PROCESS · BUYING STEP BY STEP

How to buy property in Bali, step by step, including from abroad

September 24, 2026 · 9 min read · **Ownership and tax**

A clean Bali purchase takes four to eight weeks from deposit to signing, and you can close it without getting on a plane. The legal structure you choose on day one decides most of what follows, including your tax bill.

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IN SHORT

A foreigner buys Bali property through one of three legal structures: leasehold, Hak Pakai or a PT PMA company. The sequence: pick a structure, reserve with a deposit the notary holds, run due diligence, sign before a notary or PPAT, then take the keys. A clean deal closes in four to eight weeks, per Excel Bali's 2026 guide.

4–8 weeks
deposit to signing on a clean deal (Excel Bali, 2026)

About 10%
typical deposit under a reservation MOU

2–4%
buyer's costs on a simple leasehold

June 4, 2022
apostille replaced consular legalization in Indonesia

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Step 1: pick the legal structure before the property

Freehold (Hak Milik) is for Indonesian citizens only. A foreign buyer holds Bali property in one of three ways, and that choice sets your paperwork and your taxes before you've seen a single villa.

Leasehold (Hak Sewa) is the most common route for villas. You lease land and building for a fixed term from the owner, with no visa requirement. A right-to-use title (Hak Pakai) is registered in your own name, but you need an Indonesian residence permit to hold it. A foreign-owned company (PT PMA) can hold a right to build (HGB) and is the usual structure for someone running a rental business at scale.

Three routes for a foreign buyer

STRUCTURE	VISA NEEDED	WHO SIGNS THE DEED	BUYER'S TRANSFER DUTY (BPHTB)
Leasehold (Hak Sewa)	No	Notary	Not charged on a typical lease
Right-to-use title (Hak Pakai)	KITAS or KITAP	PPAT	Up to 5%
PT PMA holding HGB	No, but the company needs licensing	PPAT	Up to 5%

> Nominee deals, where an Indonesian holds freehold on your behalf, aren't a fourth route. They're void under Indonesian law.

Source: PP 18/2021 on land rights; Law 1/2022 (HKPD) on BPHTB

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Step 2: shortlist and view by video

Most of our clients see their villa for the first time on a live video call. The agent walks the plot, opens cupboards, runs the taps and films the street at the hour you'd arrive from the airport. A drone pass and a floor plan with dimensions come afterward.

Two things are worth doing before you fall for a property. Ask which structure the seller can offer, because a villa on freehold land can be sold to you only as a lease or through a company. And ask for the land certificate number, which lets a notary start checks on day one.

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Step 3: reserve with a deposit the notary holds

A reservation starts with a short memorandum of understanding (MOU) naming the price, the reservation period, the documents the seller must hand over and the grounds for a refund. Under the practice Excel Bali describes for 2026, you then pay a deposit of about 10% within three working days, and the seller has five working days to pass the documents to the notary.

Pay into the notary's account, using the details printed in the signed MOU. A deposit wired to a seller's personal account before anyone has checked the title is the easiest way to lose it. Our guide to buying off-plan covers developer bookings, where the rules differ.

Source: Excel Bali, Master Guide to Leasehold Transactions in Bali, 2026 edition, September 5, 2026

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Step 4: due diligence while the money sits still

Checks take about 30 working days on average, and two to four weeks on a simple file. The notary or your lawyer confirms the certificate at the land office (BPN), looks for mortgages and disputes, checks that the name on the certificate matches the person signing and reads the zoning for the plot.

For a built villa, the building approval (PBG) and certificate of occupancy (SLF) come next. If you plan to rent it out, add the rental license. Our due diligence checklist lists every document and what each one proves.

