is a business that is a capital association of shareholders who have limited liability for their issued and paid-up capital (Khairandy, 2013). Because as a legal entity with the concept of capital association, at least or at least a Limited Liability Company is established by 2 (two) people based on an agreement made before a Notary to make a Limited Liability Company Establishment Deed which also contains Company’s Articles of Association (Indrapradja, 2020). However, this concept then experienced an expansion after the enactment of Law Number 11 of 2020 concerning Job Creation (hereinafter referred to as the Job Creation Act), one of the clusters of which amended and added provisions in the Limited Liability Company Law. (Dwijayathi, 2020).

In the Government Regulation in Lieu of Job Creation Act, individual companies are still regulated in the Company Law that has been amended by the Government Regulation in Lieu of Job Creation Act, i.e. in the form of articles
inserted in the Company Law. The articles are Article 153A through Article 153l. Article 153H specifically regulates that an individual company can change its status to a limited liability company with shareholders from only 1 (one) person to a minimum of 2 (two) shareholders. In addition to the provisions in the Government Regulation in Lieu of the Job Creation Act, the Government also issued the regulation of individual companies in the Regulation of the Government of the Republic of Indonesia Number 8 of 2021 concerning the Company’s Authorized Capital as well as Registration, Establishment, Amendment, and Dissolution of Companies that Meet the Criteria for Micro and Small Enterprises, and Regulation of the Minister of Law and Human Rights of the Republic of Indonesia Number 21 of 2021 concerning Requirements and Procedures for Registration, Establishment, Amendment, and Dissolution of Limited Liability Companies.

On the ahu.go.id page on the announcement of individual company registration, there have been 5,002 (five thousand two) individual company transactions, both establishment, change, and dissolution (accessed on January 20, 2022, at 08.41 AM). With such a large number, the form of a legal entity in the form of an individual company is quite attractive to micro and small business actors in Indonesia. This is in line with the spirit of the Government Regulation in Lieu of the Job Creation Act itself where the Government supports a climate of ease of doing business in Indonesia by simplifying the process at the beginning of establishing an individual company.

From the description above, if in running its business the individual company experiences good development and is no longer in accordance with the criteria of an individual company, then the individual company will be faced with the obligation to change its status to a Limited Liability Company with a minimum of 2 (two) shareholders, or in other words, as if “upgrading” to a capital partnership limited liability company or "pure limited liability company" as stipulated in Article 153H of the Government Regulation in Lieu of the Job Creation Act and its implementing regulations.

Therefore, it will be studied further how the process of changing the status of the individual company in its implementation and knowing the role of notaries in it. In addition, the status of the individual company itself after becoming a capital partnership company also needs to be known so that the individual company has a clear status and its existence is recognized in Indonesia.

Research Problems
Departing from the background of the problem, the focus of this research is to analyze, first, how is the role of a notary in the process of changing the status of an individual company to a capital partnership company based on Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation and its implementing regulations? and second, what are the legal consequences of changing the status of an individual company that changes its status based on Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation?

Research Method
The research method used by the author is normative juridical. The object of the research is regulations related to the authority of notaries in changing the status of individual companies and provisions regarding the process of changing the status of the individual company itself.
The type of data used is qualitative data consisting of secondary data in the form of primary legal materials and secondary legal materials. The data collection technique is a literature study. The approaches used in this research are statutory approaches and conceptual approaches (Syamsudin, 2007). The data is then processed non-statistically and analyzed descriptively and qualitatively.

Discussion
The Role of Notaries in the Process of Changing the Status of Individual Companies Based on Government Regulation in Lieu of Law Number 2 of 2022 on Job Creation and its Implementing Regulations.

Based on Law Number 2 of 2014 concerning Amendments to Law Number 30 of 2004 concerning the Position of Notary, which is stated in Article 1 number 1 as follows: "Notary is a public official authorized to make authentic deeds and has other authorities as referred to in this Law or based on other laws". Furthermore, the provisions in Article 15 of the Notary Public Office Act paragraph (1) reads as follows: "Notaries are authorized to make authentic deeds regarding all deeds, agreements, and stipulations required by laws and regulations and/or desired by those concerned to be stated in an authentic deed, guarantee the certainty of the date of making the deed, store the deed, provide a grosse, copy and quotation of the deed, all insofar as the making of the deed cannot be assigned or excluded to other officials or other persons stipulated by law".

