



**UNIVERSITI PUTRA MALAYSIA**

***FACTORS CONTRIBUTING TO ZAKAT COMPLIANCE BEHAVIOUR  
AMONG EMPLOYEES IN MELAKA, MALAYSIA***

**SITI SALWA BINTI SHEIKH MOKHTAR**

**FEP 2018 20**



**FACTORS CONTRIBUTING TO ZAKAT COMPLIANCE BEHAVIOUR  
AMONG EMPLOYEES IN MELAKA, MALAYSIA**

By

**SITI SALWA BINTI SHEIKH MOKHTAR**

**Thesis Submitted to the School of Graduate Studies, Universiti Putra Malaysia, in  
Fulfilment of the Requirements for the Degree of Master of Science**

**August 2018**

All material contained within the thesis, including without limitation text, logos, icons, photographs and all other artwork, is copyright material of Universiti Putra Malaysia unless otherwise stated. Use may be made of any material contained within the thesis for non-commercial purposes from the copyright holder. Commercial use of material may only be made with the express, prior, written permission of Universiti Putra Malaysia.

Copyright © Universiti Putra Malaysia



Abstract of thesis presented to the Senate of Universiti Putra Malaysia in fulfilment of the requirement for the degree of Master of Science

**FACTORS CONTRIBUTING TO ZAKAT COMPLIANCE BEHAVIOUR  
AMONG EMPLOYEES IN MELAKA, MALAYSIA**

By

**SITI SALWA BINTI SHEIKH MOKHTAR**

**August 2018**

**Chair : Anuar Shah bin Bali Mahomed , PhD  
Faculty : Economics and Management**

The study examines the factors that contribute towards Zakat compliance behaviour among employees in Melaka by combining the theories of Theory of Planned Behaviour and the measurement of Muslim Religiosity Personality Inventory. Previous research proved that even though the collection of Zakat increased, the collection was still not at par with expected collection which reflects that there is a huge gap that needed to be covered in terms of distribution for the needy. Hence, a survey method is used with a total of 217 questionnaires are coded to measure the four variables which are Attitude, Perceived Behavioural Control, Subjective Norm and Religiosity which included both public and private sectors employees in Melaka. Based on the obtained result, Attitude and Perceive Behavioural Control are significant towards Zakat compliance behaviour. However, Subjective Norm and Religiosity are not significant towards Zakat compliance behaviour. This study will benefit the nation by enhancing the Zakat institution; improve ways to increase Zakat collection by focusing on specific group in order to increase the behaviour of Zakat payment. Moreover, proper ways to increase the understanding of Zakat among community can be developed as well as increasing contribution of Zakat collection.

Abstrak tesis yang dikemukakan kepada Senat Universiti Putra Malaysia sebagai memenuhi keperluan untuk ijazah Master Sains

**FAKTOR FAKTOR YANG MENYUMBANG KEPADA TINGKAH LAKU  
KEPATUHAN ZAKAT DALAM KALANGAN PEKERJA DI MELAKA,  
MALAYSIA**

Oleh

**SITI SALWA BINTI SHEIKH MOKHTAR**

**Ogos 2018**

**Pengerusi : Anuar Shah bin Bali Mahomed, PhD**  
**Fakulti : Ekonomi dan Pengurusan**

Kajian ini mengkaji faktor-faktor yang menyumbang kepada tingkah laku kepatuhan terhadap zakat dalam kalangan pekerja-pekerja di Melaka dengan cara menggabungkan dua teori iaitu Teori Tingkah Laku Terancang (Theory of Planned Behaviour) dan Inventori Religiositi Personaliti Muslim (Muslim Religiosity Personality Inventory). Kajian lampau telah mengesahkan bahawa walaupun pengumpulan hasil zakat bertambah, hasil tersebut masih belum mencapai tahap hasil kumpulan yang dijangkakan. Hal ini menunjukkan terdapat jurang perbezaan yang besar yang perlu diambil kira dari segi pengedaran hasil zakat kepada pihak yang memerlukan. Kaedah tinjauan telah digunakan dalam kajian ini. 217 borang soal selidik telah dianalisis untuk mengukur 4 jenis pemboleh ubah iaitu Sikap (Attitude), Kawalan Tingkah laku yang Dilihat (Perceive Behavioral Control), Norma Subjektif (Subjective Norm) dan Religiositi (Religiosity) yang melibatkan pekerja dari sektor awam dan sektor swasta di Melaka. Berdasarkan hasil kajian yang diperolehi, Sikap dan Kawalan Tingkah Laku yang Dilihat telah menunjukkan kedua-dua pemboleh ubah tersebut memberi kesan ketara terhadap tingkah laku kepatuhan terhadap zakat. Namun begitu, norma subjektif dan religiositi tidak memberi kesan yang ketara terhadap tingkah laku kepatuhan terhadap zakat. Kajian ini akan memberi manfaat kepada negara dengan cara menambah baik institusi zakat; memperbaiki kaedah menambah pengumpulan zakat dengan cara memberi tumpuan kepada kumpulan yang tertentu untuk meningkatkan pembayaran zakat secara suka rela. Selain itu, cara yang betul untuk meningkatkan pemahaman berkaitan zakat dalam kalangan komuniti juga boleh dibangunkan dan dalam masa yang sama kumpulan hasil zakat juga akan bertambah.

## ACKNOWLEDGEMENTS

All praises be to Allah (SWT) the Sustainer of the World, and peace and blessing be unto Prophet Muhammad (SAW). I am so grateful to Him for giving me ability and keeping me alive and healthy throughout my Master journey.

First and foremost, I would like to express my deepest appreciation to chairman of my supervisory committee, Dr Anuar Shah bin Bali Mahomed for his precious guidance and advice. And also my appreciation goes to my co-supervisor Dr Haslinda binti Hashim as she is willing to spend her worthy time to guide me to complete my thesis.

I dedicated my special thanks to my beloved parents, and as well as to my siblings, Fatiha , Ehsan , Yamani, Hadhrami and Afiah and my beloved friends for their prayer, support, cooperation and understanding throughout my study period.

Lastly, I would like to widen my gratitude and realization to everyone during completing my Master. Honourable mention goes to everyone to have helped me to complete the thesis. Thank you.

I certify that a Thesis Examination Committee has met on 20 August 2018 to conduct the final examination of Siti Salwa binti Sheikh Mokhtar on her thesis entitled "Factors Contributing To Zakat Compliance Behaviour Among Employees In Melaka, Malaysia " in accordance with the Universities and University Colleges Act 1971 and the Constitution of the Universiti Putra Malaysia [P.U.(A) 106] 15 March 1998. The Committee recommends that the student be awarded the Master of Science.

Members of the Thesis Examination Committee were as follows:

**Dahlia binti Zawawi, PhD**

Senior Lecturer  
Faculty of Economics and Management  
Universiti Putra Malaysia  
(Chairman)

**Suhaimi bin Ab. Rahman, PhD**

Associate Professor  
Faculty of Economics and Management  
Universiti Putra Malaysia  
(Internal Examiner)

**Abdul Rahman Ahmad, PhD**

Associate Professor  
Universiti Tun Hussein Onn  
Malaysia  
(External Examiner)

**RUSLI HAJI ABDULLAH, PhD**

Professor and Deputy Dean  
School of Graduate Studies  
Universiti Putra Malaysia

Date: 31 October 2018

This thesis was submitted to the Senate of Universiti Putra Malaysia and has been accepted as fulfilment of the requirement for the degree of Master of Science. The members of the Supervisory Committee were as follows:

**Anuar Shah bin Bali Mahomed, PhD**  
Senior Lecturer  
Faculty of Economics and Management  
Universiti Putra Malaysia  
(Chairman)

**Haslinda binti Hashim, PhD**  
Senior Lecturer  
Faculty of Economics and Management  
Universiti Putra Malaysia  
(Member)

---

**ROBIAH BINTI YUNUS, PhD**  
Professor and Dean  
School of Graduate Studies  
Universiti Putra Malaysia

Date:



### **Declaration by graduate student**

I hereby confirm that:

- this thesis is my original work;
- quotations, illustrations and citations have been duly referenced;
- this thesis has not been submitted previously or concurrently for any other degree at any other institutions;
- intellectual property from the thesis and copyright of thesis are fully-owned by Universiti Putra Malaysia, as according to the Universiti Putra Malaysia (Research) Rules 2012;
- written permission must be obtained from supervisor and the office of Deputy Vice-Chancellor (Research and Innovation) before thesis is published (in the form of written, printed or in electronic form) including books, journals, modules, proceedings, popular writings, seminar papers, manuscripts, posters, reports, lecture notes, learning modules or any other materials as stated in the Universiti Putra Malaysia (Research) Rules 2012;
- there is no plagiarism or data falsification/fabrication in the thesis, and scholarly integrity is upheld as according to the Universiti Putra Malaysia (Graduate Studies) Rules 2003 (Revision 2012-2013) and the Universiti Putra Malaysia (Research) Rules 2012. The thesis has undergone plagiarism detection software.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name and Matric No.: Siti Salwa Binti Sheikh Mokhtar (GS48056)

### **Declaration by Members of Supervisory Committee**

This is to confirm that:

- the research conducted and the writing of this thesis was under our supervision;
- supervision responsibilities as stated in the Universiti Putra Malaysia (Graduate Studies) Rules 2003 (Revision 2012-2013) are adhered to.

