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## Factors Influencing Zakat Compliance Behavior on Saving

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### ABSTRACT

In most of the states in Malaysia, the collection of zakat on saving is reported as third largest collection after zakat on employment income and zakat on business. However, the collection of zakat including the zakat on saving is still unsatisfactory. Previous empirical evidences reported that many factors that influence individual in paying zakat. Thus, this study aims at to determine the variables that influence the individual in paying zakat on saving i.e. the relationship between the variables of attitude, the referent group, religiosity and perceived corporate credibility with zakat compliance behavior on saving. Data was analyzed by applying multiple regression analysis. The data was collected from 80 individual Muslim employees who are working at Universiti Utara Malaysia. The results of the study indicated that all the variables significantly influence zakat compliance behavior on saving. Based on the results, it can be concluded that zakat compliance behavior on saving could be predicted by his or her attitude, the referent group, religiosity and perceived corporate credibility at 34% level. In view of the results, some implication and recommendation were also discussed.

**Keywords:** Attitude, perceived corporate credibility, referent group, religiosity, Zakat.

**JEL Codes:** D1, H20, M0, Z12

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### 1.0 INTRODUCTION

Zakat is among the pillars of Islam together with the testimony of faith, prayer, fasting and pilgrimage to Mecca. The purpose of paying zakat is to purify one wealth as well as to become closer to Allah. Zakat collection will be distributed to the eight zakat recipients based on the shariah requirement. The important of paying zakat always been emphasized in the Al-Quran. For example, Allah says in Surah An-Nur, verse 56:

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“So establish regular Prayer and give regular Charity; and obey the Messenger that ye may receive mercy” (Ali, 1994, p. 341)

This verse obviously shows the instructions of Allah on the obligation of paying zakat towards the individual Muslims. Zakat can be categorized into two which are zakat fitrah and zakat on wealth. Zakat fitrah is compulsory to be paid by an individual in the month of ramadhan. In contrast, zakat on wealth only is being paid by the individual when the wealth had fulfilled the shariah requirement.

Zakat on wealth can be further divided into zakat on employment income, business, saving, crops and agriculture, gold and silver, shares and natural resources. Zakat on employment income is paid based on the salary received while zakat on business is paid based on the profit received during the year. Other types of zakat which is zakat on saving should be paid when saving, fixed deposit, current account or unit trust funds fulfilled the nisab and haul requirement during the year. In term of zakat on crops and agriculture, zakat should be paid on staple food such as wheat and paddy. Moreover, zakat also should be paid on the livestock product like goat, sheep, cow, buffalo and camels. Another type of zakat collection is gold and silver. It should be paid when the gold and silver fulfilled the requirement of nisab 85gm for gold and 595gm for silver. Zakat on shares also should be paid when the money is invested in the business or companies. Lastly, Zakat on natural resources that should be paid is like ma'adin, kunuz and rikaz. Ma'adin is the zakat paid for all the minerals that can be extracted from the earth, while kunuz is treasure from the earth and rikaz is for the treasure that was kept on the earth before the Islam was come.

Among those types of zakat on wealth, previous empirical researches only focus on zakat on employment income and zakat on business. There are limited studies that considered zakat on saving. Based on the reported zakat collection, zakat on saving is reported as the third largest zakat collection after zakat on employment income and zakat on business. Zakat collection contributes a lot toward the development of Muslim society. Zakat collection that has been distributed will generate income for the poor and the needy. Then, it will increase the purchasing power and at the same time will reduce the gap between the rich and the poor.

