UNIVERSITI TEKNOLOGI MARA

DESCRIPTIVE ANALYSIS ON LEVEL OF UNDERSTANDING ZAKAT AL-MAL AMONG MUAMALAT STUDENTS AT UITM MACHANG

IZZAH NADIRA BINTI ZAKRIA

Thesis submitted in fulfillment of the requirements for the degree of **Bachelor of Muamalat (Hons)**

Faculty of Academy of Contemporary Islamic Studies

July 2024

ABSTRACT

Zakat is a fundamental pillar of Islam, and it is important for every Muslim to understand and practice it. This study aims to measure the level of understanding of Zakat Al-Mal among Muamalat students and outline the importance of this knowledge for their personal and professional development. The study uses quantitative methodology, using Krejcie and Morgan's formula (1970) to determine the sample size from the population of 240 Muamalat students at UiTM Machang. A total of 148 Muamalat students participated by answering a structured questionnaire. Data were analysed using SPSS, focusing on descriptive statistics. The results of the study show a positive awareness and understanding of Zakat Al-Mal among students. This study emphasises the need to strengthen a better understanding of Zakat Al-Mal among Muamalat students, which is important for their emotional and professional growth. By improving their knowledge, they can fulfil their religious obligations better and contribute to the effective collection and distribution of zakat in the community.

ACKNOWLEDGEMENT

Alhamdulillah, praise be to Allah SWT for His mercy and permission, which have provided researchers with the power and capacity to finish the research throughout the time frame set. A special thank you to the supervisor, Dr. Mohd Miqdad Aswad Ahmad for all of his help, advice, and time spent overseeing this research paper from beginning to end. His assistance is greatly appreciated, as is our determination to allocate time to this supervisory role.

An important goal for researchers to aim for in finishing this research work is the upbringing, sacrifice, and encouragement of these people's continuous guidance. A huge thank you to all of our colleagues who helped the researcher continuosly in every way, including exchanging ideas, information, and criticism from the beginning of this research study until it was completely finished. Additionally, Thank you also to everyone who took the time to respond by bringing the surveys that were given to them. Once again, a million thanks to my friends and relatives who also helped me to complete this paperwork and help me in order to do the task that has been given accordingly. Without them, I was not able to finish or complete this study.

Finally, I dedicate the paperwork to my beloved self and to my parents. I want to thank you for enduring throughout the degree year. Thank you and blessings to you all from Allah.

TABLE OF CONTENTS

CONFIRMATION BY PANEL OF EXAMINERS		iii
AUTHOR'S DECLARATION		iiiii
ABSTRACT ACKNOWLEDGEMENT TABLE OF CONTENTS LIST OF TABLES LIST OF FIGURES		v
		vvi
		vivii
		X
		xxi
LIST OF ABBREVIATIONS		xixii
CHAPTER ONE: INTRODUCTION		13
1.1	Research Background	13
1.2	Problem Statement	14
1.3	Research Objectives	15
1.4	Research Questions	15
1.5	Scope Of Study	15
1.6	Significance Of Study	15
CHAPTER TWO: LITERATURE REVIEW		17
2.1. Definition Of Zakat Al-Mal		17
2.2 The Concept Of Zakat Al-Mal		18
2	2.2.1 Types of Zakat	19
2.3 Zakat Al-Mal in Malaysia		22
2.4 The Comprehension Of Zakat Al-Mal Among Muamalat Student		23
2.5	Factors Affecting Student's Understanding Of Zakat Al-Mal	24

CHAPTER ONE INTRODUCTION

1.1 Research Background

One of the Five Pillars of Islam is zakat, which is one of the Islamic obligations. In literal terms, cleansing or purification is what zakat signifies. In a religious sense, zakat is the duty to provide a portion of one's assets or income to those who are deserving of it, including the underprivileged, the needy, debtors, Muslims, and freshly immigrated Muslims (*mu'allaf*). The Qur'an declares zakat and provides greater explanation in the Prophet Muhammad SAW's hadiths. Zakat is recognised as a significant component of worship and social justice in addition to being a financial requirement.

In an Islamic order, zakat is the most fundamental and important system. Its nature, structure, and purpose are better understood when viewed from the viewpoint of the entire Islamic way of life. As a result, it is crucial to clarify Islam's core principles and emphasise Zakat as a fundamental institution of social order. Zakat plays a significant part in the social and spiritual lives of Muslims since it is a fundamental component of Islamic theology (M Abdullah,2011).

According to research from (Ibrahim et al., 2016) it gives a definition where there are two forms of zakat which are Zakat Al-Fitrah and Zakat on Wealth. Zakat Al-Fitrah which all Muslims must contribute throughout the month of Ramadan before to Eid prayers. It also stated that when it comes to the Zakat on wealth, the Quran and Hadith define certain categories of zakatable assets, which include trade commodities, animals, agricultural products, buried riches (*rikaz*), minerals, gold, and silver.

Muslims engage in wealth redistribution through zakat, which helps those in need and lessens societal inequality. Zakat is typically determined as a small portion of an individual's property, typically 2.5% of the total amount owned following fulfilment of specific requirements (*nisab*) and the passage of one *Hijri* calendar year. Additionally, zakat has specific regulations for different kinds of property, including cash, silver, gold, and merchandise.