

T.R.
ISTANBUL SABAHATTIN ZAIM UNIVERSITY
GRADUATE EDUCATION INSTITUTE
DEPARTMENT OF ISLAMIC ECONOMICS AND
FINANCE

**AN ASSESSMENT OF ZAKAT AWARENESS FOR
THE BANGSAMORO PEOPLE IN PHILIPPINES**

MA THESIS

Norziana DAUD

Istanbul

February-2024

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This study has been approved in partial fulfillment of the requirements for MA Degree in Islamic Economics and Finance

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This is to certify that this MA thesis/PhD dissertation titled “**AN ASSESSMENT OF ZAKAT AWARENESS FOR THE BANGSAMORO PEOPLE IN PHILIPPINES**” is my own work and I have acted according to scientific ethics and academic rules while producing it. I have collected and used all information and data according to scientific ethics and guidelines on thesis writing of Istanbul Sabahattin Zaim University. I have fully referenced, in both the text and bibliography, all direct and indirect quotations and all sources I have used in this work.



Norziana DAUD

Istanbul, February 2024

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Norziana DAUD

Istanbul, February 2024

ABSTRACT

AN ASSESSMENT OF ZAKAT AWARENESS FOR THE BANGSAMORO PEOPLE IN PHILIPPINES

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The main goal study of this dissertation is to evaluate the awareness levels of *Zakat* within the Bangsamoro community, specifically emphasizing the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM). *Zakat*, a fundamental obligation in Islam, involves a percentage of wealth allocated to designated charitable organizations, as outlined in the Holy *Quran*. Despite its significance, the level of understanding within less developed economies remains uncertain. This research seeks to gauge the awareness of *Zakat* among the Bangsamoro population and explore potential differences in awareness between men and women within the BARMM region. The study focuses on three core categories of *Zakat* awareness: Understanding *Zakat* as an Islamic institution, identifying its various forms, and being acquainted with the different beneficiaries of *Zakat*. The research employed a purposive sampling technique to distribute a survey questionnaire, which was later broadened through a snowball effect, resulting in responses from 224 individuals. The findings indicate notably increased levels of *Zakat* awareness in the area, even in the face of widespread poverty and limited educational access. The research underscores the opportunity for the recently established regional government to harness this widespread awareness by establishing strong frameworks for *Zakat* administration, streamlining collection processes, and ensuring equitable distribution. Such efforts have the potential to yield societal benefits that go beyond individual contributions. The study, thus, underscores the potential for leveraging existing awareness to establish effective *Zakat* systems that could significantly impact societal welfare within the Bangsamoro community.

Keynotes: Awareness, *Zakat*, Bangsamoro Philippines, *Zakatul Maal*

ÖZET

BANGSAMORO FİLİPİNLERİ HALKLARININ ZEKAT BİLİNCİNİN DEĞERLENDİRİLMESİ

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Bu makalenin ana hedefi, Bangsamoro topluluğu içindeki Zekat farkındalık düzeylerini değerlendirmektir, özellikle de Müslüman Mindanao'daki Bangsamoro Özerk Bölgesi (BARMM) vurgulanmaktadır. İslam'da temel bir görev olan Zekat, belirlenmiş hayır kurumlarına tahsis edilen bir servet yüzdesini içerir, Kutsal Kur'an'da belirtildiği gibi. Önemi rağmen, az gelişmiş ekonomilerdeki anlayış düzeyi belirsizdir. Bu araştırma, Bangsamoro nüfusu arasındaki Zekat farkındalığını ölçmeyi ve BARMM bölgesindeki erkeklerle kadınlar arasındaki farklılıkları araştırmayı amaçlamaktadır. Çalışma, Zekat farkındalığı üzerine üç temel kategoriyi odak noktası olarak belirlemektedir: Zekat'ı bir İslam kurumu olarak anlama, çeşitli formlarını tanıma ve Zekat'ın farklı yararlanıcılarıyla tanışma. Araştırma, bir amaçlı örnekleme tekniği kullanarak bir anket soru formunu dağıtmak için genişletilen bir kar topu etkisi yoluyla 224 bireyden alınan yanıtlarla sonuçlanan bir anket soru formunu dağıttı. Bulgular, bölgedeki Zekat farkındalık düzeylerinde dikkate değer bir artışı göstermektedir, hatta yaygın yoksulluk ve sınırlı eğitim erişimi karşısında. Araştırma, yeni kurulan bölgesel hükümetin bu yaygın farkındalığı güçlü bir Zekat yönetimi çerçevesi oluşturarak, toplama süreçlerini düzenleyerek ve adil bir şekilde dağıtımını sağlayarak kullanma fırsatını vurgular. Bu çabalar, bireysel katkılardan öteye geçen toplumsal faydalar sağlama potansiyeline sahiptir. Çalışma, mevcut farkındalığı kullanma potansiyelini vurgular ve Bangsamoro topluluğu içinde toplumsal refahı önemli ölçüde etkileyebilecek etkili Zekat sistemlerini kurma olasılığını belirtir.

Anahtar Sözcükler: Farkındalık, Zekat, Bangsamoro Filipinler, Zekatul Maal

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LIST OF ABBREVIATIONS

BARMM:	Bangsamoro Autonomous Region in Muslim Mindanao
ARMM:	Autonomous Region in Muslim Mindanao
RDI:	Regional Darul-Ifta'
RLA:	Regional law-makers
RRL:	Implementing Rules and Regulations
PBUH:	Peace Be Upon Him



CHAPTER I

INTRODUCTION

Zakat, an essential pillar of Islam, embodies both a spiritual obligation and a socio-economic principle. Its literal meaning of “to increase and grow” refers to the purification and growth of wealth through almsgiving. It is seen to cleanse one's wealth, purifying it through the act of giving a portion to those in need. This practice is not just a financial obligation but also a spiritual duty, an expression of devotion and obedience to *Allah (SWT)*. *Zakat* is designed to foster a sense of social responsibility and equity within the Muslim community. It aims to help the less fortunate, alleviate poverty, and promote economic balance. Through this act, Muslims practice self-discipline, detach themselves from material possessions, and cultivate a sense of empathy and compassion for others. By adhering to *Zakat*, individuals learn to prioritize spiritual values over the pursuit of wealth, fostering a society where sharing and caring for one another are foundational principles.

The act of offering alms to those outlined in the Holy *Quran* is known as *Zakat*. *Zakat*, a term deriving from the Arabic root “to purify” or “to cleanse” is one of the Five Pillars of Islam, as documented in the *Quran*. Its primary purpose is to purify one's wealth and possessions by giving a portion of it to those in need. This act of giving is a religious obligation and a fundamental aspect of Islamic finance. The payment of *Zakat* serves multiple purposes: it helps the less fortunate, promotes social cohesion, and diminishes inequalities within society. It is not just a financial duty but also a spiritual one, reinforcing the idea of selflessness and a sense of community responsibility. By fulfilling this obligation, Muslims believe they are not just providing financial support to those in need but also purifying their wealth and souls. This act instils discipline, cultivates empathy, and reduces the emphasis on material possessions, emphasizing spiritual values over the pursuit of wealth. The specifics of *Zakat* - the calculation, the recipients, and the categories of wealth subject to *Zakat* - are derived from Islamic texts, primarily the *Quran* and the *Hadiths*, which serve as the foundational sources guiding this religious practice.

True piety, as described in Ayah 177 of *Surah Baqarah (Qur'an 2:177)*, encompasses a set of beliefs and actions: faith in *Allah (SWT)*, the Last Day, Angels, the Book, and the Prophets. True piety involves charitable giving without reluctance, helping relatives, orphans, the needy, travelers, and beggars, as well as the emancipation of slaves. True piety also includes the acts of prayer and the payment of *Zakat*, signifying the holistic commitment to faith and the compassionate support of others in need. According to Islamic beliefs, Muslims are conscientious about being held accountable for their actions, understanding that on the Day of Judgment, *Allah (SWT)* will judge each person based on their deeds. As the creator of the universe, *Allah (SWT)* is recognized as the ultimate owner of all, entrusting humans with stewardship over His property. Consequently, individuals are obliged to manage their possessions in alignment with divine directives, a defining aspect that sets apart the Islamic economic system from conventional economies. This distinct feature includes the obligation to pay *Zakat*, as highlighted by Nadzri et al. (2012).

There are five essential pillars in Islam, with the payment of *Zakat* representing the third pillar. This obligation entails contributing 2.5% of corporate earnings, assets, gold, silver, and savings (Lewis, 2001; White, 2004). As highlighted by Hoque et al. (2015) Islam dictates the giving of charity (*Zakat*) to support the impoverished in meeting their basic needs. Contrary to conventional taxes, Muslims view *Zakat* as a means of “purification” rather than a mere obligation (Gambling & Karim, 1986). Additionally, Sulaiman (2003) emphasizes that *Zakat* plays a vital role not only in economics but also in the moral and social well-being of society. The *Zakat* of *Maal*, at a rate of 2.5% (two-point-five per cent) of excess wealth, is allocated for philanthropy, specifically to assist the impoverished and those in need, akin to an alms or tithe system for the underprivileged in the Muslim community. This charitable contribution not only serves the welfare of those in need but also promotes equitable sharing. The obligation to both collect and justly distribute *Zakat* is emphasized, marking a religious duty for Muslims to allocate a portion of their surplus wealth (Abubakar, 2011).

Zakat is so deeply tied to the principle of justice that it is often regarded as tantamount to the act of praying. It is an obligation not only involves the collection but also the equitable distribution of funds. Muslims adhere to this religious duty by allocating a portion of their surplus wealth.

Additionally, *Zakat* serves as a method for Muslims to purify themselves from greed, fostering a sense of social responsibility and securing future business prospects. Its societal benefits extend to recipients, relieving them from the indignity of begging and mitigating envy toward the affluent. Adhering to *Zakat* regulations necessitates meeting the *Nisab*, a designated minimum wealth threshold (Gamon & Tagoranao, 2018). Furthermore, the individual is obliged to sustain ownership of this minimum wealth for an entire lunar year. It is only after this consistent possession of a full annual lunar cycle that *Zakat* becomes obligatory to pay. This requirement ensures a level of stability and consistency in one's financial standing, underscoring the deliberate and sustained ownership of wealth as a precursor to fulfilling this charitable obligation within Islamic practice.

According to studies conducted by Aliyu (2017), *Zakat* is one of the most effective ways for the Islamic economic system to create social security, social welfare, and in the context of energy investment work, employee productivity will increase, one of which can be attained through the quality of the work environment. The result of paying *Zakat* is an improvement in employee happiness for organizations that can address their employees' spiritual demands. According to Shehu (2017), *Zakat* payment might result in inner tranquility by fostering self-satisfaction. Employees will experience a greater quality of work life when this is implemented within the context of an organization. *Zakat*, being a cornerstone of Islam and an all-encompassing economic stabilization device, acts as an automatic catalyst with backward and forward implications for resource mobilization, allocation, stabilization, and wealth redistribution (Shehu Usman Rano, 2017).

Zakat, beyond its role in purifying wealth, acts to narrow the gap between the wealthy and the impoverished in society. Historical evidence from the era of Caliph Umar bin Abdul Aziz demonstrates how *Zakat* effectively reduced poverty and redistributed wealth within the ummah, the global Muslim community. This success was facilitated by capable and trustworthy *Zakat* collectors who managed the control, collection, and fair distribution of *Zakat* during that period (Olanipekun et al., 2015). Certainly, *Zakat* encompasses various forms beyond the *Zakat* on wealth, such as *Zakat* on agricultural produce, which involves distinct calculations based on the irrigation method manual or rain-fed. In this study's context, the primary focus centers on *Zakatul Maal*, specifically addressing wealth-related *Zakat*.

The nuances and details of this wealth-centric *Zakat* for a thorough exploration within its defined scope. In Indonesia, there are significant gaps in the implementation of *Zakat* payments, attributed to both unfulfilled *Zakat* collections and unrealized potential. While the majority of Indonesian Muslims understand the obligation of paying *Zakat Maal*, not all meet the *Nisab* threshold.

According to BAZNAS (The National Amil *Zakat* Agency of Indonesia), only 5% of the total *Zakat* potential comes from *Zakat Maal*. The main reason for this discrepancy is the insufficient public awareness regarding the duty to contribute *Zakat Maal* once it meets the *Nisab* threshold. Consequently, there is a pressing need for increased socialization efforts to raise awareness about the obligation of *Zakat Maal* across various sectors of society, as emphasized by Adhiatma & Fachrunnisa (2021).

One of the main challenges in Mindanao is secularism among the Moros. To overcome the difficulties presented by secularism, which may weaken the effects of *Zakat* in reducing poverty, a clearly stated idea of *Zakat* is thus necessary. For the fulfilment of comprehensive poverty reduction on a worldwide scale, a fair and critical evaluation of *Zakat* in the past will undoubtedly provide a well-informed approach to *Zakat* reform (Royle, 2016). As a result, *Zakat* in an Islamic economy is much more than just a foundational principle of Islam or a wealth tax. It was discovered that *Zakat* has a significant impact on the socioeconomic well-being of society, has a favorable influence on resource distribution, promotes economic stabilization, and can achieve distributive justice and social security. Its right use in conjunction with an effective collection and distribution mechanism can resolve the problems of our time. (Shehata,1994), asserts that in the lack of a public treasury (*Baitul-Maal*) and under the needs of the period, the installation of more *Zakat* institutions and the revitalization of existing ones in Muslim-dominated parts of regions, as well as the development of widespread awareness campaigns and openness in its operations, are all necessary.

Though *Zakat* stands as a fundamental Islamic pillar incumbent upon every capable Muslim, its awareness among the Bangsamoro people in the BARMM Region appears uncertain. The lack of comprehensive data impedes an accurate assessment of the issue's depth. Studies indicate that many in the Bangsamoro community give *Zakat* based on personal acquaintances, often overlooking the prescribed rules and regulations.

Consequently, *Zakat* collectors tend to receive less than the rightful amount, contributing to the stagnation of *Zakat* in the region, as observed by Noor & Maruhom (2022). The low level of *Zakat* payments may stem from inadequate awareness among people about *Zakat's* nature, its calculation, and proper distribution. Addressing this awareness gap is vital for assessing the situation and proposing remedies.

The objective of this study is to close the gap by examining the awareness of *Zakat* within the Bangsamoro population. One strength of this dissertation lies in its use of firsthand data obtained through a survey.

1.1 The Statement of the Problem

Due to the mismanagement and non-existence of organizational structure, the *Zakat* institution that administers *Zakat* collection, *Zakat* fails to achieve its specific causes i.e., Disbursement of collection to eligible *Zakat* recipients (Noor & Maruhom, 2022). According to Noor & Maruhom (2022) the majority of respondents always give *Zakat* to people they are obligated to spend money on, such as their parents, children, and others. Based on the Islamic perspective of *Zakat*, those individuals whose member of the family was not allowed to receive the *Zakat*, specifically when it is from the member of the family these persons are not among the eight groups named in the *Holy Qur'an* who would receive *Zakat*, and it is strongly advised that they adhere to *Islam's* principles.

1.2 The Research Questions and the Hypothesis of the Study

Many Bangsamoro individuals give *Zakat* based on personal connections without considering the rules outlined in the *Quran* and *Sunnah*. Consequently, this leads to *Zakat* collectors receiving lesser amounts, potentially hindering the overall improvement of *Zakat* practices in the region. One of the problems of Bangsamoro in the region could be the low awareness of both men and women towards *Zakat* and its types and services. This is one of the other factors associated with its slow development in the region.

1.2.1 Research questions:

How aware are the people of BARMM, Philippines about the *Zakat* institutions there?

How aware are the people of BARMM, Philippines about the Fiqh rulings of *Zakat* calculations?

How aware are the people of BARMM, Philippines with regards to *Zakat* distribution?

Is there a significant difference between men and women in their awareness of *Zakat* institutions?

1.3 Research Objectives Section

The objective of this dissertation is to determine the awareness of Bangsamoro Muslims regarding *Zakat* institutions, Fiqh rulings of *Zakat* collections, *Zakat* distributions, and the significantly different levels of awareness between men and women of people in Bangsamoro, Philippines. Specifically in the region of Bangsamoro Autonomous Region in Muslim Mindanao (BARMM). The study aims are.

1. To determine the awareness of the Bangsamoro on *Zakat* institutions.
2. To determine the awareness of the Bangsamoro on *Fiqhi* rulings of *Zakat* collections.
3. To determine the awareness of Bangsamoro regarding *Zakat* distributions.
4. To identify notable distinctions in awareness between Bangsamoro men and women regarding various types of *Zakat* institutions.

1.4 Limitations of the study

This dissertation exclusively focuses on the Bangsamoro population, utilizing them as the sole respondents. The survey methodology employed due to geographical constraints and time limitations involves the distribution of an online questionnaire via Google Forms. Distribution was facilitated through social media platforms, personal outreach, and networking within the Bangsamoro community. Respondents, aged between 18 to 60 years and above, were targeted. Despite efforts, achieving the desired sample size was hindered by the researcher's absence from the area. A significant challenge faced was the scarcity of comprehensive studies on *Zakat* awareness, particularly within the BARMM region.

Limited resources necessitated the use of online surveys. The study aims to assess awareness levels among Bangsamoro regarding *Zakat*, its types, and beneficiaries as prescribed in religious texts. The questionnaire seeks insights into reasons behind lower-than-expected *Zakat* collections, attributed in prior research to a lack of awareness about *Zakat* and poverty. Thus, the survey questionnaire was developed to address this issue.

1.5 The Scope and Content of the Thesis

The scope and content of this thesis, basically Bangsamoro people are the target of this dissertation specifically in the Bangsamoro Regions also known as BARMM. The Philippines is divided into three islands Luzon, Visayas, and Mindanao. It is in the southern Philippines, which is called Mindanao most Muslims live, and it is well known as the BARMM Region nowadays. Republic Act No. 11054, also recognized as the Bangsamoro Organic Law (BOL) or the Bangsamoro Basic Law (BBL), was enacted to create the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) in the Philippines.

The Bangsamoro newly established government for the people of Bangsamoro is in Mindanao (AA, 2021). As per the Philippine Statistics Authority (PSA) 2020 Census of Population and Housing, the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) had a population of 4,404,288 as of May 1, 2020. This accounts for around 4.04% of the total Philippine population. The provinces within BARMM include Maguindanao, Lanao Del Sur, Sulu, Tawi-Tawi, and Basilan. In 2020, Maguindanao had the highest population at 1,342,179, followed by Lanao del Sur with 1,195,518, Sulu with 1,000,108, and Tawi-Tawi with 440,276. Basilan had the lowest population at 426,207. BARMM is comprised of 116 municipalities, 2,490 barangays, and two constituent cities.

1.6 The Importance and Original Contribution of the Thesis Subject

The importance of this study served as the basic step for the Bangsamoro people to play a role as a Muslim ummah in the region by living and practicing the ways of life as a Muslim. By performing the right which is stated in the holy *Qur'an*. It could be a first step in the region to empower and nurture the *Zakat* in the region. By doing so, we could be able to encourage the Bangsamoro people to give *Zakat*.

The researcher embarked on a study concerning *Zakat* to evaluate the awareness levels among the Bangsamoro community. Limited literature on this topic within the BARMM region and the Philippines prompted the researcher to investigate further. Initial inquiries sought to understand why *Zakat* collections were lower than expected, with a hypothesis suggesting a link to inadequate awareness and prevalent poverty in the region. While existing resources primarily originated from Malaysia and Indonesia, they lacked conclusive evidence to pinpoint the root cause of the ongoing issue. Consequently, the researcher identified the need for a study on *Zakat* awareness to provide insights and address prevailing challenges. This research not only establishes a foundation for future scholars but also offers valuable insights for academics and individuals interested in the subject matter. The originality of this thesis contributes as a significant reference for researchers intending to delve deeper into *Zakat* studies within the BARMM Region.

Focusing on related topics such as *Zakat*, *Waqf*, and *Islamic* principles presents an opportunity to address contemporary issues in the region, potentially enhancing socioeconomic conditions, especially in underdeveloped areas. By promoting understanding of *Zakat's* fundamentals, society can cultivate awareness and instill these principles in future leaders, aligning with the teachings of the *Qur'an* and the *Hadith* of Prophet Muhammad (*Peace Be Upon Him*). Recognizing the social rights embedded in wealth distribution, particularly the obligation to pay *Zakat* to assist the less fortunate, fulfills a fundamental pillar of Islam and fosters equitable resource distribution in society. The study is structured as follows, the theoretical framework section discusses *Zakat* broadly, covering its principles, recipients, and conditions, elucidating the institution of *Zakat* to grasp its purpose. In section three, a literature review is provided, encompassing analogous studies that evaluate *Zakat* awareness in different regions. Chapter four outlines the methodology and data collection process, with the subsequent outcome assessment which is presented in section five. The final portion is section six, comprises the conclusion, recommendations, a summary, and policy implications drawn from the study.

CHAPTER II

LITERATURE REVIEW

2.1 Exploring *Zakat*: A Conceptual Overview

Humanity, designated as the representative of *Allah (SWT)* on world, has a distinct purpose of worshipping the Creator and managing the countless blessings bestowed, including wealth held in trust. Every action, including wealth expenditure, will be scrutinized on the Day of Judgment.

“Then you'll be questioned about all of your delights (you enjoyed in the world)” (Al-Quran 102:8) underscores this accountability for wealth management.

The Islamic principle dictates that acquiring wealth through lawful means is obligatory, and in parallel, Muslims are obligated to distribute affluence in accordance with the directives of *Allah (SWT)*. Islam stipulates a portion of entrusted wealth of privileged individuals rightfully belongs to the poor and needy in society. It is a religious financial obligation for the affluent to ensure this wealth reaches its rightful recipients, aiming to diminish poverty. Charity holds a pivotal role in a Muslim's financial planning, encouraging support for those in need, with *Zakat* to be donated when one's wealth meets the *Nisab*, with precise calculations and full payment. While *Sadaqat* holds no specific limits, *Zakat* entails exact amounts to be meticulously calculated and fulfilled. Any additional payments exceeding *Zakat* requirements are formerly regarded as *Sadaqat*.

2.2 *Zakat* Purpose

Each directive from *Allah (SWT)* holds meaningful objective and is intended on welfare of humanity. Concerning charitable responsibilities in *Islam*, their objectives can be broadly classified into two key areas: spiritual and economic. The payment of *Zakat*, in this context, functions as a purification of wealth, inviting *Allah (SWT)*'s blessings and nurturing economic prosperity. According to (Maudūdī, 1988) wealth remains impure when one fails to fulfil the rights owed to *Allah (SWT)*'s servants. Spiritually, acts of charity, particularly *Zakat*, cleanse sins and eliminate undesirable traits linked to wealth accumulation, such as selfishness and greed.