There are many initiatives that have been provided by zakat institutions to encourage zakat payers in paying zakat like payment through online banking, post office, moveable counter, messaging and so on. However, previous studies show that the collection of zakat still unsatisfactory. It is because of the low compliance behavior among individual Muslims in Malaysia (Huda, Rini, Mardoni & Putra, 2012; Nur Barizah & Hafiz Majdi 2010; Raedah, Noormala & Marziana, 2011; Zainol, 2008). In the area of zakat on employment income, previous study indicated that only 35% from 353 respondents pay zakat (Kamil, 2002) while in the context of zakat on business, there is only small proportion of Muslim companies pay zakat compared to the companies reported with Companies Commission of Malaysia (Mohd Rahim, Ariffin & Abd Samad, 2011) and only 27% from 3954 companies pay zakat in Kuala Lumpur, Putrajaya and Labuan (Hanya 27% syarikat tunai zakat, 2009). Besides, in the context of zakat on saving, previous study also reported that only 56% of the respondents who were working at public sector pay zakat in the state of Kedah (Farah Mastura & Zainol, 2013).

Based on the empirical evidences highlighted above, concerns are raised on why an individual do not comply to pay zakat especially in the context of zakat on saving. This phenomenon cannot be ignored because it will affect the collection of zakat in the future. Thus, this study was conducted to identify the factors that motivate and influence an individual Muslims in paying zakat on saving. This study will investigate the relationship between the attitude, the referent group, religiosity and perceived corporate credibility and zakat compliance behavior on saving. These variables are hardly to be found in the context of zakat on saving. Even though, previous study was conducted to investigate the relationship between attitude, subjective norms and perceived behavioral control by applying theory of planned behavior, but it based on the proxy of actual behavior which is intention to comply with zakat on saving (Farah Mastura & Zainol, 2013). Therefore, this study will investigate further the compliance behavior of zakat on saving among the employees working in Universiti Utara Malaysia.

The next section of this paper will discuss the literature review. It is followed by hypotheses development and research framework. Then, the methodology applied is discussed in this study. This paper also explained the analysis that has been conducted as well as the discussion on each of the variables. Lastly, the conclusion and policy implication are highlighted at the end of the paper.

## 2.0 LITERATURE REVIEW AND HYPOTHESES

### 2.01 ATTITUDE AND COMPLIANCE BEHAVIOR

Attitude is among the important factors that always been examined by previous studies in most of the research model. Attitude can be defined as the degree of which the person has favorable or unfavorable perception in performing the behavior (Ajzen, 1991). It is not a behavior but it is the person perception toward the behavior. An individual who has a positive attitude toward performing the behavior will enhance the person to execute the desired behavior. In investigating zakat compliance behavior, attitude is among the important factors that should be investigated because understanding the person attitude will assist zakat institutions in finding ways to raise zakat collection in the future. (Fishbein and Ajzen, 1975) stated that attitude will influence the person behavior. Thus, zakat institution can predict from the person attitude whether he or she will comply or not to comply in paying zakat.

There are previous studies that examined the relationship between attitude and zakat compliance behavior (Kamil, 2002; Ram Al Jafri, Kamil, & Zainol, 2009; Zainol, Kamil & Faridahwati, 2009). It was positive and significantly related. In the area of tax compliance, previous studies also reported the same result (Natrah, 2009). Based on these empirical evidences, this study also proposed that attitude will be positively related to zakat compliance behavior on saving.

### 2.02 REFERENT GROUP AND COMPLIANCE

Theory of planned behavior suggested that subjective norm (referent group) to be defined as an individual who has a close relationship with the person such as parents, friends, sibling and many more. In the context of this study, the referent group is referred to a friend that might influence the person in paying zakat on saving. Friend is the closest person that he or she will share something important that had happened in their life. An individual will seek their opinions and follow their action in performing the behavior.

Previous study in the context of zakat compliance also supported that referent group significant influence zakat compliance behavior (Sanep, Nor Ghani, & Zulkiffli, 2011). This resulted was also aligned with (Zainol et al., 2009) and (Farah Mastura & Zainol, 2013) in predicting zakat compliance intention behavior on saving and employment income respectively. Even though, there was a study that investigated this relationship in the context of zakat on saving, but it based on the intention which is the proxy for actual behavior. Thus, this study suggested that referent group will influence the person in complying to pay zakat for saving.

