



## Legal Protection For Car Rental Owners In Rental Agreements

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**Abstract.** A car rental agreement is a common type of agreement in society. The lease agreement binds the parties involved with their respective rights and obligations. However, these agreements are susceptible to default or negligence in fulfilling commitments, which can lead to injustice and require legal protection. This study focuses on analyzing the legal protection in car rental agreements against rental owners from a civil law perspective. The research method applied is based on normative law by collecting data from literature research and research to a rental place. After the relevant information is collected, analysis is carried out in three steps: searching for data, then presenting data, and finally making conclusions. The study's findings show that the lease agreement's protection is clearly regulated in Article 1320 of the Civil Code. Civil law regulates the rights and responsibilities of each party. If there is a default, the aggrieved party can send a warning letter called a summons. In addition, civil law also provides a framework for resolving disputes outside the court or through court proceedings. Thus, civil law provides a solid foundation for the implementation and settlement of disputes that may arise from car rental agreements, with the aim of maintaining justice and protecting car rental owners under the provisions that have been set.

**Keywords:** Default, lease-lease agreement, car rental.

### INTRODUCTION

Business activities have been a common activity in human life for centuries. In Indonesia, the recent increase in business activity has been driven by the improvement in the country's economic conditions in recent years. This reflects better economic growth, encouraging more people to engage in different types of businesses and ventures, including rent-to-rent activities. A lease is an agreement that involves one party agreeing to provide the right for the other party to use goods or services for a predetermined period of time in exchange for a certain amount (Alfandany, 2022). Lease-lease activity is a common form of agreement in business activities

where the party providing the goods or services is referred to as the lessor, while the party receiving the right to use the goods or services is referred to as the lessee or lessee.

In the practice of renting, there is an agreement between the individual who rents and the individual who provides the rental object. This alliance can be in the form of an oral or written agreement. The presence of an agreement is significant because, without an agreement, there is a risk of violations that can occur by one of the parties. An agreement is an agreement in which the parties involved promise to perform certain obligations, with the aim of binding both parties. This agreement creates interrelated rights and responsibilities between all parties involved and must be complied with by each party as agreed (Gayo & Sugiyono, 2021).

The importance of a lease agreement involves risks if the rights and responsibilities imposed on all parties may not be fulfilled as they should be due to a certain period of time (Alfandany, 2022). Based on practice, engagements through lease agreements often face several legal problems such as breach of contract or violation of obligations that have been agreed. This violation can be in the form of negligence or an act that violates rights or obligations, as well as contrary to applicable law, which can result in material and immaterial losses for other parties. Some common problems in the execution of lease agreements include ownership of goods leased by a legally valid party or another party who grants permission, issues related to the end of the lease period, and the transfer of lease rights to another party without the consent of the owner (Jason & Djajaputra, 2024).

These acts of default can result in injustice for one party, so it is important to provide legal protection. Legal protection for the rental owner's side involved in a car rental agreement is essential to ensure that the owner's rights and obligations are fairly protected. This principle is regulated in the Civil Code (KUHPerdata) Book III Part VII which regulates Rent-Rent. This section establishes the legal rules governing the relationship between the lessee and the lessee, including the rights and obligations of each party, as well as the procedures for legal protection in cases such as breach of agreement or other disputes arising in the context of leasing movable goods.

Previous research by Fredi Ahmad. (2019) regarding default damaging the rental object. One form of default committed by tenants in CV. GH Tour and Travel, namely the tenant damages the rental object, allegedly does not have good faith after being billed repeatedly but always ignores is the car renter named Mr. Randi for use for three days but the rental car is damaged because the

tenant is not careful so that it causes damage to the car parts and car parts and must be insured for 20 days where this certainly harms the rental party materially and immaterially because of the car Rentals cannot be rented to other parties during the repair period. In accordance with the terms and conditions that have been made by CV. GH Tour and Travel if there is damage, the lessee bears the cost of loss of Rp.500,000.00. for insurance claims as well as the full cost of the rental while the car is under repair. The renter rented a Toyota Innova all-new car in 2018 with a rental fee of Rp.400,000.00. per day and because the repair period is up to 20 days, Mr. Randi is obliged to pay a loss of Rp 8,000.00.00. Settlement of Default in renting a car on CV. GH Tour, namely, the tenant damages the rental object. The solution according to the owner of the CV rental. GH Tour and Travel is to replace,

The novelty of the study features a novel approach in analyzing how civil law protects all parties involved in car rental agreement activities. The findings in the study can make an important contribution to legal knowledge related to car rental agreements. This research aims to be a guide for all parties who want to implement car rental agreements to be able to avoid legal disputes. Then, it is also hoped that research can benefit legal practitioners in resolving disputes arising from car rental agreements. So the purpose of the research is to conduct an in-depth analysis of the protections that exist in car rental agreements from the perspective of civil law.

### **Problem Formulation**

1. What is the legal protection for car rental owners against acts of default by the tenant?
2. What are the legal consequences for the lessee who does not return the rental object in accordance with the agreed agreement?