Quranic verses reinforce the spiritual and economic implications of charity, emphasizing the destruction of interest and the increase in charitable giving as well as the manifold benefits resulting from spending in *Allah (SWT)*'s cause. From an economic standpoint, *Zakat* plays a vital role in guaranteeing that every member of society can fulfill their fundamental requirements. Fostering economic equilibrium and stimulates demand, especially within the lower-income segment. This mechanism contributes to a more stable economy as the poor are consistently cared for, allowing the wealthy to demonstrate compassion while purifying themselves. *Allah (SWT)*'s directive highlights the purification and increase stimulated by charitable acts.

“Allah (SWT) destroys interest, increases charitable giving, and despises every disbeliever who commits sins” (Al-Qur’an 2:276).

The earlier verses imply an economic influence in terms of charitable contributions and *Zakat*, bringing advantages to both the donor and the recipient. Economically, *Zakat* ensures every societal member meets their basic needs, fostering economic stability and driving demand, particularly among the lower-income populace. This mechanism is anticipated to bolster economic stability by consistently supporting the impoverished. It allows the affluent to demonstrate compassion towards the less privileged while purifying themselves. *Allah (SWT)*'s directive in (9:103) emphasizes using charity to purify and increase wealth, invoking *Allah (SWT)*'s blessings, providing reassurance, and underlining *Allah* omniscience and understanding.

“Collect from their wealth a charitable offering to purify and bless them. Your prayers provide comfort to them, and Allah (SWT) is All-Hearing and All-Knowing” (Al-Qur’an 9:103).

Prayer and Alms Purification (*Zakat*) have long been key pillars of the Islamic faith. *Zakat* is one of Islam's five pillars, and it was mandated by *Allah* as part of a Muslim's obligatory religious responsibility. *Zakat* is a non-negotiable obligation for Muslims, and it is not up to individuals to decide whether to execute it. If this is the case, then those who are not religious will not pay *Zakat*, but those who are religious will. As a result of the preceding ayah, *Allah* has made *Zakat* the third pillar of *Islam*, equal in significance to prayer. *Zakat* plays a significant role in preserving population equality. *Allah* has given *Zakat* as a remedy to Islamic Social and Economic concerns.

The significance of *Zakat* as a pillar of Islam must be fully grasped, particularly in the creation and maintenance of humanity. Any Islamic civilization would be debilitated if *Zakat* is not institutionalized.

2.3 The Recipients of *Zakat*

The *Quran*, specifically in *Surah At-Taubah* (9) verse 60, provides detailed guidelines on the recipients of *Zakat*, extending beyond the poor and needy. It designates eight distinct beneficiary groups: the needy, poor, *Zakat* administrators, slaves seeking liberation, those whose hearts need reconciliation (inclusive of financially challenged new Muslim converts), debtors facing essential needs, individuals marooned without access to their financial resources and in the name of *Allah* cause. These categories illustrate the broader purpose of *Zakat*, encompassing diverse socio-economic scenarios and underscoring the comprehensive obligation to support various individuals in society, ensuring the welfare and inclusivity of those facing distinct forms of financial challenges and hardships.

“Allah is the Knower and the Wise; a responsibility imposed by Allah; alms are only for the poor and needy, and those who collect them, and those whose hearts are to be reconciled, and to liberate the prisoners and debtors, and for Allah (SWT)'s sake, and (for) the wayfarers”. (Al-Qur'an, 9:60).

Zakat in Islam serves as a multifaceted tool, not just addressing economic dimensions but also promoting social welfare. Its potential lies in managing resources effectively and ensuring human welfare through strategic distribution among those entitled to receive it. The objectives of *Zakat* align with enhancing communal well-being, necessitating its collection and management through established institutions. The complexity of *Zakat* issues demands a collective approach as a national responsibility, transcending individual efforts. Effective resolution requires the state's intervention, appointing competent administrators capable of managing *Zakat* efficiently, aligning with the insights of (Al Qardawi, 2000). This highlights the societal, economic, and administrative aspects critical in realizing the full potential and benefits of *Zakat* in *Islam*.

Financial knowledge entails comprehending financial ideas, financial markets, and their functioning, as well as the rules governing investment and finance. In the case of *Zakat*, information and knowledge are required to ensure that people who are obligated to pay *Zakat* on their wealth do so correctly and on time.

Zakat on wealth is imposed exclusively on legal wealth and assets (Mohsin et al., 2011), and it is assessed at a rate of 2.5 percent (AlMatar, 2015). *Zakat* behaviors are acts made to guarantee that *Zakat* payments are paid appropriately and on time in the context of *Zakat* payment. For example, a *Zakat* literate individual will ensure that the contribution made is equal to 2.5 per cent of the eligible banking deposits and that it is paid yearly. Almsgiving, or *Zakat*, stands as a fundamental pillar of *Islam*, entailing the donation of 2.5% of one's excess wealth to assist the less fortunate. It parallels the concepts of alms and tithes, supporting the less fortunate within the *Muslim* community. This practice primarily aims at contributing to welfare by fostering shared wealth. *Zakat* collection is obligatory, but equally important is its fair distribution. Muslims fulfil their religious duty by not just collecting *Zakat* but also by contributing a portion of their surplus funds to those in need. *Zakat* is held in high regard among Muslims, often likened to the significance of prayer due to its association with justice. It serves as a means for individuals to cleanse themselves of greed and selfishness while securing their future endeavors.

Moreover, *Zakat* not only purifies the giver but also uplifts the recipient by preventing the humiliation of begging and eliminating envy towards the wealthy. In *Islam*, the centrality of *Zakat* is crucial; those who are affluent and capable but neglect this obligation face severe penalties for non-compliance. Muslim jurists concur that *Zakat*, a form of Islamic charity, is mandatory under specific conditions. Those obligated to pay *Zakat* must have reached the age of puberty, possess mental stability, and not be enslaved, in addition to owning wealth that meets or surpasses the minimum threshold known as *Nisab* (Gamon & Tagoranao, 2018). When wealth exceeds this *Nisab*, *Zakat* becomes obligatory. Various forms of wealth, such as inventory prepared for sale, also fall under *Zakat's* purview but might not be mandatory if the amount falls below the *Nisab*. *Nisab* is the minimum threshold that renders an individual liable to pay *Zakat*. *Zakat* pertains to different forms of wealth like employee salaries, jewelry, and agricultural produce, each with distinct calculations and conditions that may evolve.

According to Ismail & Abidin (2020), *Zakat* stands as a vital economic instrument in Islam, governed by a set of regulations due to its religious significance. Their research delved into the awareness of *Zakat* obligations among university students.

The study aimed to explore how various independent variables, such as religious belief, knowledge, attitude, and promotional mediums, influence awareness of *Zakat* duties. The research reveals a strong, positive correlation between religion, knowledge, attitude, modest promotional efforts, and the awareness of *Zakat* obligations. Utilizing multiple regression analysis, they concluded that factors such as religion, knowledge, attitude, and moderate promotion distinctly influence and shape the comprehension of *Zakat* responsibilities among university students.

Similarly, Senawi et al. (2021) research endeavor led by Senawi and colleagues, the focus was on examining how awareness of *Zakat* specifically its obligations and *Nisab* affected contributions during the unprecedented COVID-19 period. Using a self-administered questionnaire, the study intended to identify any correlation between the awareness levels and the actual contribution patterns of *Zakat* during the pandemic. Contrary to expectations, the results revealed an unexpected discovery: no significant connection between the degree of awareness regarding *Zakat* and the tangible *Zakat* contributions during crisis period. This outcome implies that despite the challenges posed by the pandemic, individuals fulfilling *Zakat* obligations continued their payments, demonstrating a steadfast commitment to honoring this religious duty even amidst difficult times.

According to Ab Rahman et al. (2012), If a country's poverty is reduced as the Gini coefficient falls, social welfare can be realized. One of the most significant means of economic altruism in Muslim countries is the practice of *Zakat*, promoting wealth and income transfer. In Indonesia, *Zakat* has a Rp 286 trillion potential while the actual *Zakat* collection in 2015 was just Rp 3.7 trillion. The study intends to identify the following: Based on historical data for the foreseeable future and the method Muslim countries use to collect *Zakat*, this study forecasts *Zakat* collection in Indonesia. With yearly data collected from 2005 to 2015, the researchers employed a multiplicative decomposition forecasting approach. Furthermore, Muslim countries utilize a variety of *Zakat* systems. Since Indonesia only has a voluntary *Zakat* system, the amount of *Zakat* collected in the future may be affected. The finding may become a base to inform the policymakers regarding the managing collection of *Zakat* by the management.

Certainly, Sachfurrohman et al., (2020) emphasized that *Zakat* as a fundamental aspect of the Islamic faith is designed to create a balanced financial ecosystem between those who give and those who receive aimed at fostering a fair economic environment. Indonesia, being home to nearly 200 million Muslims holds a significant position as one of the world's largest Muslim-populated countries with a substantial economic presence. This demographic advantage presents Indonesia with a considerable potential to utilize *Zakat* to uplift the economic conditions of the less privileged.

One significant approach involves utilizing *Zakat* as a form of community capital, a strategy that positively influences economic development while addressing disparities in wealth distribution. This strategy, which channels *Zakat* funds into business capital, effectively empowers communities and individuals, offering a sustainable means to meet their needs. This approach, differing from *Zakat*, focuses on consumption, and works to cultivate productive businesses, leading to gradual economic growth as productivity is enhanced. Khuluqo (2016) highlights the crucial role of the government in realizing the fundamental objectives of *Zakat*. However, challenges arise in implementing government-administered *Zakat* due to the historical absence of state involvement in *Zakat* collection. Reinstating government participation requires addressing divergent opinions on this issue. The potential to harness the benefits of incorporating *Zakat* within government financial policy serves as a compelling reason.

Khuluqo (2016) contends that the government's involvement is pivotal for effective *Zakat* collection, emphasizing that this integration could significantly enhance public trust in governmental systems. *Allah (SWT)* has declared Islam to be a recognized religion. Islam is a good religion to follow and put into practice in any period. Islam's wholeness serves as evidence of its glory. Not only was the Islamic *Shariah* established on doctrine and worship, but it also placed a strong focus on constructive effort in raising man's quality of life by fostering awareness in economic and social action. With recent advancements in economics across the world, economic activity has become increasingly complicated. The importance of government involvement is crucial.

During the pandemic, most people around the globe were experiencing job loss and crisis. A substantial percentage of today's youngsters are facing a job and food crisis. In Indonesia, the same occurrence occurs. Many individuals have lost their jobs, with Muslims accounting for more than 86 per cent of Indonesians. If the economy does not improve, there will still be a great deal of social and economic misery. *Zakat* is a reasonable way to raise the standard of life and boost expenditure as an alternative to the above-mentioned dilemma. Thus, to spread understanding of *Zakat*, political support from the government is now crucial. The involvement of the government is necessary to attain the primary purpose of *Zakat* (Khuluqo, 2016).

According to Abdullah & Suhaib (2011) In an Islamic order, *Zakat* is the most fundamental and significant system. Understanding its nature, structure, and function is enhanced when viewed within the framework of the Islamic way of life. Therefore, it is crucial to elucidate Islamic fundamental values and underscore *Zakat* as the central social institution. The teachings of the *Quran* and *Sunnah* have established a social framework grounded in strength and stability, highlighted by the *Zakat* and other *Sadaqat* systems. Given its pivotal role in Islamic doctrine, *Zakat* actively contributes to the spiritual and social life of Muslim societies. Beyond being essential and obligatory, *Zakat* stands as a fundamental pillar for societal stability as both an institution and a system. The *Zakat* system ensures fair wealth distribution and wields a significant impact on society. It concludes that establishing *Zakat* as an institution would create a communal social security program for mutual support and sympathy, and resources would be better allocated to society's growth. The major purpose of the study is to create knowledge about the main issue among all sectors of society, notably intellectuals, elites, and policymakers, the research paper focuses on two things: first, explaining the relevance of *Zakat* as an institution and the impact of *Zakat* on Muslim societies social life; and second, furthering additional research on the impact of *Zakat* on Muslim societies social life so that *Zakat* can be established as a permanent institution. The establishment of permanent institutions in Muslim society could be one of the great achievements and lead to a bright future among the ummahs from the present generation.

Whereas, according to Yusfiarto et al., (2020) One of the most essential instruments in Indonesia's economic growth is *Zakat*. This is essential because, although Indonesia's potential has not yet been completely realized, it can mobilize resources for economic growth by empowering specific elements of society.

According to empirical data, *Zakat* giver knowledge and attitude have an impact on his intentions, which are a deciding factor in behavioral adjustments. To investigate and assess the impact of *Zakat* literacy on Indonesian Muslims' desire to pay *Zakat*. To investigate the intention to pay *Zakat* from a variety of perspectives. Planned behavior theory. The study uses an AMOS software-based structural equation modelling (SEM) technique using a sample of 200 *Zakat* giver. The findings suggest that the hypothesis was accepted. This can be inferred that the *Zakat* giver greater levels of attitudes, subjective norms, and literacy about *Zakat* will have consequences for the *Zakat* giver higher intention in his *Zakat* payment compliance.

Furthermore, Doktoralina et al. (2020) claimed in their study that *Zakat* is *Islam's* most potent tool for helping the underprivileged across the world. *Zakat* aids in the reduction of poverty by improving the economic empowerment of *Zakat* recipients. The goal of the study was to look at the impact of *Zakat* hashtags in enhancing the *Zakat* supply chain and the economics of *Zakat* beneficiaries. In addition, the study looked at the role of *Zakat* knowledge as well as marketing politics. Data was obtained from various personnel of Indonesian *Zakat* collection entities to meet the study's goal. The data was then examined using structural equation modelling with partial least squares (PLS-SEM). According to the report, *Zakat* hashtags have a significant impact in raising *Zakat* awareness. It also contributes significantly to the expansion of marketing policy. The *Zakat* supply chain is increased because of increased awareness of *Zakat* and marketing politics, a process that finally enhances the level of economic empowerment of beneficiaries. One of the very useful materials to spread the news and any other project was the internet, it is one of the best choices to spread awareness among people not just from one place but also around the globe.

Firdaus et al. (2012) point out the challenge of *Zakat* collection arising from contributors' lack of understanding. Insufficient knowledge might lead to reluctance to fulfil this religious duty. Educating *Zakat* payers about its fundamental concepts is pivotal as highlighted by C. M. Doktoralina (2016). Awareness plays a crucial role in the *Zakat* supply chain. Firdaus et al. (2012) propose that educational level, financial income, and employment status exert a significant influence on the nature and frequency of *Zakat* payments. A deeper comprehension enables a more informed approach toward resolving pertinent issues.

By understanding the intricacies of this religious obligation, individuals are better equipped to address the challenges and contribute effectively to fulfilling *Zakat* duties. The consciousness behind a person's financial transactions is linked to awareness of financial-related behavior. Because she is aware of the ramifications Hoyt & Murphy (2016) on her financial well-being, a highly financially literate individual is expected to be judicious in spending her money within her means. A person who is well-versed in the subject of *Zakat* is supposed to be aware of the requirement of qualified Muslims to pay *Zakat*. And, because *Zakat* is a religious responsibility, she is required to be aware of the consequences for those who do not pay their *Zakat* obligations. The academic discourse on *Zakat* remains significant, yet studies focusing on its awareness are notably limited. While some studies gauge how awareness alters with various factors, there is a distinct absence of research concentrating on *Zakat* awareness within the Bangsamoro region, Philippines. This study is pivotal in bridging this gap, offering a unique exploration.

The complexity of *Zakat*, encompassing calculations, types, and recipients, distinguishes it from *Sadaqat*. Understanding its multifaceted *Fiqh* rulings is crucial for its appropriate fulfilment, as ignorance could lead to *Sharia*-related issues. Evaluating public awareness of *Zakat* is a crucial initial step in addressing any prevalent issues, underscoring the importance of recognizing and rectifying any lack of understanding among the populace. *Zakat*, a focal pillar in Islam, remains a subject of scholarly interest, yet research investigating its awareness is strikingly limited. Although extant studies often explore how awareness alters due to various factors, a notable gap emerges in understanding *Zakat* awareness within the Bangsamoro region of the Philippines. This unique study endeavors to bridge this gap by delving into the awareness of *Zakat* within this specific demographic. Understanding *Zakat* extends beyond mere charity; it involves intricate calculations, multiple recipient categories, and diverse forms. Comprehending its *Fiqh* aspects is essential to avoid potential *Shariah*-related issues in its execution. Evaluating public awareness represents a pivotal first step in correcting any misconceptions that may exist.

The dearth of literature exploring *Zakat* awareness, specifically within the Bangsamoro region, is a conspicuous gap in scholarly inquiry. Many studies focus on understanding how awareness changes due to varied influences yet fail to address awareness intricacies in this specific Islamic community.

Offering a fresh perspective on the *Zakat* awareness paradigm in this area. *Zakat* surpasses ordinary charity, involving complex calculations and diverse recipient types. Fiqh aspects of *Zakat* are critical for its accurate execution to avoid potential Shariah-related pitfalls. Assessing the community's awareness is the initial stride in rectifying potential misunderstandings and promoting a more informed approach to *Zakat* within this region. The scholarly attention on *Zakat* remains pronounced, yet studies probing its awareness are conspicuously scarce. Though research often explores how awareness shifts due to multifaceted factors, there is a marked dearth of understanding of the specifics of *Zakat* awareness within the Bangsamoro region in the Philippines. This unique study seeks to fill this void, delving into the awareness of *Zakat* within this demographic. *Zakat*, beyond simple charity, encompasses multifaceted calculations, varied recipients, and diverse forms, necessitating a comprehensive grasp of its *Fiqh* intricacies to prevent potential *Shariah*-related complexities. Assessing the community's awareness marks the preliminary step in rectifying potential misconceptions and fostering a more informed understanding of *Zakat* within this locale. In the southern Philippines, particularly in Mindanao, the practice of *Zakat* faces significant hurdles due to the absence of a structured institution for its collection and distribution. This absence results in challenges when it comes to managing *Zakat* across the region. One notable reason behind the low *Zakat* payments could be the lack of awareness among the populace regarding its fundamental principles of how it is calculated and distributed.

A comprehensive evaluation of this awareness is crucial to gauge the current scenario accurately and recommend appropriate solutions in response to the findings. The limited understanding among the people about nature and the method of *Zakat* distribution appears to be a key factor contributing to the challenges faced in the region. The research endeavors to understand the Bangsamoro community's comprehension of *Zakat* and their attitudes towards its practice. Through a survey questionnaire, the study aims to assess their awareness of *Zakat*, the related institutions, and the different *Zakat* categories.

2.4 An Overview of *Zakat*

Zakat was first distributed during the Prophet Muhammad's lifetime (*Peace Be Upon Him*). During that period, *Zakat* collection and distribution were mostly localized, that is, whatever was collected in one region was dispersed across that same region, with none of it being transported to the national government.

There are no records of extra funds in any location during the Prophet's lifetime, nor of *Zakat* funds being transported from one location to another Kahf (1999, p.11). Since then, as a head of state, the prophet (*Peace Be Upon Him*) has been dispatched the mail to collect and disburse *Zakat* to the *Zakat* beneficiaries. It is also worth noting that Madinah had a tiny government at the time, with tasks that could be readily supplied by a steady supply of volunteer personnel and money contributions from its devout believers (Kahf, 1999, p.4).

Poverty within the framework of Islam denotes the inability to meet fundamental human needs as outlined in *Maqasid Shariah*. Faith encourages looking after the impoverished, emphasizing the importance of community care. Historically, the obligation of *Zakat* was bestowed upon the messenger of *Allah (SWT)*. During the reigns of Umar ibn Al Khattab and Umar bin Abdul Aziz, *Zakat* was a successful tool in reducing poverty. However, the splendor of *Zakat* institutions waned after the Islamic Empire's decline due to colonial influences. Therefore, a comprehensive study on the role of *Zakat* in addressing poverty is essential, incorporating both theoretical and practical elements. Additionally, advocating collaboration with other entities, like Microfinance Institutions, is recommended to enhance the effectiveness of *Zakat* Institutions (Nadzri et al., 2012). *Zakat* is a tradition that the Muslim community in Mecca has been engaging in for centuries with the primary objective of aiding the underprivileged and in need (Qaradāwī, 2011). *Zakat*, a central pillar of Islam, finds its place as the third fundamental duty, highlighted in the Quran alongside prayer. It represents a spiritual commitment that individuals undertake solely in the name of Almighty *Allah (SWT)*. This practice is deeply rooted in the history of the Ummah, a duty upheld by every generation. The implementation of *Zakat* transcends mere tradition; it remains a timeless act of worship. Those in the Muslim community who possess the capability are duty-bound to fulfil this obligation, showcasing the significance of this spiritual and communal practice.

Zakat stands as a fundamental Islamic practice, representing pillar of the faith and is referenced in the *Qur'an* in conjunction with prayer. It is a religious obligation undertaken exclusively for the sake of Almighty *Allah (SWT)*. This act of giving alms is an ancient duty, implemented by every ummah and remains a cornerstone of the faith. Muslims who are capable are required to uphold this obligation as a form of worship. The term “*al-Zakat*” appears thirty times in the Holy *Qur'an*, according to al-Qaraḏāwī (2000).

Zakat means “growth” or “increase” but in the Shari'ah, it refers to the transfer of wealth commanded by *Allah (SWT)* to the deserving category of people. *Zakat* in addition to eradicating poverty, strives to eradicate greed among Muslims and encourage socially responsible conduct. In general, it is intended that paying *Zakat* will cleanse the *Zakat* payer's money, reconcile the payer's and *Asnaf's* hearts, fulfil the fundamental requirements of the poor and needy, and solve societal issues like poverty, unemployment, indebtedness, and unjust income distribution (al-Qaraḏāwī, 2000). *Zakat* has been performed from the beginning of the Muslim community in Mecca, with the primary purpose of assisting the poor and needy (Qardhawi, 2000). Muslims are strongly urged to care for the needy in their society, which corresponds to the notion of brotherhood in Islam.

One of the reasons those individuals were consigned to Hell, according to *Surah Al-Muddahthir* verses 38-45, was because they did not feed the people, especially the poor. Although *Zakat* was practiced in Makkah before the hijra, it was only declared mandatory following the hijra to Medina. In general, there are two forms of *Zakat*: *Zakatul fitr*, or *Zakat* on one's person, and *Zakat al Maal*, or *Zakat* on one's possessions. In the year 2 A.H., all Muslims were required to pay the *Zakat* al-Fitr (after the Hijra). This is a little sum that all Muslims must pay throughout the month of fasting (Ramadhan). Muslims, on the other hand, have been required to pay *Zakat* al-mal since 9 A.H, and they can do so at any time during the year if their yearly income exceeds the exemption limit (*Nisab*) (Olanipekun et al., 2015).