Signature: \_\_\_\_\_  
Name of Chairman of  
Supervisory  
Committee: Dr Anuar Shah bin Bali Mahomed

Signature: \_\_\_\_\_  
Name of Member of  
Supervisory  
Committee: Dr. Haslinda binti Hashim

## TABLE OF CONTENTS

	<b>Page</b>
<b>ABSTRACT</b>	i
<b>ABSTRAK</b>	ii
<b>ACKNOWLEDGEMENTS</b>	iii
<b>APPROVAL</b>	iv
<b>DECLARATION</b>	vi
<b>LIST OF TABLES</b>	xi
<b>LIST OF FIGURES</b>	xii
<b>LIST OF ABBREVIATIONS</b>	xiii
<b>CHAPTER</b>	<b>1</b>
<b>1</b>	<b>INTRODUCTION</b>
1.1	Introduction
1.2	Background of Study
1.2.1	Type of Zakat
1.2.2	Zakat Income
1.2.3	Tax Rebate
1.2.4	Condition
1.2.5	Zakat Collection
1.2.6	Zakat distribution
1.2.7	Zakat Melaka
1.3	Problem Statement
1.4	Research Questions
1.5	Research objectives
1.6	Definition of Key Terms
1.6.1	Zakat
1.6.2	Behaviour
1.6.3	Attitude
1.6.4	Subjective norm
1.6.5	Perceive behavioural control
1.6.6	Religiosity
1.7	Significance of the Study
<b>2</b>	<b>LITERATURE REVIEW</b>
2.1	Introduction
2.2	Evolution of zakat
2.3	Global practice of zakat
2.4	Zakat practice in Malaysia
2.5	Department of Awqaf, Zakat and Hajj (JAWHAR)
2.6	Zakat practice in Melaka
2.7	Zakat Compliance Behaviour
2.8	Theory Planned Behaviour
2.8.1	Attitude
2.8.1.1	Relationship between Attitude and Zakat Compliance Behaviour
2.8.2	Subjective norm

	2.8.2.1 Relationship between Subjective Norm and Zakat Compliance Behaviour	31
	2.8.3 Perceived behavioural control	32
	2.8.3.1 Relationship between Perceived Behavioural Control and Zakat Compliance Behaviour	33
2.9	Measurement of Muslim Religiosity and Personality Inventory	33
	2.9.1 Religiosity	36
	2.9.1.1 Relationship between Religiosity and Zakat Compliance Behaviour	36
2.10	Theoretical Framework	37
	2.10.1 The relationship between attitude and Zakat compliance behaviour	39
	2.10.2 The relationship between subjective norm and Zakat compliance behaviour	39
	2.10.3 The relationship between perceived behavioural control and Zakat compliance behaviour	40
	2.10.4 The relationship between religiosity and Zakat compliance behaviour	40
2.11	Hypotheses	40
2.12	Summary	41
<b>3</b>	<b>MATERIALS AND METHODS</b>	<b>42</b>
	3.1 Introduction	42
	3.2 Research Design	42
	3.3 Sampling and Target Population	43
	3.4 Measurement	45
	3.5 Questionnaire design	46
	3.5.1 Demographics	46
	3.5.2 Attitude	46
	3.5.3 Subjective Norm	47
	3.5.4 Perceived Behavioural Control	47
	3.5.5 Religiosity	48
	3.5.6 Compliance behaviour	48
	3.6 Data analysis	49
	3.6.1 Frequency analysis	49
	3.6.2 Descriptive analysis	49
	3.6.3 Reliability test	50
	3.6.4 Pilot test	50
	3.6.5 Multiple regression analysis	51
	3.7 Summarization of Methodology	51
	3.8 Conclusion	51
<b>4</b>	<b>ANALYSIS AND THE INTERPRETATION OF DATA</b>	<b>52</b>
	4.1 Introduction	52
	4.2 Respondent rate	52
	4.3 Demographic Profile	52
	4.3.1 Gender	53

4.3.2	Age	54
4.3.3	Race	55
4.3.4	Marital Status	56
4.3.5	Occupation	57
4.3.6	Income level	58
4.3.7	Education level	59
4.3.8	Zakat Compliance	60
4.4	Reliability Analysis	62
4.5	Descriptive Analysis	63
4.5.1	Mean score and standard deviation	64
4.6	Correlations	66
4.7	Regression	67
4.8	Summary	68
<b>5</b>	<b>DISCUSSION AND CONCLUSION</b>	<b>69</b>
5.1	Introduction	69
5.2	Discussion of Findings	69
5.2.1	The relationship between attitude towards Zakat compliance behaviour	70
5.2.2	The relationship between subjective norm towards Zakat compliance behaviour	70
5.2.3	The relationship between perceived behavioural control towards Zakat compliance behaviour	71
5.2.4	The relationship between religiosity towards Zakat compliance behaviour	71
5.3	Research Implication	71
5.4	Limitation of Study	72
5.5	Recommendation for Future Research	73
5.6	Conclusion	74
	<b>REFERENCES</b>	<b>75</b>
	<b>APPENDIX</b>	<b>81</b>
	<b>BIODATA OF STUDENT</b>	<b>113</b>
	<b>LIST OF PUBLICATION</b>	<b>114</b>

## LIST OF TABLES

<b>Table</b>		<b>Page</b>
1.1	Zakat Collection in Melaka	5
1.2 (i)	Method A -No dependent family	8
1.2 (ii)	Method B- With a dependent family	8
1.3	Tax Rebate	9
1.4	Zakat Nisab	10
1.5	Zakat Collection Centers	11
2.1	Zakat Collection Centres in Melaka	22
2.2	Zakat Counter in Malaysia	23
2.3	Research hypotheses	41
3.1a	Population in Melaka	43
3.1b	Population in Melaka Tengah	44
3.2	Total of Measurement	45
3.3	Attitude measurement	46
3.4	Subjective Norm measurement	47
3.5	Perceived behavioural control measurement	47
3.6	Religiosity measurement	48
3.7	Zakat compliance measurement	49
3.8	Pilot test	50
3.9	Summarization of Methodology	51
4.1	Respondent rate	52
4.2	Demographic Profile	52
4.3	Gender	53
4.4	Age	54
4.5	Race	55
4.6	Marital Status	56
4.7	Occupation	57
4.8	Income Level	58
4.9	Education Level	59
4.10a	Zakat Compliance	60
4.10b	Zakat Compliance	61
4.11	Reliability Coefficients for the Variables	62
4.12	Descriptive Statistics of all Principal Constructs (N=217)	63
4.13	Descriptive Statistic for Each Item	64
4.14a	Pearson Correlations of Study Variables	66
4.14b	Correlation of Research Hypotheses	66
4.15a	Regression Analysis	67
4.15b	Summary of hypotheses	68
5.1	Summary of Findings	69

## LIST OF FIGURES

<b>Figure</b>		<b>Page</b>
1.1	Basic Islamic Fiscal System	3
1.2	Zakat Collections in Melaka	6
2.1 (i)	Theory of Reasoned Action	26
2.1 (ii)	Theory of Planned Behaviour	27
2.2	The Muslim Religiosity-Personality Inventory	35
2.3	Theoretical Frameworks of Zakat Compliance Behaviour	38
3.1a	Population in Melaka	43
3.1b	Population in Melaka Tengah	44
4.1	Gender	54
4.2	Age	55
4.3	Race	56
4.4	Marital Status	57
4.5	Occupation	58
4.6	Income Level	59
4.7	Education Level	60
4.8	Zakat Compliance	61

## LIST OF ABBREVIATIONS

ATT	Attitude
MRPI	The Muslim Religiosity and Personality Inventory
PBC	Perceived Behavioural Control
SN	Subjective Norm
TPB	Theory of Planned Behaviour
TRA	Theory of Reasoned Action





© COPYRIGHT UPM



## CHAPTER 1

### INTRODUCTION

#### 1.1 Introduction

This chapter will provide an overview of the research “Factors Contributing Zakat Compliance Behaviour among Employees in Melaka.” This chapter will elaborate on six content points which are: i) Background of the Study, ii) Problem Statements, iii) Research Questions, iv) Research Objectives, v) Definition of Key Terms and vi) The Significance of the Study. Each content point will be further elaborated in order to provide a better understanding of the research that was conducted.

#### 1.2 Background of the Study

Zakat can be interpreted as an obligation which is one of the fundamental acts in Islam that also includes *Shahadah, Salat, Sawm and Hajj*. Zakat is clarified as the third pillar of Islam which is necessary for Muslims to follow as an act of worship towards Allah. Sayyid Sabiq (2013) defined zakat according to Shariah (2013) as a “portion” of someone’s wealth that is designated for the poor and needy as an obligation that is mandated to all Muslims all over the world. Linguistically, Shafinah Rahim & Hanani Kaswadi (2014) mentioned in their study that Zakat can be identified as clear from dirt, blessed, growth and it can benefit the purification of wealth, Zakat payer and the Zakat receiver.

Nowadays, Zakat is practically seen as a collection from those who are eligible to give a specific amount of money allocated from the concerned authority for the needy Muslims; parallel to the obligation in Islam (Owolabi Yusuf & Mat Derus, 2013). Zakat is also a part of Ibadah practices that requires Muslims who meet certain conditions to fulfill it as it is one of the pillars of Islam. The collection of Zakat from which mainly from eligible payers would be distributed evenly to the respective recipients in the Islam community. There is a *Quranic* verse that highlights the benefits of Zakat according to Shariah. The benefit of Zakat is explained in verse below.

*Indeed, those who believe and do good deeds, performing prayers, and establish Zakat will have a reward from God, and there will no concerning fear and sadness for them.*  
(Al -Baqarah: 277)

As referred to the verse above, it clarifies the benefits of Zakat to those who worship God. The verse explains that those who do these four things which are to believe in Allah, do good, perform prayers and pay zakat will receive good in return and Allah will relief them from fear and sadness as it can be interpreted as the important key for Muslims to participate in Zakat. Therefore, it is compulsory for Muslims to purify their wealth for

Zakat purpose as an act of worship toward God because God promises a reward for those who obey His command.