### **RESEARCH METHODS**

The research applies a normative juridical approach method. This means that the focus in the research is based on relevant legal rules or laws and regulations regarding the problem chosen in the research. In the study of normative law, the primary concern is on the question or issue of law within a particular jurisdiction. This research process involves data collection and analysis of relevant laws and norms. The purpose of normative juridical research is to describe the enactment of positive laws and legal norms and provide in-depth legal analysis (Zainuddin & Karina, 2023).

The method of collecting data for this research is carried out by reviewing literature from various sources and through primary data with the results of interviews with the owners of PT. Athalla Wisata Indonesia. Such as covering journals, articles, interviews, and relevant legal documents. After the data is obtained from these sources, it is then analyzed through three main stages, namely selection and simplification so that only relevant information is retained. It is then compiled and presented in an easy-to-understand format, and finally, conclusions can be made that answer research questions.

## **RESULTS AND DISCUSSION**

### **Legal Protection for Car Rental Owners of PT. Athalla against the Tenant's Default**

In leasing activities, it is the same as other activities such as sales and purchase transactions and other agreements, including consensual agreements (Putri et al., 2023). This means that the agreement is valid and connects the parties involved to reach an agreement on two main parts, namely, the product and its price. An agreement regarding rental activity is a contract in which the owner of the goods (the lessee) grants the right to another (the lessee) to use the rental product for a specified period of time in exchange for a certain amount of money. However, even though the tenant has the right to use the item, the ownership of the item remains with the original owner.

Article 1320 of the Civil Code ensures that the car rental agreement made between the rental owner and the lessee has binding legal force if it meets these four valid conditions. Thus, car rental owners are legally protected in the event of default by the renter since legally concluded agreements can be used as a basis for claiming rights or compensation, for example, in the case of late return of the car, damage, or violation of the terms of use.

Compensation claims, car rental owners can claim compensation for losses arising from default, be it in the form of vehicle damage, delayed return, or misuse of the vehicle that causes losses. In this case, the owner can request compensation in accordance with Article 1243 of the Civil Code, which stipulates that the party who commits the default is obliged to compensate for the losses caused by his actions. This compensation can be in the form of:

1. Repair costs if the car is damaged.
2. Late fines if the tenant is late in returning the vehicle.
3. Rental fees are lost if the vehicle cannot be used during damage or delay.

Article 1243 of the Civil Code: "The party who commits a default is obliged to pay compensation for the losses incurred."

PT. Athalla also already has a car rental agreement letter which states the conditions that must be complied with by the renters Attallah Rentcar and the lessee hereby agree or agree to execute this tenancy relationship with the following conditions, and conditions:

1. The maximum payment must be made (D-1) or when the car is delivered or picked up at the latest.
2. Tenants who have given a down payment and then cancel unilaterally, the down payment is declared forfeited 100%. Down payment of at least 30% of the rental fee.
3. Rental hours are determined according to the vehicle booking time.
4. When renewing the lease, the tenant must confirm 3 hours before the lease time ends and pay the rental fee according to the next rental request.
5. If the rental time has expired and the tenant does not confirm the extension of the previous rental period, the tenant is obliged to return the car according to the agreed-upon time.
6. Late rental time is calculated/charged at 10% /hour of the rental price per day (Maximum 3 hours)  
if it is more than 3 hours, a minimum rate of 12 hours / 1 day will be charged.
7. If the vehicle's purpose is outside the initial agreement or (further), then the lessee will be charged an additional fee of Rp. 500,000.
8. Tenants are prohibited from taking their cars out of the island. If this happens, PT Athallah Wisata Indonesia has the right to take action without prior notice to the tenant.
9. During the rental period, the lessee is obliged to maintain caution and comply with traffic regulations, and if such a violation occurs, the lessee is obliged to compensate for the loss.
10. It is forbidden to release the car to another party, pawn it, transfer the hand, or use it for a crime.
11. It is forbidden to bring a car under the influence of drugs, drugs, and alcoholic beverages.
12. If an accident occurs while using the car, the following provisions apply: for abrasions, scratches, dents, holes, broken glass, and other damages, the tenant is obliged to replace all damages in accordance with the repair cost.

13. SMOKING is prohibited in the car, whether the car has an open or closed window. If Attallah Rentcar knows about it, it will be subject to a fine of Rp. 500,000.

The above agreement letter also follows the conditions in Article 1320 of the Civil Code for other forms of protection carried out by PT. Athalla is through a group that has obtained permission from the authorities. The association is called BRN (National Rentcar Buser), and BRN is the shelter for car rental entrepreneurs in Indonesia. This association has the right to take action against incidents of default without the presence of authorities in the field. according to Article 111 of the Criminal Code, this article states that people who witness a criminal act that occurs directly (caught directly) have the right to arrest the perpetrators of the crime.

