

**MARA UNIVERSITY OF TECHNOLOGY
FACULTY OF ADMINISTRATIVE SCIENCE AND POLICY
STUDIES**



**The Malay Businessman Understanding towards Zakat
on Business: A Case Study in Alor Gajah District of
Malacca**

**Norelmi Binti Ramli
2005678119**

**Nur Raudzah Binti Mohamad Shahimi
2005638946**

10 APRIL 2007

CLEARANCE FOR SUBMISSION OF THE RESEARCH REPORT BY THE
SUPERVISOR

Name of Supervisor:

Prof. Madya TUAN HAJI MUSA AHMAD

Title of Research Report:

Malay Businessman Understanding towards Zakat on Business: A Case Study in
Alor Gajah District of Malacca

Name of Students:

Norelmi Binti Ramli

Nur Raudzah Binti Mohamad Shahimi

I have reviewed the final and complete research report and approve the
submission of this report for evaluation.



Acknowledgement

All praise to Allah the Almighty, the Most Merciful and Most Benevolent for giving us the strength. The opportunities and guidance's in every decision that we made and the barriers that we faced. Without his Grace, it would be impossible for us to have the courage and strength to complete this research.

We would like to express our gratitude to all individuals who help us until the completion of this research. We want to thank our respected and beloved lecturer, PM Tn. Hj Musa Ahmad for his meticulous job in supervising us the preparation of this research proposal.

Our appreciation also goes to all individual with whom we worked especially our research lecturer Tn. Hj Shawal Bin Kaslam and all the people who have participated in the completion of this research.

We hope that this proposal will be much useful for the enhancement of student's academic performance in organizing a research successfully which can be achieved via the positive usage and adoption of research methodology studies.

Norelmi Bt Ramli
Nur Raudzah Binti Mohamad Shahimi
Bachelor of Administrative Science (Honours)
Faculty of Administrative Science & Policy Studies
Universiti Teknologi MARA, Melaka

The Abstract

Zakat, which is one of the Five Tenets of Islam, has been instituted for the purposes of purifying and cleansing both one's soul and one's property. In a wider context, however it is also intended as a means to achieve an equilibrium (al-'Adl), or what is now often referred to as social justice. This study will attempt to trace the understanding of Malay Businessman towards Zakat on Business which is Goods earned by commutative contracts, and set aside for investment in business or profit earning, is, as a precaution, liable for Zakat if certain conditions are fulfilled. This study primarily focuses on the Malay Businessman because zakat in Malaysia has been primarily collected from business activities and it is vital to make sure that they are not only fulfill their obligation to pay for zakat but also to establish and strengthen their faith. The outcomes of this study showed that almost respondents aware about zakat but unfortunately they do not really understand the basic concept of Zakat on Business as well to calculate the zakat payment.

CONTENTS

Chapter 1: Introduction	1
Introduction	
Problem statement	
Research Question	
Research objectives	
Scope of the study	
Significance of the study	
Limitation of the study	
Definition of terms/concepts	
 Chapter 2: Literature Review & Conceptual Framework	 9
Zakat on Business	
Zakat concept	
Zakat on Business	
Zakat Collection Centre	
Conceptual framework	
Hypotheses	
 Chapter 3: Research Design and Methodology	 28
Research design	
Unit of analysis	
Sample size	
Sampling technique	
Measurement/Instrumentation	
Data collection	
Data analysis	
 Chapter 4: Findings	 38