- ✓ Land certificate confirmed at BPN
- ✓ Seller's identity matches the name on the certificate
- ✓ Zoning (RDTR) allows housing, and tourist rental if that's the plan
- ✓ PBG and SLF for an existing building
- ✓ For a villa that is itself on a lease: years left on the head lease

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Step 5: the documents you bring

Your side of the file is short. You'll need a valid passport and an Indonesian tax number (NPWP), which a non-resident can register for a specific purchase. A residence permit, a KITAS or a KITAP, is required only for Hak Pakai.

If you won't be on the island for signing, you give a lawyer or agent a power of attorney. Spell out each power by name: sign the deed, lodge documents at BPN, collect the certificate. A notary won't act on a general "represent my interests" clause.

- Passport valid for the whole transaction
- NPWP tax number
- KITAS or KITAP, for Hak Pakai only
- Power of attorney, notarized and apostilled in your country, with a certified Indonesian translation

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Buying from abroad: the apostille and the bank

Indonesia joined the Hague Apostille Convention on June 4, 2022, under Presidential Regulation 2/2021. A power of attorney signed in the United States, the UK, Australia, Canada, Singapore or any EU state now needs one apostille stamp in that country, not the old chain of ministry and consulate stamps. If your country isn't a party, the document still goes through consular legalization.

Money is where remote deals get stuck. Paying a developer's corporate account or a notary's account works entirely by bank transfer. If a deal needs a personal Indonesian bank account in your name, some banks will want you there in person. Settle how payments will flow before the deposit, not after.

Source: HCCH, Apostille Convention enters into force for Indonesia, June 2022; Presidential Regulation 2/2021; Rise Real Bali deal practice, 2023–2026

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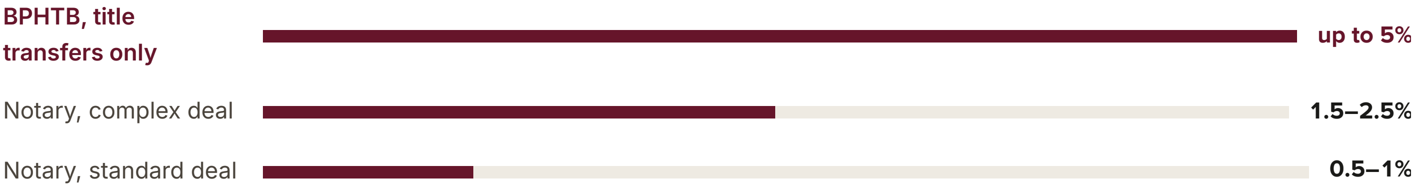
Step 6: taxes and fees before the deed

Both sides clear their tax before the deed. On a title transfer, the seller owes 2.5% of the price as final income tax (PP 34/2016). You owe BPHTB, a transfer duty capped at 5% by Law 1/2022. Your regency applies it to the price after deducting an allowance, which starts at Rp 80,000,000.

Leasehold skips that duty. A lease never reaches the land register, so a typical one carries no BPHTB, and the landowner covers a 10% final tax on the rent received (PP 34/2017). Excel Bali puts a buyer's total costs on a simple leasehold at 2–4% of the price.

Where a buyer's costs go



Legal caps on notary and PPAT fees are set out in our notary guide. Market ranges from Excel Bali, 2026.

Source: PP 34/2016; PP 34/2017; Law 1/2022 (HKPD); Excel Bali, September 5, 2026

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Step 7: signing and registration

On Hak Pakai or HGB, the PPAT signs the AJB and then has a one-week window (seven working days, PP 24/1997) to file it at the land office. BPN's own processing has no legal deadline. Practitioners put it at about 14 working days on a clean file, a rule of thumb rather than a promise.

A lease is signed before a notary and takes effect on signing. Notary and PPAT in Bali explains who signs what and what each one may charge.

DAY 0

MOU signed

Price, reservation period, seller's documents and refund grounds.

DAYS 1–3

Deposit

About 10% to the notary's account.

WEEKS 1–6

Checks

The notary checks title, zoning, permits and the seller's authority to sell.

