

CHAPTER IV

ZAKAT

History of the Administration of Zakat and Fitrah.

The general regulation concerning Zakat and Fitrah was first made in 1934 and this was replaced by the rules made in 1939. Later, on 1st of January 1958, the first Zakat and Fitrah Enactment (No.5 of 1957) came into force. And in 1962, the Zakat and Fitrah Rules (No.5 of 1957) was enforced which took the place of previous regulation concerning Zakat. The Zakat and Fitrah Enactment and the Zakat and Fitrah Rules (No.5 of 1957) remain in force in the state and provide for the administration of Zakat and Fitrah.

Zakat and Fitrah Enactment No. 5 of 1957.

This is an enactment which provides for the collection of Zakat and Fitrah and for the management, control and distribution of the funds so collected. The definition of 'Zakat' is 'tithe upon his property required to be paid by a Muslim in accordance with Muslim law. 'Fitrah' means the amount of rice or other food which is fixed from time to time as payable annually by a Muslim in accordance with Muslim law, or its value in money.¹

The Zakat and Fitrah Committee consists of

- a) the President Religious Affairs, the Mufti and Chief Kathi as ex officio members,
- b) an officer nominated by the Sultan,
- c) five other members of Muslim religion not holding office in the Religious Department.

1. Zakat and Fitrah Enactment No.5 of 1957, s.2.

It is provided that the Committee shall be a body corporate under the name of Zakat and Fitrah Committee.² The Committee shall collect Zakat from all persons liable under Muslim law to pay the same in respect of their property within the state and shall collect fitrah from all persons in the state.³ The collection of Zakat and Fitrah shall be in all respects in accordance with the provisions of Muslim law and the Committee shall hold all property collected as Zakat and Fitrah and deal with the same according to Muslim law.⁴ After the commencement of this Enactment, no person shall receive Zakat save the authority of the Committee to collect, receive or accept Zakat or Fitrah. And no person shall pay Zakat except to persons authorised to do so. Any person who acts in contravention of this section shall be fined \$10.

The Committee also must prepare annual estimates of its revenue and expenditure concerning the collection of Zakat.⁵ The accounts of the Committee shall be audited by the Auditor General by 31st May of each year.⁶

Any Muslim persons who fail to pay Zakat when due will be guilty of an offence and on conviction of a Kathi's Court shall be liable to a fine not exceeding \$10.

Section 10 provides that the Committee with the approval of the Sultan may make rules for regulating the proceedings of the Committee, the calculation, collection,

-
2. Zakat and Fitrah Enactment No.5 of 1957, s.4.
 3. Zakat and Fitrah Enactment No.5 of 1957, s.6.
 4. Zakat and Fitrah Enactment No 5 of 1957, s.6 (2).
 5. Zakat and Fitrah Enactment No.5 of 1957, s.7 (4).
 6. Zakat and Fitrah Enactment No.5 of 1957, s.7 (8).

The 'Asnaf' in Zakat. (Persons entitled to receive Zakat)

Zakat is compulsory in Islam, a form of contribution with the intention to eradicate poverty. In other words, Zakat is an institution in Islam which forms a guarantee for social security and social justice in the Muslim community

The Quran provides for persons who are entitled to receive Zakat in the Surah Al taubat which includes such 'Asnaf' or groups:-

1. the needy (fakir)
2. the poor (miskin)
3. Amil (Collectors)
4. the converts (Mualaf)
5. the debtors (Gharim)
6. wayfarers (Musafir or Ibnisabil)
7. Fisabillillah or persons who fight for progress of Islam.
8. slaves (Firriqab)

However, according to the Zakat and Fitrah Rules of 1957, section 12 provides for only six asnaf in Zakat that is the needy, the poor, Amil, converts, debtors and wayfarers. The last two asnafs provided by the Quran are not included in the enactment.