From the two articles, it can be concluded that the authority of a notary is to make authentic deeds as referred to in the Notary Public Office Act or other laws. If it is related to the authority of notaries related to limited liability companies, it refers to "other laws", namely the Limited Liability Company Law, so that the intended authority is the authority related to the making of deeds of limited liability companies in the form of deeds of establishment, deeds of the amendment, deeds of dissolution and all legal acts of limited liability companies regulated in the Limited Liability Company Law.

Before the enactment of the Job Creation Act which was later amended by a Government Regulation in lieu of the Job Creation Act, the general form of limited liability company known in Indonesia was a limited liability company with a minimum of 2 (two) shareholders and established based on an agreement made by a notarial deed. The form of a limited liability company in the form of an individual company has not been recognized in Indonesia, although the term has been recognized outside Indonesia.

Natasha Danielle Paxton Smith defines the term One Person Company (OPC) as follows (Smith, 2013):

“The definition of a One-Person Company is inherently uncertain. Lord Denning in Wallersteiner v Moir (No.1) described a One-Person Company as a company “under the control of one man who owns all the shares and is the chairman and managing director.” Thus, if there were two directors acting in concert, or if “dummy directors or shareholders were involved, this would not constitute a One-Person Company. This literal meaning is contrary to the House of Lords in Salomon who accepted a company with seven minority shareholders and one dominant shareholder (who is also the controlling mind) to be a One-Person Company. Similarly, Hobhouse Jin Berg, Sons & Co Ltd v Mervyn Hampton Adams adopted a negative test, namely that a One-Person Company is.”
According to Anner Mangatur Sianipar, an Individual Limited Liability Company or One-Person Company (OPC) is an Individual Limited Liability Company whose entire shares can be controlled/owned by only 1 (one) shareholder, both since its establishment and after the PT is established and operates then all of its shares fall into the hands (owned) of only 1 (one) person/party (Sianipar, 2021).

In Law Number 40 of 2007 which has been amended by Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation, the definition of a Limited Liability Company is found in Article 109, which reads, Limited Liability Company, hereinafter referred to as the Company, is a legal entity which is a capital partnership, established based on an agreement, conducting business activities with authorized capital which is entirely divided into shares, or an individual legal entity that meets the criteria for micro and small businesses as stipulated in laws and regulations concerning micro and small businesses. So it can be concluded that an individual company is a limited liability company in the form of an individual legal entity that meets the criteria of micro and small businesses as regulated in laws and regulations concerning micro and small businesses.

The change of status of an individual Company is regulated in Article 153H of the Government Regulation in lieu of the Job Creation Act, which is as follows:

(i) If an individual company for Micro and Small Enterprises no longer fulfills the criteria for Micro and Small Enterprises as referred to in Article 153A, the Company must change its status to that of a Company as referred to in the provisions of the applicable laws and regulations.

(ii) Further provisions concerning the conversion of the status of a company for Micro and Small Enterprises into a Company shall be stipulated in a Government Regulation.

Article 153A paragraph (1) of the Government Regulation in Lieu of Job Creation Act explains that a company that meets the criteria of Micro and Small enterprises can be established by 1 (one) person.

From these two articles, it can be interpreted that the sentence in Article 153H paragraph (i), namely "as referred to in the applicable statutory provisions" can be interpreted as the provisions of a limited liability company in the Limited Liability Company Law. So that individual companies that no longer meet the criteria will refer to Article 7 of Law Number 40 of 2007 concerning Limited Liability Companies which has been amended by Government Regulation in lieu of the Job Creation Act which reads "The Company is established by 2 (two) or more persons by notarial deed made in Indonesian".

Furthermore, it can be concluded that the individual company that will change its status is an individual company that will become a capital partnership limited liability company that should be established by at least 2 (two) shareholders so that it no longer follows the provisions of Article 153 A, namely the provisions regarding individual companies with 1 (one) shareholder.