Purification of wealth is traditionally known as a cleansing of one's wealth can be seen as a way to develop an individual personality specifically Muslim which eventually will indirectly give impact to the society (Abdullah & Suhaib, 2011). The notion is congruent with what was claimed by Abdullah & Suhaib (2011), Zakat gives impact towards social harmony, and it brings justice to all community members. It can also provide social security where it acts as a circulation tool for one's wealth. The researchers also explain that Zakat can create a true connection between humans and God in which Muslims who perform their obligations will feel that God blesses them.

As explained in the previous paragraphs, Zakat has a broad definition due to the differences in opinion and understanding by individuals. However, the main objective of Zakat collection remains the same for all Muslims across countries which as suggested by Hayecharasah, Sehvises, & Ropha (2013) to prevent people from living in misery and eradicating the feeling of selfishness as well as cultivating love while flourishing the spirit of unity among Muslims. According to Islam, paying the Zakat also shows the Muslims' loyalty and thankfulness to Allah S.W.T.

Ammani, Abba, & Dandago (2014) added that there is a need to discuss on the traditional view and modern views of Zakat specifically on Zakat income. According to the traditional view, Zakat is a fund collected from the eligible Muslim for the respected recipients (Owolabi Yusuf & Mat Derus, 2013). As for a more modern view, Azura & Ram (2014) claimed that Zakat is a part of economic contribution for Muslims to improve their lives and for economic growth. Nevertheless, the difference in view does not interfere with the process of Zakat in which the funds of Zakat will be collected and then distributed to the needy; eventually, it would be increasing the purchasing power indirectly.

There is a growth in the literature that has provided various definitions for Zakat, and the findings differ according to the individual's understanding and adaptation. As listed below, in order to simplify the Zakat regulation and adaptation, Zakat is divided into two different perspectives which are: i) Islamic Laws on Zakat and ii) Zakat as Fiscal Policy.

i. Islamic Laws on Zakat

Zakat in *Shariah* concept means people contribute part of their wealth to the needy based on the belief in Islam that a person must distribute the wealth given by Allah to help others. That is, a specific amount of a specific type of wealth that has reached the amount of minimum (*nisab*) will be given to those who deserve to receive it. In Islam, Zakat is a part of *Ibadah* that requires Muslims who meet some specific conditions to fulfill the obligation as it is one of the pillars of Islam. According to Islamic Religious Council Melaka (2018), the regulation of Zakat payment in Melaka was done in 2002 under section 75(1) with the consent of Islamic council and Yang di-Pertuan Agong. The enactment was done based on Islamic law, and it included the collection, distribution, and administration of Zakat.

ii. Zakat as Fiscal Policy

The recent trends have identified Zakat as part of the Fiscal system in the economy. The study was done by Samad et al., (2016) summarised that the basic Islamic fiscal system and it is shown in the diagram below. The diagram below claims Zakat as a tax institution. It portrays the flow of Zakat in public expenditure and public revenues. Then, the Zakat collection will be combined with non-Zakat revenue which then will be distributed accordingly.

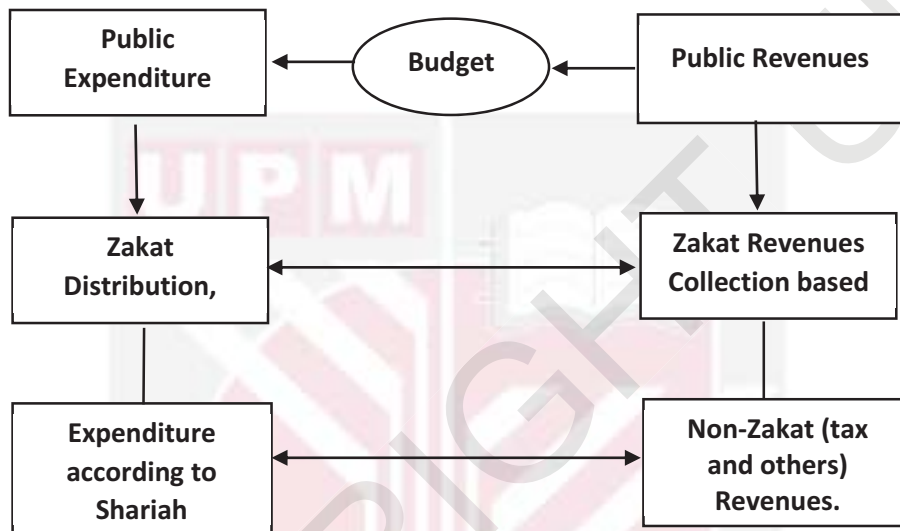


Figure 1.1: Basic Islamic Fiscal System

[Source: Adopted from Basic Islamic Fiscal System by Samad et al., (2016)]

According to Razak, Omar, Ismail, Amir Hamzah, & Hashim (2013), they stated that the Zakat institution should be managed under government state which is administered by Muslim or someone who is specifically appointed by a Muslim individual. Presently in Malaysia, Zakat collection and distribution is managed by the authority in each state's government. Hence, the behaviour of Zakat payer might differ in each Muslim country due to the difference in law enforcement. Therefore, by focusing on the element of behaviour of complying Zakat, specifically in Melaka it would reflect the individual comparison towards obligation of Zakat.

Before one is subjected to Zakat, there are a few requirements and conditions that one must fulfill and there is a difference in the amount imposed on them based on the wealth that they possess. The collection of Zakat will then go through a few stages before it is distributed to other Muslims. In Malaysia, all Malaysians that meet the requirement are subjected to make a payment in the form of income tax which is the mandatory contribution to state revenue from their income.

On the other hand, if a person is a Muslim in Malaysia, he or she is subjected to make two compulsory payments from the same income source which is called Zakat and income tax (Department of Zakat, 2018). There are differences on regulating Zakat and taxation in Malaysia where the taxation issue in Malaysia is enforced under a civil regulation which is subjected to all citizens in Malaysia. However, there is low enforcement by the government towards the Islamic law regarding Zakat to Muslims which reflect the low compliance among Muslims.

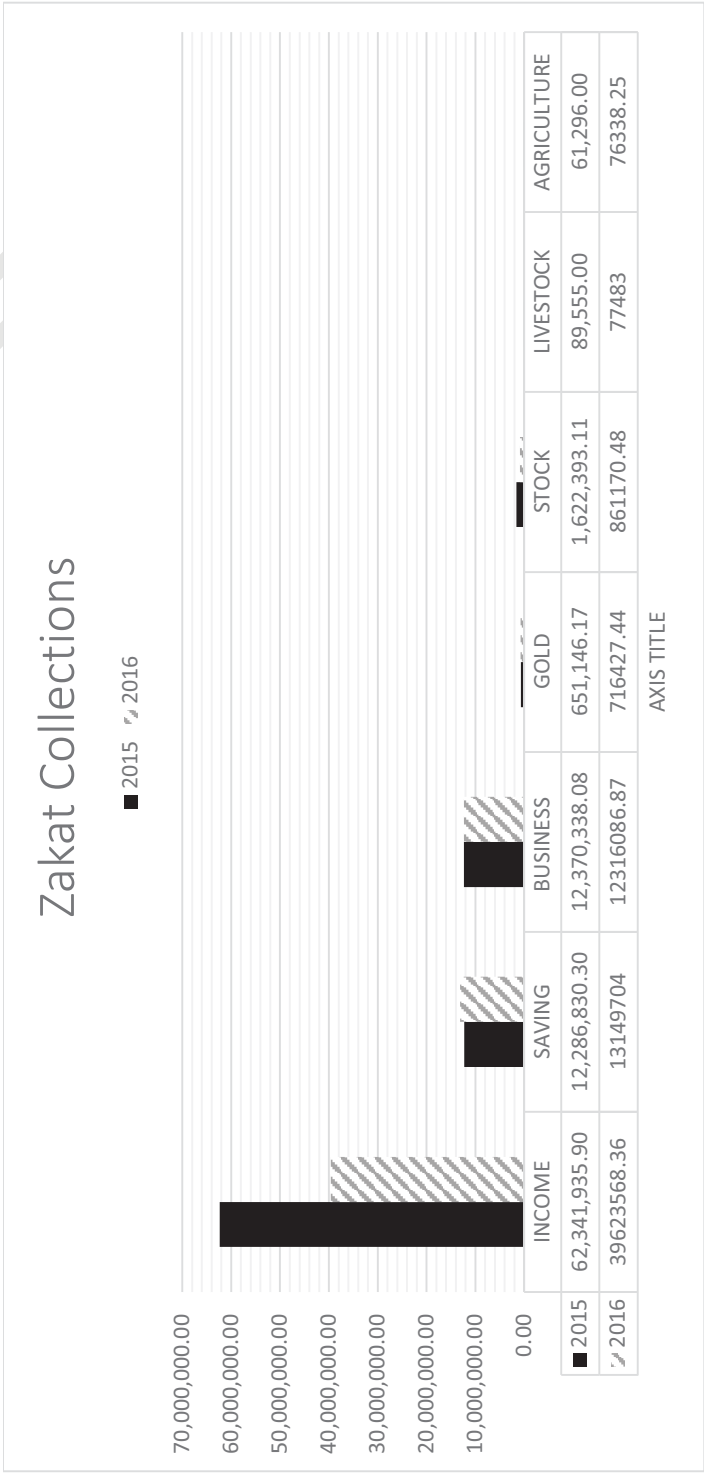
### 1.2.1 Type of Zakat

There are a few types of Zakat in Islam or further specify as sources of Zakat. Zakat Centre Melaka (2018) stated that the source of Zakat is divided into two which are Zakat on wealth and Zakat on Fitr. Zakat on wealth is then further divided into a few sections which are Zakat on Income, Zakat on Saving, Zakat on Business, Zakat on Agriculture, Zakat on Livestock and Zakat on Mining. Zakat Fitr is performed during fasting month which is *Ramadhan*, and a certain amount is collected from specific Muslim that qualifies. However, this research will only focus on Zakat Income compliance behaviour due to the highest contribution of Zakat income collection specifically in Melaka.

