UNIVERSITI TEKNOLOGI MARA

A STUDY ON ZAKAT DISTRIBUTION IN BANK RAKYAT

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AUTHOR’S DECLARATION

I declare that the work in this academic paper was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the result of my own work, unless otherwise indicated or acknowledge as referenced work. This academic paper has not been submitted to any other academic institution or non-academic institution for any qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

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ABSTRACT

Situations today illustrates that people prefer to give zakat directly to asnaf without going through the center of zakat. This will impact a reduction in the number of zakat collection by the institution of zakat every year. Nowadays, financial institutions can distribute zakat fund through the cooperation with zakat institutions. This study attempts to examine the unit of zakat distribution in Bank Rakyat and to analyse the function of Bank Rakyat in the disbursement of zakat to asnaf. Furthermore, this research will show the number of decreases in the amount of distribution of zakat fund in every state in Malaysia from 2013 until 2015 at Bank Rakyat. The results show that a combination of zakat institutions and Bank Rakyat in managing the distribution of zakat will benefit both parties.
LIST OF ABBREVIATIONS

SIRC – State Islamic Religious Council
JAWHAR – The Department of Waqf, Zakat and Hajj
JZPBA – Jawatankuasa Perniagaan Bank di Bawah Asnaf
SC – Shariah Committee
SAC – Shariah Advisory Council
BOD – Board of Directors
BNM – Bank Negara Malaysia
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