**Is there a legal consequence for the lessee who does not return the car from PT. Athalla in accordance with the agreed agreement**

Suppose a party does not comply with the responsibilities that should be carried out in an agreement, or what is often referred to as default. Default refers to a violation of a promised agreement. Default occurs if one of the parties injures the promise or neglects to carry out its obligations stipulated according to the agreement or if it fulfills it but does not comply with the provisions that have been set (Pohan & Hidayani, 2020). In a leasing agreement for movable goods, default can occur from the person who makes the lease and the party who gives the lease.

Article 1560 of the Civil Code regulates the obligations of tenants, namely:

1. Using rental goods in accordance with their purpose, whether in accordance with the lease approval or the presumption of circumstances
2. Pay the rental price at a predetermined time

In addition, the tenant is also obliged to return the rented goods in their original condition after the lease agreement ends. If the tenant does not hand over or vacate the goods he rents, then the act can be considered a breach of promise or injury. The lessor can sue the defaulting tenant to enforce his contractual rights. The violation of these contractual rights will give rise to the obligation of compensation.

Based on the interviews that PT has conducted. Athalla, if the tenant does not return the rental car, is to search for the car through the BRN (National Rentcar Buser) association. As in the previous case, it was experienced by other PT renters or partners of PT. Athalla, this is done by contacting BRN members in other areas according to the existence of the car that was not returned.

The search for this car also goes through processes such as completing the files needed by the association and paying the administration needed by the association. After that, the association will immediately look for the car that is not returned; if the perpetrator has been found, it will be immediately handed over to the police, and the car will be returned to PT. This is in accordance with the association's SOP, which has been given permission by the police to help handle car embezzlement cases.

In a lease agreement, if the tenant does not return the rental object per the agreement, several legal consequences can occur, depending on the provisions in the agreement and the applicable law. Here are some common consequences:

1. **Obligation to Pay Compensation**

The lessee may be obliged to compensate the lessor for losses incurred due to the rental object's non-return. This compensation can include the cost of repair, replacement, or loss of use of the rental object.

2. **Fines or Penalties**

Lease agreements often include provisions regarding fines or penalties if the tenant does not return the rental object on time. The tenant may be required to pay a fine that has been agreed upon in the agreement.

3. **Legal Actions**

The losing party can legally sue to compel the rental object's return or obtain financial compensation. This can involve judicial proceedings in court.

4. **Confiscation**

In some cases, if the tenant fails to return the rental object, the renting party may have the right to seize the tenant's belongings as compensation, depending on the provisions of the law and the agreement.

5. **Postponement of Other Obligations**

If the rental object is not returned, it may affect other obligations associated with the agreement, such as payment.

It is important to check the provisions in the rental agreement in question and the laws that apply in the region, as the legal impact may vary. In the event of a dispute, consult a lawyer or legal expert for appropriate advice.

Default by the lessee can include not providing the rented goods, failing to maintain or repair the goods, not properly terminating the agreement, and failing to provide compensation if the lessee violates the terms of the agreement. Meanwhile, default by the tenant includes not paying rent on time, not using the goods carefully and responsibly, not maintaining or repairing the rented goods according to the agreement, and not returning the goods in good condition as before. To declare that someone has committed a default, the party who feels aggrieved must send a warning letter called a summons. This summons must mention the violations committed by the other party, including the articles or provisions violated in the agreement. The summons also lists the legal remedies that will be taken if the violating party still does not comply with the summons (Aryadi, 2020).

## **CONCLUSION**

Lease-lease agreements, including car rentals, are consensual agreements that bind both parties based on an agreement on goods and prices. Per Article 1320 of the Civil Code, a valid car rental agreement must meet four stipulated conditions: agreement, legal proficiency, clear object, and legitimate purpose. Car rental owners are protected by the agreement, which allows them to claim compensation for losses incurred due to the renter's default, such as car damage or late return, per Article 1243 of the Civil Code. PT. Athalla, as a car rental service provider, also protects its rights through a letter of agreement that includes various conditions that must be complied with by renters. In addition, this company also joins the BRN association, which has the right to take action against defaults in accordance with the provisions of the law, strengthening legal protection for car rental owners. A default in a tenancy agreement occurs if one of the parties, both the lessee and the lessor, does not fulfill the obligations that have been agreed upon. This can have various legal consequences, such as the obligation to pay compensation, fines, or even legal action to force the return of the rental object. In the context of car rental, if the lessee does not return the vehicle according to the agreement, the lessee has the right to search and return the car through legal procedures, including in collaboration with the BRN association and the police. In addition, default can occur from the tenant or lessor, with the obligation to fulfill the agreed terms or face legal sanctions. In the event of a default, the summons is the first step to demand the fulfillment of obligations or take further legal action.

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## **Laws and Regulations**

Article 1320 of the Civil Code (KUHPperdata) regulates the conditions for the validity of an agreement.

Article 1243 of the Civil Code (KUHPperdata) regulates the responsibility to fulfill the obligation to compensate for default.

Article 1560 of the Civil Code (KUHPperdata) regulates the agreement which is done unilaterally, or more precisely, regarding an agreement that contains the obligations of one party only.

**Other sources**

PT. Athalla Wisata Indonesia

BRN Association (National Rentcar Dealership)