Table 1.1: Zakat Collection in Melaka

Type Of Zakat	Amount			Number of Payers		
	2015	2016	11/2017	2015	2016	11/2017
Income	35,260,37.24	39,623,568.36	37,241,997.87	27,321	30,780	31,174
Saving	12,286,830.30	13,149,704	11,747,750.94	6,851	7,148	6,122
Business	12,370,338.08	12,316,086.87	18,242,616.18	2,060	2,265	1,910
Gold	651,146.17	716,427.44	595,311.17	1,103	1,129	920
Stock	1,622,393.11	861,170.48	788,433.51	900	514	408
Livestock	89,555.00	77,483.00	62,347.00	52	39	38
Agriculture	61,296.00	76,338.25	32,454.00	180	177	91
<b>Total</b>	62,341,935.90	66,820,778.72	68,710,910.67	38,467	42,052	40,663
Zakat fitr	3,625,115.40	3,714,600.60	3,842,336.10	541,062	554,418	573,483
<b>Total</b>	65,967,051.30	70,535,379.32	72,553,246.77			

[Source : Melaka Zakat Center (2018)]



**Figure 1.2: Zakat Collections in Melaka**  
 [Source: Melaka Zakat Center (2018)]

Based on the graph and the table above, it identifies that Zakat on income contributes the highest compared to other sources of Zakat. Therefore, Zakat on income is chosen as the main focus of this research in order to elaborate the factors affecting Zakat income as it can aid the institution in increasing Zakat awareness and collection in the future since Zakat on income is part of the major contribution.

### 1.2.2 Zakat Income

Specifically, the meaning of Zakat income is the income that consists of all kinds of income return; salaries, wages, and bonuses. Other than that, dividend, grant, allowances and any investment that are counted as a carrier for professionals are also considered. Thus, all types listed are subjected to Zakat payment as referred to Department of Zakat Melaka (2018).

As shown by the graph in Figure 1.2, Zakat income contributes the highest percentage compared to other types of Zakat. Generally, Zakat income is paid by individual subjected to Zakat requirement which is 2.5 percent out of the annual total revenue. The rate for Zakat on income in Malaysia were stated on May 7<sup>th</sup> 2003 by the 56<sup>th</sup> National Council for Islamic Religious Affairs Malaysia by the Fatwa committee where 2.5 percent of total revenue which comes from basic salaries and gross income from the annual income will be charged for Muslims in Malaysia (Federal Territory Islamic Religious Council, 2018).

This shows that, the obligation of zakat on employment income is stated as compulsory for all Muslims who are entitled to Zakat in accordance to the *fatwa* committee of National Council for Islamic Religious Affairs on June 22<sup>nd</sup> 1997, for Zakat and Income Professional Salaries. The method below will explain the calculation of Zakat income. It can be calculated using two methods which are A) Individual with No Dependent Family and B) Individual with Dependent Family by monthly and yearly basis. Zakat also can be reduced after deducting basic life necessities.

- i. Method A -No dependent family  
2.5 % of the amount of income per year. RM 600 per year divided with 12 months. So total Zakat payment monthly is = RM 50. Muslim individuals in Malaysia can voluntary choose whether to pay on a monthly basis or yearly basis through direct payment to counter or deducted monthly from their bank account.



**Table 1.2 (i): Method A -No dependent family**

Year: 2018	
Details	RM
Income	2000
<i>Nisab</i> amount	14772.03
Other Income	-
<u>Total income Zakat</u>	<u>24000</u>
Total Zakat yearly	600
Total Zakat monthly	50

ii. Method B- With a dependent family

Life necessities will be deducted from income per year. If the total salary per year is RM 30, 000, RM 9000 will be deducted as part of life necessities; for his wife and his children per year. The total amount after the deduction will be compound 2.5%, and the total will be divided by 12 months.

**Table 1.2 (ii): Method B- With a dependent family**

Year: 2018	
Details	RM
Income	2000
<i>Nisab</i> amount	14772.03
Other Income	500
<u>Total income</u>	<u>30000</u>
<u>Expenses</u>	
Wife	8000
Children	1000
<u>Total Zakat</u>	<u>21000</u>
Total Zakat yearly	525
Total Zakat monthly	43.75

Even though Muslims are obligated to pay zakat, not all Muslims are required to pay it as there are a few conditions that must be met in order for an individual to be subjected to Zakat on income. The most important thing is that 2.5% of the portion taken as zakat must be from all sources of income such as rent, sale, and salary. Other than that, the

amount which suits for zakat is subjected to allowable deducted household expenses (Mohsin & Lahsasna, 2011).

According to the Department of Zakat Selangor (2018), the calculation of Zakat should align with *Quran* and *Hadith*. In the case of Zakat income, individuals need to combine all the sources of money, such as investment, rent, and dividend for the Zakat calculation. However, the rule of thumb for the source of income needs to be from legal source with full transparency. It can be proven by the Quranic verse below which elaborates that one is subjected to Zakat based on the legal source and not from illegal source.

*But if you fail to do so, then be warned of war from Allah and His Messenger. If you repent even now, you have the right of the return of your capital, which is you do wrong or will you be wrong.*  
(Al- Baqarah 2:279)

### 1.2.3 Tax Rebate

According to the Inland Revenue Board of Malaysia (IRBM), individual residents with chargeable income less than RM35, 000 are liable for income tax rebates. Apart from that, any kinds of Zakat in Malaysia are subjected for a rebate from the government as a tax rebate in income tax. The table below illustrates the reduction amount for income tax that can be calculated as a rebate for participating in Zakat.

**Table 1.3: Tax Rebate**

Tax Rebate	
Total income tax (2017)	5 000
Total Zakat (2017)	1,500
<u>Tax Rebate</u>	<u>3500</u>

A rebate is granted for payments of any zakat, Fitrah or other obligatory Islamic religions dues in the same year (for example, zakat paid in the year 2011 can be claimed as a tax rebate in income tax return form for year assessment 2011). The amount is subjected to the maximum tax charged (limited amount of total tax charged). However, the taxpayer is required to obtain and keep the original receipt (The Star Online, April 2012). Tax rebate is granted to all Muslims where the enactment for tax rebate on Zakat income has been decided by the National Council Religious Affairs on December 9<sup>th</sup> 1992 where Muslims in Malaysia can allocate Zakat from the existing salaries and Inland Revenue Department needed to give rebate for the total amount paid and all salaries from professionals income are subjected to Zakat (Federal Territory Islamic Council, 2018).

According to the Inland Revenue Board of Malaysia (2006) tax rebate for zakat or Fitr payments that are outlined in Public Ruling No.2/2005 has allowed two types of tax rebate in Zakat:

- i. Tax rebate allowed for husband and wife for combine assessment income. Currently in Malaysia, for example, those who paid Zakat in 2017, are eligible to claim the rebate for the same year assessment. The rebate based on IRBM is only subjected up to the amount of actual tax rebate.

#### 1.2.4 Condition

Wahab & Abdul Rahman (2012) defined Zakat as purification from dirt where is listed in the pillars and the certain property contribute to other individual based on specific conditions. Therefore, there are a few conditions highlighted in the Islamic law regarding performing the Zakat. Only Muslims that fulfill the condition of the requirement is compulsory to pay Zakat. The conditions are, firstly, the person must be a Muslim and participation in Zakat from other religions is not acceptable as the act is part of Islamic pillars. Other than that, if an individual is subjected to own a company which has mixed ownership, only the Muslim owner is subjected to Zakat. Besides, the owner must have full authority over his or her property. Next, the income and revenue must come from legal sources. Lastly, the Zakat payer must fulfill the requirement of '*Nisab*' and '*haul*' (Department of Awqaf Zakat and Hajj, JAWHAR, 2018).

**Table 1.4: Zakat Nisab**

State	Amount	State	Amount
Johor	14,917.87	Perak	15,286.48
Kedah	15,032.25	Perlis	14,516.76
Kelantan	12,600.00	Selangor	14,546.00
Melaka	14,772.03	Terengganu	14,616.06
Negeri Sembilan	13,765.27	Sabah	13,600.00
Pahang	11,734.91	Sarawak	-
Pulau pinang	14,000.00	Wilayah Persekutuan	14,083.00

[Source: Department of Awqaf, Zakat, and Hajj, JAWHAR (2018)]

As referred to the table above, these are the total *Nisab* that is required before an individual Muslim is subjected to Zakat. The *Nisab* set by the Zakat institution in every state differs in amount as it is based on the value of 85 grams gold.

### 1.2.5 Zakat Collection

In concordance with the evolution of technology and internet, Zakat can also be paid through online banking, *Myeg* and mobile counters. There are a few ways or channels that can assist people in paying their Zakat. For example, some of the ways are by appointing staff in every state religious department to collect zakat or through a salary deduction for easing of payment (Department of Awqaf, Zakat, and Hajj, 2018). However, mainly Zakat was collected according to each state centres of Zakat institution as listed below.