The criteria for Micro and Small Enterprises cannot be separated from the process of changing the status of this individual company. Currently, these criteria refer to Article 87 of the Government Regulation in Lieu of the Job Creation Act, which is then followed by Government Regulation of the Republic of Indonesia Number 7 of 2021 concerning Ease, Protection, and Empowerment of Cooperatives and Micro, Small and Medium Enterprises which regulates the Criteria for Micro, Small and Medium Enterprises which are divided into 2 (two) criteria, namely:

a. Business capital criteria (Article 35 number 3 letters a and b)
- Micro Enterprises have a business capital of up to a maximum of Rp 1,000,000,000,- (one billion rupiahs) excluding land and building of the business premises.
- Small Businesses have a business capital of more than Rp 1,000,000,000,- (one billion rupiahs) up to a maximum of Rp 5,000,000,000,- (five billion rupiahs) excluding land and buildings of the business premises.

b. Annual sales criteria (Article 35 number 5 letters a and b)
- Micro Enterprises have annual sales up to a maximum of Rp 2,000,000,000,- (two billion rupiahs).
- Small businesses have annual sales of more than Rp 2,000,000,000,- (two billion rupiahs) to a maximum of Rp 15,000,000,000,- (fifteen billion rupiahs).

These criteria must be examined in advance for both the individual company owner and the notary so that it is truly believed that the individual company is already subject to the obligation to change its status to a limited liability company.

The change of status in an individual company is different in meaning from the term "change" in an individual company and a limited liability company. In an individual company, the term change refers to Article 153C of the Government Regulation in Lieu of Job Creation Act, which reads as follows:

"Amendments to the company's statement of establishment for Micro and Small Enterprises as referred to in Article 153A are stipulated by the GMS and notified electronically to the Minister". Furthermore, changes to individual companies are regulated in Article 8 of Government Regulation Number 8 of 2021 concerning the Company's Authorized Capital as well as Registration, Establishment, Amendment, and Dissolution of Companies that Meet the Criteria for Micro and Small Enterprises and Article 15 of Permenkumham Number 21 of 2021 concerning Requirements and Procedures for Registration, Establishment, Amendment, and Dissolution of Limited Liability Companies. From these articles, the meaning of "change" in an individual company here is a change in the scope of the company's name and domicile, purpose, objectives and business activities, the amount of authorized capital, issued capital, and paid-up capital, nominal value and several shares, company address, the identity of the founder as well as the Director of the individual company (full name, place, and date of birth, occupation, residence, population identification number, and taxpayer identification number).

In other words, what is done is a change in the data of the individual company in question, so that the change is interpreted as a "change in the statement of establishment".

In a capital partnership limited liability company, the term "amendment" still refers to the provisions in Law Number 40 the Year 2007 on Limited Liability Companies (hereinafter referred to as UUPT), because the article regulating the amendment is not amended by the Government Regulation in Lieu of Job Creation Act. In the limited liability company law, the term "amendment" is found in Article 19, namely amendments to the articles of association. Amendments to the articles of association are stipulated by the General Meeting of Shareholders (Article 19 paragraph 1) and some amendments must be approved by the Minister (Article 21 paragraph 1) and there are amendments to the articles of association that are sufficiently notified to the Minister (Article 21 paragraph 3). Amendments to the articles of association that must be approved by the Minister include the company's name and/or domicile, purpose, objectives, and business activities, the period of establishment of the company, the amount of authorized capital, the reduction of issued and paid-up capital, and/or the status of the company from closed to the
public and vice versa. Looking at the provisions in these articles, the term "change" in a limited liability company with capital partnership refers to "amendment of the articles of association".

From the two terms of change mentioned above, the term change of status in relation to an individual company is an individual company that will change its status to a limited liability company due to certain criteria, namely not meeting the criteria as a Micro and Small Business and established by 1 (one) person as well as being a shareholder of the individual company itself.