According to Qardhawi (2000), *Zakat* is the predetermined share of wealth decreed by *Allah (SWT)* that is withdrawn from the more affluent individual and distributed to its proper beneficiaries. When *Al-Maal* (wealth) reaches *Nisab*, the property owner is obligated to pay the *Zakat*. Individuals must pay a specified amount, which is 2.5 percent of their money or assets, after they reach the *Nisab* of *Zakat*.

Zakat collectors and administrators, who are appointed by the authorities, collect and handle payments from the wealthy and distribute them to *Zakat* recipients. Payment of *Zakat* in a precise amount and through an expedient approach would benefit beneficiaries more and in turn aid in the creation of a balanced socio-economic system (Hoque et al., 2015). Money, trading commodities, agricultural produce, and animals are all subject to *Zakat*. Cash, bonds, stocks, savings, loans issued, and earnings received are all examples of financial assets. The usual amount given in *Zakat* is 2.5 percent of a person's total wealth accumulated in a lunar year.

Traditionally, the *Nisab*, the minimum threshold for *Zakat*, is quantified at 87.48 grams of pure gold or 612.36 grams of silver, as per prophetic tradition. As market values fluctuate, the monetary value of *Nisab* changes accordingly. Some experts recommend employing the silver *Nisab* value to include more individuals as *Zakat* recipients. Notably, valuable stones such as pearls, diamonds, sapphires, rubies, and corals are excluded from *Zakat* unless they are intended for trade.

2.5 Definition of *Zakat* in *Qur'an* and *Sunnah*

Zakat holds a significant place as one of Islam's core duties. As per the authenticated teachings of the Prophet (*Peace Be Upon Him*), *Zakat* stands as the third among the five fundamental pillars on which the Islamic faith is built. Its recognition and importance in Islamic teachings underscore its vital role within the faith, emphasizing the obligation of charitable giving and societal responsibility as integral elements of a devout Muslim's life. *Zakat* is a requirement referenced thirty times in the *Qur'an*, twenty-eight of which are related to prayers. Furthermore, the term *Sadaqat* and its derivatives are used in countless other passages to refer to both voluntary and forced donations. The word “*Sadaqat*” is used particularly in reference to *Zakat* (58, 60, 74, and 103 in the *Qur'an*) in four of these passages. The term *anfaqa* and its derivatives are used to refer to the *Zakat* duty in two more passages (2: 267 and 9: 34), as stated in the commentary on these two verses by Ibn Kathir and Al Jassas, respectively. Several Sayings of the Messenger (*Peace Be Upon Him*) emphasize the importance of *Zakat*. (Khaf, 1999).

There are no exceptions to the *Zakat* requirement, which is widely agreed upon by all Muslim scholars. As stated in the introduction to the *Zakat* chapter in all main Fiqh texts, this has been the case since the time of the Prophet (Peace Be Upon Him) Companions and throughout all schools of jurisprudence. The verse Collect from their wealth a charitable offering to cleanse and purify them (9:103) in the *Qur'an* emphasizes the act of giving as a means of purification and cleansing, encouraging charity to cleanse and purify one's wealth and soul. *Zakat* refers to the monetary contribution that every mentally sound, free, financially capable adult Muslim, whether male or female, is obligated to provide to support designated groups of individuals. These recipients are delineated in *Surah at-Taubah*, chapter nine, verse sixty. Charitable giving, as outlined in the Holy *Qur'an* 9:60, is designated for the support of the impoverished, collectors, those seeking reconciliation, freeing captives, assisting debtors, and aiding wayfarers. This duty is divinely ordained by *Allah (SWT)*, reflecting His wisdom and omniscience. The Holy *Qur'an*, in verse 9:60, delineates the distribution of alms exclusively for the destitute, collectors, those seeking reconciliation, freeing captives and debtors, and the wayfarers, as a divinely imposed obligation for the sake of *Allah (SWT)*.

This instruction, reflecting divine wisdom and omniscience, emphasizes charity's profound significance in aiding specific segments of society and fulfilling a prescribed duty, reinforcing the moral and social responsibilities incumbent upon believers within the Islamic faith. The *Qur'an*, the *Sunnah* (or *Hadith*), and the agreement of the companions and Muslim scholars all support the compulsory character of *Zakat*. In the previous ayah from the holy *Qur'an*, it is clearly stated that there are eight beneficiaries for *Zakat*. The obligation of distributing it is mandatory for the administration of institutions. According to verses 34 and 35 of *Surah At-Taubah*, *Allah (SWT)* declares:

“O ye who believe! There are truly those among the priests and anchorites who devour the substance of men and impede (them) from Allah (SWT)'s way” (Al-Qur'an 34-35).

Zakat is necessary when a predetermined financial threshold, known as the *Nisab* is reached or exceeded. *Zakat* is not necessary if the property worth is less than this *Nisab*. The literal meaning of *Zakat* is to enhance and prosper (AlQardawi,2000).

There are different connotations of *Zakat*; legally, theologically, and linguistically. *Zakat* Legally means the transfer of ownership of a specific property to a specific person which is under legal and specific conditions.

Certain conditions and requirements must be met, to be able to give the *Zakat* and it must be given to the specified beneficiaries which are specified in *Qur'an* (surah at-taubah:60). The directive in Islam, as referenced by Maudūdī (1988), highlights the recipients of *Zakat*: the destitute, the administrators of *Zakat*, slaves seeking liberation, those desiring reconciliation, including recent Muslim converts in need, debtors facing unavoidable circumstances, Individuals left stranded without any resources, for the sake of *Allah* cause. Maudūdī (1988), emphasizes that neglecting the rights of those deserving *Zakat* renders one's wealth impure or dirty. This concept aligns with the theological understanding that giving *Zakat* serves as a means of spiritual purification, ensuring the rightful distribution of wealth under the principles of Islamic charity and social responsibility.

In the *Qur'an*, *Zakat* is an overarching idea without much elaboration, like prayer. The holy book does not specify *Zakat* minimum rates or the types of wealth that are Zakatable, nor does it specify the requirements for Zakatability. The intricacies of *Zakat* may be found in the *Sunnah*, both verbal and practical. *Sunnah*, after the *Qur'an*, is the second most important source of Shari'ah for any discussion of *Zakat*.

“Allah (SWT) has bestowed upon your divine revelations so that you may elucidate and make clear to mankind what is provided for their guidance, inviting them to contemplate and reflect”. (Al-Qur'an 16:44).

The impoverished and needy are the first two types of *Zakat* receivers stated in surah Tawbah, demonstrating that *Zakat*'s main goal is to eliminate poverty and misery from society. One hadith that Muadh narrated, when the Prophet dispatched Muadh to Yemen, he the prophet Peace Be Upon Him states Inform them that *Allah (SWT)* has decreed on them a Sadaqat, collected from the wealthy and handed to the destitute. This hadith is the most important purpose of *Zakat* and is the only time it is mentioned.”(Qaraḍāwī, 2011). This Quranic verse is from Ayah 9:60, which says:

“Sadaqat is only for the poor and needy, and for those who work to manage the funds, and for those whose hearts are reconciled (to the truth), and for the sake of Allah (SWT), and the traveler; it is ordained by Allah, and Allah (SWT) is full of knowledge and wisdom” (Al-Qur'an 9.60).

Furthermore, as mentioned in this *Zakat* revenue should be distributed to these eight types of recipients. Because the first two categories are related in various respects, they are typically discussed together.

According to some experts, the poor are people who have less money and income than they need to meet their necessities, whereas the needy are people who do not own property. Some, on the other hand, believed that the impoverished were in a worse predicament than the needy. The problem of definition is solely a linguistic or a scholastic one. What matters is that the poor cannot afford and require all their fundamental necessities on their own, and thus require additional support to survive. Although some Muslim jurists believe that *Zakat* funds proceeds should be evenly distributed among the eight categories, most Muslim scholars agree that these two groups are the primary beneficiaries of *Zakat* and that they ought to receive compensation sufficient to cover their bare minimum necessities, assuming that funds are available. This perspective originates from Quranic verses directly mentioning the obligation towards the poor and needy. It aligns with the Sharia principle emphasizing the responsibility of the wealthy to support the basic needs of the underprivileged. Additionally, it suggests that authorities have the right to enforce this responsibility on the affluent (Qardhawi, 2000).

2.6 *Zakat* History in the BARMM Region

In 2018, twelve million Filipinos were estimated to be living in extreme poverty, according to Gamon & Tagoranao (2018). Overpopulation in the Philippines has increased during the previous five years. Despite a well-planned government plan to combat poverty, the government plays only a minor role in controlling charities to close the budget gap. Islamic social institutions encounter legal challenges in their operation due to the state's firm adherence to secularism. However, within the redevelopment strategies for areas such as Mindanao, particularly Marawi's rehabilitation after conflict, traditional Islamic financial mechanisms like *Zakat*, waqf, and Sadaqat are often disregarded. This study explores governmental and Muslim-led endeavors to revive *Zakat* as a vital Islamic social financial institution, examining the potential hurdles and opportunities in reinstating its role within post-conflict economic reconstruction efforts.

Gamon & Tagoranao, (2018) underscore the historical prevalence of a robust *Zakat* system that efficiently addressed both religious and economic needs pre-colonialism. However, in the present secular societal landscape, religious institutions, including those governing *Zakat*, are often disregarded by the state. This secular stance leads non-Muslim policymakers to dismiss the importance of these institutions in overseeing the assessment, collection, and fair distribution of *Zakat* funds.

The predicament faced by Muslim communities in the Philippines is indeed disheartening. The high levels of poverty within these Filipino Muslim communities are exacerbated by a lack of comprehension regarding *Zakat's* significance. The failure to recognize the pivotal role that *Zakat* could play in alleviating poverty further perpetuates the socio-economic struggles faced by these communities. The historical significance of *Zakat* as an effective economic and religious tool is eclipsed by contemporary societal and governmental disinterest. The systematic dismissal of the institutions responsible for *Zakat* management further exacerbates the plight of impoverished Muslim communities. Understanding *Zakat's* role and effectively implementing its mechanisms could catalyze poverty alleviation. However, the lack of acknowledgement and support from non-Muslim policymakers creates a barrier to utilizing this traditional system as a means of socio-economic upliftment for the Filipino Muslim population. The pressing issue lies not just in the high poverty rates but also in the failure to recognize *Zakat's* potential to address these conditions.

The lack of awareness and cooperation from non-Muslim policymakers hinders the utilization of a historically effective system for community betterment. Efforts to address poverty within these Muslim communities necessitate a reevaluation of the *Zakat* system's role and a collaboration between policymakers and these traditional institutions. Empowering these organizations to manage *Zakat* in a way that aligns with contemporary structures could significantly impact poverty reduction efforts. In sum, the failure to comprehend and integrate the *Zakat* system, rooted in historical significance, into modern socio-economic frameworks contributes to the perpetuation of poverty in Filipino Muslim communities. Recognition and collaboration between policymakers and these traditional institutions are pivotal in harnessing the potential of *Zakat* for the upliftment of these communities facing severe economic hardships.

As we have seen, the predicament of Muslim communities in the Philippines is disheartening, and yet a lack of understanding about *Zakat* contributes to such high rates of poverty in Filipino Muslim communities.

Zakat holds spiritual and practical significance, fulfilling *Allah (SWT)*'s decree and recognizing wealth as a divine trust. It fosters self-discipline, curbing greed, materialism, and self-centeredness within individuals, encompassing both a religious duty and a means for personal growth and ethical development in Islam. *Zakat* offers spiritual benefits, fulfilling *Allah (SWT)*'s requirements and recognizing wealth as a loan from *Allah (SWT)*. It also nurtures self-discipline, deterring greed and self-centeredness. And by doing so, Muslims learn to be honest and value material goods less. Understanding the fundamental reasons for *Zakat* and other Islamic financial institutions' problems, as well as their methodical implementation within the framework of secularism, is necessary to address their current shortcomings. The Islamic worldview, which forms the basis of *Zakat* institutions, aims to provide methodological solutions that can aid the nation in achieving its goal of reducing poverty. It is worth noting that Islamic cultures have not remained stagnant because of traditional Islamic economic philosophy, a discipline that is closely tied to religion, as well as metaphysics, ethics, and psychology Ghazanfar (2004). Ancient Islamic beliefs like *waqf khayr* (charitable *waqf*), *waqf ahl* (Islamic family trust), and *Zakat* have notably shaped trust law. This influence traversed to England, where trust law was formulated, and subsequently adopted during the Crusades in the 12th and 13th centuries (Hudson, 2007).

The assimilation of Western economic ideals and the overshadowing of Islamic institutions like *Zakat* and *waqf* reflect the shifting landscape within Muslim communities. This assimilation, combined with the prevalence of Western values, has influenced the regulation, and understanding of these institutions, especially concerning the fulfilment of material and religious needs within the Muslim minority in the Philippines. Tagoranao & Gamon, (2017) A survey exploring the growth of *waqf* in the Philippines revealed that many respondents perceived *waqf* and *Zakat* as strictly religious values, attributing this perception to intellectual weariness prompted by the nation's secular environment. This observation underscores the impact of external influences on the interpretation and significance of these Islamic financial and charitable systems within the Philippines.

Without a doubt, Muslim communities have been repositioned as meager participants in social transformation and development because of the imitation of foreign approaches to poverty alleviation, it is the outcome of the institutions that administer *Zakat* experiencing a cycle of emptiness and vision loss (Tagoranao & Gamon, 2017). The Muslim Mindanao Autonomy Act No. 323 was signed into law on November 11, 2015, by Hon. Mujiv S. Hataman, the Autonomous Region Governor of Muslim Mindanao, and it established the Regional Jurisconsult (Darul Ifta'). The law, which serves as the Regional Darul Ifta's charter, repealed Executive Order No. 09, which was issued by the ARMM Regional Governor in 2014 and established the Technical Social Unit for the formation of the Regional Darul Ifta. The Regional Darul Ifta's primary goals are to strengthen Islamic preaching and guidance, promote Islamic solidarity locally and globally, uphold the rule of law through Islamic jurisprudence, and utilize the wisdom and social capital of the Ulama. It has the power to create, approve, and carry out policy directives, processes, rules, and regulations necessary for the proper management and operation of Jurisconsult's office throughout its mission. It also has the power to establish a consultative body for political advice and opinions. The ARMM Regional Governor Mujiv S. Hataman's Executive Order (EO) 09, which established a temporary Office of the Jurisconsult while the regional assembly (RLA) considered its permanent formation, laid the legal groundwork for this organization in 2014. When the Muslim Mindanao Act (MMA) 323) was repealed in 2015, the Regional Darul-Ifta' (RDI) was established inside the Autonomous Region. This is supported by Republic Act 9054's Section 20 of Article VIII (Administration of Justice) (Expanded Organic Act).

The ARMM Regional Governor Mujiv S. Hataman approved the related Implementing Rules and Regulations (IRR) in March 2017 after their publication in a regional publication (Martinez-Vazquez et al., 2021). Efforts to bolster economic independence in the ARMM must integrate the history of *Zakat* and waqf institutions into the regional educational framework. In the absence of explicit laws governing *Zakat*, *Waqf*, and *Bayt Al-Maal* in the Philippines, it is paramount for Muslim organizations and governmental bodies to grasp Islamic financial principles. This understanding enables the alignment of these principles with both Islamic finance and the Philippine economic structure.

While state welfare programs in the Philippines are sustained by government taxes rather than the stipulated 2.5 per cent annual *Zakat*, the necessity to address the financial requirements of the eight categories of *Zakat* recipients and mitigate economic inequality is imperative. These measures aim to support those struggling to adapt to rapid changes posed by materialism.

Understanding the nascent stage of *Zakat*, *Waqf*, and *Bayt Al-Maal* within the secular Filipino state demands insights from traditional 'ulama and Ranao intellectuals skilled in managing Islamic institutions. Despite the deficiencies in the ARMM government's management of *Zakat* and *waqf*, conducted by local Muslim groups, the establishment of a dedicated fund to train trustees and *Zakat* collectors across the region is crucial. Successful navigation of these financial systems hinges on a comprehensive understanding of both Western and Islamic economic legacies among politicians, policymakers, and administrators. Hence, specialists are essential for the effective management of *Zakat*, *waqf*, and *Bayt Al-Maal*. Without this expertise, historical mistakes may recur, underscoring the critical need for specialists to avert future errors in these financial systems (Tagoranao & Gamon, 2017).

Bangsamoro often offers *Zakat* to familiar individuals without considering the precise rules and guidelines governing *Zakat*. This informal approach results in reduced collections by *Zakat* collectors, impeding the advancement of *Zakat* practices within the region (Noor & Maruhom, 2022). The lack of adherence to formal *Zakat* procedures hampers its progress, highlighting the significance of a better understanding and implementation of *Zakat* regulations for improved collection and distribution within the Bangsamoro community.

2.7 The Two Categories of *Zakat*

There are many types of *Zakat*, but the researcher limited this study to *Zakatul fitr* and *Zakatul Maal* only. The *Zakat* is divided into two main categories namely:

a) Zakatul fitr

is the one of types of *Zakat* that is obliged upon Muslim ummah. It must be paid and given in the month of Ramadhan before the Eid day prayer day. *Zakatul Fitr*, rewards, and additional voluntary contributions bear resemblance to acts of voluntary philanthropy concerning giving to the People of the Pledge.

Esteemed Muslim scholars such as Abu Hanifah, Muhammad, and a few other jurists allow the disbursement of these alms to the People of the Pledge. They justify this stance based on the generality of texts mentioning these recipients, such as various verses. This interpretation underscores a broader understanding and acceptance of these charitable practices among scholars, emphasizing the inclusive nature of giving within Islamic philanthropy.

“If you reveal charitable acts, that is fine; however, if you conceal them and ensure that they reach those who are truly in need, that is the best option for you. It will wash away some of your filthy stains” (Al-Qur’an 2:271).

“As an atonement, feed ten impoverished people on an average scale of your families' food.” (Al-Qur’an 5: 89).

“However, if somebody is unable to do so, he must feed sixty poor people.” (Al-Qur’an 58:4).

These passages do not discriminate between destitute believers and unbelievers, expressing the People of the Pledge's broad obligation to treat everyone well. Those scholars argue that helping Muslim indigents is preferable because it benefits a person who follows *Allah (SWT)*'s commandments. To be eligible for the *Zakat* of al Fitr, Abu Hanifah stipulates that the non-believers must not fight against Muslims (Al Bada'i, Vol. 2, p. 49.). Furthermore, some Followers contributed *Al Fitr Zakat* to monks, according to Abu 'Ubaid and Ibn Abi Shaibah.

b) Zakatul Maal

Wealth and assets are sometimes referred to as *Zakat*. *Zakat* spans various wealth-related categories such as income, business, savings, stocks, gold, silver, and agricultural or poultry assets. There are differing viewpoints on which articles are eligible for *Zakat* According to a specific perspective, *Zakat* is mandated solely on specific agricultural produce (wheat, barley, dates, and resin), along with gold, silver, and certain grazing livestock such as camels, cows, and sheep. Such objects, however, would only make up a small portion of the wealth of wealthy individuals in current civilizations, as wealth and income evolve, *Nisab* asserts that *Zakat* should apply to affluent individuals' wealth and income exceeding their standard personal and family expenses. This includes business assets, bank accounts, financial holdings, and rental properties (Hassan & Khan, 2007).The historical management of *Zakat* has witnessed significant changes since its early practice in Islamic nations.

In the past, *Zakat* funds were efficiently collected and administered by the state. However, the disappearance of early Islamic states introduced a series of challenges to its effective management. In the wake of the colonial era, various Muslim countries took different approaches to regulating *Zakat*. Yemen, Saudi Arabia, Libya, Sudan, Pakistan, and Malaysia opted for government-led *Zakat* regulation.

In contrast, nations like Egypt, Jordan, Kuwait, Iran, Bangladesh, Bahrain, and Iraq established specialized governmental organizations to oversee *Zakat*, with public involvement often being voluntary. Despite these diverse approaches, the contribution of *Zakat* from donors to managed *Zakat* funds remains relatively less significant in many Muslim nations. Several factors contribute to this phenomenon. First, individual *Zakat* donors often have specific preferences for recipients, such as close relatives and neighbors. This preference-driven distribution hinders centralized collections. Second, government involvement in *Zakat* management has led to a lack of trust among donors. Concerns over transparency and efficiency have caused some individuals to prefer alternative means of *Zakat* distribution.

Lastly, the National *Zakat* Management Fund, present in some countries, faces challenges in understanding beneficiary eligibility. This lack of clarity further erodes donor confidence in the centralized system. In summary, the historical evolution of *Zakat* management in the absence of early Islamic states has resulted in a variety of approaches across different nations. While some have chosen government regulation and specialized organizations, the overall effectiveness and contribution of *Zakat* funds remain variable due to factors such as donor preferences, trust issues, and beneficiary eligibility complexities (Hassan & Ashraf, 2010).

2.7.1 Assets and Earnings Eligible for *Zakat*

The *Qur'anic* mention of *Zakat*-eligible items is broad. The term *Amwal* is used in verse 9: 103, and what you have earned and what (*Allah (SWT)*) have provided for you from the land is mentioned in *Al-Qur'an* verse 2: 267. However, the Prophet, (Peace Be Upon Him), frequently refers to gold, silver, camels, sheep, and animals, as well as items that have been prepared for sale and/or those that are produced on land, as well as harvests and fruits.

According to Kahf (1999), Scholars from both the classical and modern eras formed numerous viewpoints, opinions, and norms concerning submitting items of wealth and income to *Zakat* based on such *Qur'an* and *Sunnah* teachings. The different Fuqaha's viewpoints on this topic may be classified into three primary viewpoints as described in the following:

- a) Some individuals assert that *Zakat* should apply to agricultural produce, grazing animals (camels, sheep, and cattle), mobile assets purchased for resale, gold, silver, and other monetary resources on hand.
- b) Additional to the above mentioned: returns from fixed assets and individual capital earnings, inclusive of income derived from wages, salaries, or professional fees.
- c) Some include fixed assets within the mentioned items, thus discussing the net *Zakat* dues.

We must note that there are minute variations of opinion within each group as well as within the three categories, as any overall classification lacks specifics. For example, there are several disparities in the subjectivity of objects like as jewelries, debt owed to others, honey, logs, vegetables and other agricultural output, domesticated animals other than cattle, and so on in group A. Similar perspectives exist within groups, some of which only include the net return on fixed assets and others of which include the gross return.

2.7.2 *Zakat* Conditions

There are two prerequisites for *Zakat* payers. First and foremost, a *Zakat* payer should be a Muslim. This is founded on the notion that *Zakat* is a kind of worship in Islam. Only believers or followers of this religion can be addressed in acts of worship. But *Zakat* is more than a religious obligation; it is also a financial obligation that must be collected by the government.

As a result, because most Muslim cultures contain Muslims and non-Muslims, this scenario may generate a discriminating environment towards Muslims. This prompted some academics to advocate for the imposition of a social solidarity tax on non-Muslims, the profits of which would be utilized for purposes comparable to those of *Zakat*.