**Table 1.5: Zakat Collection Centers**

No.	Zakat Collection Centres	States
1.	Federal Territory Zakat Collection Centre	Wilayah Persekutuan
2.	The Selangor Zakat Board	Selangor
3.	Negeri Sembilan Zakat Center	Negeri Sembilan
4.	Pahang Zakat Center	Pahang
5.	Melaka Zakat Center	Melaka
6.	Pulau Pinang Zakat Center	Pulau Pinang
7.	Department of Zakat Kedah	Kedah
8.	Islamic Religious Council Johor	Johor
9.	Islamic Religious and Malay Customs Council Perlis	Perlis
10.	Islamic Religious Council Perak	Perak
11.	Islamic Religious Council Kelantan	Kelantan
12.	Islamic Religious Council Terengganu	Terengganu
13.	Sabah Zakat Center	Sabah
14.	Sarawak Baitulmal Fund	Sarawak

[Source: Department of Awqaf, Zakat, and Hajj, JAWHAR (2018)]

Khamis, Mohd, Salleh, & Nawawi (2014) mentioned that, even though the Zakat institution creates more channels and ways such as deduction from salary and provide a more mobile counter for Zakat payers to pay the Zakat, Muslims are still not aware and confused about the obligation of Zakat. Thus, this study will identify the behavioural factors that are the antecedents that may influence the actions of paying Zakat among employees in Melaka.

### 1.2.6 Zakat distribution

Zakat needs to be distributed according to the Quranic *fatwa* after it is collected. The Zakat institution in the whole world will follow the guidelines as referred to the Quranic verse below which elaborates that, Zakat expenditures will be given to specific categories of people.

*Zakah expenditures are only for the poor and for the needy and for those employed to collect [zakah] and for bringing hearts together [for Islam] and for freeing captives [or slaves] and for those in debt and for the cause of Allah and for the [stranded] traveler - an obligation [imposed] by Allah . And Allah is Knowing and Wise (At-Tawbah, 9:60)*

Based on the above verse which adopted from *Surah At-Tawbah*, 9:60, Zakat will be given to a few recipients as stated in verse. Firstly, people in destitute which is known as (*al-masakin*) and poor Muslim (*al-fuqara'*), the new convert Muslim (*muallaf*) , the collector or Zakat administrators (*amil*) slaves (*riqab*), Muslims who struggle or work for the benefit of Islam (*Ibnu sabil*), people who are in bad debt (*Gharim*) and people who are in war or fighting for Islam (*fisabilillah*).

The distribution of Zakat is approved by the *Yang di-Pertuan Agong* who regulates religious matters as referred to Melaka Islamic Religion Council (2018) in which Zakat distribution is regulated under the administration of Enactment of Religion of Islam (Melaka) 2002, Section 75 subsection 1. Based on the enactment, the religious matters such as collection, distribution, administration of all types of Zakat will be handled by Melaka Islamic Religion Councils.

Melaka Islamic Religion Council will be the central for all matters, but the collection of Zakat will be handled by Melaka Zakat Center and the distribution of Zakat in Melaka is managed under *Baitulamal* (Melaka Zakat Center, 2017). To date, there are many empirical studies that emphasize on management and distribution of Zakat system. However, there is a lack of appropriate research on the existing Zakat practice system in Malaysia. The inconsistency of the collection and distribution has been an arising issue where it is assumedly occurred due to the effects of individual behaviour that is eligible to pay Zakat. Salihin (2013) on symposium Zakat mentioned that most Muslims who did not perform the act of Zakat is because they have lackadaisical of knowledge on determining the amount of Zakat that they have to pay and they crucially need assistance on Zakat issues. Aside from that, this also happened because there is no enforcement of the law regarding Zakat; no punishment or penalty for Zakat evasion. Besides, the behaviour of not paying Zakat also occurred because of the unawareness about the incentive given to Zakat payers such as tax rebate given by Inland Revenue Board Malaysia. Furthermore, it is also stated that most Muslims ignore the payment of Zakat because the rebate given by IRBM is only 2.5 percent of the aggregate income.

### **1.2.7 Zakat Melaka**

As briefly mentioned above, Zakat is managed differently depending on the rules and regulations imposed in each country. However, the main key point is still the same in which 2.5 percent will be collected as Zakat from the annual income. In Malaysia, Zakat is managed by the appointed institution in each state. The management of Zakat is also put under the authority of the *Yang di-Pertua* and *Sultans* in each state because religious practices and issues are being handled by them.

To this date, Department of Zakat Melaka which is also known as Pusat Zakat Melaka (PZM) is incorporated in April 2001 and is placed under the Melaka Islamic Religious Council known as Majlis Agama Islam Melaka (MAIM). PZM will manage the collection of Zakat, and the distribution of Zakat will be done by the Baitulmal Majlis Agama Islam Melaka (Melaka Islamic Religion Council, 2018). Zakat Melaka is situated in Melaka Tengah, and another six branches are built in Melaka including in Melaka Sentral, Alor Gajah, Masjid Tanah, Pulau Sebang, Merlimau, and Jasin. The reason for building branches is to help in easing the system of Zakat collection as back then it was difficult to keep track of the collection as Zakat was collected through traditional way by Islamic teachers in every villages and district (Department of Zakat Melaka, 2018).

Zakat Center Melaka acts as an institution is entrusted to carry out the management of zakat collection focusing on quality service as the core in the management of Zakat Center Melaka. This has a positive impact on the confidence of the Muslim community to honour the obligation of Zakat eventually increasing the collection of zakat in Melaka.

### 1.3 Problem Statement

The subtopic problem statement will elaborate on details which highlighted issues that bring about the execution of this research. It will be divided into two sections which are an industry gap and academic gap. The issues are: i) Attitude of Zakat Compliance Muslims, ii) Subjective Norm, iii) Perceived Behavioural Control and iv) Religiosity.

Generally, Malaysia is known as a Muslim country because it consists of 59 percent of Muslims. Therefore, it should provide a high percentage of Zakat collection. However, the recent news highlighted by Sinar Harian (July 7, 2017) stated that 30% of Kedah State Education Department staff which was 8100 from 27000 people did not comply towards Zakat income. This phenomena also occurred in Selangor as written in the issue by Farhana Abdul Manan in Sinar Harian (2017) proved that 1.5 Million (70 percent) individual Muslims who were eligible to pay Zakat in Selangor did not pay Zakat. This social ill drew concern as highlighted in the news that the young generations were the one who resisted in paying the Zakat. The trend also occurs in other countries as reported by Perbawa & Abdullah (2016) where Indonesia was also having a problem regarding the huge gap in number between potential Muslim Zakat payer and the number of *asnaf* on Zakat collection.

Samad et al., (2016) investigated the impact of Zakat payment on income tax collection, and he mentioned that Muslims are more concern about tax compared to Zakat due to the fragile enforcement and regulation on tax. Even though the collection of Zakat is increasing yearly, the percentage of individual complying towards the payment of zakat has been proven still low. Therefore, the question that needs to be answered is why the Muslim community appears to be resisting the payment of zakat as aligned by the research done by Hussin, Muhammad, & Ahmad (2013) in Selangor proved that only 50 percent of those Muslims paid Zakat to the institution while the rest might directly to giving to *asnaf* or did not comply at all. This scenario can be illustrated by Ali et al., (2017) who explained the review from the Department of Awqaf, Zakat and Hajj



(JAWHAR) where it is proven that even though the collection of Zakat reached almost RM 1.9 Billion, the collection is still unsatisfactory because it reflects that there is still insufficient fund in covering for the distribution for the needy.

Hence, the question that needs to be answered is why the Muslim community appears to be resisting the act of payment of zakat. This lackadaisical is supported by Sapingi, Ahmad, & Mohamad (2011) in which they said that even though there are many types of research on Zakat, the collection is still inconsistent and the distribution is still not reaching all the deserved recipients specifically *asnaf*. A study done by Abu Bakar & Rashid (2010) showed that only 33 percent of those who are eligible for Zakat paid the Zakat. Therefore, the issue that is highlighted would involve the respondents that are eligible in paying income tax but do not pay the Zakat income.

Next, the first issue that will be raised in the academic gap is the attitude of the Zakat compliance Muslims. Some study found that the element of behaviour such as attitude has a significant relationship with complying towards the act of paying Zakat (Noor, Al, & Saad, 2016). However, concern arises due to the number of potential payers are higher than the number of the actual collection on Zakat payers. Although there are many initiatives that have been done to ease the payment of Zakat, the compliance towards Zakat compliance is still low. The change in behaviour which is individual attitude seems to be more significant on compliance Zakat in wealth (Hussin, Muhammad, & Ahmad, 2013; Yusop, Ahmad, 2013)

Then, the issue that will be addressed is the subjective norm surrounding the act of paying Zakat. There have been several studies reporting the issue of Zakat compliance among Muslims. As referred to a study done by Perbawa & Abdullah (2016) which in brief stated that there are some Muslims who are reluctant to pay Zakat due to their ignorant attitudes regarding the obligation of Zakat which may be influenced by their surrounding. The researchers also said that the effort of paying Zakat depends on individual willingness or his or her behavioural character on performing the Zakat. Hence, there is a need to include the attitude and norm as a factor in determining the Zakat compliance behaviour among employees in the present studies.

Furthermore, there is also an issue regarding the perceived behavioural control which is the perception of ease or difficulty of a particular behaviour. As mentioned earlier, Zakat is managed by state level and controlled by Department of Hajj, Zakat, and Awqaf (JAWHAR). Therefore, the variety of enactments in every state might cause emergence of various behaviours in regards to the compliance among Muslims on Zakat. Issues regarding the distribution or collection of Zakat also may arise due to the decentralization of Zakat collection in different states.

Finally, the issue regarding religiosity is also taken into consideration. The religious perspective is chosen to be part of the contributing variable in this study because previous researches show that there is inconsistency in the impact of a religious perspective on compliance towards Zakat payment behaviour. Thus, this study will measure the gap

between actual Zakat collection and potential Zakat fund by looking at the relationship between God and the practicing of Zakat.