Furthermore, the implementing regulations of Article 153H of the Government Regulation in lieu of the Job Creation Act are as follows:

a. Article 9 paragraph (1) of Government Regulation No. 8 of 2021 concerning the Company’s Authorized Capital and the Registration, Establishment, Amendment, and Dissolution of Companies that Meet the Criteria for Micro and Small Enterprises reads as follows:
   An individual company must change its legal entity status to a Company if:
   1) the shareholders become more than 1 (one) person and/or;
   2) does not meet the criteria of micro and small enterprises as stipulated in the provisions of laws and regulations concerning micro and small enterprises

b. Article 9 paragraph (2) of Government Regulation No. 8 of 2021 concerning the Company’s Authorized Capital and the Registration, Establishment, Amendment, and Dissolution of Companies that Meet the Criteria for Micro and Small Enterprises reads as follows:
   "An individual company before becoming a Company as referred to in paragraph (1) shall change its status by notarial deed and shall be registered electronically with the Minister”.

c. Article 9 paragraph (2) of Government Regulation No. 8 of 2021 concerning the Company’s Authorized Capital and the Registration, Establishment, Amendment, and Dissolution of Companies that Meet the Criteria for Micro and Small Enterprises reads as follows:
   "The change of status as referred to in paragraph (2) shall be carried out in accordance with the provisions of the legislation concerning Companies”.

d. Article 17 paragraph (1) of Minister of Law and Human Rights Regulation Number 21 of 2021 concerning Requirements and Procedures for Registration, Establishment, Amendment, and Dissolution of Limited Liability Companies, with the same provisions in point a above.
   Article 17 paragraph (2) states that before becoming a capital partnership company, an individual company changes its status through a notarial deed and is registered electronically.
   Furthermore, Article 17 paragraph (3) mentions the matters that must be contained in the notarial deed, namely the shareholders’ statement containing the change in the status of an individual company to a capital partnership company, amendments to the articles of association, and company data.

   Based on these articles, the phrase "change the status through a notarial deed and register it electronically” is consistently found.

   In addition, the status change process must also fulfill Article 18 of the Minister of Law and Human Rights Regulation Number 21 of 2021 concerning Conditions and Procedures for Registration, Establishment, Amendment, and Dissolution of Limited Liability Companies, namely that the applicant must fill in an electronic statement letter stating that the company’s form and information regarding supporting documents submitted under the Ministerial regulation are in accordance
with the provisions of laws and regulations, and is fully responsible for the correctness of the form and information.

From the explanation of the articles mentioned above, the role of a notary in an individual company has been clearly stated, namely to make a deed and register the change of status electronically, which can be described as follows:

a. The notarial deed during the process of changing the status must contain a shareholder's statement, which contains the change in the status of an individual company to a capital partnership company, changes to the articles of association, and company data. The three things that must be contained in the notarial deed must be considered by the notary in the deed to be made so that it does not violate the criteria for changing status set by law.

b. Notaries are required to register the status change process electronically. Electronic registration to date, in relation to legal entities, can only be done to the Minister of Law and Human Rights of the Republic of Indonesia in the Legal Entity Administration System through the ahu.go.id portal. The registration is carried out by a notary because it has used a notarial deed, in contrast to the establishment of an individual company whose registration is carried out independently by the owner/founder of the individual company.

Legality of Change of Status on Individual Companies based on Government Regulation in Lieu of Law Number 2 of 2022 on Job Creation and its implementing regulations.

Referring back to the criteria for changing the status of an individual company can only be done if the individual company has more than 1 (one) shareholder and/or the individual company does not meet the criteria of micro and small businesses. Furthermore, the process carried out by a notary is to make a change in status, both making a notarial deed and registering electronically with the Minister.

From the previous articles, it can be observed that a capital partnership company originating from an individual company that changes its status does not go through the establishment process like the establishment of a capital partnership limited liability company, as explained in Article 17 paragraph (2) of the Minister of Law and Human Rights Regulation Number 21 of 2021 concerning Conditions and Procedures for Registration, Establishment, Amendment and Dissolution of Limited Liability Companies, namely that before becoming a capital partnership company, the individual company “changes its status through a notarial deed and is registered electronically”.