### 2.03 RELIGIOSITY AND COMPLIANCE BEHAVIOR

Islam as a comprehensive religion provides the way of life based on Al Quran and hadith for the Muslims. As the truth believers, the person will follow the guidelines as a way of submission to Allah comprise of the obligation of paying zakat. In the zakat compliance perspectives, the element of religiosity cannot be ignored because the person who has high religiosity will comply to pay zakat rather than the person that not highly religious. Religiosity was previously defined as the guidelines that the Muslims will be followed in performing their daily activities and their judgment towards the end results of fulfilling the obligation of paying zakat (Kamil, Zainol, & Ram Al Jaffri, 2012). It influences the person's characters to perform a good act.

Previous study also investigated the relationship between religiosity and zakat compliance behavior (Zainol, 2008; Kamil et al., 2012). The results indicate that it was positive and significantly related. In other perspectives of study, previous study also found that religiosity and behavior was significantly related (Ateeq-ur-Rehman & Muhammad Shahbaz, 2010; Syed Shah, Hawati, Che Aniza, & Mst. Nilufar, 2012). Therefore, the important of this relationship should be further investigated in this study because it will affect the person behavior in paying zakat.

#### 2.04 PERCEIVED CORPORATE CREDIBILITY AND COMPLIANCE BEHAVIOR

Perceived corporate credibility explains how far the perceptions of customer toward the ability to execute its promise and sincerity in revealing the truth (Newell & Goldsmith, 2001). The link between perceived corporate credibility and zakat compliance behavior is crucial because the positive perception of zakat institutions will enhance the person in paying zakat on saving. Previous study indicated that zakat payer refuse to pay zakat to the zakat institution because they have a negative perception towards zakat institution in managing the distribution of zakat funds (Sanep & Hairunnizam, 2004). Consequently, they will pay zakat directly to the zakat recipients that they feel eligible to receive the funds. This condition will lead to lack of fairness to others zakat recipients because only zakat institution has the information of the eligible zakat recipients. Because of this, it is important to ensure that zakat institutions have the expertise and trustworthiness in managing and distributing zakat collection.

There was empirical evidence to support the link between perceived corporate credibility and the behavior. In the zakat perspective, the previous study found that perceived corporate credibility significantly related with the intention to pay zakat on employment income (Zainol & Kamil, 2011). The result obtained in other areas also reported the same result which was perceived corporate credibility influenced purchasing behavior (Goldsmith, Lafferty, & Newell, 2000; Lafferty & Goldsmith, 1999). Based on previous empirical evidences, this study also implies that perceived corporate credibility will have a direct influence towards zakat compliance behavior on saving.

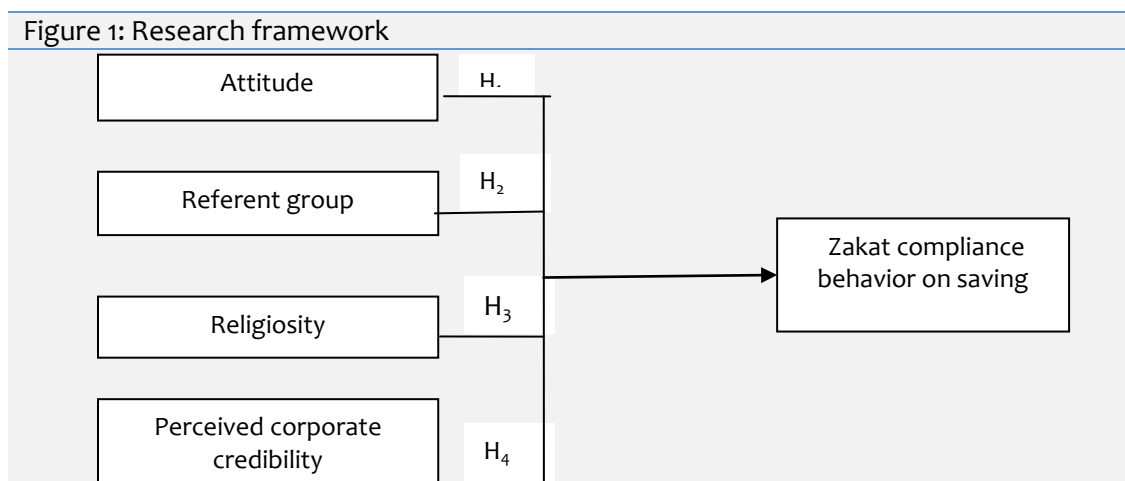
A review of the above literatures suggested that, most of the study only focusing on zakat compliance behavior on employment income and business, only limited literatures that considered the above variables in the context of Zakat on saving. This gap provides support for this study to extend zakat literatures especially in the area of Zakat on saving. Thus, the hypotheses below are suggested:

**H<sub>1</sub>:** Attitude will positively influence zakat compliance behavior on saving.

**H<sub>2</sub>:** Referent group will positively influence zakat compliance behavior on saving.

**H<sub>3</sub>:** Knowledge will positively influence zakat compliance behavior on saving.

**H<sub>4</sub>:** Perceived corporate credibility will positively influence zakat compliance behavior on saving.



### 3.0 METHODOLOGY

This study was cross sectional that data only collected at one point in time. Simple random sampling was conducted to distribute the questionnaires. The respondent involved is individual Muslim employees who are working as academic and non-academic in Universiti Utara Malaysia. According to Roscoe (as cited in Sekaran & Bougie, 2012), the general rule to identify the sample size is more than 30 and less than 500 for any area of researches. In this present study, the selected sample size is 80. Hence, it is appropriate. The respondents selected in this study also liable to pay monthly tax deduction (MTD). The lowest amount to pay income tax is around RM33 000 annually and above (Lembaga hasil Dalam Negeri, 2013) while the amount of nisab is around RM11 499 in a year (Jabatan Zakat Negeri Kedah, 2014). This illustrates that the person who is liable to pay tax is also liable to pay zakat. Besides, they will receive monthly salary and might set aside some of the amounts for their future. Thus, they required paying zakat on saving if the amount fulfilled the requirement of haul and nisab. In addition, Universiti Utara Malaysia was chosen because it is among the largest organization that has many employees who are subject to MTD in Kedah. This study choose Kedah because the calculation of zakat in Kedah is based on the last amount reported during the year (Jawatankuasa Fatwa Negeri Kedah, 1985) while other states in Malaysia the calculation is based on the lowest amount reported during the year.

The questionnaire was divided into two parts. The first part is for the demographic respondents and the second part is for all items (variables of attitude, the referent group, religiosity, perceived corporate credibility and zakat compliance behavior on saving). Respondents were asked to indicate whether they agree or disagree on a five-point Likert scale with "1" strongly disagree to "5" strongly agree. The items used to measured attitude were adapted from (Ajzen, 2002). Another variable which are referent group and perceived corporate credibility were adapted from (Zainol, 2008) and religiosity was adapted from (Kamil, 2002). There were three items on attitude, four items on referent group, twelve items on religiosity and four items on zakat compliance behavior.

### 4.0 FINDINGS

This part presents the research findings. It begins with explaining the demographic characteristics of the respondents and variables. Then, the result of reliability and validity test for the instrument is presented. Lastly, respondents' perceptions on paying zakat on saving from the perspectives of attitude, the referent group, religiosity and perceived corporate credibility were analyzed.

#### 4.01 DESCRIPTIVE ANALYSIS

A total of 150 questionnaires were distributed to the respondents working at Universiti Utara Malaysia. Out of these, 92 respondents returned the completed questionnaires, but only 80 questionnaires can be used for further analysis. 59% of the respondents were female, while 41% were male. Age of the respondents in the range of 20-30 years old were 29%, 31-40 years old were 35% and 41 years old and above were 36%. Most of the respondents had a monthly income around RM2000-RM3000 (45%). In contrast, 21%, 20% and 14% were in the range of RM3001-RM4000, RM4001-RM5000 and RM5001 and above respectively.