Moreover, previous research may be bias and do not reflect the whole of society because there is no specific target being set. As mentioned by Bakar & Rashid (2010) in a study on Zakat in International Islamic University of Malaysia (IIUM) the scope and population may affect the result of Zakat compliance. Hence, this study will combine both government and public employees to reduce the possibility of getting a biased result, and a more wholesome result can be produced. Therefore, the issues highlighted have brought about this research attempt to analyse the factors that may influence the Zakat payers in complying towards the act. This study will combine the Theory of Planned Behaviour and the dimension of religiosity to analyse the factors that are influencing Zakat compliance behaviour. The research stated that the finding would be more comprehensive if the scope of study and theory is enlarged. The result would be more comprehensive if the study is spread in another state as it may reveal better result and the phenomenon can be rectified (Bidin, Idris, & Shamsudin 2009; Saad & Haniffa, 2014). In brief, the research is carried out to identify the reason there is a low compliance of zakat payment among employees; whether the attitude, subjective norm, perceived behavioural control and religiosity influence the Zakat compliance behaviour and this research is executed in order to find solution that can close the gap between actual Zakat collection and potential Zakat funds.

#### **1.4 Research Questions**

Based on the issues that have been highlighted in the problem statement, several independent variables that may affect the dependent variable (Zakat compliance behaviour) of the research have been identified. The independent variables are attitudes, subjective norm, perceived behavioural control and religiosity. The information that has been acquired has helped in forming the research questions. The research questions are as followed:

- 1) Is there any relationship between attitude and Zakat compliance behaviour?
- 2) Is there any relationship between subjective norm and Zakat compliance behaviour?
- 3) Is there any relationship between perceived behavioural control and Zakat compliance behaviour?
- 4) Is there any relationship between religiosity and Zakat compliance behaviour?

#### **1.5 Research objectives**

The main objective in conducting this research is to figure out the Zakat compliance behaviour among employees. Based on the stated problem statement, the research objectives of this study are developed. The research objectives of this study are as followed:



- 1) To study the relationship between attitudes and Zakat compliance behaviour among employees in Melaka.
- 2) To examine the relationship between subjective norm and Zakat compliance behaviour among employees in Melaka.
- 3) To determine the relationship between perceived behavioural control and Zakat compliance behaviour among employees in Melaka.
- 4) To measure the relationship between religiosity and the Zakat compliance behaviour among employees in Melaka.

## **1.6 Definition of Key Terms**

### **1.6.1 Zakat**

An obligation and a purification act by giving money to the poor and the needy who are Muslims when all the '*haul*' and '*nisab*' are fulfilled.

### **1.6.2 Behaviour**

Behaviour refers to act or conduct that can be measure, observed and repeated.

### **1.6.3 Attitude**

Attitude is a positive or negative reaction towards object or situation which concise the degree of attitude toward reflection.

### **1.6.4 Subjective norm**

It is an individual perception that takes into consideration of other people's opinion or the surrounding. It also may be defined as social pressure from others.

### **1.6.5 Perceive behavioural control**

It is the perception of level of difficulty on performing the behaviour that is related to one's belief in a specific situation.

### 1.6.6 Religiosity

Religiosity is a system of belief that connects to God and relates to spiritual, symbols and practice of a specific belief.

### 1.7 Significance of the Study

Theoretically, the result that is derived from this research will add to the growing body of information in the field for future research. Hence, this research adopted the Theory of Planned Behaviour (TPB) which was developed by Ajzen (1991) and measurement of Muslim Religiosity-Personality Inventory (MRPI) by Krauss, Hamzah, Juhari, & Hamid (2005) in order to analyze the factors associated with Zakat behaviour. Thus, by conducting this current research study, an indicator can be derived to revolve extensively the relationship associated with Zakat compliance behaviour among employees in Melaka.

Practically, it will help the Zakat institution in Malaysia to increase the collection of Zakat in the future. The findings may also help in improving the institution in focusing on a specific referent group to increase the number of voluntary Zakat payer. Besides, it can also help them to develop a proper way in the understanding of Zakat among Islam community that will eventually become a comprehensive way of enhancing the number of people contributing towards Zakat.

Indirectly, it can assist policy maker to create law enforcement on Zakat. This scenario is due to Zakat can be claimed as an Islamic Fiscal System that may assist a country to overcome poverty and increase the welfare of Muslim (Samad et al., 2016). Therefore, the behaviour of complying towards Zakat payment is important to the economic growth and the survivor of Muslims. As for the distribution of Zakat, it may help in reducing the practice of begging within the Muslim community. This is mentioned by Abdullah & Suhaib (2011) in which they underlined the impact of Zakat on the society. Furthermore, the contribution of Zakat may also help in balancing the finance and stabilizing the society's economics conditions.

By identifying the specific target and increasing the collection of Zakat, the fund from Zakat can assist the poor and the needy Muslims to improve their life. Moreover, the fund will also be distributed to those who recently converted to Islam as an incentive to help him or her to stabilize economically (Fuadah, Ridhwan, and Fahmi, 2014). Thus, the increase in Zakat collection will stabilize the economy and reduce the percentage of poverty as suggested by Zainal, Basarud-din, Yusuf, & Omar (2016) where surplus and poverty rate in the economy can be reduced by determining the factor that can influence the increase in Zakat collection.

The significant of this study relatively reflects the objective of Zakat institution in Malaysia which is alleviating the poverty in a long-term period. As referred to the study

done by Yusop and Ahmad (2013), they found that the Muslim community needs to increase their awareness on the obligation of paying Zakat to reduce the issue related to Zakat payment.

Apart from that, by recognizing the factors which are contributing towards the increase in the Zakat payment, the poverty rate among Muslims could be reduced. However, Johari et al., (2014) mentioned that there are no specific tools for measuring the level of poverty because it is related to a person's income level and needs. As for the government and state, the result of this research will help in increasing the collection of Zakat and indirectly reduce the numbers of Muslims who are poor and needy.

Zakat has been part of the Muslims socioeconomic. The collection of Zakat will be distributed to the converter who converted to Islam. Eventually, the converter would feel more accepted among Muslims as well as improving their socioeconomic life. This statement is supported by Johari et al., (2013) who explained that Zakat could contribute as a fiscal mechanism in improving health care, education, and welfare.

In conclusion, the result of this study would aid in recognizing Zakat collection as part of the fiscal system in Malaysia. Besides, the contribution of Zakat to the country cannot be denied will increase the purchasing power and indirectly contribute towards Muslim socio-economy (Johari et al., 2014; Fatima Al Matar, 2015).

## REFERENCES

- Al- Quran
- Abdullah, M., & Suhaib, A. Q. (2011). The Impact Of Zakat On Social Life Of Muslim Society. *Pakistan Journal Of Islamic Research*, 8, 85–91.
- Abu Bakar, N. B., & Rashid, H. M. A. (2010). Motivations Of Paying Zakat On Income: Evidence From Malaysia. *International Journal Of Economics And Finance*, 2(3), 76–84. <https://doi.org/10.5539/ijef.V2n3p76>
- Ahmad, R. A. R., Othman, A. M. A., & Salleh, M. S. (2015). Assessing The Satisfaction Level Of Zakat Recipients Towards Zakat Management. *Procedia Economics And Finance*, 31(15), 140–151. [https://doi.org/10.1016/S2212-5671\(15\)01141-7](https://doi.org/10.1016/S2212-5671(15)01141-7)
- Adnan, N., Kamaluddin, A., & Kasim, N. (2013). Intellectual Capital in Religious Organisations: Malaysian Zakat Institutions Perspective. *Middle-East Journal of Scientific Research* 16 (3): 368-377, 16 (3): 368-377.
- Ajzen, I. (1991). The Theory Of Planned Behavior. *Organizational Behavior And Human Decision Processes*, 50, 179–211. [https://doi.org/10.1016/0749-5978\(91\)90020-T](https://doi.org/10.1016/0749-5978(91)90020-T)
- Ajzen, I. (2013). Theory Of Planned Behaviour Questionnaire. *Measurement Instrument Database For The Social Science*, 2–9. <https://doi.org/http://dx.doi.org/10.13072/midss.649>
- Ajzen, I., & Attitudes, M. F. (2005). The Influence Of Attitudes On Behavior. *The Handbook Of Attitudes*, 173(221), 31. Retrieved From [https://www.researchgate.net/profile/Icek\\_Ajzen/publication/264000974\\_The\\_Influence\\_Of\\_Attitudes\\_On\\_Behavior/links/00b7d53c7dea81c846000000.Pdf](https://www.researchgate.net/profile/Icek_Ajzen/publication/264000974_The_Influence_Of_Attitudes_On_Behavior/links/00b7d53c7dea81c846000000.Pdf)
- Al Jaffri Saad, R., & Haniffa, R. (2014). Determinants Of Zakah (Islamic Tax) Compliance Behavior. *Journal Of Islamic Accounting And Business Research*, 5(2), 182–193. <https://doi.org/10.1108/Jiabr-10-2012-0068>
- Al, R. A. M., & Saad, J. (2007). Gelagat Kepatuhan Zakat Perniagaan
- Ali, A. F. M., & Aziz, M. R. A. (2014). Zakat Poverty Line Index And Gender Poverty In Malaysia: Some Issues And Practices. *International Journal Of Business And Social Science*, 5(10), 286–293. Retrieved From [http://ijbssnet.com/journals/Vol\\_5\\_No\\_10\\_September\\_2014/36.Pdf](http://ijbssnet.com/journals/Vol_5_No_10_September_2014/36.Pdf)
- Ali, M., Tazilah, M., Shamsudin, A., Shukri, F., Nik, N., Wan, A., & Zaman, Z. (2017). Factors That Influence The Zakat Collection Funds : A Case In Kuantan. *South East Asia Journal Of Contemporary Business, Economics And Law*, 13(1), 30–37.
- Ammani, S. A., Abba, S. A., & Dandago, K. I. (2014). Zakah On Employment Income In Muslims Majority States Of Nigeria: Any Cause For Alarm? *Procedia - Social And Behavioral Sciences*, 164(August), 305–314. <https://doi.org/10.1016/j.sbspro.2014.11.081>
- Ardd-Legal Aid. (2016). Zakat For Social Justice. Retrieved From [https://ardd-jo.org/sites/default/files/resource-files/zakat\\_for\\_social\\_justice.pdf](https://ardd-jo.org/sites/default/files/resource-files/zakat_for_social_justice.pdf)
- Author, M., Krauss, S. E., Hamzah, A., & Idris, F. (2007). Adaptation Of A Muslim Religiosity Scale For Use With Four Different Faith Communities In Adaptation Of A Muslim Religiosity Scale For Use With Four Different Faith Communities In Malaysia. *Source: Review Of Religious Research*, 49(2), 147–164.
- Azman, A. R., Mohammad, A., & Syed Mohd Najib, S. O. (2012). Zakat Institution In Malaysia: Problems And Issues. *Gjat*, 2(1), 35–41.
- Azman, F. M. B. N. (2011). Zakat Compliance Intention Behavior On Saving Among Universiti Utara Malaysia ' S Staff Farah Mastura Binti Noor Azman, (June 2013), 145–155.