This motivated some scholars to advocate for the implementation of a social solidarity tax on non-Muslims, the profits of which would be utilized for similar purposes to *Zakat*, but for the benefit of disbeliever groups in the same nation. The second criterion is that you must be qualified to do a religious act. As a result, a *Zakat* payer must be a responsible adult (young, below puberty age, the insane individual is not subject to give *Zakat*). This criterion is contested once more because *Zakat* is a financial duty that is more concerned with wealth and income than with the owner's position.

The Prophet of *Allah (SWT)*, along with some of his companions, stipulated that both children and mentally incapacitated adults bear the obligation of *Zakat*, which should be fulfilled by their guardians on their behalf. Further elaboration on these viewpoints can be found in Fiqh literature.

2.7.3 Zakatable Items Conditions

Muslim scholars frequently discuss the following five requirements:

a) Ownership:

An object must be held by the potential payer to be liable to *Zakat*. This ownership should be entire, absolute, and unrestricted (unless provided by law) so that the owner has all the legal authority. This requirement is essential since every verse mentioning the responsibility of *Zakat* describes it as being imposed on the property of the potential payer. The ramifications of this ailment are significant. They state that *Zakat* does not apply to goods that are not held by a human being. These include state and communal or societal property, which belong to the whole Ummah and are not owned by anybody. They also include properties controlled by charity *Awqaf* (trusts), which are not owned by anybody. This criterion excludes assets from *Zakat* if the owner lacks access, like a retirement fund managed by another or an unknown treasure. This standard is applied to exempt properties from *Zakat* if the owner lacks access. For instance, a retirement fund managed by another party, inaccessible for benefits before retirement, or an undiscovered treasure.

If the owner has no entitlement or awareness of these assets, they are excluded from the *Zakat* assessment. Certainly, this condition stipulates that any unlawfully acquired property is exempt from *Zakat* due to the underlying circumstances.

When possessions are obtained through unlawful means, the individual in possession isn't the rightful owner. Simultaneously, the legal owner no longer holds access to it, essentially losing ownership rights. As a result, since the ownership is restricted or invalidated due to the property's illegitimate acquisition, such possessions are considered exempt from *Zakat*. This concept aims to ensure that *Zakat* is directed toward legitimate and rightfully owned assets, emphasizing the importance of ethical and lawful acquisition of wealth in the obligation of *Zakat*.

b) Growth:

Following this criterion, for an item to be subject to *Zakat*, it must either be a growing entity itself or be an outcome of a growth process. A growing thing, such as camels, cows, or commodities for sale, is one whose nature is to expand and increase. Money (including gold and silver) is also thought to be expanding since it is generally created via exchange. As a result, Muslim scholars regard it as having the ability to develop, even if it is not physically growing. Agricultural products specifically result from a growth process. A methodical assessment of growth condition is derived from scrutinizing items Prophet Muhammad (Peace Be Upon Him) identified as liable to *Zakat*. Utilizing these developmental criteria, scholars evaluate new items not explicitly addressed by the Prophet in *Zakat* matters. This criterion distinguishes assets retained for personal or family use from those held for investment and growth purposes. Personal or family-utilized properties are excluded from *Zakat* application, contrasting with assets earmarked for investment or growth, aligning with the guidelines established based on the Prophet's declarations regarding *Zakat*.

c) Nisab (minimum rate):

The Prophet (Peace Be Upon Him), specified specific minimums for various commodities in numerous of his Sayings and excused anybody who owned less than these minimums from paying *Zakat*. When a person has the bare minimum of an item, however, *Zakat* applies to the entire amount of that thing. The standards known as *Nisab* encompass specific quantities, such as owning five camels, thirty cows, or forty sheep. In terms of agricultural produce, it is defined by five *Wasq*, equivalent to a grain volume measurement of approximately 653 kg.

Moreover, *Nisab* includes possessing 200 Dirham, equivalent to approximately 2.975 grams of silver, and twenty Dinar, representing about 4.25 grams of gold. Additionally, *Nisab* covers the monetary value of trade goods and all other possessions, equal to the *Nisab* value in silver or gold. These criteria serve as thresholds defining the minimum amount of wealth or assets a person must possess for *Zakat* to become obligatory, ensuring that those who possess wealth above these levels are liable for the payment of *Zakat*, contributing to the welfare of society.

d) *Excess above basic requirements:*

The *Nisab* must be more than what is necessary to meet the *Zakat* payer's necessities and to fulfil his urgent financial commitments, including any family duties and outstanding debt: In addition to the minimal exemption, Shariah believes that an object must not be preoccupied by the owner's and his or her family's fundamental necessities to be excused from *Zakat*. The *Zakat* institution considers the payer's personal and family requirements. Many Muslim scholars believe that fundamental necessities include biological, social, and religious prerequisites for a decent life free of hardship. Food, medication, clothes, housing, and furniture, as well as craftsmen's equipment, daily transportation, and school needs for a student or scholar, are all included. In addition, the concept of "extended family" is applicable in this context, meaning that in addition to parents, family members whose basic needs are considered also include other family members and other relatives for whom a payer is responsible per Shariah. Additionally, if the payer has debts that must be paid off with current assets due to their maturity, the debt amount is subtracted from the assets before the application of *Zakat*.

e) *One-year period:*

Zakat is an annual duty. As a result, if an item was subject to *Zakat* payment on a specific day, one year must pass before another payment of *Zakat* is payable. The end outcome of this criterion is that no two *Zakat* payments can be made in the same fiscal year. *Zakat* has a lunar fiscal year. A Prophetic Saying, (Peace Be Upon Him), which stipulates that no *Zakat* is necessary on any property until a year has passed, serves as the foundation for this criterion. Additionally, it indicates that if someone has a *Nisab* of an object, *Zakat* is only necessary if they still possess it after a year.

2.8 Beneficiaries of *Zakat* According in Quran and *Sunnah*

The Quran delineates *Zakat* as a broad concept while explicitly addressing its allocation, preventing arbitrary decisions by authorities or commentators. During the time of the Prophet (Peace Be Upon Him), certain individuals sought to manipulate *Zakat* funds for personal gain, despite the Prophet's lack of attention toward them. Their selfish pursuits prompted criticism and censure from *Allah (SWT)*, leading to specific verses condemning their greed and revealing their hypocrisy.

These verses meticulously outline the rightful beneficiaries of *Zakat*, calling out those who insulted the Prophet regarding the distribution of charity. They are depicted as content when they receive a portion of it, but enraged when denied, despite *Allah (SWT)* and His Messenger providing for them. The verses highlight the significance of relying on *Allah (SWT)* for sustenance, emphasizing that acknowledging *Allah (SWT)*'s provisions and putting faith in Him is the prudent approach, rather than coveting or challenging the distribution of *Zakat*. This narrative serves as a clear directive, revealing the intended recipients of *Zakat* and denouncing individuals who misuse or dispute its allocation for personal gratification. It underscores the importance of sincerity, trust in divine provision, and genuine support for those in need, aligning with the true spirit and purpose of *Zakat* in Islamic teachings.

The Quran presents *Zakat* as a fundamental concept, but it distinctly defines its expenditure categories, ensuring it is not subject to arbitrary interpretation by authorities or commentators. In the era of the Prophet (*Peace Be Upon Him*), certain individuals attempted to exploit *Zakat* funds for their own benefit, drawing censure from *Allah (SWT)* through specific verses condemning their greed and hypocrisy. These verses meticulously name the intended recipients of *Zakat*, emphasizing the Sadaqat for the needy, impoverished, those reconciled to Truth, enslaved individuals, debtors, and wanderers—decreed by *Allah* knowledge and insight in Sura al Tawbah, 9:58-60. Ziad bin al Harith al Sada'i recounts an incident to Abu Daud, stating his commitment to the Prophet (*Peace Be Upon Him*). During this exchange, a man approached the Prophet and asked for a share of the Sadaqat earnings.

The Prophet clarified that the distribution of Sadaqat wasn't entrusted to any human, emphasizing that the categories were chosen by *Allah* alone. He assured the man that if he fell under any of these headings, he would receive what he was due. This narrative serves to underline the divine structure of *Zakat* distribution, specifying its designated categories and reinforcing the principle that its allocation is determined solely by *Allah*, not by human discretion or personal interests. It illustrates the importance of adhering to these defined categories and encourages trust in *Allah (SWT)*'s wisdom in managing *Zakat*, ensuring it reaches those most in need following the teachings outlined in Islamic scriptures.

The eight categories of (*Asnaf*)beneficiaries are as follows:

The Quran outlines the allocation of alms, specifying that they are reserved for the destitute, the needy, collectors, those seeking reconciliation, releasing captives, aiding debtors, and supporting wayfarers—a duty ordained by Allah (SWT), emphasizing His omniscience and wisdom (Al-Qur'an 9:60)

Zakat expenditures are exclusively for the poor and needy, and for those engaged to collect *Zakat* and for uniting minds for Islam and for liberating captives or slaves and for those in debt, and *Allah (SWT)*'s cause, and the stranded traveler a requirement mandated by *Allah*. *Allah* is all-knowing and all-wise. Sahih International. The Holy Quran reveals eight types of *Zakat* recipients i.e., the poor or low-income, the needy or the destitute, the guardians of *Zakat*, the hearts to be reconciled, those in bondage or captives/slaves, the debtors for *Allah (SWT)*'s purpose and those who have been stranded or travelling with few resources) indicating that the collection and payment of *Zakat* requires a proper system that can be coordinated by the state (Abdullah & Suhaib, 2011).

2.8.1 The Eight Categories of Beneficiaries of *Zakat*

The following categories of the beneficiaries of *Zakat* are briefly specified in the holy *Qur'an*. To understand the following *Zakat* receivers and why they were chosen as a receiver were explained in the following passage briefly. To understand more the specific topic and to gather more information for the deep understanding of so-called new payers and individuals who are hesitant to give the *Zakat*. May this passage give a brief understanding of those matters.

a) *The impoverished and needy*

The impoverished and needy are the first two types of *Zakat* deservants stated in *Sura Al Tawbah*, demonstrating that *Zakat*'s primary goal is to eradicate poverty and misery from society.

The most significant aim of *Zakat* is mentioned alone in certain sayings, such as the one related by Mu'adh when the Prophet sent him to Yemen to Inform them that *Allah* has decreed on them a Sadaqat, collected from the wealthy and delivered to the needy (al-Qaraḏāwī, 2000). Jurists also disagree on who is in worse shape: the impoverished or the needy.

Shafī'i and Hanbali feel the poor's situation is worsening, whereas Maliki and Hanafi believe the poor's situation is worsening. Both offer semantic reasons to support their points of view. All parties concur that the variations in defining the impoverished and needy are insurmountable and inconsequential to the analysis of *Zakat*. The poor, according to Hanafī, is someone who has assets and/or income insufficient to meet his or her necessities. His assets are either worth less than *Nisab* or have been depleted by basic requirements such as food and shelter. An individual who is in need possesses nothing. As a result, a *Zakat* deservant in this category, whether impoverished or needy, might be:

- i. A person who is impoverished and possesses nothing.
- ii. An individual who has enough shelter, furniture, and clothing to meet necessities, but not in adequate quantities.
- iii. An individual with a net worth of less than *Nisab*.
- iv. An individual who possesses less than *Nisab* of non-monetary property, such as camels, and whose property is worth less than two hundred dirhams.

The poor and needy, according to the other three major schools of law, are characterized by the fulfilment of vital needs rather than *Nisab*. An impoverished individual lacks the funds and income necessary to cover their fundamental needs, while a needy person possesses sufficient wealth and income to meet these basic requirements. Someone qualifying for *Zakat* under this criterion could be:

- i. An individual who has no assets or sources of income.
- ii. An individual whose possessions and income meet only a portion of his or her necessities.

- iii. A person who meets more than half of their basic needs with their wealth and income but falls short of meeting all their essential requirements.

As per Shafi'ite and Hanbalite scholars, an individual who purposefully chooses to be inactive, relying on charity and aid from society despite being physically capable of working and earning, is deemed ineligible for *Zakat* (Al Majmu', Vol. 6, p. 228). This perspective is backed by Shari'ah texts and concepts to the point that some Hanafites who approve of giving *Zakat* to the needy who is capable of working, argue that it is not good for such a person to take *Zakat* i.e., if it is acceptable to pay him, it is not permissible for him to get *Zakat*.

Receiving *Zakat* is not prohibited here, according to the majority of Hanafites, but it is undesirable (Majma' al Anhur, p. 220). In their viewpoint, some Malikites agree with the Shafi'ites and Hanbalites (Hashiyat al Dusuqi, Vol. 1, p. 1494). Working on each capable individual is required by Islam in principles. It is the government's responsibility to create job opportunities and economic prospects for individuals to earn a livelihood. No one could consume anything better than that gained by his own hand's labor the Prophet says. It is not permissible for a person to refuse work that is within his ability and would provide him with enough cash to survive on charity or begging. *Sadaqat* is not permissible for a wealthy person or someone capable but not disabled says the Prophet Muhammad (*Peace Be Upon Him*) in one of his sayings (Sahih Bukhari Vol. 3, Book 34, Hadith 286).

They appeared to be healthy and capable, but they may have been unable to locate work that paid well enough for them to survive. Scholars interpret this phrase to mean that *Zakat* officers must inform potential *Zakat* recipients, whose true circumstances are unknown, that *Zakat* is not legal for the wealthy or powerful who may make a substantial income. (Nayl al Awtar, Vol. 4, p. 170). Since utter inability is not a criterion for receiving *Zakat*, it is important to note that earning sufficiency, not just having an income, is what matters. (Al Majmu', Vol. 6, p. 190.). What is important, according to al Nawawi, is finding a job that is physically and socially suitable for the individual and earns fairly. The prohibition of *Zakat*, on the other hand, continues to apply to someone who is capable but refuses to work despite the availability of appropriate positions.

To summarize, an individual must meet these criteria to be exempted from receiving *Zakat*:

- i. Individuals who obtain employment.
- ii. According to Shariah law, the employment must be permissible.
- iii. The job's requirements are within the individual's capabilities.
- iv. Work must be appropriate for the individual, in his social duties, as well as his physical and spiritual abilities.
- v. Employment provides him with enough money to meet his own exclusive and family demands.

This means that each capable individual must seek a job that will provide him with enough earnings to meet his basic demands. The state, as well as the rest of society, is responsible for assisting such a person in finding work. All those whose earnings are insufficient to meet their needs and who are unable to earn due to a physical impairment such as age, sickness, other types of impairment, or due to joblessness possibilities, are eligible to collect *Zakat*. This is Islam's mercy and justice. It must be compared to materialist thinkers' unjust and unmerciful beliefs, which state, is no sustenance for those who are idle.

b) The administrative collectors

The third group includes people who work to administer *Zakat* funds, such as those who collect and distribute *Zakat*. Here, there is a blatant allusion to the idea that *Zakat* is a duty of the Islamic government for which a separate entity inside the government should be set up. Muslim jurists debate the qualifications of *Zakat* workers in this regard. They claim that *Zakat* employees should be Muslims, adults, sane, and informed about the Shari'ah rules on *Zakat*, as well as suited for the position. This group must be compensated in accordance with its members' productivity, efficiency, market compensation, and wage rates. The third group of *Zakat* recipients includes those engaged in its collection and distribution. They're recognized as beneficiaries to prevent additional impositions on *Zakat* payers for personal gain, highlighting the autonomy of the *Zakat* institution. Their mention in the Quran immediately following the impoverished and needy, who are primary beneficiaries, suggests that *Zakat* collection and distribution form a function of a formalized organization.

It is an integral part of the social structure within an Islamic state, moving beyond individual religious practices to become a systematic activity, reinforcing the communal system's support for those in need. This underscores the institutionalized nature of *Zakat*, emphasizing its role within the societal and economic fabric of the community.

According to jurists, the State of Islam is obliged to appoint *Zakat* collectors and distributors. Officers were assigned to these responsibilities by the Prophet (*Peace Be Upon Him*) and his successors. Bukhari and Muslim, for example, narrate Abu Hurairah saying that the Messenger (*Peace Be Upon Him*) of almighty *Allah* entrusted 'Umar bin al Khattab to Sadaqat. The Prophet (*Peace Be Upon Him*) nominated Ibn al Lutbyyah to the Sadaqat, according to Bukha'ri and Muslim from Sah'l bin Sa'd.

There are also plenty of similar phrases that relate to these discussions. Officials are essential for both providing information and collecting *Zakat* because there will always be individuals who are affluent but lack awareness of their obligatory contributions, as well as those who are aware but unwilling to fulfil their duties. Officers facilitate the dissemination of knowledge and ensure compliance, bridging the gap between the obligation and its fulfilments for a more equitable distribution (Al Majmu', Vol. 6, p. 167.). The state must deploy officials to farmers during harvest season and create *Zakat* collection monthly. By doing these other payers will be aware of, when the collector officials will arrive (Ibid, p. 170). Collection, record-keeping, information gathering, and distribution are all jobs in the *Zakat* organization. The collecting function and the distribution function are two important functions directly linked to *Zakat*. The function of collecting is comparable to that of tax collectors. It involves collating information on *Zakat* contributors and their liable assets, collecting *Zakat* in either monetary or non-monetary forms, and securely storing these contributions in suitable facilities.

This function can be subdivided into various sections:

- i. Minerals & Rikaz.
- ii. Fruits & grains
- iii. Agriculture products.
- iv. Financial & commercial assets.

In terms of *Zakat* distribution, many of its functions resemble those of contemporary social welfare or insurance ministries. Staff within this department are tasked with actively identifying deserving individuals, assessing their level of need, and ensuring swift disbursement of *Zakat* to them.

Al Nawawi notes the importance of the state and its *Zakat* distribution agents maintaining records of the deserving recipients, understanding their specific needs, to expedite the provision of their due *Zakat*, especially as certain goods may be perishable (Al Rawdah, Vol. 2, p. 337). This highlights the urgency and responsibility in efficiently managing and distributing *Zakat* to those in need.

This function can be broken down into several parts:

- i. Those categorized as poor and needy are unable to support themselves, including the elderly, orphans, widows with children, disabled individuals, and those with intellectual disabilities.
- ii. Needy individuals capable of working.
- iii. Those who are saddled by debt.
- iv. Asylum seekers, refugees, and street people.
- v. Funds used to spread Islam's message to non-Muslim countries and to free Muslim areas, among other things.

The government and its advisory council (parliament) have the authority to determine the allocation of *Zakat* funds among different recipient categories, considering the collective welfare of Muslims locally, nationally, and globally. Working in *Zakat* is a type of public control for believers, hence being Muslim is essential. Being Muslim is a necessity for all positions of governmental authority. Guards and drivers, for example, are free from this criterion since their employment is not directly tied to the collecting and distribution of *Zakat*. Ahmad is said to allow disbelievers to work in *Zakat* occupations since the word workers of *Zakat* refers to anybody not only Muslim also what is paid to employees is merely remuneration for their labor (Al Mughni, Vol. 2, p. 654).

Despite Ahmad's generous approach, it is nonetheless desired that Those who fulfill this crucial Islamic obligation must be followers of Islam. Ibn Qudamah emphasizes that to handle *Zakat* one must be Muslim as these roles demand trust and control over Muslims.

Entrusting *Zakat* to non-believers is illogical, given their untrustworthiness as noted in the *Qur'an* and Umar's caution against considering them confidants. Abu Musa's choice of a Christian as registrar was denounced by Umar. Registration is less significant than *Zakat* which is a fundamental of Islam (Ibid, Vol. 6, p. 460).

The applicant must be mentally sound and over the age of puberty, as defined by Shari'ah laws. Because the *Zakat* officer would be managing public funds trustworthiness is a must. He must be just and honest to avoid oppressing the wealthy or disregarding the rights of the poor. Officers in charge of the general organization of *Zakat* must have a thorough understanding of all *Zakat* rules and regulations. A person who is illiterate cannot function properly and will make several mistakes, making him or her a burden to the *Zakat* organization. Workers with extremely circumscribed duties are indeed required to know what they are doing. It is necessary to be efficient and perform well. *Zakat* officers must be effective in their work and capable of meeting *Zakat* goals. As it is stated in the holy book.

“Truly the greatest of persons to hire is he who is strong and trustworthy”
Allah (SWT) says (Sura al Qasas, 28:26). “Place me in authority of the land's storehouses” Allah (SWT) says of Yusuf, (p) “I am certainly trustworthy and intelligent” (Sura Yusuf, 12:55).

Most scholars agree that the nominee cannot be a descendant of the Prophet Muhammad's family. His family is made up of all the offspring of Hashem (the Prophet's great-grandfather), as al Fadl bin al-Abbas and al Muttalib bin Rabiah (both of whom are the messengers of *Allah* cousins) advised the messenger to do when they asked him to engage them in *Sadaqat*. We came to you O Messenger of *Allah (SWT)* in search of employment in the administration of *Sadaqat* so that we might obtain some of them like other people and provide (the service) that is due to us similarly. People's impurities are what's left after they've cleansed their money. Ahmad and Muslims both reported on it. Indeed, the *Sadaqat* is not permitted to Muhammad or to Muhammad's progeny the Prophet states in another version recounted by the same (Nail al Awtar, Vol. 4, p. 175). This statement forbids the Prophet's descendants from receiving *Zakat*. The Prophet did not want his family to have any desire to take from *Zakat* since it is public property.

Some jurists include this stipulation because these positions require control over public funds and women should not be nominated to positions of public control. Narrated by Abu Bakra:

“During the battle of Al-Jamal, Allah (SWT) benefited me with a Word. When the Prophet heard the news that the people of Persia had made the daughter of Khosrau their Queen (ruler), he said, 'Never will succeed such a nation as makes a woman their ruler’” (Sahih al-Bukhari, Hadith 7099).

They have no proof to back up their claim other than the Prophet's (*Peace Be Upon Him*) statement that A people who allow a woman control of their affairs will not succeed (Sahih al-Bukhari, Hadith 7099). However, this adage is only applicable to jobs that require public oversight and whose actions have national implications. *Zakat* jobs are not covered in the scope of this saying. Some jurists add the requirement that *Zakat* agency appointees be free, i.e., slaves cannot work for this organization. Certain legal scholars express disagreement with a particular perspective, citing a narration attributed to the Prophet where he stated, listen, and obey, even if an Ethiopian slave with a raisin's head is placed over you. This underscores the principle of obedience irrespective of an individual's social status, whether they are free or a slave.(Ibid, p. 138).

c) Individuals whose heart is being reconciled.

