



**FACTOR INFLUENCING INDIVIDUAL  
PARTICIPATION IN ZAKAT ON INCOME**

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**APRIL 2011**

## DECLARATION OF ORIGINAL WORK



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**“DECLARATION OF ORIGINAL WORK”**

I, NOR IDAYU BINTI OTHMAN, (I/C Number: 870727-08-5922)

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any others degrees
- This project paper is the result of my independent work and investigation, except where otherwise stated
- All verbalism extract have been distinguished by quotation marks and source of my information have been specifically acknowledged.

Signature: ..... Date: .....

## **LETTER OF SUBMISSION**

22<sup>nd</sup> APRIL 2011

The Head of Program  
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Faculty of Business Management  
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Melaka

Dear Madam,

### **SUBMISSION OF PROJECT PAPER**

Attached is the project paper titled “FACTOR INFLUECING INDIVIDUAL PARTICIPATION IN ZAKAT ON INCOME” to fulfill the requirement as needed by the Faculty of Business Management, University Technology MARA.

Thank You.

Yours Sincerely,

.....  
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## **ABSTRACT**

Zakat is one of the sources of funds available within the Islamic economic and financial systems and has become a part of ijtima'i studies. Although it is obligatory for Muslims to contribute to zakat, however the amount collected is relatively very small compared to the income tax collections. One of the reasons that led to this incident could be the lack of motivation among Muslims. The aim of this study is to investigate the factors affecting individual decisions in zakat contribution hence, provide an understanding of their motivation. In this exploratory study, factor analysis has been used to provide insights into the underlying structure of motivating factors of individuals participating in zakat. Data was collected using a survey questionnaire that was designed based on past studies from both the conventional as well as Islamic literature. The main dimensions were characterised by religious, utilitarian, self satisfaction and organization factors.