A basic descriptive analysis was performed to identify the average score and the standard deviation for the constructs of attitude, referent group, religiosity, perceived corporate credibility and zakat compliance behavior on saving as shown in Table 1. The value of standard deviation of all the items is below 2.

#### 4.02 RELIABILITY ANALYSIS

Table 1 also illustrated the reliability coefficients for all the constructs. These coefficients were obtained from reliability analysis of each construct. Reliability analysis was conducted to ensure the consistency of the items applied in this study. Cronbach's alpha test was performed to measure the internal consistency. The result of the analysis for the construct of attitude, the referent group, religiosity, perceived corporate credibility and zakat compliance behavior on saving were 0.75, 0.97, 0.84, 0.95 and 0.90 respectively. The values of reliability coefficients were more than 0.70 which is good (Hair, Black, Babin, & Anderson, 2010).

Table 1: Descriptive statistics on variables

Variable/ constructs	Mean	Standard Deviation
Attitude ( $\alpha = 0.75$ )		
1) Responsibility	4.63	0.603
2) Not my priority	4.51	0.711
3) Feel guilty	4.19	1.045
Referent group ( $\alpha = 0.97$ )		
1) Agree	3.94	1.060
2) Think	3.94	1.035
3) Encourage	3.94	0.932
4) Advice	3.76	1.046
Religiosity ( $\alpha = 0.84$ )		
1) Involvement in Islamic organization	1.94	0.876
2) Committee members	2.03	0.914
3) Fiqh class	2.98	0.914
4) Tauhid class	2.94	0.932
5) Islamic talk	3.59	0.688
6) Pay zakat to the qualified person	2.99	1.142
7) Contact zakat institution	1.80	0.818
8) Television program	4.10	0.722
9) Listening to radio	3.53	0.842
10) Listening to compact disk	3.13	1.072
11) Read Islamic book	3.60	0.648
12) Involvement in mosque activities	2.99	0.819
Perceived corporate credibility ( $\alpha = 0.95$ )		
1) Great amount of experience	3.96	0.754
2) Skilled	4.01	0.771
3) Great expertise	4.01	0.771
4) Does not have much experience	3.95	0.926
5) Trust	4.18	0.689
6) Truthful claims	4.04	0.737
7) Honest	4.07	0.725
8) Do not believe	4.25	0.849
Zakat Compliance ( $\alpha = 0.90$ )		
1) Pay to Jabatan zakat Negeri Kedah	3.89	1.091
2) Pay every year	3.94	1.023
3) Do not miss to pay zakat	3.88	1.129
4) Contact zakat institutions	3.23	1.253

#### 4.03 FACTOR ANALYSIS

Factor analysis was conducted to confirm the variables of attitude, the referent group, religiosity, perceived corporate credibility and zakat compliance were a different construct. Principle component analysis with varimax rotation was applied to all the items. Then, the known factors were used as the inputs for regression analysis. The Kaiser-Meyer-Olkin (KMO) values for attitude, the referent group,

religiosity, perceived corporate credibility and zakat compliance behavior on saving were 0.70, 0.85, 0.78, 0.89 and 0.80 respectively. The results obtained were more than the suggested value of 0.70 (Hair, Anderson, Tatham, & Black, 1998). The Bartlett's Test of Sphericity for all the variables also was statistically significant at 0.000 levels. It showed that factor analysis was suitable to be conducted. The results also verify that all the variables were a different construct because all the items applied to measure the variables were loaded on the same factors.

#### 4.04 CORRELATION ANALYSIS

Pearson correlation was performed to investigate the correlation between the variables. Table 2 below showed the result for the intercorrelation between variables. (Cohen, 1988) stated that if the value of correlation coefficient either in positive or negative sign lies between 0.10 to 0.29, the correlation is weak, while if the value lies between 0.30 to 0.49, the correlation is medium and if the value lies between 0.50 to 1.0, it is strong correlation. In this study, religiosity showed a weak correlation with zakat compliance, while the other variables (attitude, the referent group and corporate credibility) were found to show the moderate correlation with zakat compliance. Correlation analysis also can be applied to detect multicollinearity problem. The correlation values for all the variables were below 0.80 that implies there is no crucial multicollinearity problem (Hair et al., 1998).