D. Contributions for each Asnaf⁸

The contribution of Zakat and Fitrah for each asnaf in 1975 by the Johore Religious Department:-

The Poor.....	\$221,167.94
The Needy.....	\$220,797.09
The Collectors(Amil)...	\$222,458.38
The Wayfarers(Ibnisabil)	\$347,554.25
The Converts.....	\$ 18,755.15
The Debtors(Gharim)....	\$336,878.77

The Amil will collect the Zakat according to the prescribed procedure and divide the total sum into six parts. The three portions accorded to the last three Asnaf that is the Wayfarers, Converts and Debtors are given to the State Religious Department. The Amil will take a portion of 1/3 of the remainder for himself and allot 1/3 for the poor and 1/3 for the needy.

The example of collection is as follows - in Johor Baru for instance, the whole area can be divided into 300 sections. One area like the Kampung Majidee would roughly consist of 14,000 Muslim persons. This area would then be subdivided into six smaller areas and each of these small areas is represented by an Amil whose duty is to collect the Zakat according to the prescribed form and distribute the collections to the asnaf defined.

The Amil is representative of the Zakat committee, and he is usually a person who is trustworthy and is well-versed in the Islamic law or hukum shara'. The Amil

8. Materials obtained from Johore State Religious Department.

representing the area would usually have the list of all the poor Muslim persons in the area. The list of names of poor persons are to be posted in public places like the Mosque and if anyone were to object against certain persons being poor, he can do so and the Amil will look into the matter.

The Zakat money allotted for the last three asnaf are given to the State Religious Department. It is the duty of the Department to deal with the money to be given to the asnaf concerned. Any Muslim converts are entitled to the Zakat collection. A wayfarer from Kuala Lumpur on his way back to Indonesia who happens to be stranded in Johor Baru is entitled to be aided by the Zakat money for his stay and his expenses home. And debtors who happen to owe money due to reasons allowed by the Muslim law are also entitled to the Zakat collection.

Gharim or Debtors.

According to Kitab Al-Bajuri, Juzuk 1 Page 292, Debtors are defined as:-

1. Persons who owe money due to peace-making efforts between two quarrelling parties .
2. Persons who are in debt over matters which are allowed by the religion of Islam. (For example, persons who are indebted due to gambling or drinking are not defined as Gharim.)
3. The Persons who guarantee the debts of other persons with the knowledge and consent of those persons indebted are also debtors.

Debtors who come within the 3 definitions are

called Gharim who are then entitled to the collection of Zakat.

Suggestions: It is found that in a modern context the Gharim or debtors which are defined above has a rather limited application. Due to various influences and factors the basic economic structure of the Muslim community has changed and therefore due to this change in time and economic factor, the portion attributed to the asnaf gharim should include the following:-

a. Help persons who are in debt with the middlemen especially the poor farmers whose property lies in mortgage.

b. Help the 'would be' victims of middlemen (which is the common cause of poverty).

c. Help settle debts of our Muslim fishermen, farmers who have children in high institutions of learning or overseas.

d. If it is allowed by the Hukam Shara' the portion accorded to Gharim could be made into a form of security or guarantee required by Banks so as to enable persons to borrow from such Banks (like the Credit Guarantee Corporation) in order to facilitate economic advancement within the Muslim community. This could be a form of security with conditions attached. So that if a person who borrows from Banks with Zakat money as a security and fails to pay back the debt due to inflation or sabotage of economy by the middlemen, then the money of the Gharim could settle the debt.

e. Help Muslim businessmen who are on the brink of bankruptcy.

f. Provide facilities where other sources fail to provide them.

UNIVERSITI MALAYSIA

Perhaps that if the money allotted to Gharim is used for the items or matters described above, it would be more profitable for the Muslim community on the whole and further, it would be more in line with the definition of Gharim or Debtors in the present context - rather than what is presently being done now where Gharim money is used for items like:

E. Allocation of Collection allotted to Gharim, 1975⁹

1. Consolation/donations to Kampung or village Imam	\$51,710.00
2. Salary and Allowance to 'Mashad' Teachers in Johore	\$116,466.81
3. Salaries of Ugama Teachers (Religious Teachers)	\$118,092.41
4. Salaries to Teachers of Special Religious Classes	\$ 16,230.00
5. Salaries for staff of Religious Information Service	\$100,346.97
6. Donation to Arab Schools	\$ 40,000.00

Money allocated to Gharim asnaf is allotted to these people because it seems that the Religious Department is 'indebted' to them, (like the Religious Teachers). But it would seem to me that they do not at all qualify in the definitions of people described as debtors and therefore should not be given the money prescribed for Gharim. It would be more suitable for persons described above (like the Religious Teachers) to come within the definitions of Fisabilillah or persons who give their service for the advancement of the Muslim religion.

