

# Potential and Realization of Zakat in Indonesia

## (Case of Bank Muamalat)

Faris Faruqi, Nursanita Nasution

Sekolah Tinggi Ilmu Ekonomi Indonesia Jakarta

Jakarta, Indonesia

faris.faruqi@gmail.com

**Abstract**—In Indonesia the management of zakat is regulated in Law No.38 of 1999 which updated Act Number 23 of 2011 on the management of zakat and government regulation No. 14 of 2014 on the implementation of zakat law. Laws on the management of zakat is intended to be organized and zakat management in an organized and professional so that zakat provides benefits for the people. Acceptance of zakat in Indonesia to date collected by BAZNAS from Mustahik collected over Indonesia in 2013 reached Rp. 3 trillion or just about one percent more than the potential ZIS is Rp. 217 trillion that can be collected BAZ area. Zakat problems in Indonesia is not separated from the indecency of the people of Indonesia in paying zakat is still low. Especially in the payment of zakat mal. In addition, the culture of Indonesian people tends to prefer to pay zakat directly without going through the Institute of zakat. Seeing the imbalance between the potential and realization of zakat collection then this research is intended to understand and seek solutions gap Methods research used is the method qualitative. This study found that public awareness is still low, in addition to the lack of people to manage zakat professionally.

**Keywords**—zakat; potential zakat; realization zakat; bank muamalat

### I. INTRODUCTION

Zakat is one of the pillars of Islam and is the obligation of Muslims associated with property. Etymologically zakat begins with the basic word zaka which means blessing, growing, clean and good. Something is zaka, means to grow and develop, and someone is a zaka, meaning that person is good. According to oral al-Arab the basic meaning of the word zaka, it means to grow, while everything that is added is called zaka, it means to increase. If a plant grows without flaw, then the word zaka here means clean [1].

Zakat has rules in its implementation, including the obligation of zakat, which is full-owned, developing, adequate nisab, more than the usual needs (routine), free of debt (perfect ownership) and valid one year [2]. There are two kinds of zakat, namely the charity of treasure (maal) and zakat fitrah (nafs). As for the distribution has also been set only for eight asnaf. The rules of the distribution of zakat have been specified by Allah Almighty through his revelations. We only need to develop computer applications or android application to make it easier for Muslims to issue zakat.

The potential of a large Muslim community in Indonesia is not reflected in the amount of zakat deposit received by zakat infak shadaqoh administrators in this case through the Amil

Zakat Institute. Searching for great potential can remove friends on the basis of existing problems. For more in-depth research, in this study used Bank Muamalat as an example. Why Bank Muamalat only? This is because Bank Muamalat is the first Islamic Bank in Indonesia and still exists up to this point. The rules of the distribution of zakat have been specified by Allah Almighty through his revelations. We only need to develop computer applications or android apps to make it easier for Muslims to issue zakat or E-zakat [3].

E-Zakat system is an important breakthrough in technology to improve the efficiency of the collection and the distribution of Zakat Maal. The initial design of the system is to make it easier for the Zakah payer to fulfil his/her obligations without facing difficulties to find the institution of Zakah (Amil). Muzakki only needs to register before fulfilling the payment of zakat. The payment mechanism is easier and is expected to encourage rich people for more enthusiastically paying zakat. In turn, the number of collected Zakah can be increased. The increased number of Zakah will be very beneficial for poverty alleviation efforts. [3]

The potential zakat in Indonesia in long-term according to [4] that a uniform Zakat levy on wealth and produce can result in tax rate smoothing, automatic stabilization of business cycle and encourage long term investments and decision making without leaving the long term planner in private sector to worry about fiscal policy reversals (i.e. Ricardian equivalence). [3] highlighted the effects of inheritance laws of Islam on intergenerational redistribution of endowments. We argued that endowment redistribution in every generation in each family unit will automatically keep the inequitable distribution of resources in check without depending on the pace, nature and distribution of economic growth.

According [5] zakat can flatten the distribution of income, where who own property (muzakki) give his wealth to mustahiq through Institute of Amil Zakat.

### II. METHOD

This study uses a case study approach. The results of this study cannot be generalized. The research site was conducted at Bank Muamalat Jakarta. This study uses qualitative research by comparing and analyzing data obtained through the website <http://www.baitulmaalmuamalat.org/> and search engine such as <https://www.google.com>.

### III. RESULTS AND DISCUSSION

In the division financial institutions in Indonesia are divided into two forms: Bank Financial Institutions (LKB) and Non-Bank Financial Institutions (NBFIs) [6]. Both forms have similarities and differences, the equation is that both have intermediary function, whereas the difference lies in the operation that is NBFI is not allowed to manage or withdraw public funds in the form of demand deposits, deposits and savings in the operation of the channeling of funds only to be given as long-term investment credit [7,8]. The Zakat Management Agency (LPZ) is a non-profit organization, although LPZ has characteristics that distinguish it from other non-profit organizations [8].

