UNIVERSITI TEKNOLOGI MARA

FACTORS INFLUENCING ZAKAT ON SAVING AMONG MUSLIM YOUTH IN MALAYSIA

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

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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.

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ABSTRACT

Zakat on wealth can be further divided into zakat on employment income, gold and silver, agriculture, shares, business, savings, crops and natural sources. Zakat on saving should be paid when saving, fixed deposit, current account or unit trust funds fulfilled the nisab and haul requirement during the year. The purpose of this study is to identify the factors influencing the zakat compliance on saving among Muslim youth in Malaysia. 130 questionnaire was distributed to Muslims youth in Malaysia. The question is focus on the independent variables which consist of religiosity, knowledge, altruism and self-satisfaction. IBM SPSS Statistics V22.0 is used to analyse the relationship between the independent and dependent variables by using Frequency Analysis, Descriptive Analysis, Multiple Regression, Correlation Analysis, and Reliability Analysis. With this study we found that there is significant relationship between self-satisfaction and zakat compliance on saving among Muslim Youth in Malaysia while religion, altruism and knowledge shows there is no significant relationship towards zakat compliance on saving among Muslim Youth in Malaysia.

Keywords: zakat, saving, religiosity, altruism, knowledge, self-satisfaction, youth

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