- Azman, F. M. N., & Bidin, Z. (2015a). Factors Influencing Zakat Compliance Behavior On Saving. *International Journal Of Business And Social Research*, 05(01), 118–128.
- Azman, F. M. N., & Bidin, Z. (2015b). Zakat Compliance Intention Behavior On Saving. *International Journal Of Business And Social Research*, 5(1), 118–128.
- Berry, W. D., & Feldman, S. (1985). *Multiple Regressions In Practice*. Beverly Hills, C. A.: Sage Publications.
- Bidin, Z., Idris, K. M., & Shamsudin, F. M. (2009). Predicting Compliance Intention On Zakah On Employment Income In Malaysia: An Application Of Reasoned Action Theory. *Jurnal Pengurusan*, 28, 85–102.
- Bidin, Z., Othman, M. Z., & Noor Azman, F. M. (2013). Zakat Compliance Intention Behavior On Saving Among Universiti Utara Malaysia's Staff. *Proceeding Of The International Conference On Social Science Research, Penang Malaysia*, (June 2013), 145–155. <https://doi.org/10.1007/S13132-014-0227-2>
- Board, I. R., To, A., Of, C., Tax, I., By, P., & Individual, A. R. (2006). Inland Revenue Board Addendum To Computation Of Income Tax Payable By, (2).
- Botsaris, C., & Vamvaka, V. (2016). Attitude Toward Entrepreneurship: Structure, Prediction From Behavioral Beliefs, And Relation To Entrepreneurial Intention. *Journal Of The Knowledge Economy*, 7(2), 433–460. <https://doi.org/10.1007/S13132-014-0227-2>
- Bruijn, G. J., Gardner, B., Van Osch, L., & Sniehotta, F. F. (2014). Predicting Automaticity In Exercise Behaviour: The Role Of Perceived Behavioural Control, Affect, Intention, Action Planning, And Behaviour. *International Journal Of Behavioral Medicine*, 21(5), 767–774. <https://doi.org/10.1007/S12529-013-9348-4>
- Eric, S., Abdullah, K. A., Hamzah, A. H. J., & Hamid, J. A. B. D. (2005). The Muslim Religiosity-Personality Inventory (Mrpi ): Towards Understanding Differences In The Islamic Religiosity Among The Malaysian Youth, 13(2), 173–186.
- Farah Mastura Noor Azman, Z. B. (2015). Determinants Of Attitude Toward Zakat On Saving. *Australian Journal Of Basic And Applied Sciences*, 9(31), 7–13.
- Fatima Al Matar. (2015). Zakat Vs. Taxation: The Issue Of Social Justice And Redistribution Of Wealth. *European Journal Of Business, Economic And Accountancy*, 3(3), 119–129.
- Firdaus, M., Beik, I. S., Irawan, T., & Juanda, B. (2012). Economic Estimation And Determinations Of Zakat Potential In Indonesia. *Irti Working Paper Series, Wp 1433-07(August)*, 1–74.
- Gopi, M., & Ramayah, T. (2007). Applicability Of Theory Of Planned Behavior In Predicting Intention To Trade Online. *International Journal Of Emerging Markets*, 2(4), 348–360. <https://doi.org/10.1108/17468800710824509>
- Guermat, C., Al-Utaibi, A. T., & Tucker, J. P. (2003). The Practice Of Zakat : An Empirical Examination Of Four Gulf Countries. *Economics Departement Discussion Papers Series*, 03(02), 1–13.
- Hasbullah, N. A., Khairi, K. F., & Ab. Aziz, M. R. (2016). Intention To Contribute In Corporate Waqf: Applying The Theory Of Planned Behaviour. *Umran - International Journal Of Islamic And Civilizational Studies (Eissn: 2289-8204)*, 3(1), 39–48. <https://doi.org/10.11113/Umran2016.3n1.39>
- Hayecharasah, F., Sehvises, S., & Ropha, H. (2013). The Timeline Of Zakah. *Procedia - Social And Behavioral Sciences*, 88, 2–7. <https://doi.org/10.1016/J.Sbspro.2013.08.474>
- Hoque, N., Khan, M. A., & Mohammad, K. D. (2015). Poverty Alleviation By Zakah In A Transitional Economy: A Small Business Entrepreneurial Framework. *Journal*



- Of Global Entrepreneurship Research*, 5(1), 7. <https://doi.org/10.1186/S40497-015-0025-8>
- Huda, N., Rini, N., Mardoni, Y., & Putra, P. (2012). The Analysis Of Attitudes , Subjective Norms , And Behavioral Control On Muzakki ' S Intention To Pay Zakah. *International Journal Of Business And Social Science*, 3(22), 271–279.
- Hussin, M. Y. M., Muhammad, F., & Ahmad, M. A. R. (2013). Compliance Of Zakah Payment : Analysis Of Zakat Fitrah Collection And Leakage In Selangor. *Shariah Journal*, 21(2), 191–206.
- Idris, K. M., Bidin, Z., & Saad, R. A. J. (2012). Islamic Religiosity Measurement And Its Relationship With Business Income Zakat Compliance Behavior. *Jurnal Pengurusan*, 34(March 2016), 3–10.
- Ill Diyana Yusop, Sanep Ahmad, H. W. (2013). Zakat : Analisis Pengurusan Dan Trend Agihan Di Melaka. *Prosiding Perkem Viii*, 2, 926–937.
- Indahsari, Burhan, Ashkar, & Multifiah. (2013). Individual Knowledge , Attitude Toward Amil And Preferences In Zakah , Infaq , Shadaqah , And Waqf Accomplishment, 3(7), 45–57.
- Indahsari, K., Burhan, M. U., Ashar, K., & Multifiah, N. A. (2014). Determinants Of Individual Muslim Behaviour In Accomplishing Zakah, Infaq, Shadaqah And Waqf Through Amil Institution. *International Journal Of Economic Policy In Emerging Economies*, 7(4), 346. <https://doi.org/10.1504/Ijepee.2014.066627>
- Inventory, R. (2005). Review Of Religious Research Analyzing The Factors Associated With Zakat Compliance Behaviour Among Employee In Melaka , Malaysia By Applying The Theory Of Reasoned Action And Muslim.
- Izam, M., & Yusof, M. (2013). Zakat Management In Malaysia: Challenges & Prospects From Lzs's Perspective, (October), 1–19.
- Jaafar, M. N., Muhamat, A. A., Rosly, H. A. & Sahezan, C. N. (2011). A Study On The Factors Attribute To Non-Participation Of Zakat Income Among The Muslims Community In Selangor. *Paper Presented At 2nd International Conference On Business And Economic Research (Icber)*, (March).
- Jaffri Saad, R. A., Bidin, Z., Idris, K. M., & Md Hussain, M. H. (2010). Factors That Influenced The Business Zakah Compliance Behaviour | Faktor-Faktor Yang Mempengaruhi Gelagat Kepatuhan Zakat Perniagaan. *Jurnal Pengurusan*, 30(June 2016).
- Johari, F., Ridhwan, M., Aziz, A., Fahme, A., & Ali, M. (2014). The Role Of Zakat In Reducing Poverty And Income Inequality Among New Convert ( Muallaf ) In Selangor , Malaysia. *Research In Islamic Studies*, 1(3), 43–56. <https://doi.org/10.15364/Ris14-0103-04>
- Johari, F., Ridhwan, M., Aziz, A., Ibrahim, M. F., Fahme, A., & Ali, M. (2013). The Roles Of Islamic Social Welfare Assistant ( Zakat ) For The Economic Development Of New Convert. *Middle-East Journal Of Scientific Research*, 18(3), 330–339. <https://doi.org/10.5829/Idosi.Mejsr.2013.18.3.12368>
- Khamis, R. M., Mohd, R., Salleh, A., & Nawi, A. S. (2014). Do Religious Practices Influence Compliance Behaviour Of Business Zakat Among Smes ? *Journal Of Emerging Economies Andislamic Research*, 2(2), 1–16. Retrieved From <http://www.jeeir.com/index.php/jeeir/article/view/115/46>
- Krauss, S. E., Hamzah, A., Juhari, R., & Abd.Hamid, J. (2005). The Muslim Religiosity-Personality Inventory ( Mrpi ): Towards Understanding Differences In The Islamic Religiosity Among The Malaysian Youth. *Pertanika Journal Social Science & Humanity*, 13(2), 173–186.