Table 2: Intercorrelation between variables

	Attitude	Referent group	Religiosity	Corporate credibility	Zakat compliance
Attitude	-				
Referent group	0.265*	-			
Religiosity	0.259*	0.207	-		
Corporate credibility	0.282*	0.340**	0.025	-	
Zakat compliance	0.303**	0.475**	0.197	0.447**	-

\* correlation is significant at the 0.05 (2-tailed)  
 \*\* correlation is significant at the 0.01 (2-tailed)

#### 4.05 MULTIPLE REGRESSION ANALYSIS

In order to investigate the relationship between each independent variable (attitude, religiosity, referent group, perceived corporate credibility) with the dependent variables of zakat compliance behavior on saving, multiple regression analysis was conducted in this present study. The result was presented in Table 3, indicating that 34% of the variance in zakat compliance behavior on saving can be predicted by the variables of attitude, referent group, religiosity and perceived corporate credibility while the remaining 66% can be explained by other variables. With regards to the independent variables, attitude ( $t = 1.820$ ,  $p < 0.10$ ), referent group ( $t = 3.136$ ,  $p < 0.01$ ), religiosity ( $t = 2.074$ ,  $p < 0.05$ ) and perceived corporate credibility ( $t = 2.950$ ,  $p < 0.01$ ) were found to be significantly related with zakat compliance behavior on saving. Attitude was considered because this study is an early stage of the study. There is had been limited study conducted to describe the elements of attitude in the context of zakat on saving. The significant level ( $p < 0.10$ ) can be accepted when the sample size is small (Hair et al., 2010). Thus, this study provided support for H1, H2, H3 and H4.

Table 3: Results of multiple regression analysis

	Un-standardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
Constant	10.179	2.633		3.867	.000
Attitude	.356	.196	.173	1.820	.073***
Referent Group	1.243	.396	.315	3.136	.002*
Religiosity	.752	.363	.190	2.074	.042**

Corporate credibility	1.147	.389	.291	2.950	.004*
Notes: * p<0.01, **p< 0.05, ***p< 0.10 Adjusted R <sup>2</sup> = 0.336, F – statistics = 10.999, Sig at 0.000					

## 5.0 DISCUSSION

This study was conducted to identify the factors that influence zakat compliance behavior on saving among individual Muslim employees. There were four hypotheses statement. Previous literatures show that, attitude and religiosity were among the internal factors that influence zakat compliance behavior, while referent group and corporate credibility were the external factors. Besides, literatures that considered this relationship in the context of zakat on saving are hardly to be found. Thus, this study further investigated the important of these relationships in complying to pay zakat for saving. There are also limited literatures that investigated the relationship between corporate credibility and zakat compliance behavior.

Based on social learning theory, (Bandura, 1977) also emphasize that individual will learn from his or her direct experience and the environmental factors. Result of this study provides support that all the variables positive and significantly influences zakat compliance behavior. The first variable which is the attitude found to significantly influence zakat compliance behavior on saving. The positive relationship shows that the employees who have the positive perceptions in paying zakat on saving will fulfill their responsibilities in paying zakat. This finding was consistent with previous studies that investigate this relationship in the context of zakat on employment income (Kamil, 2002; Zainol et al., 2009) and zakat on business (Ram Al Jafri et al., 2009).

Another important variable which is referent group also found to be positive and significantly influence zakat compliance behavior on saving. It is also become the most important factor ( $b=.315$ ) that influences zakat compliance behavior on saving and not the factor of religiosity. This implies that the employees always seek any advice or suggestion regarding the payment of zakat on saving from their friends. Religiosity become the less important factor might be because of zakat payers pay directly to zakat recipients. It means that they do not comply in paying zakat to zakat institutions. The result was also aligned with previous studies that also investigate the relationship between subjective norms and zakat compliance intention behavior on saving (Farah Mastura & Zainol, 2013) and other zakat compliance areas (Sanep et al., 2011; Zainol et al., 2009). It is proven that the result of the referent group either based on the intention or actual behavior will indicate the same result. This study show that this variable really crucial in identifying the factors that influence zakat compliance behavior on saving.