- Tied to the rules and principles of Islamic sharia.
- The main sources are zakat funds, infaq, shadaqah and waqf.
- Has Sharia Board in its organizational structure

Lembaga amil zakat was formed based on Law No.38 in 1999 in Indonesia. For the management of Zakat Infaq Shadaqoh the establishment of Institute of Amil Zakat (LAZ). The institutional technical arrangements are regulated in Ministerial Decree No. 581 in 1999. In addition, the technical guidelines for the management of zakat are stipulated in the decision of the Directorate General of Islamic Guidance and Hajj D291 in 2000. The total disbursement of zakat issued amounted is 629,891 billion. Fund data was obtained from the year 2006-2017. The detail usage as follows:

TABLE I. THE USAGE OF TOTAL DISBURSEMENT OF ZAKAT

Program	Disbursement of Zakat
DBS	136.000
KUM3	9.000
Sahabat Muamalat	250.000
ASM	197.000
ATM	1.600
Qurban	599
SBL	3.400
Laju	4
Santun	1.200
B-Share	414
B-Smart	147
Beasiswa Daya	713
ISS	1500
Orphala	28.314
Total	629.891

Directorate General of Islamic Guidance and Hajj D291 in 2006-2017(in billion).

However, based on the search of financial information Baitulmaal Muamalat either through the website <http://www.baitulmaalmuamalat.org/> and search engines such as <https://www.google.com> not found any financial statements that presents specifically financial transactions in Baitulmaal Muamalat. The condition reduces the principles of openness

According to [1], the management fund is the fund which is the right of the manager who comes from the amil part in the zakat, a certain part of the fund other than zakat, the proceeds of the fund which is the right of the manager and the

grant and or the loan from the other party used for the operation. The amount of funds used for managers is often not counted in the projected amount of zakat collection. It is also explained that the determination of the amount entitled to the management can be done by using one of the following two calculation bases:

The management rights can be done by using one of two basic calculations:

#### A. Certain Percentage

the basis of this calculation is used when the amil part of zakat is set at 12.5%. Due to the determination of the zakat amil part, the percentage of the part of the fund other than zakat must be determined as well and this determination should be made at the time of preparation of the budget and is valid for a minimum of one year. With the consequences of managers may experience a shortage or excess funds.

#### B. Adequacy

This is used when the amil part of zakat is taken as needed. Consequences of using this basic calculation are: Managers must be able to provide clear limits on the purpose of "sufficiently" and compiled in annual budgets, Managers have no shortage or excess of managing funds, Sufficient for the amil part of zakat does not exceed 12.5% of zakat be accepted.

From the above description it is clear that the funds taken by the manager of zakat cannot be more than 12.5% of zakat funds collected. So, the existence of these provisions the manager should not arbitrarily take the zakat funds with his own accord. Basically, the management fund is used for the overall operational costs of the institution, which usually includes salaries or wages, inventory, socialization or publication costs, transportation costs, general costs and administrative costs [8].

### IV. CONCLUSION

Before there is the conclusion that the causes of the unavailability of funds from the rich are as follows:

- The potential of Zakat Baitulmaal Muamalat's revenue is huge at 1.127 trillion annually. The potential must be maximized by coordinating with Bank Muamalat as a third party associated with Muzaki
- The distribution of zakat funds is still not fully open to the public. Data obtained from the website of the organization does not mention the total distribution of each year.
- The absence of financial statements presented reduces the values of transparency in the use of zakah funds. So that the use of zakat funds can not be validated by the people who give zakat.

### REFERENCES

- [1] Y. al-Qaradawi, "a comparative study : the rules, regulations and philosophy of Zakat in the light of the Qur an and Sunna." (London: Dar Al Taqwa), 1999.

- [2] B. Budiman, "Potensi Dana ZIS Sebagai Instrumen Ekonomi Islam; Dari Teori dan Implementasi manajemennya", Proceeding Simposium Nasional 1 Ekonomi Islam. (Yogyakarta: P3EIFEUII), 2002.
- [3] Mulyadi A.R, Hakim, A.S, Mulazid, Supriyono, and E. Meiria, "E-Zakat: Redesign the Collection and Distribution of Zakat", Publish on International Conference on Islamic Finance, Economics and Business, KnE Social Sciences, pp 433-452.
- [4] S. Sarif and N.A. Kamri, "A Theoretical Discussion Of Zakat For Income Generation And Its Fiqh Issues", Shariah Journal, Vol. 17, No. 3, pp. 457-500, 2009.
- [5] S.A. Shaikh, "Equitable Distribution of Income with Growth in an Islamic Economy", MPRA Paper No. 68744, posted 11. January 2016 14:48 UTC
- [6] R. Dewantara, M. Munir, Sihabudin, and Sukarmi, "Supervision of Banking Institutions in Achieve Sound Banking in Indonesia", Journal of Law, Policy and Globalization, Vol.41, pp 97-105, 2015
- [7] S. Mujiatun, "Model of Professional Zakat Management In Indonesia", International Journal of Economics, Business and Management Research, Vol. 2, No. 04, 2018.
- [8] W. Hertanto, and K. Teten, Akuntansi dan Manajemen Keuangan untuk Organisasi Pengelolaan Zakat, (Bandung: Ass syaamil Press and Grafika), 2001.