- Krejcie, R. V., & Morgan, D. W. (1970). Determining Sample Size For Research Activities Robert. *Educational And Psychological Measurement*, 38(1), 607–610. <https://doi.org/10.1177/001316447003000308>
- Legal Framework Of. (N.D.).
- Li, J., Liu, F., & Rojas-Méndez, J. I. (2013). How International Students Select Offshore Programs: The Influence Of Image, Attitude, Subject Norm, And Perceived Behavioral Control. *Asia Pacific Education Review*, 14(3), 381–390. <https://doi.org/10.1007/S12564-013-9265-X>
- Lukman Hakim Mahamod, Samsuddin Jaafar, & Muhammad Ali A. Rahman. (2013). Zakat In Malaysian Rural Development : Issues And Potentials. *Proceeding Conference Of Iran And Malaysiya Experiences In Islamic (Architecture & Built Environment)*, 13–23.
- Manurung, S. (2014). Islamic Religiosity And Development Of Zakat Institution. *Qudus International Journal Of Islamic Studies*, 1(2), 197–220. <https://doi.org/10.21043/Qijis.V1i2.186>
- Md Husin, M., & Ab Rahman, A. (2016). Do Muslims Intend To Participate In Islamic Insurance? *Journal Of Islamic Accounting And Business Research*, 7(1), 42–58. <https://doi.org/10.1108/Jiabr-03-2014-0012>
- Md Razak, M. I., Omar, R., Ismail, M., Amir Hamzah, A. S., & Hashim, M. A. (2013). Overview Of Zakat Collection In Malaysia : Regional Analysis. *American International Journal Of Contemporary Research*, 3(8), 140–148.
- Mohdali, R., & Pope, J. (2014). The Influence Of Religiosity On Taxpayers' Compliance Attitudes. *Accounting Research Journal*, 27(1), 71–91. <https://doi.org/10.1108/Arj-08-2013-0061>
- Mohsin, M. I. A., & Lahsasna, A. (2011). Zakah From Salary And Epf: Issues And Challenges. *International Journal Of Business And Social Science*, 2(1), 278–286.
- Mokhlis, S. (2009). Relevancy And Measurement Of Religiosity In Consumer Behavior Research. *International Business Research*, 2(3), 75–84. <https://doi.org/10.5539/Ibr.V2n3p75>
- Muhamad Muda, Ainulashikin Marzuki, A. S. (2006). Factors Influencing Individual Participation In Zakat Contribution: Exploratory Investigation. *Seminar For Islamic Banking And Finance 2006 (Ibaf2006)*, (29–3–August), 1–10. Retrieved From <https://www.researchgate.net/publication/228839024>
- Noor, A. M., Al, R., & Saad, J. (2016). The Mediating Effect Of Trust On The Relationship Between Attitude And Perceived Service Quality Towards Compliance Behavior Of Zakah, 6(2007), 27–31.
- Nu Nu Htay, S., & Ahmed Salman, S. (2013). Proposed Best Practices Of Financial Information Disclosure For Zakat Institutions: A Case Study Of Malaysia, (December), 13–14.
- Osman, A. F. (2014). An Analysis Of Cash Waqf Participation Among Young. *9th International Academic Conference*, (April), 572–584.
- Osman, A. F., Mohammed, M. O., & Fadzil, A. (2016). Factor Influencing Cash Waqf Giving Behavior: A Revised Theory Of Planned Behavior. *Journal Of Global Business And ...*, 33–48. Retrieved From <http://gbse.com.my/jurnalms33-48amirul.pdf>
- Othman, R., & Hariri, H. (2012). Conceptualizing Religiosity Influence On Whistle-Blowing Intentions. *British Journal Of Economics Finance And Management Sciences*, 62(61).

- Othman, Y., & Mohamed Fisol, W. (2017). Islamic Religiosity, Attitude and Moral Obligation on Intention of Income Zakat Compliance: Evidence from Public Educators in Kedah. *International Journal of Academic Research in Business and Social Sciences*, Vol. 7, No. 2.
- Owolabi Yusuf, M., & Mat Derus, A. (2013). Measurement Model Of Corporate Zakat Collection In Malaysia. *Humanomics*, 29(1), 61–74. <https://doi.org/10.1108/08288661311299321>
- Page, A. M. (N.D.). The Theory Of Modes Of Religiosity, 61–86.
- Perbawa, A., & Abdullah, H. R. (2016). Determinant Factors Of Awareness For Paying Zakat On Baznas, Indonesia. *International Humanistic Management Association Research Paper Series*. Retrieved From <https://srn.com/abstract=2799446>
- Personal, M., Archive, R., Kundurjiev, T., & Salchev, P. (2011). Mp R A, (28953).
- Petrič, G., & Petrovčič, A. (2014). Elements Of The Management Of Norms And Their Effects On The Sense Of Virtual Community. *Online Information Review*, 38(3), 436–454. <https://doi.org/10.1108/Oir-04-2013-0083>
- Raja Ahmad, R., Amiruddin Othman, A., & Salleh, M. (2015). Assessing The Satisfaction Level Of Zakat Recipients Towards Zakat Management. *International Accounting And Business Conference 2015, Iabc 2015*, Procedia Economics And Finance 31 ( 2015 ) 140.
- Saad, N. (2012). Perceptions Of Tax Fairness And Tax Compliance Behaviour: A Comparative Study. *Jurnal Pengurusan*, 36(2012), 89–100.
- Saad, R. A. J., Md Hussain, M. H., Bidin, Z., & Md Idris, K. (2008). Gelagat Kepatuhan Zakat Perniagaan: Aplikasi Teori Tindakan Beralasan. *National Management Conference (Namac) 2008, Primula Beach Resort, Terengganu*, 1–14.
- Samad, A., & Glenn, L. M. (2010). Development Of Zakah And Zakah Coverage In Monotheistic Faiths. *International Journal Of Social Economics*, 37(4), 302–315. <https://doi.org/10.1108/03068291011025264>
- Samad, M. N., Ariff, M., & Nassir, A. M. (2016). Impact Of Zakat Payment Offset System On Income Tax Collection In Malaysia. *International Journal Of Applied Business And Economic Research*, 14(13), 9579–9607.
- Sapingi, R., Ahmad, N., & Mohamad, M. (2011). A Study On Zakah Of Employment Income: Factors That Influence Academics' Intention To Pay Zakah. *2nd International Conference On Business And Economic Research*, (April), 2492–2507.
- Sayed Ahmed, E. E., & Zainuddin, Y. (2017). Evaluating Zakat Institutions Performance In Malaysia. *Fgic 1st Conference On Governance & Integrity, "Innovation & Sustainability Through Governance"*. , Yayasan Pahang, Kuantan, Malaysia: Isbn 978-967-2054-37-5.
- Shafinah Rahim, Hanani Kaswadi. (2014). An Economic Research On Zakat Compliance Among Muslim's Staff In Unimas. *Proceeding Of The International Conference On Masjid, Zakat And Waqf (Imaf 2014)*, (December 2014), 53–65. Retrieved From <http://www.kuis.edu.my/I-Maf2014/Eproceedings/Zakat/Z05SyafinahRahimZakat53-65.Pdf>
- Shah Alam, S., & Mohamed Sayuti, N. (2011). Applying The Theory Of Planned Behavior (Tpb) In Halal Food Purchasing. *International Journal Of Commerce And Management*, 21(1), 8–20. <https://doi.org/10.1108/10569211111111676>
- Shah Alam, S., Mohd, R., & Hisham, B. (2011). Is Religiosity An Important Determinant On Muslim Consumer Behaviour In Malaysia? *Journal Of Islamic Marketing*, 2(1), 83–96. <https://doi.org/10.1108/17590831111115268>
- Steven Eric Krauss Azimi Hamzah. (2007). Adaptation Of A Muslim Religiosity Scale. *Review Of Religious Research*, 49(2), 147–165.



- Teh Suhaila, T., Aza Shahnaz, A., & Noraini, S. (2015). Compliance Behaviour Of Zakat On Salary Income Among Muslim. *E-Proceeding Of The International Conference On Social Science Research, Icssr 2015*, 2015(June), 656–664.
- Wahab, N. A., & Abdul Rahman, A. R. (2012). Efficiency Of Zakat Institutions In Malaysia: An Application Of Data Envelopment Analysis. *Journal Of Economic Cooperation And Development*, 33(1), 95–112. <https://doi.org/10.1108/10867371211246876>
- Wang, L., Lv, W., & Jiang, L. (2011). The Impact Of Attitude Variables On The Credit Debt Behavior. *Nankai Business Review International*, 2(2), 120–139. <https://doi.org/10.1108/20408741111139909>
- Yusop, I., Ahmad, S., & Wahid, H. (2013). Zakat: Analisis Pengurusan Dan Trend Agihan Di Melaka. *Prosiding Perkem Viii*, Jilid 2 926 - 937.
- Yusop, I. D., Ahmad, S., Zainal, H., Rahim, A., Web Of Science. (2014). Measurement Model Of Corporate Zakat Collection In Malaysia. *Journal Of Islamic Accounting And Business Research*, 2(1), 27–31. <https://doi.org/10.1108/1056921111111676>
- Zainal, H., Basarud-Din, S. K., Muhamad Yusuf, R., & Omar, S. R. (2016). Managing Zakat Fund In Malaysia. *Journal Of Global Business And Social Entrepreneurship (Gbse)*, 1(2), 46–53. Retrieved From [http://gbse.com.my/ismarch16/gbse 1\(2\) 46-53 \(March 2016\).pdf](http://gbse.com.my/ismarch16/gbse%201(2)%2046-53%20(March%202016).pdf)