9. Statistics obtained from Johore State Religious Department.

Fisabilillah.

Fisabilillah is a concept which should be discussed. The Quran provides for a portion of the Zakat to be given to this asnaf but it is excluded in section 12 of Zakat and Fitrah Enactment 1957.

Previous Muslim jurists had defined Fisabilillah as persons who fight or go to war in order to promote the Muslim religion. It has been discussed by other authorities that Fisabilillah has a wider meaning. According to Rashid Ridza, a jurist, it would include any form of effort made by any person, institutions or societies to promote justice, progress and advancement of the Muslim religion, and cooperation among its followers. It would include any general efforts made for the Muslim persons in order to promote progress in the Muslim religion and community.

According to Sheikh Mahmud Shaltut Fisabilillah means any general services for the benefit of any persons. It is especially accorded for the preparation of war against enemies of Islam in order to safeguard the religion. It also include strong and adequate preparation for the spread of Muslim teachings like the 'Daawah Islamiah'.¹⁰

Therefore in view of the wide definitions discussed above, it is clear that at the present moment, the efforts for the advancement of Islam in the state are only at the preliminary stage. We do not have advanced institutions to help spread or promote the Muslim religion in Johore. Therefore it is suggested here that this asnaf should be reestablished in order to cater for such missionary

10. Al Marhum Al Sheikh Mahmud Shaltut, Mahaguru Azhar, from his book Al Islam 'Akaidah & Shariat', P.16 - 17.

institutions or help facilitate individual efforts for the general betterment of Muslim religion and community. And the donations for Arab Schools and salaries for special Religious Teachers should be paid out of Zakat money attributed to this asnaf and not from the Gharim asnaf.

Amil.

Another asnaf which must be emphasised is the Amil asnaf or the Collectors. According to the Kitab Al Bajuri, all asnaf are to be paid equally except for the Amil who are to be paid according to his work, either by the authority or the persons who pay the Zakat.

Example of Allocation to the Amil.

An Amil collects \$3,000 from Zakat/Fitrah in his area. The portions given to Converts, Debtors and Wayfarers are given to the Religious Department. The other 3 portions are distributed to the Amil himself, that is half the collection amounting to \$1,500.00. The Poor gets \$500, the needy gets \$500 and the Amil gets \$500. In one area there are at least 50 poor and therefore one poor family would get \$10. Here an unfair situation arises because the poor gets \$10 each while the Amil gets \$500 to himself.

In the present time, the work of the Amil is made considerably more convenient by a good system of road and transportation. An Amil no longer has to row his boat to each house or to cross jungles to reach his destination as in the old days. The Amil in Johore can either collect the Zakat dues in his house or at the Surau. Therefore it would be more appropriate to fix an allocation for the Amil

in percentages of 5% or 10% from his total collection, rather than giving him a $\frac{1}{6}$ portion of the total.

Items to be paid for in Zakat.

According to the Zakat and Fitrah Rules, section 5 provides that Zakat shall be paid by all persons liable to pay the same in accordance with Muslim law upon:-

- a. property
- b. cereals
- c. commerce
- d. livestock
- e. gold and silver mines.

a. Property - Section 6 provides for property.

i) In the case of articles of gold weighing 25 mayam and 9 saga or over when weighed together, $2\frac{1}{2}\%$ of such weight or value of such percentage in money.

ii) In the case of articles of silver weighing 183 mayam or over when weighed together, $2\frac{1}{2}\%$ of such weight or the value of such percentage in money.

iii) The value of paper money shall be subsequently in accordance with the price of gold and silver at a specific time and its Zakat on reaching its taxable amount shall be $\frac{1}{40}$ or $2\frac{1}{2}\%$.

b. Cereals.

