Client Update:
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Administrative Sanctions for Failure to Submit Annual Reports by Limited Liability Companies

The Directorate General of General Legal Administration (*Direktorat Jenderal Administrasi Hukum Umum* or "**DG GLA**") announced on its social media[1] on 28 October 2026 the imposition of administrative sanctions on limited liability companies ("**Companies**") that fail to comply with their annual reporting obligations through the Legal Entity Administration System (*Sistem Administrasi Badan Hukum* or "**SABH**").

This announcement is particularly relevant for Companies to ensure compliance with their annual reporting obligations and to avoid restrictions on their access to the SABH.

1. Obligation to Submit Annual Reports through the SABH

Pursuant to Minister of Law Regulation No. 49 of 2025 on the Requirements and Procedures for the Establishment, Amendment, and Dissolution of Limited Liability Companies (*Peraturan Menteri Hukum Republik Indonesia Nomor 49 Tahun 2025 tentang Syarat dan Tata Cara Pendirian, Perubahan dan Pembubaran Badan Hukum Perseroan Terbatas*) ("**MoL Reg. 49/2025**"), a notarial deed concerning the approval of an annual report must be submitted to the DG GLA through the SABH no later than **30 (thirty) days from the date on which the notarial deed is signed**.

According to the DG GLA's announcement, the implementation of this submission deadline will commence on **1 November 2026**.

Accordingly, Companies should ensure that the approval of their annual reports and the submission of the relevant documents through the SABH are completed in accordance with the applicable requirements, particularly the prescribed submission deadline.

2. Implementation of Administrative Sanctions

The DG GLA has announced that administrative sanctions will be imposed on Companies that have not fulfilled their obligation to submit their annual reports for the 2025 reporting period, according to the following schedule:

Period	Applicable Measure
1 November 2026	Commencement of the implementation of the requirement to submit a notarial deed concerning the approval of an annual report no later than 30 days from the date of signing.

[1] Source: Directorate General of General Legal Administration (*Direktorat Jenderal Administrasi Hukum Umum*), Instagram account @djahu_kemenkum, post dated 28 October 2026, available at: https://www.instagram.com/p/De_cAWjk26F/?img_index=7

Period	Applicable Measure
1–31 December 2026	Imposition of administrative sanctions in the form of written warnings on Companies that have not submitted their annual reports for the 2025 reporting period.
Starting 2 January 2027	Imposition of administrative sanctions in the form of blocking access to the SABH for Companies that have not fulfilled their obligation to submit their annual reports for the 2025 reporting period.

The implementation of these sanctions highlights the importance of timely compliance with annual reporting obligations. Blocking access to the SABH may hinder a Company's ability to access corporate administration services required to carry out corporate actions, to the extent that such actions require access to the SABH.

3. IDR 0.00 Non-Tax State Revenue Tariff

The DG GLA has also announced that a Non-Tax State Revenue (*Penerimaan Negara Bukan Pajak* or "**PNBP**") tariff of **IDR 0.00 (zero rupiah)** will apply until **31 December 2026**, pursuant to the applicable provisions concerning the Amounts, Requirements, and Procedures for The Imposition of Tariffs of up to IDR 0.00 (zero rupiah) or 0% (zero percent) on PNBP applicable at the Ministry of Law.

Accordingly, Companies may take advantage of this period to fulfil their annual reporting obligations without incurring PNBP charges for services covered by this policy, subject to the applicable requirements and conditions.

4. Submission Schedule for Annual Reports for the 2026 Reporting Period

According to the DG GLA's announcement, annual reports for the 2026 reporting period may be submitted through the SABH from **2 January 2027 to 30 June 2027**.

Companies established in 2026, or whose 2026 financial year has not yet ended, are required to submit their annual reports in the following reporting period, in accordance with the applicable regulations.

Conclusion

The implementation of these administrative sanctions underscores the increasing importance of compliance with annual reporting obligations through the SABH. Companies are advised to ensure that their annual reporting processes for subsequent periods comply with the applicable deadlines and procedures under MoL Reg. 49/2025 and its implementing regulations, to mitigate the risk of written warnings and the blocking of SABH access, which may disrupt corporate administrative processes.

Further information
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