The fourth group of beneficiaries encompasses individuals who have embraced Islam, those in the process of conversion, and those whose support can further the goals of Islam, mitigate potential harm, or encourage their positive involvement in the faith. This payment, reflective of broader Muslim community interests, should be decided by the Islamic government or an organization representing the Muslim minority. It cannot be individually paid by those distributing their personal *Zakat*. These are individuals whose behavior can prevent wrongdoing or benefit and protect Muslims. New adherents or recent converts to Islam, according to Al Shafii, are among people who are reconciling their hearts, and disbelievers should not be offered Sadaqat. He claims that the Prophet's (*Peace Be Upon Him*) present to certain disbelievers after the Hunain fight came from the Messenger's personal property, rather than *Zakat*. *Allah* deems it obligatory that the *Zakat* of believers be distributed to believers and not to non-believers Al Shafi'i continues (Al Umm, Vol. 2, p. 61).

Take *Zakat* from the wealthiest among them and give it to the poor among them the Prophet ordered Mu'adh. Al Qurtubi suggests that giving *Zakat* to non-believers can be viewed as a form of jihad. He categorizes non-believers into three groups: those who understand reasoning, those who must be conquered, and those who may be influenced through kindness. Each group demands distinct strategies from the Muslim state. Providing *Zakat* to non-believers to encourage their conversion is considered a significant endeavor. This viewpoint establishes a nuanced approach in dealing with different types of non-believers to promote understanding and, in some cases, conversion through the distribution of *Zakat*(Al Qurtubi, Vol. 8, p. 179).

d) *Emancipation of slaves*

Slaves are emancipated in the fifth category by purchasing them from their owners and freeing them, as well as by assisting their companions who have engaged in a self-liberation covenant with their lords, known as *Mukatabah*. A common contract states that a slave will be allowed to work alone, that the employer will be paid in instalments, and that the slave will be released once all payments have been made. This portion of the *Zakat* profits can also be used to free Muslims who have been kidnapped by the enemy as prisoners of war.

Some modern Muslim scholars say that, because slavery no longer exists in the world, this portion of the *Zakat* disbursement should be utilized to promote the struggle for self-determination of colonial peoples, particularly Muslims. *Zakat* can be used in two ways to free slaves. First, this category of *Zakat* is meant to support a slave who is working to buy their freedom from their masters. A contractual drudge, an enslaved person aiming for freedom through an agreement, is entitled to help for their emancipation. This can be accomplished by helping them fulfil their financial commitment or buying them and then freeing them.

The *Qur'an* language indicates the provision of liberty, supporting the notion of freeing enslaved individuals using *Zakat* funds. Malik, Ahmad, and Ibn Ishaq support this viewpoint. It aligns with the *Qur'anic* instruction to grant freedom to slaves who are dedicated to achieving emancipation, emphasizing the utilization of *Zakat* for such purposes. *Allah* would have stated the exact sub-category of contractual slaves by name if He intended it. In this context, it is highlighted that *Allah (SWT)* instructs slave masters to support their slaves in fulfilling their contracts, emphasizing the provision for emancipation in *Zakat*.

Abu Hanifah, al Shafi'i, their followers, and al Laith bin Sa'd underscore that the section on freeing slaves in *Zakat* specifically pertains to contractual slaves. Their assertion aligns with the interpretation of Ibn 'Abbas, who associated the term freeing slaves with contractual slavery, supported by the concluding section of the text. This outlook delineates the specific allocation of *Zakat* funds for the liberation of slaves engaged in contractual arrangements.

Second, this passage outlines another approach to liberating slaves using *Zakat* funds. It is a perspective shared by scholars like Malik, Ahmad, and Ibn Ishaq. The justification behind this rests on Ibn al Arabi's interpretation, which highlights the *Qur'an's* terminology. The term necks particularly when connected to slaves in the holy book, signifies liberation. The absence of specific categorization for contractual slaves in the text hints that the intention was broader. Essentially, the method allows for the use of *Zakat* to purchase slaves and then grant them freedom. Whether initiated by the government, an individual *Zakat* contributor, or a collective of contributors, this approach falls within the permissible interpretations of scholars and the *Qur'an* language (Ahkam al Quran, Vol. 2, p. 955).

Simultaneously, Islam mandates ongoing methods for emancipating slaves. Freeing slaves is encouraged in Islam, as it is seen as a kind of devotion to *Allah (SWT)*, as well as a type of restitution for crimes or mistakes such as breaking a fast or violating an oath. As retaliation for his unjust beating, Islam demands the release of slaves. The *Qur'an* advises slave masters to plan allowing their slaves to earn their freedom by committing to pay a certain sum. It also urges the Muslim community to support these contractual slaves, helping them acquire the necessary funds through labor or financial assistance.

“And if any of your slaves seek a deed in writing (to obtain their freedom for a fee) grant them such a deed if ye detect anything good in them; ye offer them anything themselves out of the wealth that Allah has provided you.”
(*Al-Qur'an* 24:33)

This directive emphasizes the humane treatment of slaves, granting them the opportunity to earn their liberty through work or financial assistance provided by their masters or the community. This reflects an approach of kindness and the ethical emancipation of those in servitude. Furthermore, one of the eight *Zakat* purposes is the emancipation of slaves.

The sum of *Zakat* set aside for the release of slaves might be as little as one-eighth of this tremendous, constant source of income in Muslim society. The allocation of *Zakat* for this category might claim most or all *Zakat* funds if other recipients are already met, as seen in the time of 'Umar bin 'Abd al 'Aziz. In one instance recounted by Yahya bin Said, 'Umar had successfully relieved the needs of the impoverished and deserving, leading to excess *Zakat* funds. To utilize these resources, slaves were purchased and emancipated using the *Zakat*.

This scenario underscores how the application of faith under a just, wise state could have eradicated slavery from Muslim lands much earlier. If Muslims had the opportunity to practice their faith under an equitable system for an extended period, it might have significantly hastened the eradication of slavery from those territories.

e) Helping debtors

The sixth category of *Zakat* recipients involves individuals in debt. In the Hanafi school, this covers anyone whose total assets, excluding debts, are below the *Nisab* amount. However, Malik, al Shafi'i, and Ahmad make a distinction between two kinds of debtors: those in personal debt and those in debt due to social or political obligations.

These categories have different rules and are treated separately in terms of their qualification for *Zakat* benefits. The sixth category of *Zakat* recipients involves assisting those in debt. Whether the debts result from natural disasters, commercial activities, borrowing for essential family needs, or settling conflicts and disputes between individuals, groups, or tribes especially regarding blood money this group qualifies for support through *Zakat*. Assistance through *Zakat* extends to debts owed to deceased individuals. The only exceptions are debts stemming from unlawful activities like gambling or drinking. When debts result from payments aiming to resolve tribal or communal conflicts, the intermediaries, burdened by such debts, may receive *Zakat* support, irrespective of their financial status, up to the amount pledged.

Several modern Islamic scholars claim that this category allows for the distribution of loans from *Zakat* revenues to individuals who require temporary aid. Providing grants aligns with *Zakat*'s aims, and offering loans to those with unmet needs can be equally beneficial, providing valuable support and uplifting those facing financial challenges.

Individuals who are in debt for personal reasons and do not have enough assets or income to pay off their debt while still meeting their necessities fall into this group. Debts may have been incurred for personal reasons, such as marriage, medical costs, or the construction of a home for personal use, as well as debt arising from accruing responsibility toward others. According to Al Tabari from Qatadah, the state must reimburse the treasury debts of individuals who borrowed without excess but did not have the cash to repay their creditors (Al Tabari, Vol. 14, p. 338).

Those whose assets have been damaged by natural disasters or accidents, forcing them to borrow to satisfy basic requirements, are also included in this group. This subset encompasses three distinct groups: individuals whose wealth is affected by natural disasters like floods or fires, those with numerous dependents and scarce resources who resort to borrowing for their family's sustenance, and those who've faced significant financial loss. Scholar Mujahid further elaborates on this classification, underlining the categories of individuals affected by wealth destruction due to natural calamities. The *Hadith* attributed to Qubaisah bin al Mukharib, documented by Ahmad and Muslim, recounts the Prophet's authorization for someone who lost all possessions to seek *Zakat* from the state a rightful entitlement until they could recover enough to provide sustenance (Musannaf Ibn Abi Shaibah, Vol. 3, p. 207).

This *Zakat* provision extends beyond merely providing financial aid; it serves as a stabilizing force for those severely impacted by calamities. It emphasizes the humanitarian aspect of *Zakat*, recognizing not only the economically vulnerable but also those struck by unanticipated misfortunes. The multifaceted approach considers both immediate sustenance needs and the need for an eventual recovery toward self-sufficiency. By recognizing these vulnerable subsets, the Islamic practice of *Zakat* offers a compassionate and well-rounded assistance system, aiming to prevent individuals from descending into deeper poverty following such tragedies. It acts as a safety net that allows those affected by unforeseen financial upheavals to recover their footing with dignity, maintaining their self-sufficiency and providing the basic means to rebuild their lives.

Zakat functions as a historic form of insurance, pre-dating modern insurance systems by centuries, shielding against the financial aftermath of natural disasters. Its coverage is more comprehensive and equitable compared to Western insurance models. Western insurance benefits are contingent on individual contracts and premiums, favoring those who can afford higher premiums. Conversely, Islamic *Zakat* insurance provides compensation based on need, not on premium contributions. It aids disaster victims without any premium payments, ensuring support proportional to their needs. This equitable assistance without premium obligations distinguishes *Zakat* insurance from Western models, emphasizing aid allocation based on necessity, not financial capacity.

Before personal debtors may receive help, four requirements must be met:

- The debtor must be in desperate need of money.

Zakat cannot be given to people who have enough money to pay off their debts. People who do not have enough money but can pay their obligations out of their earnings may be eligible for *Zakat* since repaying the loans out of their earnings will take a long time. The debtor does not have to be completely impoverished to meet these criteria. Scholars indicate that certain essentials like housing, clothing, and necessary household items aren't considered assets subject to debt repayment. If a debt surpasses the debtor's available resources, *Zakat* may bridge the financial gap, aiding in resolving debts beyond the individual's means.

- The debt must have been incurred because of Islamically permissible activities, such as borrowing to maintain the family.

Zakat cannot be utilized to repay loans used for prohibited acts like the drinking of alcoholic drinks or extravagance in permitted things.

“O children of Adam, wear your fine clothes at every time and place of prayer; eat and drink, but do not spend by excess, because Allah (SWT) does not love the extravagant” declares the verse (*Al-Qur'an* 7:31).

This requirement is based on the idea that paying *Zakat* to settle a debt incurred because of prohibited expenditure is the same as assisting sinners and encouraging others to sin.

- The debt should be paid as soon as possible.

Scholars disagree over whether the debtor is eligible for *Zakat* if the repayment is postponed. Some people are against it, but others are in favor if the loan is paid off in a year. Some scholars, on the other hand, claim that postponed loan debtors should be provided *Zakat* regardless of their loan's due date since they are included in the broader category of debtors. Any decision between these three points of view, in my opinion, should be based on the entire revenues of *Zakat* as well as the needs of other deserving groups. The coverage of postponed obligations might then be expanded or restricted based on the residual.

- The obligation may be owed to other people.

Obligations to *Allah (SWT)*, such as *Zakat* and reparation for breaching specific Shari'ah kaffarat criteria, are not included (Hashiyat al Sawi, Vol. 1, p. 233.).

The Malikites do not require this, however the Hanafites see *Zakat* as one of the duties to *Allah (SWT)* that can be paid with *Zakat*.

f) For the sake of Allah (SWT)

Zakat can be used for *Allah (SWT)*'s purposes as well. This is the recipient's eighth category. Because the path of *Allah (SWT)* is such a vast concept, Muslim scholars have come up with three different approaches to define it. Several of scholars consider that this classification encompasses any effort that serves Islamic religion or the Muslim communities in general. It includes, for example, the construction of bridges, parks, streetlights, mosques, and other public works projects. This is in addition to education campaigns directed at non-Muslims and activities aimed at safeguarding Islam, its country, and its people.

Others limit this group of receivers to those battling those who do not believe in a Shari'ah-allowed war, Defending Islam and Muslims as civilizations and nations, for example. Furthermore, under this group, some scholars limit the payment of *Zakat* to willing combatants. They went on to say that other government revenues should be used to fund the regular army. They also noted that in defensive circumstances where government finances are few, affluent Muslims should be tasked with funding the army's demands, and if it fails to do so, *Zakat* income should be used to assist the mujahidin.

It is suggested by a group of Muslim scholars that striving for *Allah (SWT)*'s cause includes endeavors that advance the Islamic faith and its dissemination to non-Muslims through various forms like correspondence, publications, media outreach, with the goal to establish the dominance of *Allah (SWT)* as the supreme and most influential force globally.

g) Wayfarers/ travelers

The last group of *Zakat* recipients is those who assist travelers. A traveler is an individual who is far from home and has no access to his or her wealth and property while also requiring financial assistance to return home, i.e., while he or she may be wealthy in his or her own country, he or she is currently considered deprived because he or she has no access to what he or she owns. The assistance a traveler requires is enough to return him to his place.

The travel performed by this type of receiver is normally subject to the stipulation that it is not for an evil purpose, according to Muslim scholars. The government role in the collecting and distribution of *Zakat* is crucial.

The Prophet Muhammad (*Peace Be Upon Him*) is commanded in verse 9: 103 of the *Qur'an* to remove the Sadaqat out of their property. The employees in collecting and paying *Zakat* are mentioned as one of the groups of receivers in verse 9:60, which describes the categories of recipients of the distribution of *Zakat*. This shows that *Zakat* should not be managed by individual payers, but rather by a government body with its staff. Several words of the Messenger of *Allah (SWT)* and his activity throughout his rule as head of state in al Madina, as well as his four successors after him, underline this notion. Until the collapse of the Ottoman Empire, Muslim governments across the globe had a tradition of allocating a particular fund or treasury account for *Zakat*, with the revenues disbursed according to Sharifah's criteria.

From Abu Yusuf's *Al Kharaj* until Ibn Abidin's *Al Hashyah*, Muslim thinkers have taken this stance in their writings. The state, on the other hand, may designate paying individuals to distribute a portion of their own *Zakat* to the appropriate recipients if it is well recognized that the individuals are willing to pay it out of religious fervor. It should also be underlined that if governments fail to fulfil their *Zakat* obligations, the requirement will not be altered. Individual Muslims are still religiously compelled to pay *Zakat*, either directly or through voluntary charity organizations.

Most Muslim scholars believe that *Zakat* can be given to anyone who falls into one of the eight categories listed above. A person who pays *Zakat* may offer his or her due *Zakat* to one or more needy people in any of the categories of recipients. In all of a Muslim's acts, general knowledge and utilizing one's best judgment to maximize the benefit of *Zakat* is always a general duty. Any of the following people are not eligible to receive *Zakat*:

- i. A person who can work or can work but does not want to.
- ii. Unbelievers who have a strong dislike for Islam and Muslims.
- iii. The payer's close relatives for whom the payer is responsible for the supply.

This includes parents, spouses, boys under the age of puberty, and unmarried women, according to universal agreement. However, some scholars include all relatives who may be heirs if the payer dies in this group.

Descendants of the Prophet's (*Peace Be Upon Him*) family. It is based on the Prophet's (*Peace Be Upon Him*) words, which forbid his family from receiving *Zakat* or any other form of charity. Muslim scholars are divided on whether it is permissible to accept monetary payments rather than other forms of payment. The majority's viewpoint is acceptable if it is more convenient or in the public or poor's best interests. In practice, the proceeds of *Zakat* should be redistributed within the same country, province, or even city or a portion thereof where they are collected; nonetheless, there are discrepancies in the geographical interpretation of a *Zakat* area. It is, however, permissible to move *Zakat* revenues from one location to another if necessary. It was determined that the collection area's prospective beneficiaries were generally met, while the demands in other areas were greater. Furthermore, if a government supervises the collecting and distribution of *Zakat*, the revenues can be brought in as long as it is in the public interest. In essence, an individual payer can bring his or her own *Zakat* to meet a more pressing need or donate it to a relative (assuming the relative is eligible to receive the payer's *Zakat*, as described in the statement above. If any of these measures is necessary in the public interest, the government may collect *Zakat* in advance or postpone it until a later date. Most scholars believe that if individual payers distribute their own *Zakat*, it cannot be postponed unless there is a legitimate reason, because it can be paid in advance.

2.9 Zakat Institutions

According to Ab Rahman et al. (2012) the institution of *Zakat* can play a crucial role in supporting the government's efforts to reduce poverty, even though its scope is limited to the poor and needy Muslims. Other beneficiaries are permitted under Shariah, in addition to the destitute and needy. Through capacity building and attitude modification, its success will also aid in combating the consequences of the economic slump on the poor. The efficiency with which the *Zakat* institution performs its duties is determined by many factors, including the addition of new *Zakat* resources, the collection of *Zakat* from tangible and intangible assets, systematic *Zakat* management, efficient *Zakat* distribution, and the completeness with which the Islamic rules are implemented. To improve the institutions of *Zakat*, the above must be addressed accordingly.

Zakat serves as a mechanism to improve the social economy because it works to close the wealth gap by equitably distributing benefits (Zainal et al., 2016).

Zakat distribution can be carried out in addition through *Zakat* institutions by utilizing financial technology, such as mobile banking (Yahaya & Ahmad, 2018) which can increase the efficiency of *Zakat* distribution. Poverty in Islam is described as a person's inability to meet any of the five essential human necessities identified by *Maqasid Syariah*: religion, physical self, knowledge, dignity, and wealth. Muslims are encouraged to care for the disadvantaged in their community in accordance with the Islamic concept of brotherhood. Thus, Prophet Muhammad was given the obligation to pay *Zakat* on wealth in 9AH. Poverty was fully eradicated during the period of Umar ibn Al Khattab and Umar bin Abdul Aziz, proving that *Zakat* is an efficient method for alleviating poverty.

The splendor of *Zakat* institutions has faded after the fall of the Islamic Empire and the emergence of European influence during colonialism. As a result, a conceptual study on the role of *Zakat* in poverty alleviation is required, considering both theoretical and practical elements. Collaboration with other institutions, such as Microfinance Institutions, is also suggested to improve the effectiveness of *Zakat* Institutions (Nadzri et al., 2012).

Zakat is a responsibility for wealthy Muslims to give a portion of their money (according to certain circumstances and restrictions) to *Al-Mustahiqqin*, or beneficiaries, with the primary purpose of establishing socioeconomic justice. In Muslim nations, *Zakat* institutions are trusted bodies that administer *Zakat*.

Such *Zakat* institutions in Malaysia are known as State Islamic Religious Councils, or SIRC (SIRCs). Institutions are expected to play a critical role in advancing *Zakat*'s socioeconomic goals in Malaysia. As a result, competent management of these institutions is critical. To assess the effectiveness of Malaysia's *Zakat* institutions. The Malmquist Productivity Index is used to measure the productivity and efficiency of *Zakat* institutions in Malaysia, while the Tobit model is used to determine the elements that affect their efficiency. The data came from a panel of fourteen Malaysian *Zakat* institutions between 2003 and 2007.

The findings suggest that *Zakat* institutions in Malaysia grew their Total Factor Productivity (TFP) at a rate of 2.4 percent on average over the study period, which was predominantly due to technical development rather than efficiency components. According to empirical data based on Tobit regression, the *Zakat* payment system, computerized *Zakat* system, board size, audit committee, and decentralization, all have a substantial impact on *Zakat* institutions' efficiency in Malaysia (Wahab & Rahman, 2013).

The *Zakat* institution is one of the redistributive institutions that had a vital role in the formation of the Islamic economic system. The purpose of *Zakat* is to achieve social justice by promoting a more equitable distribution of wealth. *Zakat* administration efficiency is crucial to maximizing *Zakat* collection and distribution to achieve this goal. The *Zakat* institution is responsible for maintaining efficiency in the collecting and distribution of *Zakat* money as a strategy for generating wealth and increasing distribution as a wealth-creating organization. As a result of dynamic technological progress, notably in Blockchain technology, *Zakat* collection and distribution would be more systematic and trackable (Ahmed & Zakaria, 2021).

Since Mindanao, to BARMM region, doesn't have a *Zakat* institution yet, the first issues to be solve is how to build the *Zakat* institutions to be followed by solving the following issues such as the following, like for example, in terms of the inefficiency issue, prospective payers, and capacity building of *Zakat* institutions.

2.10 Zakat Management

To realize the welfare of all people, good *Zakat* management is anticipated to be able to serve as a source of inspiration and opportunity. To boost *Zakat* receipts, the institution has responsibility and legal authority. *Zakat*'s purpose is to help and rehabilitate the destitute and needy (Shirazi, 1996).

As the trustee for handling the collecting and distribution of *Zakat*, the *Zakat* management agency must support the Muslim community's growth and development. They must guarantee that *Zakat* can meet the fundamental needs of the needy in the community while also contributing to a society's fair and just allocation and circulation of wealth. However, the efficacy of *Zakat* collection and distribution is largely dependent on the *Zakat* institution's good governance (Wahid et al., 2012).

If the *Zakat* institution is not adequately addressed, it may have a detrimental influence on the *Zakat* institution's future development. Proper *Zakat* implementation management in each state would enhance the socio-economic situation of the Muslim community in that state.

Zakat, for example, is a higher priority than eradicating poverty in Muslim society (Sadeq, 2002). Because *Zakat* redistributes money from the wealthy to the poor (i.e., *Zakat* prevents wealth concentration in the hands of the wealthy), it is a powerful tool in the battle against poverty (Sadeq, 2002).

Recognizing the significance of *Zakat* implementation in Muslim community, effective *Zakat* management is critical to achieving these goals. Centralizing *Zakat* management appears to be the only policy option for achieving the strategic *Zakat* effect. It may be easier to execute cooperation between the national *Zakat* institution and the fiscal policy maker if it is centralized. The *Zakat* concept can also be implemented into government budgetary policies. Finally, it is predicted that with excellent and effective *Zakat* administration, the conversion of *Zakat* receivers into *Zakat* payers would occur, indicating that the underprivileged segment's welfare will be improved. Because they are the ultimate users of the services, the attitudes of *Zakat* beneficiaries are particularly significant (in this case the *Zakat* management). Both policymakers and *Zakat* institutions should listen to their concerns. Their agreement is crucial to improving our *Zakat* administration.

The family's agreement is also critical because they will put this proposal into action if this conclusion is substantial enough for *Zakat* institutions to take the first step toward reclaiming their "goodwill". The *Zakat* payer will be confident in paying *Zakat* through the official route, increasing *Zakat* collection and, ultimately, benefiting *Zakat* beneficiaries through an efficient distribution system (Wahid et al., 2012).

World *Zakat* Performance Index is an initiative of some few scholars around the globe specific to *Zakat* management for better operations' aims to provide clear guidelines for *Zakat* and *Zakat* authorities institutions operating under the WZF on how to evaluate their performance based on their legal framework of *Zakat*, administration of *Zakat*, reporting of *Zakat*, *Zakat* collection, and distribution of *Zakat*. In doing so, they will get a clear understanding of their performance, especially with the five fields mentioned above.