WEEKS 4–8

Deed

Taxes paid, deed signed, balance released.

Source: PP 24/1997, Article 40; Excel Bali, 2026

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Step 8: handover when you're not there

A completed villa is inspected at handover against the contract and the inventory. If you're abroad, your agent or an independent inspector does it and sends a photo and video report. Write every defect down with a photo and a deadline, because anything left unrecorded is hard to raise later.

On an off-plan purchase, handover is also when the SLF should arrive. Tie the final payment to it.

- ✓ Floor areas and layout match the contract
- ✓ Waterproofing in the pool and bathrooms, with drains that actually drain
- ✓ Electrical capacity, the fuse board and grounding
- ✓ Air conditioning
- ✓ Furniture and appliances checked item by item against the specification
- ✓ SLF and the full document set handed over

What we do on a remote purchase

Rise Real Bali has worked in Bali since 2010 and as an agency since 2023. Before any deposit, our lawyer checks title, zoning, PBG, SLF and the rental license on the property you've picked, free of charge. The seller or developer pays our commission, so your price is the same as buying direct.

Browse properties in our catalog, or start from the areas. Send us your shortlist through the form below and we'll schedule the first video viewing.

What this means for buyers

01 Choose leasehold, Hak Pakai or a PT PMA first. Paperwork and tax follow from that choice.

02 Pay the deposit of about 10% into the notary's account, against a signed MOU with written refund grounds.

03 A power of attorney with one apostille lets you buy without flying in. The bank account is the only step that may need you in person.

04 Budget 2–4% on top of a simple leasehold, and up to 5% BPHTB on a title transfer.

FAQ

Can I buy property in Bali without visiting?

Yes, in most cases. You view by video, sign through an apostilled power of attorney and have a representative inspect at handover. The exception is a deal that needs a personal Indonesian bank account, since some banks require you in person.

What documents does a foreigner need to buy in Bali?

A passport, an Indonesian tax number (NPWP) and, for Hak Pakai only, a KITAS or KITAP residence permit. If you sign remotely, add a notarized and apostilled power of attorney with a certified Indonesian translation.

How long does buying a villa in Bali take?

About four to eight weeks from deposit to signing on a clean deal, per Excel Bali's 2026 guide. Checks take about 30 working days on average, and less on a simple file.

Who pays the taxes when buying property in Bali?

It depends on the structure. When a title changes hands, you pay BPHTB of up to 5% and the seller pays 2.5% income tax. A typical lease carries no BPHTB for you at all.

Where should the deposit go?

To the notary handling the deal, using account details printed in the signed MOU. A deposit held by the notary is still there if the checks turn up a problem.

How we know this

The sequence follows the deals we've handled in Bali from 2023 to 2026. Timings for deposits, document delivery and checks come from Excel Bali's 2026 guide to leasehold transactions and match what we see. Tax rates were checked against PP 34/2016, PP 34/2017 and Law 1/2022. The registration deadline comes from Article 40 of PP 24/1997, and the apostille date from the Hague Conference. The 14-working-day figure for BPN is a practitioners' rule of thumb. This is general information, not legal advice on a specific property.

— HCCH, Apostille Convention enters into force for Indonesia, June 4, 2022; Presidential Regulation No. 2 of 2021

— Government Regulation No. 34 of 2016 on income tax from transfers of land and buildings

— Government Regulation No. 34 of 2017 on income tax from land and building rentals

— Law No. 1 of 2022 on central and regional finance (HKPD), BPHTB

— Government Regulation No. 24 of 1997 on land registration, Article 40

— Excel Bali, Master Guide to Leasehold Transactions in Bali, 2026 edition, September 5, 2026

— Rise Real Bali deal practice, 2023–2026

By Dmitrii Rogov, Rise Real Bali.

Questions about this guide?

Message us on WhatsApp: +62 812 3769 2133 · wa.me/6281237692133
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