UNIVERSITI TEKNOLOGI MARA

THE FACTORS THAT INFLUENCE PRACTICE OF HIBAH WITHIN THE ISLAMIC ESTATE PLANNING IN MALAYSIA

NOR ASFARINA BINTI MOHAMAD NOR 2015139795

Final Year Project Paper submitted in fulfillment of the requirements for the degree of **Bachelor of Business Administration** (Islamic Banking)

Faculty of Business and Management

June 2018

AUTHOR'S DECLARATION

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

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

Name of Student

Nor Asfarina Binti Mohamad Nor

Student I.D. No.

2015139795

:

Programme

Bachelor of Business and Administration (Hons)

Islamic Banking

Faculty

Business and Management

Thesis

The Factors That Influence Practice of Hibah Within

Islamic Estate Planning in Malaysia

Signature of Student

Date

June 2018

ABSTRACT

Islamic estate planning comprises of faraid, wasiyyah (bequest) and hibah. Practice on wasivvah and hibah different on the time horizon and ruling of practice, Hibah enforce during lifetime and it can be given to any people. However, there have some issue arises due to inefficiency on management of estate planning. The most substantial issue is the registered name of land still do not change after the landlord passed away, rose number of frozen estates because of the increasing income level and asset possession, and overlapping heirs that have to take such a long period to dealing with bigger number of heirs. It happens because the attitude does not interest to know the procedure to manage the estate distribution, lack of interest, neglected to make a planning, and unrealized importance of estate planning that had given difficulty to the heirs in managing the property. The objectives in this study to find out the relationship between knowledge, household income, religiosity, subjective norm and practice of hibah. Population of this study is Malaysian, and sample are parents. Sampling technique is convenience sampling and using questionnaire to collect the data. The sample size in this research is 150 respondents and data collected by online survey and by hand within one month. Finding on this research is relationship knowledge, religiosity, and subjective norms are significant. Then, only household income has no significant relationship which is only had small relationship on practice of hibah.

ACKNOWLEDGEMENT

First and foremost, I wish thank God for giving me opportunity to complete my research on "The Factors That Influence Practice of *Hibah* Within The Islamic Estate Planning in Malaysia". It such bless to me when I'm able to complete this research within the time given with the help from my advisors, Mrs Nurulashikin Binti Romli and coordinator, Mrs Zuraidah binti Sipon who plays important role in this research in guidance me till the end of this research and for that I would like to say thank to them.

Secondly, big thank to all my family members and friends who always supporting me to complete this research by giving moral support. Their support gives me strength to finish this research when I feel discourage to complete this research. Then, finally deepest thank to all people who involve directly or indirectly in helping me on this research. May God bless on all of you.

TABLE OF CONTENTS

		Page
AUTHOR'S DECLARATION		ii
ABSTRACT		iii
ACKNOWLEDGEMENT LIST OF TABLES LIST OF FIGURES LIST OF SYMBOLS LIST OF ABBREVIATIONS		iv
		viii
		ix
		х
		xi
CHAPTER ONE		1
•		
INTRODUCTION		1
1.1	Introduction	1
1.2	Background of Study	2
1.3	Problem Statement	4
1.4	Research Objectives	8
1.5	Research Questions	8
1.6	Significance of Study	9
1.7	Scope of The Study	10
1.8	Limitation of The Study	10
1.9	Definition of key terms	12
1.10	Summary	14
CHAPTER TWO		15
LITERATURE REVIEW		15
2.1	Introduction	15