However, to ensure the quality of the World *Zakat* Performance Index (WZPI), WZF Research and development collaborated with the BAZNAS Centre of Strategic Studies, which has a long record in researching *Zakat*, including the *Zakat* Core Principles, the National *Zakat* index of BAZNAS, and many others. Therefore, WZF Research and Progress feels confident that the WZPI will be available as a robust measurement *Zakat* performance evaluation tool.

The ability to measure the level of performance of *Zakat* management is important for the further development of *Zakat*. However, there are very few scholarly attempts in the world. Their research focuses on developing a tool for assessing *Zakat* performance management. Therefore, this year 2021, WZF Research and Development took the initiative to create a measurement tool for the evaluation of *Zakat* worldwide management performance, like the World *Zakat* Performance Index (WZPI). *Zakat* seeks not only to attain religious merit but also to integrate into contemporary state fiscal strategies, playing a significant role in mitigating social inequalities (Barizah et al., 2007).

According to Lateff & Palil (2011) Religiosity and *Zakat* awareness are two further important elements. Age, gender, and financial level may all influence one's level of awareness. Despite having awareness of Islamic goods, according to a study performed on Islamic vehicle loan clients in Borneo, they are hesitant to pick them (Amin, 2007).

People who are familiar with Islamic banking goods appear to reject utilising halal items if they are not aware of their existence (Rammal & Zurbruegg, 2007). According to Harun et al. (2021) the primary elements determining individual behaviors and lives are based on significant historical and social life events that occurred in their lives. Promoting awareness is crucial as it aids both the public and the younger generation in comprehending and valuing the significance of *Zakat*. As a result, *Zakat* awareness is defined as a comprehension of a system for achieving and fulfilling the demands of wealth purification.

It is the state or capacity to notice, understand, or be attentive to issues, objects, or sensory patterns, and it is signified as the state of being conscious about something. According to *Zakat* awareness research, Muslims are motivated to donate to the *Zakat* because of their feeling of social duty and wealth sharing. Furthermore, the structure, manner, and technique of *Zakat* payment are all elements that encourage employees to pay *Zakat* (Barizah et al., 2007).

CHAPTER III

METHODOLOGY

This chapter provides an overview of the data analysis as well as the research design, study sample, data gathering tools and methodologies, and data collection itself. Three aspects of *Zakat* awareness will be investigated in this study. The three facets of *Zakat* awareness were tested by the survey questions. The demographic information about the respondents is covered in the first portion of the survey. In the second segment, there are 8 (eight) and 9 (nine) questions each designed to gauge the knowledge of target respondents on *Zakat* and its various forms. With the help of 8 questions, the third segment will assess the respondent's knowledge about the *Zakat* recipients or beneficiaries. A qualitative method has been used in this study. This is mainly composed of surveys on the target population in Mindanao within the region of Bangsamoro Autonomous Region in Muslim Mindanao (BARMM). In this section, the researcher will carry out a survey and collect information that will eventually be distributed to the Bangsamoro people. Most of the people had an experience of giving *Zakat* but being aware of *Zakat* institutions and the Fiqh rulings on how to do it properly is rare. Especially, for the people of Bangsamoro. In this study, the researcher will survey Google Forms. The survey questionnaires are composed of four sections, The initial part contains the demographic information of the participants, while the second segment focuses on the awareness of *Zakat* as one of the pillars of Islam and its significance. The third one is the awareness of Bangsamoro people on *Zakat* institutions and their types.

3.1 Design and Structure of the Thesis

The BARMM area where target population is the subject of a survey questionnaire. The Bangsamoro people were given access to the researcher survey questionnaire in order to participate in the survey through google forms. Afterwards data collection was also established via Google forms as well. Through the strategic application of purposive sampling, the initial set of participants was deliberately chosen, focusing on individuals identified through social media channels.

The sample size then increased naturally as a result of the snowball effect. There were 224 responses in total from the respondents. Beginning in February 2022, information was collected. Emphasizing the significance of linguistic precision, the survey questionnaire was administered in the native language, Filipino, as opposed to English, ensuring a more precise reflection of the target population. The survey instrument is structured into two sections: the first captures demographic information, while the second, comprised of three categories, begins with eight questions centered on *Zakat* awareness. The second category, which is composed of nine questions, is questions about the *Zakat* institutions and their different types as well as the different types of *Zakat*. The third categories are composed of eight questions which are about the awareness of *Zakat* beneficiaries. This questionnaire is a self-administered question to assess three facets of *Zakat* awareness in the BARMM region. The survey first component provides the respondents' demographic information. In the second section, there are eight questions which aim to assess the knowledge of Bangsamoro regarding *Zakat*.

To be followed by nine questions each that aims to assess the understanding of *Zakat* and its different forms. Lastly, there are eight questions utilized in the third portion to assess the awareness of the *Zakat* beneficiaries. This study used a descriptive analysis technique to examine the data that had been gathered. The survey questions were assessed for public awareness using a Likert five-point scale. Strongly agree, agree, neutral, disagree, and strongly disagree are the five choices, which range in awareness from 5 to 1, respectively. Following that, the sample size is calculated for the overall awareness score for each question. The final awareness scores for each are then calculated by averaging the results of the questions for each awareness facet. Enhancing the parametric nature of scores and ensuring more reliable results can be accomplished by averaging responses from multiple Likert scale questions. The ultimate score for each component is juxtaposed with the details in Table 3.1 below to evaluate the awareness:

Table 3.1: The benchmark used to judge the awareness level.

Likert scale	Category length	Grade
1	0.8-1.79	Very low
2	1.80-2.59	Low
3	2.60-3.39	Medium

4	3.40-4.19	High
5	4.20-5	Very high

Cronbach's alpha test was used to determine whether the questionnaire is trustworthy. One of the widely used methods for evaluating the validity of surveys using the Likert scale is Cronbach's alpha (Cronbach, 1951). The results of this test show how effectively the variables have been employed in a method, technique, or test measure. Any Cronbach's Alpha value greater than 0.8 is regarded as favorable. After the conclusion the outcome results unveiled a Cronbach's alpha of 0.95 signifying a high level of reliability and excellence in the variables. The Anova two-factor without replication table in this study meticulously computes and evaluates each question. This comprehensive analysis aims to ascertain the suitability of the questions utilized within the study. Table 3.1 serves as a tool to determine whether these questions are accepted or not, a verdict derived by examining Cronbach's alpha values. The table categorizes the Anova two factors without replication into three distinct groups based on the questionnaire categories.

Firstly, it encompasses the assessment of *Zakat* as a fundamental Muslim institution, aiming to gauge the community's awareness in this regard. Secondly, it delves into probing the understanding of the diverse types of *Zakat* prevalent within the community. Finally, it focuses on assessing the awareness levels concerning the recipients of *Zakat*, the beneficiaries within the community. The meticulous breakdown into these three categories allows for a more nuanced evaluation of the varied aspects related to *Zakat* awareness. The examination spans from the fundamental knowledge about *Zakat* as a religious obligation to the comprehension of its diverse types, and finally, understanding who the intended recipients or beneficiaries are within the community. The outcome at the end of this Anova table provides crucial insights into whether the questions integrated into the study are deemed acceptable or not, as ascertained through the assessment of Cronbach's alphas. This rigorous evaluation of the questions employed in the study offers a valuable measure of their reliability and appropriateness for gauging the awareness levels of *Zakat* among the participants. Through the computation of the variables outlined in Table 3.2, an ANOVA two-factor without replication was conducted on the initial group question concerning the understanding of *Zakat* as an integral Islamic institution.

This aimed to assess the internal consistency and reliability of the variable. The analysis revealed Cronbach's alpha of 0.88, signifying a high level of reliability for the variables. This outcome suggests that the variable's reliability is deemed acceptable within the context of the study.

Table 3.2: The Anova: Two-Factor Without Replication First Group Questionnaire

ANOVA							
<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>	
Rows	584.428	223	2.6207	8.800	4.6E-161	1.1744	
Columns	76.125	7	10.875	36.517	1.54E-47	2.0158	
Error	464.875	1561	0.297				
Total	1125.42	8	1791				
Cronbach's alpha	0.886						

Through the computation of the variables outlined in Table 3.3, an ANOVA two-factor without replication was conducted on the second group of questionnaires related to the recognition of various categories of *Zakat*. The primary objective was to gauge the internal consistency and reliability of these variables. The results of this analysis revealed a Cronbach's alpha value of 0.91, indicating a remarkably high level of reliability for the variables under consideration. This robust Cronbach's alpha value of 0.91 underscores the consistent and dependable nature of the variables associated with awareness of various types of *Zakat*. The high reliability suggests that the questionnaire items designed to measure awareness in this particular domain are effectively capturing the intended constructs. The meticulous analysis of internal consistency and reliability becomes pivotal in ensuring the validity of the research findings. A Cronbach's alpha value of 0.91 surpasses the commonly accepted threshold, signifying not only the coherence among the variables but also their dependability. This implies that the measurements used to assess awareness of different types of *Zakat* are not only accurate but also provide a consistent reflection of the participants' understanding. The findings further reinforce the credibility and robustness of the research methodology in exploring and evaluating the nuances of *Zakat* awareness among the respondents.

Table 3.3: The Anova: Two-Factor Without Replication Second Group of Questionnaires

ANOVA						
<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Rows	716.360	223	3.212	11.62	8.7E-224	1.172
Columns	50.599	8	6.324	22.88	1.3E-33	1.943
Error	492.956	1784	0.276	9		
Total	1259.91	2015				
Cronbach's alpha	0.913					

By calculating the variables below table 3.4 the ANOVA two-factor without replication of the third group question on the awareness of the recipients of *Zakat*, to measure the internal consistency of the variable and the reliability of the variables. It inferred that the Cronbach's alpha of the following variables is 0.91 which indicates that the variable reliability is quite high.

Table 3.4: The Anova Two-Factor Without Replication Third Group of Questionnaires

ANOVA						
<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Rows	854.526	223	3.831	12.24	1.4E-221	1.17
Columns	60.312	7	8.616	27.53	7.25E-36	2.01
Error	488.437	1561	0.313	6		5
Total	1403.27	1791		6		
Cronbach's alpha	0.918					

The following table 3.5 is the anova two-factor without replication in this table all of the questions have been calculated and assessed to know whether the questions are being accepted in this study. At the end of the table, we could be able to find the explanation of whether the question that has been used in the study is accepted or not by checking the Cronbach's alphas answer. By calculating the variables above, measures the internal consistency of the variable and the reliability of the variables. The deduction drawn from the analysis reveals a remarkably high Cronbach's alpha value of 0.95 for the variables, signifying an exceptionally strong level of reliability. This notable Cronbach's alpha, reaching 0.95, underscores the robust consistency and dependability of the variables within the context of the study. Such a high reliability level positions the variables as not only very dependable but also representing the pinnacle of reliability standards.

Table 3.5: The anova two-factor without replication over all questionnaires

ANOVA						
<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
	1818.40	223	8.154	24.47	0	1.164
Rows	6			4		
	190.661	24	7.944	23.84	8.1E-	1.519
Columns				3	100	
	1783.17	5352	0.333			
Error	9		18			
	3792.24	5599				
Total	6					
Cronbach's alpha		0.959				

This outcome implies that the variables, designed to measure and assess specific aspects within the study, exhibit an outstanding degree of internal consistency, thereby enhancing the overall credibility and validity of the research findings. Fundamentally, the robust Cronbach's alpha of 0.959 underscores the assertion that the examined variables exhibit exceptional reliability, enhancing the overall strength and integrity of the research findings.

Due to the evidence of measuring the internal consistency of the variable and its reliability, this study has been established as authors believed and hoped that in a near future this could contribute to the research on those people who were interested in the same topic in particular to Bangsamoro Autonomous Region in Muslim Mindanao also known BARMM. In the study, the most important thing must be the reliability of the primary data results in the study. Reliability must be the first thing we could secure before proceeding with the research study. It must be reliable so that the research becomes more dependable and accepted. This is very important as it was your basis for continuing the writing you wanted to test. It also serves as a legacy for the upcoming researchers who are interested in this fieldwork. Specifically for the upcoming researchers who want to study the same field, it will be helpful for them to arrive at good paperwork due to reliable sources.

3.2. The Research Setting

This study was conducted basically in the Philippines, Bangsamoro people are the target of this research study specifically in the Bangsamoro Region also known as BARMM in southern Philippines. The Philippines is divided into three islands Luzon, Visayas, and Mindanao. It is in the southern Philippines, which is called Mindanao most Muslims live, and it is well known as the BARMM Region nowadays. In this study, a total of two hundred twenty-four Bangsamoro participated by answering the questionnaire via Internet sources. The researcher used the google form as a tool to survey target respondents in the BARMM region. Using the first language, the respondents could better understand the issues and questions that have been given to them. Understanding of the respondents in the language specifically on survey questions is one of the most important things we should include in any survey questionnaire. After formulating the questionnaire, the researchers distributed the questionnaire via Internet sources through Google Forms. One of the important things that we must bear in mind before starting the dissertation is the place where you will be going to conduct the survey. It must be specific to the place, the people and the things that have been used in the survey. Everything must be well prepared so that the work will finish on time. The language is one of the important things we must include if we gather the survey as Bangsamoro has many dialects.

Some of the followings are the dialects used by the Bangsamoro such as, Maguindanaon, Maranao, Yakan, Tausug, Sama, Iranun, Tiruray, Sabah, Malay, Tagalog, English Arabic, Chavacano, Cebuano etc. A reason why the researchers used Filipino (formerly Pilipino) is that it was the official language that has been used in the three main lands of the Philippines aside from English as the second official language.

3.3 The Sample of the Research

The respondents of the study are the Bangsamoro people who are currently living in southern area of Philippines called Mindanao in BARMM region. The sample of the research study was taken randomly.

A survey questionnaire was generated and distributed randomly through the implementation of a purposive sampling technique, which was subsequently enlarged through the snowball effect. The population of Mindanao is mostly Muslim which is composed of many tribes such as Maguindanaon, Iranun, Tausug, Sama, Maranao, Yakan, Badjao, Jama Mapun, Kagan/ Kalagan, Sangil, Moblog, Palawanon, Kalibugan, Indigenous People such as, Teduray Lambangian and Manobo Dulangan. The research sample, consisting of 224 respondents, was strategically gathered through the utilization of a Google Form distributed across the BARMM areas. Selection sample size is a critical aspect of any research, and in this case, the inclusion of 224 participants provides a substantial dataset for analysis. The use of a Google Form for distribution not only facilitated a streamlined and efficient data collection process but also allowed for widespread reach across the diverse geographic and demographic landscape of the BARMM region. This method ensures representation from various segments of the population, contributing to the study's comprehensiveness and reliability. By employing an online survey platform like Google Forms, the research team was able to overcome geographical barriers and efficiently collect responses from participants scattered across the BARMM region. This modern and accessible approach not only enhances the convenience for respondents but also contributes to the overall inclusivity of the research.

The sizable sample distributed through a digital platform reflects the research's commitment to obtaining a diverse and representative dataset, essential for drawing meaningful conclusions and insights into the awareness of *Zakat* among the Bangsamoro population in BARMM. The term “population” refers to the entire group of participants that a certain research endeavor is focusing on. Turkish citizens were the research's target population. By 2022, there were around 84 million Turkish citizens (Worldometer, 2022). First, we use a representative sample or source from which sampling units are selected in this study, which is a list or set of instructions for identifying the target population. In this study, 270 sets of questionnaires were delivered to Turkish residents as the sample units. In a population, the unit of analysis or case is the sample component. Since the goal of this study is to determine how Turkish citizens perceive IBF products and services and the link between demographic factors and knowledge, comprehension, and perceptions, Turkish residents were chosen as the samples for this study. The non-probability sampling methodology used in this study is the sampling method.

This is because it is impossible to obtain statistics from the complete population due to the excessive number of Turkish residents. Non-probability sampling does not require that the items chosen for the sample be statistically representative of the population. Instead, the researcher used predictors of behavioral intention like past experience, applicability, professional opinion, etc. to choose the sample's constituent parts. Therefore, it is unknown what percentage of the population will be picked from each element (Saunders et al., 2007, p.208).

3.4. Collection of Data

It is critical to acquire precise and trustworthy information regarding the topic under research while conducting field studies. The most basic instruments are interviews and questionnaires, but the data they generate are frequently incomplete. One of the most crucial aspects of a study that should be established is data collecting. One of the most important considerations before starting a study is how the researcher will collect the necessary data. The data collection instrument in this study was a questionnaire, and data were obtained from participants in the BARMM Region of the Southern Philippines. The questionnaire was made available to participants as an online form.

Participants were permitted to communicate with the researcher while answering questions if they had any difficulty, which is also known as google forms. They are allowed to complete the survey whenever they have time. As a whole, A total of 224 (two hundred twenty-four) participants have participated in this online survey questionnaire. Structured survey questions were utilized to collect data in this investigation, which was then completed through an online survey. Since all of the answers were collected and were valid, the respondents were unable to skip the questions. A questionnaire, crafted and translated into Filipino the official language of the A questionnaire, crafted and translated into Filipino the Philippines official language was designed to facilitate respondents' comprehension and responses.

The survey has been conducted online, applying a mixed-method approach, incorporating both snowball sampling and the convenience sampling method. In the online survey process, the snowball sampling approach will be employed, where initial respondents completing the survey can pass on the same questionnaire to their friends, acquaintances, and others. Those who are subsequently referred and participate in the survey further contribute to the snowball effect. Additionally, the convenience sampling method, which involves selecting individuals based on their accessibility, will be employed. This may include reaching out to co-workers and classmates as examples of individuals readily available for participation.(Lavrakas, 2008).In a study, the most important thing must be your primary data results. Reliability must be the first thing we could secure before proceeding with the research study. It must be reliable so that the research becomes more reliable and accepted. This is very important as it was your legacy for the upcoming researchers who are interested in the same fieldwork. The upcoming researchers who want to study the same field it will be helpful for them to arrive at good paper works due to reliable sources they found. The primary data for this research was collected. Kothari (2004) defines primary data as data that is obtained for the first time and so has a distinct idea. While it is possible to conduct research without using secondary data, studies based exclusively on secondary data are less accurate and may contain biases due to human manipulation.

CHAPTER IV

RESULT AND ANALYSIS

This chapter contains a brief discussion of the survey's results. This research aims to evaluate the awareness levels within the Bangsamoro community, centering specifically on individuals residing in BARMM areas, located within the Philippines. The objective is to gauge the extent of awareness among Bangsamoro residents, shedding light on their comprehension of key socio-cultural and religious aspects. In particular, the study emphasizes the assessment of awareness regarding *Zakat*, an integral element of Islamic practice. By concentrating on residents within the BARMM region, the research seeks to provide a detailed and context-specific analysis of awareness levels. Factors such as socio-economic conditions, educational backgrounds, and cultural influences will be considered to gain insights into the variations in *Zakat* awareness within this particular geographical and cultural setting. Utilizing surveys and questionnaires, the research employs a comprehensive approach to gather valuable data on awareness levels among the Bangsamoro population. The outcomes of this study hold significance not only for academic understanding but also for practical applications, offering insights that can inform awareness enhancement programs and initiatives led by policymakers and community leaders in the BARMM region.

In summary, this research goes beyond a mere assessment, aiming to offer a nuanced and contextual examination of awareness levels among Bangsamoro residents. The findings contribute to the broader discourse on religious and socio-cultural awareness in the Philippines, providing a foundation for informed decision-making and targeted interventions. The research proceeds with an examination of the respondent's demographic profile and the subsequent hypothesis testing by the researcher. This is succeeded by the evaluation of *Zakat*, exploration of various *Zakat* types, and, finally, an assessment of the awareness levels among beneficiaries. The results are presented through both tabular representations and graphical figures for a comprehensive analysis.

4.1 Respondents Population Overview

Respondents in this study were categorized into two groups: males and females, unmarried and married individuals reach in an appropriate age as one of the participants and with the least number of family members. Most survey participants have advanced degrees. Based on the most recent table 4.1, it appears that 35.3% of respondents are men and 64.7% are women (figure 4.1). Men tend to be more preoccupied with demanding occupations that provide limited time for social interactions, which are necessary in order to obtain the questionnaire, for this reason it may be easier to access women than men. Additionally, the majority of respondents (75%) are between the ages of 18 and 30, while 17.9% are between the ages of 31 and 40. While (7.1%) are between the ages of 41 and over 60. Social media and the fact that young people utilize current communication tools more frequently can be used to explain why the respondents were primarily from the younger group. The young population in the area is another possible explanation. Additionally, it appears from the chart above that the majority of participants (65.6%) are single. The sample's family size distribution is 5.8 percent for those with over 10 members. Furthermore, there are relatively even percentages of 24.1, 37.1(thirty-seven point one) and 33 (thirty-three) for families with five, seven and ten members, respectively.

Table 4.1: The Breakdown of Respondents by Age, Gender, Marital Status, Family Size

Factor	Category	Number	Percent (%)
Gender	Male	79	35.3
	Female	145	64.7
	Total:	224	100
Age	18- 25	127	56.7
	26-30	41	18.3
	31-35	26	11.6

	36-40	14	6.3
	41-45	6	2.7
	46-50	5	2.2
	51-55	2	0.9
	56-60	1	0.4
	More than 60	2	0.9
	Total:	224	100
Marital Status	Single	147	65.6
	Married	70	31.3
	Widowed	4	1.8
	Divorced	3	1.3
	Total:	224	100
Family Size	Below 5 members	54	24.1
	5-7 members	83	37.1
	8-10 Members	74	33
	More than 10 members	13	5.8
	Total:	224	100

In the category of gender figure 4.1 in the distribution of the respondent's gender, the overall share of the male in the category of gender is 35%, while the total share of the female is 65%. This shows that the majority of respondents to the survey used for this study are women. Perhaps women engaged much easier to communicate with the man due to the demanding work they had engage with which may leave them not to interact much on social media. In the given survey respondents must answer the survey questionnaire via a google form. It is one of the basic and necessary actions that must be taken to be able to participate in this survey questionnaire.

