



LEGAL FRAMEWORK OF ZAKAT IN MALAYSIA

Background

- Zakat is part and parcel of Muslim's obligation in Malaysia
- Terengganu was the first state to control the collection of zakat formally through MAJLIS and controlled by the Chief Minister.
- Kelantan- 1st state to introduce Peraturan Zakat dan Fitrah 1907.
- Perlis 1930 and Kedah 1936.
- RM25 million p.a. 1980s and 2001-RM320 million RM50 million zakat fitr and RM270 million zakat on property.

Law and Regulation on Zakat

- Enakmen Kutipan Zakat Kelantan 1927.
- Undang2 Zakat Tganu 1947.
- Enakmen Zakat Perlis 1949
- Enakmen Baitul Mal, Zakat dan Fitrah Perak 1951.
- Enakmen Zakat Kedah 1955
- Enakmen Zakat dan Fitrah Johor 1957.
- All the above laws have been repealed and be replaced with more comprehensive law namely Peraturan Zakat dan Fitrah Perak 1975, Phg 1970, Penang 1962, Johor 1962, Kedah 1982, Perlis 1966.

Kelantan

- Enakmen Kutipan Zakat Kelantan 1927.
- Regulation:-
 - 1. Peraturan Kutipan Fitrah 1938
 - 2. Peraturan Kutipan Zakat 1938
- The above laws were repealed with the Enakmen MAI dan Adat Melayu dan Mahkamah Kadi 1953.
- Peraturan Tadbiran Zakat Padi 1978.

Perlis

- Peraturan Mengutip Zakat dan Fitrah 1930
- The above regulation was replaced with Peraturan Zakat dan Fitrah Perlis through the Enactment of Zakat Perlis 1949 and then this enactment was replaced by the Administration of Islamic Law Enactment Perlis 1950.

Selangor

- Atoran Pentadbiran Ugama Islam (Zakat dan Fitrah) 1953 through the Administration of Islamic Law Selangor 1952.
- Peraturan Kutipan Zakat dan Fitrah Selangor 1973.

Malacca

- Peraturan Pada Menjalankan Kerja-kerja Zakat dan Fitrah Melaka 1960 through the Administration of Islamic Law Enactment Malacca 1959.
- Peraturan –peraturan Zakat dan Fitrah, Urusan Waqf dan Baitulmal Negeri Melaka 1982.

Johor

- Peraturan2 Zakat dan Fitrah Johor 1962 through Undang2 Zakat dan Fitrah Johor 1957.

Federal Territories

- Kaedah Baitul Mal Wilayah Persekutuan (Perbelanjaan dan Penggunaan) 1980 and later was amended twice in 1988 and 1996.

Other States

- Kedah- Enakmen Zakat Kedah 1955 and later was replaced by Peraturan Zakat Kedah 1982
- Pahang- Kaedah Zakat dan Fitrah 1970.
- Perak- Peraturan Zakat dan Fitrah 1952 and later 1975 through The Administration of Islamic Law Perak 1965.
- Penang- Peraturan Fitrah Penang 1962 and later was replaced by Peraturan Pungutan Zakat dan Fitrah Pulau Pinang 1979.
- N.9- Kaedah Zakat N. 9 1998.

Features of the Zakat Regulation

- Definition
- Power to collect zakat
- Muslim's Obligatory to pay zakat
- Way of distribution
- The needs to prepare zakat account
- The needs to have separate account of zakat and baitulmal.
- Penalties

Zakat Institution

- Zakat is the responsibility of the Islamic Council of each state in the country or Majlis. The state Majlis is empowered to collect zakat and fitrah due from every muslim in Selangor in accordance with hukum syarak

Samb....

- There are 14 Islamic Councils, one of each of the 13 states and one for the Federal Territory (Wilayah Persekutuan) of Kuala Lumpur.
- For example the Islamic Council of the Federal Territory of Kuala Lumpur has set up a Zakat Collection Centre for such purpose.

Samb....

- **Based on s 81 (1) AILS 2003 stated that fund to be known as baitulmal is to be established. It shall consist of money or property, movable or immovable which under Muslim law or the enactment accrues or is contributed by any person to the fund.**
- **All money vested to Majlis who will administer the fund. Any investment of such asset may be sold, utilised and disposed of, the proceeds may be invested from time to time being an investment of trust fund. Section 94 (2) of Trustee Act 1949 Part II would apply to Majlis in respect of its investment activities.**

Zakat in Malaysia

- In Malaysia, Muslims are obliged to pay zakat on savings, business, shares, gold, corps, and earnings including zakat fitr.
- The fatwa authorities differ on the obligation to pay zakat of earnings. In 2002, National Fatwa Council issued a fatwa to pay zakat of earnings as an obligation.
- Most of the Muslims pay zakat mal and zakat fitr. They normally pay in month of December with a purpose to get rebate from income tax payment for a particular year.

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Function of Majlis

- Section 87 of the Administration of the Religion of Islam (State of Selangor) Enactment 2003 The Majlis has the power to make regulations to determine the rate of value of zakat and fitrah portion payable by every Muslim, create procedures on collection, appoint amils, create penalties and provide punishment in relation to the collection and delivery of all proceeds of zakat and fitrah.

Zakat Enforcement

- Majlis is the sole authority to monitor the collection of zakat.
- There were cases in Kelantan, Kedah, Perlis and Perak whereby some of the Muslims were prosecuted and penalized for not paying zakat.

MAJLIS VS Musa dan Lain2

- Sh. Ct imposed fine to 16 muslims due to failure to pay zakat fitrah in 1947.
- Each of them was fined with RM15 or 1 month imprisonment under the section 8 Peraturan Kutipan Fitrah Kelantan 1938.

Annual Report, Department of Zakat Perlis 1953

- Ten farmers who refused to pay zakat were prosecuted and imprisoned.

Di Perak

- 1953- 52 muslims were prosecuted due to failure to pay zakat.
- 1956- Majlis planned to summon 49 muslims in the district of Selama and 38 muslims in the district of Setiawan due to failure to pay fitrah.
- 1953- 69000 did not pay fitrah
- 1954- 84000 did not pay fitrah

Kedah

- 1965-1966-36 cases.
- Offences
 1. Refuse to cooperate with amil on the land
 2. Receive zakat without authority
 3. Refuse to pay zakat
 4. Offences on the part of amil.

Pahang

- 1985- 28 cases.
- 1986- 13 cases
- 1987- 126 cases.

Legal Issues