Besides the variables of attitude and referent group, religiosity also showed positive and significant relationship with zakat compliance behavior on saving. This study also parallel with the result reported in other zakat compliance area which is zakat on employment income (Zainol, 2008) and zakat on business (Kamil et al., 2012). The same finding also had been reported in previous studies in other areas that investigated the relationship between religiosity and behavior (Ateeq-Ur-Rehman & Muhammad Shahbaz, 2010; Syed Shah et al., 2012).

In addition, result of this study also showed that perceived corporate credibility positive and significantly influences zakat compliance behavior on saving. This finding also similar with the previous study reported in the context of zakat on employment income (Zainol & Kamil, 2011). The result indicates that employees concern on what have been done by zakat institutions in managing the collection and distribution of zakat funds. Thus, zakat institutions should make a proper plan and organize activities like campaign, talk, workshop and many more in increasing level of awareness among zakat payers on the important of paying zakat especially zakat on saving. These activities also



will portray a good image of zakat institutions in building transparency toward the management of zakat funds and at the same time will enhance them in paying zakat.

There are also some limitations in this study. There is limited scope of participation to generalize the result for a wider population because this study only considered employees who are working in Universiti Utara Malaysia. Besides, the environment in others organization might be the difference that will lead to different perceptions and view towards the payment of zakat on saving. Therefore, it is suggested that future research should extend this research to generalize to the wider population. Other variables also should be investigated for the remaining unexplained variables.

## 6.0 CONCLUSION AND POLICY IMPLICATION

This study indicated that the result suggested were congruent with the previous literatures in explaining zakat compliance behavior on saving. It also provides important implications for the policy maker because if zakat institutions can find out factors that influence zakat payers in paying zakat, more zakat can be collected in the future.

The first variable which is the attitude shows the significant relationship with zakat compliance behavior on saving. The result shows that zakat institutions should make more advertisement by distributing pamphlets, promotes through advertisement board or media like radio, television, newspaper, and internet and so on. It can enhance the positive attitude in paying zakat on saving. Another significant variable is referent group. The result implies that zakat institutions should meet them directly and inform all the employees about their responsibility in paying zakat on saving. It will increase more awareness among the employees about the important of paying zakat. Besides, the employees will persuade their friends to comply in paying zakat on saving. The 'word of mouth' among the employees also will help to disseminate the information faster around the work place. It will encourage more zakat payers in paying zakat on saving.

The next significant variable is perceived corporate credibility. The implication of the result is zakat institutions should be transparent in managing zakat collection and distribution. The amount of zakat collection and distribution should be disclosed to the stakeholder in the annual report every year. Zakat payers who have positive perceptions towards zakat institutions will encourage them to pay zakat every year because they know that the amount that they spend has been wisely utilized. The last significant variable is religiosity. The result implies that zakat institutions should find out more zakat payers in other organization and not only focusing on the persons that come from the Islamic organization like Syariah court, Islamic centre, Islamic financial institution, and so on. Individuals who are working in the Islamic organization have more exposure regarding the obligation of paying zakat or any Islamic matters compare to the person in other organizations. There are a lot of potential zakat payers who still do not realize their obligation of paying zakat.

Based on the previous discussion, a good plan and strategy will lead to the increasing zakat collection in the future. Consequently, there are more zakat funds can be distributed later. This implication also will reduce the level of poverty faced by the country. The development of zakat systems should follow the example of previous zakat systems during the times of Umar Abdul Aziz and Umar Al-khatab. There are excess in zakat funds that indicate no poverty indication among the Muslim society. Therefore, we cannot deny the important of zakat on saving as the third highest collection because it has contributed a lot to the development of Muslims society as well as to the country as the whole.

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