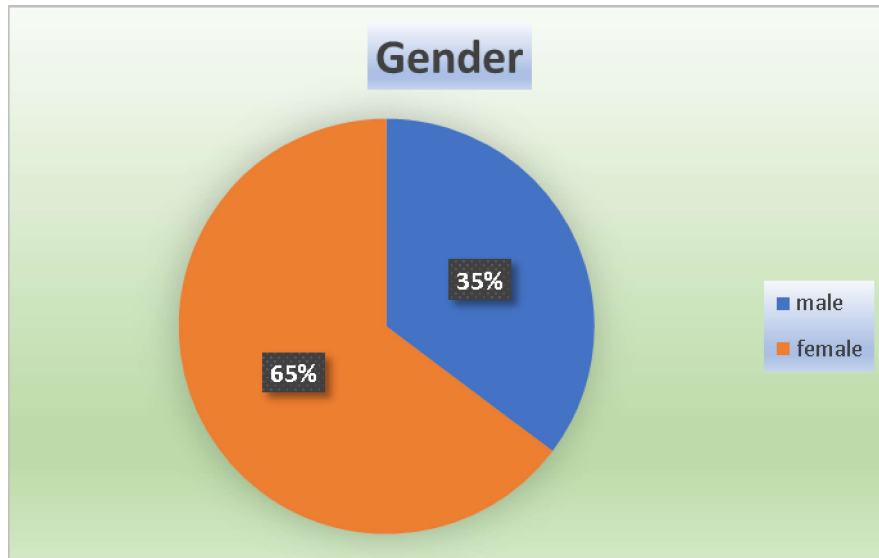


Figure 4.1: The Distribution of The Respondent's Gender

In Figure 4.2 the distribution of respondents by age, in terms of getting the opinion of the public, the right age of the respondent is one of the most important to considered. In this survey questionnaire respondents must be of the right age. The youngest age of the respondent must be at the age of eighteen years old and above. Respondents should reach the age of 18 years old or above to be qualified on the survey, the respondent range age was 18 years up to 60 above, from 18-25 years old a total of 57% percent of respondents. which means more than half of the people who answer in the survey are at the range of 18 to 25 years old. Whereas 26-30 years old has 18% percent, to be followed by 31-35 years old who had 12% percent and the rest from 36-60 above who got 11% percent. The rise in the demographic presence of the younger generation can be linked to the extensive adoption and widespread use of social media platforms and modern communication channels within the contemporary youth demographic. This shift reflects the significant impact and influence these digital platforms exert on the preferences, habits, and engagement patterns of today's younger population, highlighting the evolving dynamics of communication and social interaction in the modern era.

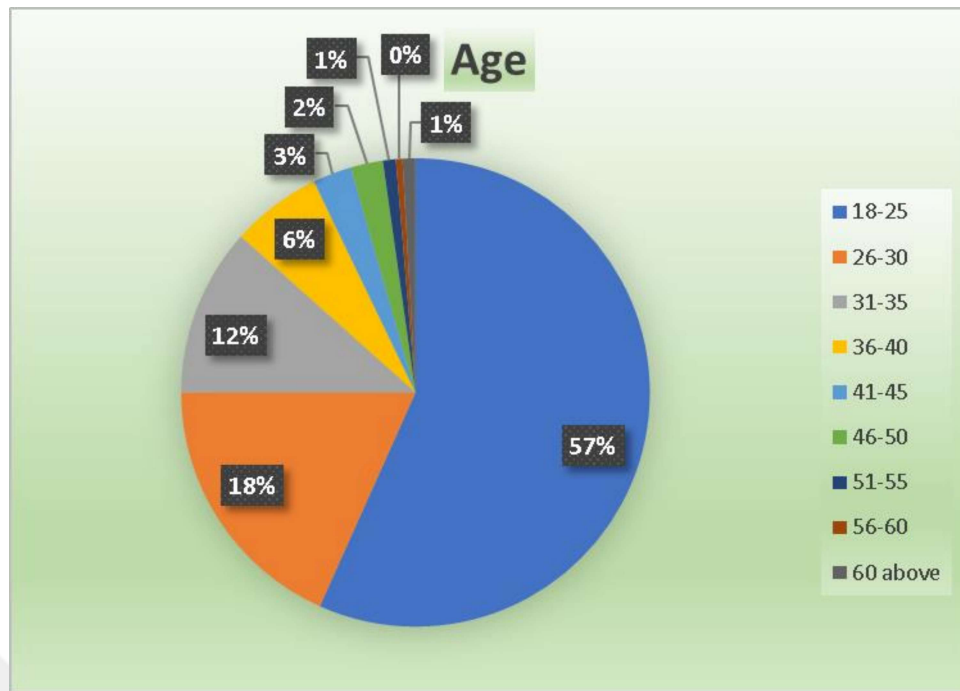


Figure 4.2: The Distribution of The Respondent's Age

In the category of the respondents on the distribution of marital status in figure 4.3, 66% percent of the respondents were single whereas, 31% percent are married, 2% percent belong on widowed, and 1% percent is belonged on divorced. This indicates that most of the respondents in this survey are singles. The second one is married to be followed by widowed and lastly the divorced ones who got the lowest score among others which is shown in the graph. The reason might be due to the use of modern technology these days whereas most of the young generation was engaged and frequently use it nowadays.

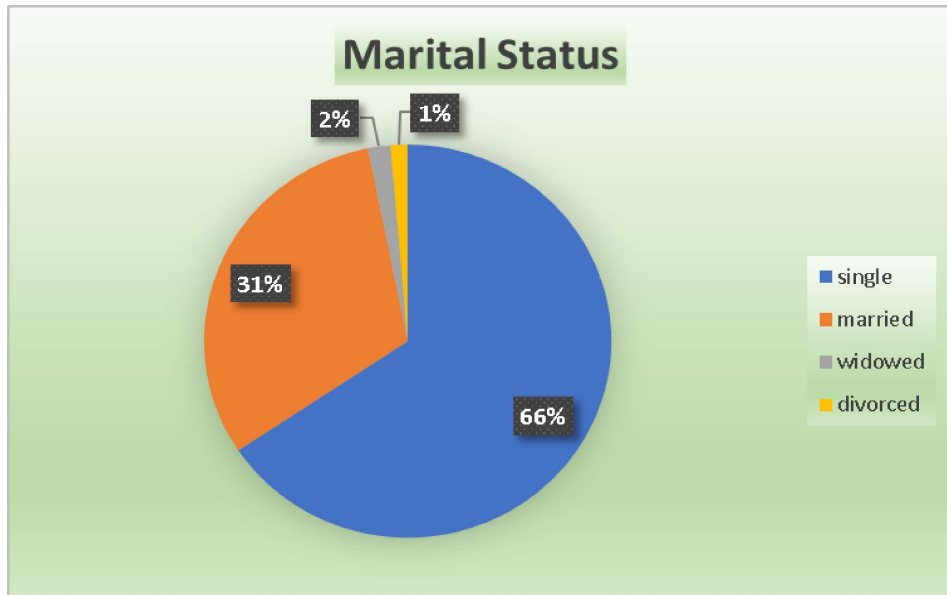


Figure 4.3: The Distribution of The Respondent's Marital Status

In figure 4.4, the distribution of the respondent's family sizes in this category of family sizes, a family member of below five members reaches 24% percent. whereas, in a family member of 5-7 reached 37% percent to be followed by 8-10 members of 33% percent whereas, above 10 members reached 6% percent only. This indicates that most of the respondent's family members belonged to 5-7 family members. Whereas the second highest percentage belongs to eight to ten family members to be followed by below five percent members and the least is above ten members which is six percent.

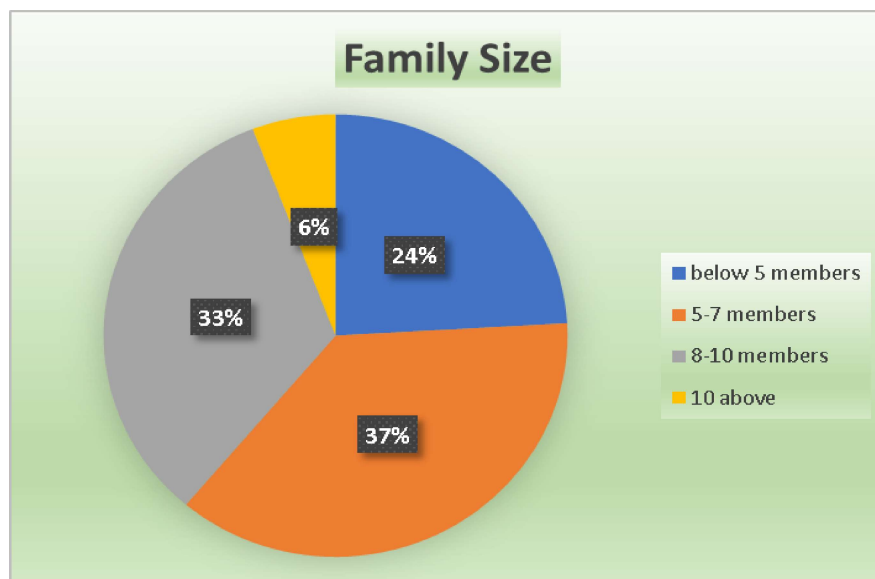


Figure 4.4: The Distribution of The Respondent's Family Sizes

As per the data presented in Table 4.2 detailing the distribution of respondents based on their educational level and years of schooling, 15.2% of respondents had almost no formal education, compared to 9.8% who had received a primary education, 11.2% who had received a secondary education, and 57.6% who had received a diploma or college. Which indicates that it has a big portion of the respondents. The remaining 10.3% either attended tertiary institutions or had received an undergraduate degree. In contrast, a madrasah has a primary level education of 14.3%, an intermediate level education of 8.9%, a secondary level of education of 7.1%, and a university graduate student of 3.6%. (Table 4.2). The research participants degree of understanding of the problems and discussion around the specific case is significantly influenced by their level of education. In order to improve one's abilities and become a more successful and competitive person in the community, education is crucial. Therefore, it is conceivable that education levels will have a direct influence on how thoroughly people seem to understand the importance of charitable giving (*Zakat*) in Islam. The level of education of an individual is one of the key aspects that affects their consciousness and understanding of particular issues.

Table 4.2: Demographic Distribution Based on Educational Attainment and Years of Schooling

Factor	Category	Number	Percent (%)
Level of Education	Informal Schooling	34	15.2
	Primary School	22	9.8
	Secondary School	25	11.2
	Diploma /College	129	57.6
	Tertiary Institutions	23	10.3
	Madrasah (ibtidah)	32	14.3
	Madrasah(mutawassit)	20	8.9
	Madrasah (Sanawi)	16	7.1
	Madrasah (Kulliyah)	8	3.6

	Total:	224	100
Years of Schooling	5 years and below	75	33.5
	6-10 years	43	19.2
	10 years and above	108	48.2
	Total:	224	100

In the category of the level of education in 4.5 on distribution of level of education, 11% percent of the sample belongs to informal schooling whereas, 7% percent is in primary school, 8% percent in secondary level, 42% percent in a diploma or university, and 7% percent is belonging in tertiary level. Whereas in an Islamic school, 10% percent was in ibtidah level, 7% percent in mutawassit, 5% percent in sanawi, and 3% percent in kulliyah. In the category of the level of education, more than half of the respondents have a background in secular and Islamic schooling. Most of the respondents were currently a student in university.

This was expected that most of them heard and learned the basic definition of *Zakat* in university, especially in Islamic schools as it was taught even at an early level of education.

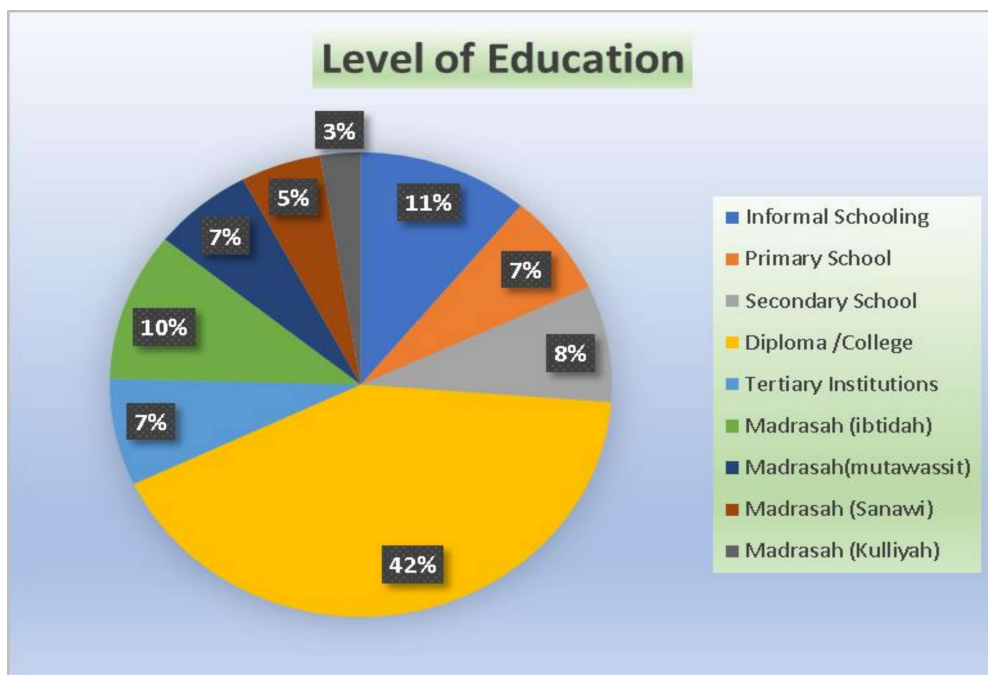


Figure 4.5: Distribution of Level of Education

Within the realm of educational background, as depicted in Figure 4.6 illustrating the distribution of school year, 33% (thirty-three percent) of the sample possesses less than five-years of formal education, while 19% fall within the range of six to ten years, and a substantial 48% have exceeded ten years of formal education. Anticipatedly, respondents with a higher level of education, especially those surpassing ten years of formal schooling, are presumed to possess a more comprehensive understanding of *Zakat* institutions and their diverse manifestations.

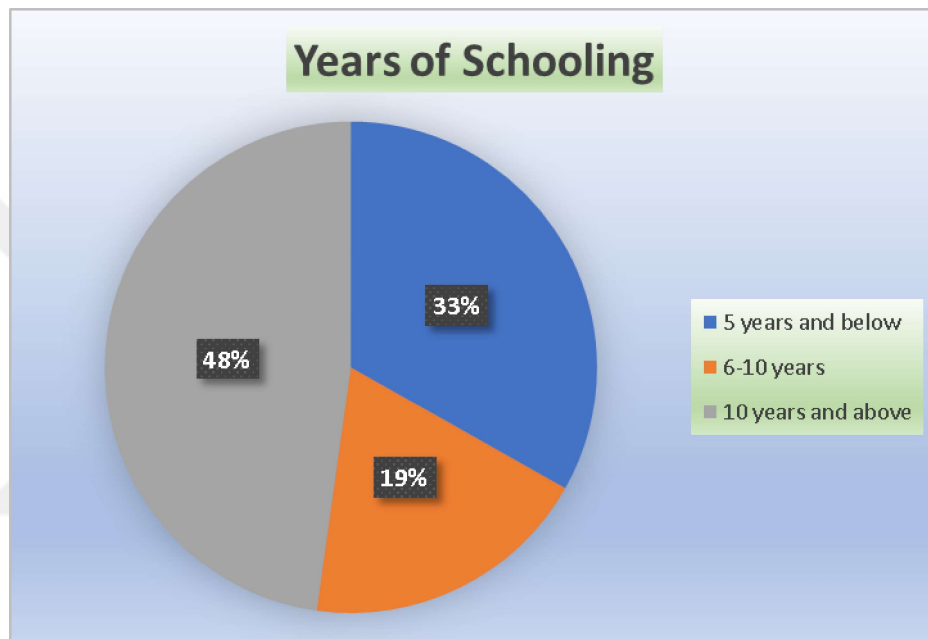


Figure 4.6: Distribution of Years of Schooling

4.2 *Zakat* Awareness Evaluation

The survey utilizes a five-point Likert scale to gauge the awareness level of the Bangsamoro in BARMM. This scale is designed to measure various facets of awareness, encompassing not only basic knowledge but also nuanced perspectives. Each question within the survey is intentionally crafted to ensure that a higher score on the Likert scale corresponds to a more profound and comprehensive understanding of the socio-cultural, political, and historical dimensions related to the Philippines. In essence, the scale aims to capture a nuanced spectrum of awareness levels, allowing for a detailed analysis of the Bangsamoro population's perceptions and insights about the broader context of the Philippines.

The general knowledge of the *Zakat* as a cornerstone of Islamic finance serving the interests of the Muslim is the first awareness issue addressed in this study. There three tables below to discuss the three types of awareness in *Zakat* as an Islamic institution. To be followed by the table of the *Zakat* awareness on its different types and lastly the awareness of recipients of *Zakat*. Table 4.3 provides a summary of the answers to the eight questions that address this topic. According to the following data, Referencing Table 4.3, insights of *Zakat* awareness as a fundamental Islamic organization in region of BARMM has remarkably high level of general awareness about *Zakat* as an Islamic institution.

It received a rating of 4.61 out of 5, which is considered to be very high awareness. Given that religious instruction in schools generally covers *Zakat*, this is understandable. In the table, question number five, which assesses knowledge of *Zakat* institutions, has the lowest score with a value of 4.24. This question is intended to gauge knowledge of *Zakat* institutions. The absence of a currently operational institution in the region could be one of the contributing factors for the lack of an actual example. With a score of 4.34, the question on awareness of *Zakat* calculations and rulings receives the second-lowest ranking. The probable explanation is that a significant number of individuals may lack the requisite wealth to meet *Zakat* obligations. The religiously pious wealthy may also seek the guidance of religious leaders in determining the amount of *Zakat* that must be paid. Nevertheless, even though these two outcomes are at the bottom, they still signify an exceptionally elevated level of awareness.

Table 4.3: *Zakat* Awareness as An Islamic Institution

Questions	Score
Q.1 Awareness of <i>Zakat</i> existence in Islam	4.83
Q.2 Awareness of the <i>Zakat</i> purpose	4.67
Q.3 Recognition of the responsibility to contribute <i>Zakat</i> on wealth for diligent payers	4.83
Q.4 Awareness of fiqhi rulings of <i>Zakat</i> calculations	4.34
Q.5 Awareness of <i>Zakat</i> institutions	4.24
Q.6 Awareness of <i>Zakat</i> distribution in the region	4.58
Q.7 Awareness of other functions of <i>Zakat</i> information	4.60
Q.8 Awareness of <i>Nisab</i> Based on Income and Asset Values	4.77
Average	4.61

Table 4.4 provides the findings according to the level of awareness of various types of *Zakat*. The data suggests that this aspect of *Zakat* awareness is also quite elevated, closely resembling the score for the preceding element. According to Table 4.4 on the awareness on different types of *Zakat*, indicates that in questions three and four had an equal score of 4.38, which was the lowest possible score for the corresponding question. Both knowledge of *Zakatul Maal* existence and its purpose are tested by the two questions.

Even while the scores for these two questions are still very high, it is also reasonable that the lower results are due to the fact that *Zakatul Maal* (*Zakat* on wealth) payers typically pay less than *Zakatul Fitr* payers due to the significant disparity in the *Nisab* thresholds for each.

Muslim Ummah who are fasting during the ramadan who has enough food for one day is obligated to pay the *Zakatul Fitr* in the last days/weeks of Ramadan.

“Abdullah Ibn 'Umar claimed that the Holy Prophet (peace be upon him) instructed people to pay Zakat al Fitr before attending the Eid prayer” (Bukhari, Hadith).

Anticipated contributions to *Zakatul Fitr* are widespread among individuals, whereas only a minority may find an obligation to contribute *Zakatul Maal*, depending on the income levels in the region. To further promote public awareness of the *Zakat*, perhaps it might be necessary to calculate and expect to be paid for it. Future research may investigate this issue more thoroughly.

Table 4.4: Awareness of The Distinct Types of *Zakat*

Questions	Score
Q.1 Knowledge of the existence of <i>Zakatul fitr</i>	4.80
Q.2 Understanding the purpose of <i>Zakatul fitr</i>	4.65
Q.3 Recognition of the existence of <i>Zakatul maal</i>	4.38
Q.4 Awareness of the purpose of <i>Zakatul maal</i>	4.38
Q.5 Knowlege of <i>Zakatul fitr</i> as obligatory alms during the special month of Ramadan	4.79
Q.6 Understanding <i>Zakatul fitr</i> as a collective insurance	4.52
Q.7 Awareness of <i>Zakat</i> maal as compulsory charity	4.48
Q.8 Recognition of <i>Zakatul fitr</i> as purification and a means to support the poor	4.75
Q.9Familiarity with the Broad Functions of <i>Zakatul Maal</i> and <i>Zakatul Fitr</i>	4.70
Average:	4.60

Finally, although it received a slightly lower score than the first two components, which is shown in table 4.5 on the awareness of the *Zakat* recipient of *Zakat*, also indicates a very high degree of awareness. This implies that even while there is a high level of knowledge regarding *Zakat*, people's comprehension of all the different types of potential beneficiaries might still be enhanced.

This may be because it is commonly practiced in the region to always consider providing the *Zakat* to the poorest members of the family rather than considering other beneficiaries (Gamon & Tagoranao, 2018). Given the significant levels of poverty in the region, the practice appears to be comprehensible. The lack of organizations and administration responsible for collecting this kind of *Zakat* in the area could be the cause.

In this context, it is crucial to point out that due to the absence of a *Zakat* institution in the area the collector was unable to effectuate the distribution of the *Zakat* to the appropriate beneficiaries across the region. In this category, question number six, addressing awareness regarding being indebted as a beneficiary of *Zakat*, records the lowest score. Subsequently, number four question focusing on the Awareness of the Existence of a Contented *Zakat* Beneficiary follows closely behind. It could be because there are no administrations or organizations in the area tasked with collecting this specific kind of *Zakat* at the moment. Given the lack of institutions and administration in the region, the majority of Bangsamoro individuals fulfill their *Zakat* obligations following customary practices.

Table 4.5: Cognizance of *Zakat* Beneficiaries

Questions	Score
Q1 Recognition of the poor as <i>Zakat</i> beneficiaries	4.79
Q2 Familiarity with the needy as <i>Zakat</i> beneficiaries	4.83
Q3 Awareness of the <i>Zakat</i> administrator as a beneficiary	4.44
Q4 Understanding of those whose hearth are reconciled as <i>Zakat</i> beneficiaries	4.33
Q5 Knowledge of slaves/ captives as <i>Zakat</i> beneficiaries	4.51
Q6 Acknowledgement of the debt-ridden as <i>Zakat</i> beneficiaries	4.29
Q7 Awareness of those working for the cause of <i>Allah (SWT)</i> as <i>Zakat</i> beneficiaries	4.63
Q8 Recognition of wayfarer as <i>Zakat</i> beneficiaries.	4.58
Average:	4.55

The comprehensive survey conducted to gauge *Zakat* awareness in BARMM presented an average score of 4.59. This remarkably high score stands as a testament to the region's profound familiarity with *Zakat* principles.

However, a striking revelation emerged from this data: despite this heightened awareness, the region still grapples with low *Zakat* contributions and pervasive poverty. The score of 4.59, denoting an exceptionally elevated level of *Zakat* awareness, contradicts a common assumption that the low contributions and prevailing poverty in the BARMM region may arise from insufficient awareness on *Zakat* within the Muslim community.