In the case of paddy and wheat weighing $358\frac{1}{3}$ gantangs or over and of maize, green peas and soya beans weighing $179\frac{1}{6}$ gantangs or over, 10% of such weight or value of such percentage in money.

c. Commerce

In respect of the stock of a business together with cash in hand or in the bank and good book debts of the value of \$25.73 or over calculated at the date of the Anniversary, $2\frac{1}{2}\%$ of the total value;

d. Livestock.

- i) In the case of cattle and buffaloes where the aggregate number of beasts -
1. exceeds 29 but does not exceed 39, 1 one-year old calf, or the value thereof in money;
 2. exceeds 39 but does not exceed 59, 1 two-year old calf or the value in money;
 3. exceeds 59 but does not exceed 69, 2 one-year old calfs or the value thereof in money;
 4. exceeds 69 but does not exceed 89, 1 one-year old calf and 1 two-year old calf or the value thereof in money
 5. exceeds 89 but does not exceed 119, 3 one-year old calfs or the value in money;
 6. is 120, 4 one-year old calfs or 3 two-year old calfs or the value in money;
 7. is in excess of 120, for every additional 30 or 40 one-year old calfs in accordance with the Hukum Shara' or the value in money.
- ii) In the case of sheep and goats where the aggregate number of beasts -
1. exceeds 39 but does not exceed 120, 1 one-year old sheep or 1 two-year old kid or the value in money;
 2. exceeds 120 but does not exceed 200, 1 one-year old sheep or two two-year old kids or the value in money;
-

3. exceeds 200 but does not exceed 399, 3 one-year old kids or the value in money;

4. is 400, 4 one-year old sheep or 4 year-old kids or value in money;

5. is in excess of 400; for every additional 100, 1 one-year old kid or the value in money.

e. In respect of gold and silver mines, upon the amount of gold and silver extracted, 2½% of such amount or the value of such percentage in money.

Collection of Zakat.

The Collection of Zakat of 1975 where allocations for the 3 asnaf of the Poor, the Needy and the Amil are not included.

F. Collection of Zakat 1975.¹¹

Zakat Fitrah.....	\$672,306.77
Zakat on Property.....	\$ 44,884.51
Zakat on Commerce.....	\$ 16,982.53
Zakat on Cereals.....	\$ 2,490.53

From the above data it is clear that there is no effective enforcement of section 6 of the Zakat and Fitrah Enactment 1957, when section 9 specifically provides for authority for the officers concerned to penalise anyone who fails to pay Zakat.

Section 6 provides that the committee shall collect Zakat from all persons liable under Muslim law to pay the same in respect of their property within the state, and shall collect Fitrah from all persons in the state liable under Muslim law to pay the same.

11. Materials obtained from Johore State Religious Department

Section 9 provides that all persons liable under the Muslim law to pay Zakat and Fitrah shall make such payments and any person who fails to do so is guilty of an offence and on conviction by the Court of Kathi is liable to a fine not exceeding \$10.

The method and collection of Zakat is given in section 10 of the Zakat and Fitrah Rules 1957, where it provides that the District Controller shall send annually in January to every Muslim in his area who is liable to pay Zakat a notice containing a declaration and such person shall complete the declaration and return it to the District Controller within 30 days of the date of notice. Section 10 (ii) provides that the District Controller shall, upon the receipt of such declaration proceed to calculate the amount of Zakat due and shall send a notice to the person informing him of the amount of Zakat which he is liable to pay and requiring him to pay the same to the Collector within 30 days of the date of the notice. According to section 10 (iii), if any person fails to return the declaration or to make payments of the amount which he is liable to pay, he shall be guilty of an offence and on conviction by the Court of a Kathi he shall be liable to a fine not exceeding \$10.

In 1975, in the state of Johore, there are more than 5,000 Muslim persons who are involved in commerce, in business like timber, carpentry, wholesale, import export trade, banking, commercial enterprises conducted by statutory bodies like FELDA, PERNAS, JOHORE SEDC, etc; there are also Muslim persons involved in travel agencies, law firms, accounting firms and private clinics. It is unlikely therefore that the annual Zakat collection amounts to only \$16,982.53. This shows that the bulk of the Muslim community who are involved with commerce do not contribute Zakat.