Looking at the sentence, it is clear that the notary does not make a deed of establishment, but it can be concluded that the notary makes a deed that is not a deed of establishment, but the content contains a shareholder statement containing a change in the status of an individual company to a capital partnership company, changes to the articles of association and company data. Or in other words, the notary continues the history of the individual company into a capital partnership limited liability company.

Furthermore, because the notary continues the history of the individual company, it is necessary to review the criteria for dissolving the individual company and whether the individual company should be dissolved first or not. The dissolution of an individual company is regulated in Article 153G of the Government Regulation in Lieu of the Job Creation Act which reads as follows:
(1) The dissolution of a company for Micro and Small Enterprises as referred to in Article 153A shall be carried out by the General Meeting of Shareholders as outlined in a statement of dissolution and notified electronically to the Minister.

(2) The dissolution of a company for Micro and Small enterprises as referred to in paragraph (1) shall occur due to:
   a. Based on the resolution of the General Meeting of Shareholders;
   b. The period of establishment stipulated in the declaration of establishment has expired;
   c. Based on court order;
   d. With the revocation of bankruptcy based on a decision of a commercial court that has permanent legal force, the Company's bankruptcy assets are not sufficient to pay bankruptcy costs;
   e. The bankruptcy estate of the Company that has been declared bankrupt is in a state of insolvency as stipulated in the law on bankruptcy and postponement of debt payment obligations; or
   f. Revocation of the company's business license that requires the company to liquidate in accordance with the provisions of laws and regulations.

The criteria in the article on the dissolution of an individual company are consistently contained in its implementing regulations, namely Article 13 paragraph (2) of Article 13 of Government Regulation of the Republic of Indonesia Number 8 of 2021 concerning the Company's Authorized Capital and the Registration, Establishment, Amendment, and Dissolution of Companies. Here it is clear that the process of changing status, seen from the 6 (six) criteria, is not included as a condition for the dissolution of an individual company. This means that there is no process of dissolving an individual company in advance, both in the implementation of the status change process and at the time of its registration with the Minister of Law and Human Rights in the Legal Entity Administration System through the ahu.go.id page.

From the explanation of these articles, the legal entity status of an individual company changes its status to a limited liability company with fixed capital, meaning that it continues to be a limited liability company with fixed capital without having to undergo the process of dissolving the individual company first.

**Conclusion**

The role of a notary in changing the status of an individual company in terms of Article 153G of Government Regulation in Lieu of Law of the Republic of Indonesia Number 2 of 2022 concerning Job Creation and its implementing regulations is first, namely making a notarial deed containing a shareholder statement explaining the change in the status of an individual company to a capital partnership company, changes to the articles of association and company data. Second, registering the change in status of the individual company electronically, in this case, registered with the Minister of Law and Human Rights of the Republic of Indonesia through the Legal Entity Administration System, namely the online general legal administration portal conducted through the ahu.go.id page.

The legal effect of the change in status of the individual company that makes the change in status is that its legal entity status remains. The individual company continues as a capital partnership limited liability company, so it does not dissolve the individual company and does not establish a new capital partnership company. In the change of individual status that changes here are first, the criteria for
individual companies that are no longer included in Micro and Small Enterprises. Second, the number of shareholders is more than 1 (one) person in the company.

**Suggestion**

Although it has been explained that in changing the status of an individual company, it is done through a notarial deed, it is not yet clear whether the deed is made, whether it is a deed of change of status only or is equipped with a deed of establishment of a capital partnership company. Furthermore, if the notary continues the process of changing the status in the form of electronic registration with the Minister of Law and Human Rights through the Legal Entity Administration System, through the ahu.go.id website, especially on the Individual Company menu, it appears that the existing menu does not accommodate this status change process.

When an individual company changes its status, the legal entity status of the individual company will continue, so that later in the registration in the Legal Entity Administration System, the notary should register the change of status through a menu devoted to the process. The government should develop the existing system on the ahu.go.id page to accommodate this status change process so that it can be carried out in accordance with applicable laws and regulations.

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