The disparity between the region's profound awareness and the persisting economic challenges unveils a more complex issue underlying the socio-economic landscape. It is evident that the people of BARMM possess a deep-rooted familiarity with *Zakat*, understanding its significance, various forms, and the intended beneficiaries. This extensive knowledge within the community indicates a culture where *Zakat* is not just a religious obligation but a deeply ingrained social and ethical responsibility. The coexistence of heightened awareness and low contributions to *Zakat* unveils a multifaceted challenge. Despite the populace being well-informed about *Zakat*'s importance and recipients, the barriers to substantial contributions are likely influenced by other systemic or structural factors within the region. This contrast highlights the importance of looking beyond awareness levels when analyzing socio-economic challenges. While knowledge is crucial, additional elements, such as the absence of dedicated institutions for *Zakat* management or economic hardships within the community, may significantly impact the actual contributions made toward *Zakat*. Hence, the issue at hand appears to transcend mere awareness. The root cause could be linked to the lack of formalized systems or institutions for the efficient collection, management, and distribution of *Zakat* contributions. Without these structured mechanisms, the collective contributions, despite the populace's awareness, might not reach their full potential in addressing poverty within the BARMM region. Moreover, economic conditions and other social factors could be contributing to the impediments in making substantial contributions to *Zakat*. These factors might hinder individuals' capacity to give or limit the overall resources available for charitable purposes.

In essence, the notable score of 4.59 reflecting high *Zakat* awareness within the BARMM region challenges the assumption that low contributions and widespread poverty are solely the outcomes of inadequate knowledge or understanding of *Zakat* among the Muslim population. The complexity of the issue suggests a need to delve deeper into the systemic, economic, and structural aspects that might be constraining the region's ability to translate awareness into substantial contributions for poverty alleviation through *Zakat*. Understanding the multifaceted nature of this challenge is pivotal in crafting comprehensive solutions that extend beyond mere awareness-building efforts, encompassing the establishment of formalized systems and addressing underlying socio-economic constraints to unleash the full potential of *Zakat* within the BARMM community.

In the study conducted by Gamon & Tagoranao (2018) Establishing Islamic institutions on a social level is deemed unconstitutional due to the state's strict commitment to secularism. Regrettably, the economic plan for the revitalization of the Autonomous Region in Muslim Mindanao fails to align with the principles of Islamic social financial institutions, including *Zakat*, waqf, and sadaqah. Despite the absence of *Zakat* institutions in the Region, Bangsamoro people in area is well aware of the awareness of *Zakat* as it was the third of the pillars in Islam. It can be inferred that the knowledge regarding the Islam in the region in particular in Mindanao was thought since then, but due to the fact that the constitutions of the Philippines is dubious about every operation of Islamic institutions in particular in Mindanao area the *Zakat* institutions in the region was not being implemented. One of the main reasons why *Zakat* was not distributed among the eight beneficiaries (which was stated in the Quran) is the absence of *Zakat* institutions in the area, a reason why most of the Bangsamoro people used the customary practices even nowadays. Due to customary practices, the right rules and regulations on *Zakat* have not been implemented. This might be the reason why most of the people in the Bangsamoro region could not be able to receive their rights in terms of *Zakat*. BARMM Government as a newly established government in the region could build an institution of *Zakat* as one of their tools on reducing the poverty alleviations on the whole region. The establishment of *Zakat* institutions in the BARMM Region could bring a fresh start for the Bangsamoro people, especially the low-income group citizens.

CHAPTER V

CONCLUSION AND RECOMMENDATION

5.1 Introduction

In this chapter the researcher will give some conclusions on the issues on how to cope, lastly, recommendations for future study. For the assurance of the thesis to be more reliable Cronbach's alpha was being used in this paper, to test whether the survey questionnaire was acceptable and reliable or not. The results indicate that the overall rating of the survey questionnaire was 0.95 in Cronbach's alpha result, which means that the survey was reliable and accepted. The Bangsamoro people demonstrate a deep comprehension of *Zakat*, encompassing its diverse forms and intended recipients. Survey findings highlight the remarkable level of awareness within the BARMM areas, evidenced by a score of 4.59. This notable score signifies a thorough understanding of *Zakat*'s various facets and its beneficiaries within the region. The correlation between this heightened awareness and the prevailing poverty, juxtaposed against the relatively low contributions to *Zakat*, suggests that the challenge doesn't stem from a lack of knowledge or comprehension about *Zakat* among the Muslim populace in the region. Instead, the primary obstacle appears to be the absence of established *Zakat* institutions. The absence of such institutions poses a significant impediment to the effective collection and management of *Zakat*. Without dedicated institutions responsible for overseeing the collection and distribution of *Zakat* among the eligible beneficiaries in the BARMM region, the contributions made by the Bangsamoro people might not be maximally utilized. This, in turn, could contribute to the perpetuation of widespread poverty despite the community's understanding and willingness to give *Zakat*. Consequently, due to the absence of formal *Zakat* institutions, individuals within the Bangsamoro community traditionally resort to giving *Zakat* directly to people they personally identify as less fortunate in their immediate vicinity. This practice, born out of necessity in the absence of a structured system, has become customary over an extended period. The presence of extensive awareness among the Bangsamoro people regarding *Zakat* contradicts the notion that the region's poverty and low *Zakat* contributions are linked to a lack of knowledge or understanding of this fundamental Islamic practice.

Instead, the absence of established institutions capable of managing *Zakat* collections stands out as the central challenge. These institutions, essential for the systematic collection, management, and distribution of *Zakat*, are critical for ensuring that the contributions from the Bangsamoro people effectively reach the intended beneficiaries. Their absence presents a stark obstacle, limiting the potential impact of *Zakat* on poverty alleviation within the region. The prevalent practice of individuals directly providing *Zakat* to those they perceive as less privileged is a testament to the community's inherent generosity and commitment to assisting those in need. However, a more structured and institutionalized approach to *Zakat* management is crucial for maximizing the impact of these charitable contributions. Establishing well-organized *Zakat* institutions within the BARMM region would not only streamline the collection process but also ensure that *Zakat* is effectively disbursed among the eight categories of beneficiaries, as prescribed by Islamic teachings. This structured approach is vital for addressing poverty in a more comprehensive and systematic manner, ensuring that *Zakat* reaches those who are most in need, beyond just the immediate social circles of the contributors. A key focus should therefore be on the establishment and strengthening of these *Zakat* institutions within the BARMM region. These entities would not only serve as custodians of the contributions but also play a pivotal role in identifying, verifying, and disbursing *Zakat* to the rightful beneficiaries, aligning with the principles outlined in Islamic teachings. In summary, the extraordinary awareness of *Zakat* among the Bangsamoro people in the BARMM region stands in stark contrast to the relatively low contributions and prevailing poverty. The primary challenge appears to lie in the absence of dedicated *Zakat* institutions. The establishment of such entities is fundamental for harnessing the full potential of *Zakat*, ensuring its efficient collection, management, and distribution to bring about substantial alleviation of poverty within the community. The Bangsamoro people's acute awareness of *Zakat*, despite low contributions, signifies a community deeply rooted in Islamic principles. Traditional practices of giving *Zakat* directly to acquaintances in need have become customary due to the absence of formal institutions. This practice, while reflective of their generosity, highlights the need for established mechanisms for *Zakat* collection and distribution. The discrepancy between high awareness and low *Zakat* contributions in the BARMM region accentuates the importance of *Zakat* institutions. The absence of these entities impedes effective collection and equitable distribution.

The community's reliance on informal methods reveals a necessity for structured mechanisms to channel *Zakat* to its designated beneficiaries for more significant poverty alleviation. The BARMM community's comprehensive understanding of *Zakat* and its beneficiaries coexists with a scarcity of established *Zakat* institutions. The prevalent custom of direct giving showcases the community's inherent altruism. However, the absence of formal systems hampers the collective impact of *Zakat*. Strengthening institutional frameworks would magnify the reach and effectiveness of these charitable acts. The BARMM region displays a high level of *Zakat* awareness but struggles with low contributions. The absence of dedicated institutions for *Zakat* management underlines the challenge. While the community's direct giving reflects its social fabric, the establishment of formal institutions is crucial for systemic poverty alleviation and equitable *Zakat* distribution. Despite the BARMM community's adeptness with *Zakat*, the deficiency lies in the absence of organized institutions for its management. Direct giving, while a longstanding practice, indicates a need for systematic structures to channel *Zakat* more effectively. Implementing formal mechanisms could significantly enhance the impact of these charitable endeavors. The absence of *Zakat* institutions in the Region, as indicated by the study conducted by Gamon & Tagoranao (2018) can be attributed to the state's strict commitment to secularism, deeming the operation of Islamic institutions on a social level as unconstitutional. Regrettably, the economic plan for the revitalization of the Autonomous Region in Muslim Mindanao does not incorporate the principles of Islamic social financial institutions, including *Zakat*, waqf, and *Sadaqat*.

5.2 Summary of the Study

The aim of this study is to evaluate the level of awareness among the people of the Philippines particular in BARMM were aware in *Zakat*, its institutions, it is different types, as well as the *Zakat* beneficiaries. A total of 224 (two hundred twenty-four) target respondents were collected and analyzed utilizing a descriptive methodology and a rating system based on the Likert scale. The findings indicate that the sampled population has a noticeably high level of awareness. This involves being aware of *Zakat* as an Islamic institution, being aware on various *Zakat* types, and being knowledgeable of the various *Zakat* recipients.

The researchers first hypothesis, which was based on the assumption that the initial assumption that *Zakat* would decrease due to low levels of assessed *Zakat* payments in the region, coupled with widespread poverty, was contradicted by the findings. This study primarily seeks to assess the level of awareness among the Bangsamoro people with a specific focus in BARMM areas. This study consists of four questions through a survey to determine the awareness of the Bangsamoro regarding *Zakat*. The following are the questions, how aware are the people of BARMM the Philippines about the *Zakat* institutions? In this question according to the survey it can be inferred that the Bangsamoro people were very much aware about *Zakat*, the various classifications and the eight recipients as delineated in the Holy *Qur'an*. The second question which is, how aware the Bangsamoro people in Philippines regarding on the *Fiqhi* rulings of *Zakat* calculations and *Zakat* distribution? According to the survey questionnaire the Bangsamoro People were very much aware of *Zakat* calculations and *Zakat* distributions as it was thought in schools as well. But due to the absence of the *Zakat* institutions in the area some of them were giving in *Zakat* collector (for those area who has a private *Zakat* collector) but most of the people were giving their *Zakat* in customary practices (specially on areas who has *Zakat* collector were not present) and it becomes practiced for long time ago from some areas of region. And lastly, the question regarding on the significant difference between men and women in their awareness of *Zakat* institutions? According to the results of the survey Questionnaire most of the respondents who answer the survey questionnaire were female. A total of 68.7 percent is from female and 35.3 were from male. This indicates that most of the female in the region of BARMM were very much aware on the *Zakat* institutions.

5.3 Recommendations for the Further Researcher

The emergence of the Muslim government in the BARMM region appears to have had a substantial impact on the understanding and practice of *Zakat*. The increased awareness of *Zakat* might indeed be attributed to this new administration. Yet, in order to draw a comprehensive conclusion, it is essential to compare the current knowledge levels with the understanding prevalent before the establishment of this government.

Efforts by policymakers could significantly enhance the efficacy of *Zakat* redistribution by instituting new organizations dedicated to the collection of *Zakat* from eligible individuals. These entities would then facilitate the fair distribution of these funds to rightful recipients across the region. Such initiatives hold promise for mitigating poverty and fostering greater unity within the BARMM community. Consequently, forthcoming studies on *Zakat* within the BARMM region should potentially focus on the legal and regulatory frameworks necessary for cultivating reliable and reputable *Zakat* institutions. This exploration of legislative requirements and regulatory conditions is pivotal for the development of dependable and credible organizations focused on *Zakat* management. The establishment of the Muslim government in the BARMM region potentially accounts for the increased familiarity with *Zakat* practices among the populace. However, for a more comprehensive understanding, it is crucial to juxtapose this current knowledge with the awareness levels prevalent before this government took office. Policymakers hold the key to improving the functionality of *Zakat* wealth redistribution. By establishing novel *Zakat* institutions designed to collate funds from eligible individuals and allocate them equitably among lawful beneficiaries throughout the region, significant strides toward poverty alleviation and community harmony can be made. This paves the way for future research endeavors concerning *Zakat* within the BARMM region. These studies could delve deeper into the legislative and regulatory prerequisites essential for nurturing dependable and credible *Zakat* organizations. The inception of the Muslim government in the BARMM region potentially underlies the surge in *Zakat* awareness. Nonetheless, a comprehensive assessment necessitates a comparison between current knowledge and the pre-existing understanding before the new government's establishment. Policymakers wield the potential to ameliorate the efficacy of *Zakat* wealth redistribution mechanisms. By introducing fresh *Zakat* institutions that collect contributions from eligible individuals and fairly dispense these resources among rightful recipients across the region, a significant impact on poverty reduction and community cohesion can be achieved. Subsequently, future studies pertaining to *Zakat* in the BARMM region could pivot towards examining the legislative and regulatory landscapes crucial for fostering reliable and principled *Zakat* organizations.

Focusing on the *Zakat* topic to be fully established, future researchers may proceed specially in legal and regulatory framework which is one of the most important things to do before establishing the *Zakat* institutions. It will be one of the perfect choices and steps to take, to be able to achieve the main goal which is to institutionalize the *Zakat* for the Moro people.

The construction of the institutions of *Zakat* in the Bangsamoro Region will bring a fresh start on Muslim ummah specially on those who will benefit from it. It will bring ease on the hardship for beneficiaries of *Zakat*. The significance of *Zakat* extends far beyond its classification as one of the fundamental pillars of Islam. It holds a pivotal role in the economic obligations of the Muslim Ummah, serving as a powerful mechanism aimed at eradicating poverty within Muslim communities. *Zakat* embodies a profound sense of communal responsibility, emphasizing the collective obligation of prosperous individuals toward the welfare of those less fortunate. It stands not merely as a religious duty but as a fundamental economic principle, designed to foster equity and diminish socio-economic disparities within the Muslim society. By embracing *Zakat* as an economic responsibility, the Muslim Ummah acknowledges the imperative nature of uplifting the marginalized and destitute segments of the community. This ethos goes beyond mere charity; it constitutes a systematic approach to wealth redistribution that aims to address poverty at its core. The essence of *Zakat* lies in its capacity to act as a unifying force, binding together individuals through a shared commitment to social welfare. It functions as a mechanism that not only addresses immediate financial needs but also works towards sustainable economic stability for the less privileged. Embracing the concept of *Zakat* as an economic obligation echoes the core values of compassion, equity, and societal well-being deeply ingrained in the teachings of Islam. It represents a tangible manifestation of social justice, emphasizing the responsibility of those with means to contribute to the broader welfare of the community. Recognizing *Zakat* as an economic obligation empowers the Muslim Ummah to actively participate in the alleviation of poverty, fostering a more inclusive and equitable society where economic prosperity is a shared aspiration and a communal responsibility.

Since Mindanao, to BARMM Region, doesn't have a *Zakat* institution yet, the first issues to be solve is how to build the *Zakat* institutions to be followed by solving the following issues such as the following, like for example, in terms of the inefficiency issue, prospective payers, and capacity building of *Zakat* institutions.

Among the recommendations are addressed to the Bangsamoro government and the central governments are as follows.

- It is recommended in this study that the Bangsamoro government must improve its governance so that it can provide more programs that will enhance the financial stability of the Bangsamoro people in the BARMM region.
- Take part in international conferences so that we will be able to find solutions and alternate solutions on how to manage and build a strong institution.
- Organizing seminars and symposiums and trainings in various Muslim communities throughout the BARMM Region's cities and barangays, with a focus on the public, to establish understanding of the importance of *Zakat*. This will be the most effective way of raising compassion and understanding from the public to raise awareness and generate desirable impacts from the *Zakat* institution.
- Learning from the experts is the best choice we could make before starting to implement it serves as a guide.
- The Bangsamoro parliament must be careful with the appointments of its officials and members of the cabinets so the government can run its governance morally.
- Implementing *Zakat* management and *Zakat* institutions in the BARMM Region could be a perfect choice for Bangsamoro to liquidate their charity on beneficiaries which were mentioned in the Holy Quran.
- Spreading informative teaching regarding *Zakat* and other forms of *Zakat* such as on billboards, radios, television, etc. will be effective for further basic information of the people. Trust will also be built if people can see the changes.
- Most of the community in Mindanao is poor and needy, by having their institutions and management of *Zakat* in the region, it could be a solution for them to have a fresh start.

- The Bangsamoro government must provide laws that support and fast-track the establishment and implementation of the *Zakat* institution in the BARMM region.
- The Bangsamoro government must have a clear and well-defined regulatory framework for the institution of *Zakat*.
- Robust awareness of the importance of the *Zakat* system could be necessary for Bangsamoro Philippines.
- Gradual development and management of *Zakat* is one of the most important actions to be established through an honest description and more comprehensive knowledge about Islamic practices and objectives.



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CV

Curriculum vitae NORZIANA DAUD

The researcher was born on August 05, 1993, at Baka, Datu Odin Sinsuat Maguindanao. The third to the youngest woman among the member of nine siblings of Mr. Esmael Daud and Mrs. Sarsiya “Umbos” Daud. She finished her elementary level at Usman Baunga Elementary School. She pursues his secondary level in Pilot Provincial Science and Technology High School. Subsequently, she chose to advance her education by enrolling in Cotabato City State Polytechnic College, now recognized as Cotabato State University, to pursue a Bachelor of Science in Psychology.

Upon completing her studies, she secured employment in a private school, taking on the role of a teacher at the primary level (elementary level). Additionally, she served as a therapist teacher in Cotabato City, Philippines, contributing to both the academic and therapeutic aspects of education in the region.

APPENDIX-A. The Questionnaire
AN ASSESSMENT OF ZAKAT AWARENESS FOR THE
BANGSAMORO PEOPLE IN PHILIPPINES

Objective & General Instructions

1. The objective of this survey is to get your views and awareness about the *Zakat* institutions you are involved.
2. The respondent to this survey is anonymous. Therefore, you are not required to disclose your identity, except the address, which will be used for administrative purpose of the study.
3. The questionnaire comprises the following three sections. The respondent is kindly requested to provide appropriate answers in all the following sections.

Section A: Demographic Information

Section B: Awareness of Bangsamoro towards *Zakat* institutions

and its types

Section C: Beneficiaries of *Zakat*

Section A: Demographic Information

The purpose of this section is to gather the respondents' profiles.

Please **circle** the appropriate choices in sections (A.1-A.6).

A1. Gender

1= Male

2= Female

A2. Age

18- 25

26-30

31-35

36-40

41-45

46-50

51-55

56-60

More than 60.

A3. Marital Status

1= Single

2= Married

3= Widowed

4= Divorced

A4. Family Size

1=below 5 Members

2= 5-7 Members

3= 8-10 Members

4= more than 10 Members

A5. Level of Education

1=Islamic Schools/Madrasah

2= Primary school

3= Secondary school

4= Diploma/College

5=Tertiary Institution

6=madrasah (ibtidah)

7= madrasah (mutawassit)

8= madrasah (sanawi)

9= madrasah (kuliyyah)

A6. Years of Schooling

1=5 Years and below

2= 6-10 years

3= 10 Years and above

SECTION B: AWARENESS ON *ZAKAT* INSTITUTION AND ITS TYPES

Instructions: Please tick (✓) in the box to indicate how agreeable you are with the following statements on a scale of 1-Strongly Disagree, 2-Disagree, 3-Neutral, 4-Agree, and 5-Strongly Agree.

1. Awareness of <i>Zakat</i>						
1.1	I am aware of the existence of <i>Zakat</i> .	1	2	3	4	5
1.2	I know the purpose of <i>Zakat</i> .	1	2	3	4	5
1.3	I know <i>Zakat</i> is compulsory for those who are capable and reach the <i>Nisab</i> of their wealth.	1	2	3	4	5
1.4	I am aware of the fiqhi rulings of <i>Zakat</i> calculations.	1	2	3	4	5
1.5	I am aware of <i>Zakat</i> institutions.	1	2	3	4	5

1.6	I am aware that <i>Zakat</i> is distributed in the region.	1	2	3	4	5
1.7	I need more explanation on other functions of <i>Zakat</i> .	1	2	3	4	5
1.8	I know <i>Zakat</i> is based on income and the value of possessions. The common amount for those who qualify is 2.5% or 1/40 of a Muslim's total savings and wealth.	1	2	3	4	5
2. Awareness of types of <i>Zakat</i>						
2.1	I am aware of the existence of <i>Zakatul fitr</i>	1	2	3	4	5
2.2	I know the purpose of <i>Zakatul fitr</i>	1	2	3	4	5
2.3	I am aware of the existence of <i>Zakatul mal</i> .	1	2	3	4	5
2.4	I know the purpose of <i>Zakatul mal</i> .	1	2	3	4	5
2.5	I know <i>Zakatul fitr</i> is the special obligatory alms paid by all Muslims at the end of the Ramadan fasting month.	1	2	3	4	5
2.6	I know <i>Zakatul fitr</i> is collective insurance.	1	2	3	4	5
2.7	I know that <i>Zakatul mal</i> is based on compulsory charity.	1	2	3	4	5
2.8	I know <i>Zakat Al-Fitr</i> is Purification for the Fasting Person and a Means to Please the Poor.	1	2	3	4	5
2.9	I need more explanation about <i>Zakatul fitr</i> and <i>Zakatul mal</i> .	1	2	3	4	5

3. Beneficiaries of <i>Zakat</i>						
3.1	I know that the poor (al-fuqarâ'), meaning low-income or indigent is one of the recipients of <i>Zakat</i> .	1	2	3	4	5
3.2	I know that the needy (al-masâkîn), meaning someone who is in difficulty is one of the beneficiaries.	1	2	3	4	5
3.3	I know that the <i>Zakat</i> administrators or the (amil) is one of the beneficiaries of <i>Zakat</i> .	1	2	3	4	5
3.4	I know that Those whose hearts are to be reconciled, meaning new Muslims and friends of the Muslim community is one of beneficiaries in <i>Zakat</i> .	1	2	3	4	5
3.5	I know Those in bondage (slaves and captives) have the rights to receive <i>Zakat</i> .	1	2	3	4	5
3.6	I know that the debt-ridden is a beneficiary of <i>Zakat</i> as well.	1	2	3	4	5
3.7	I know that an Individuals who work for <i>Allah (SWT)</i> 's cause, also called "Fisabilillah" have the right to be a beneficiary as well.	1	2	3	4	5
3.8	I know that the wayfarer, meaning those who are stranded or traveling with few resources is also a beneficiary of <i>Zakat</i> .	1	2	3	4	5

Thank you very much. We appreciate your cooperation in completing this questionnaire. Assalamu alaikom warahmatullahi taala wabarakatuhu.