



**A STUDY ON 'ZAKAT' IMPLEMENTATION AS A RESOURCE
FOR THE ECONOMIC DEVELOPMENT OF THE MUSLIM
COMMUNITY IN KOTA KINABALU AREA**

S. ANHARA BINTI AHMAD

2003111819

**BACHELOR OF BUSINESS ADMINISTRATION
(HONS) MARKETING
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
KOTA KINABALU**

NOVEMBER 2008

ACKNOWLEDGEMENT

I would like to express my gratitude to my advisor, Puan Sumaffiatiee Sulong for her valuable guidance and comments throughout the completion of this project paper.

My appreciation also goes to all the Pusat Zakat Sabah employees and Perbadanan Baitulmal Negeri Sabah staff for their assistance in providing materials and information related to this study.

Lastly my gratitude also goes to my husband who has given his support and encouragement during the completion of this study.

1.1	Background	12-13
1.2	Research Objectives	14
1.3	Definition of Terms	15
1.4	Significance of Study	16
1.5	Research Questions	17
1.6	Research Paradigm	18
1.7	Limitation of Study	19-20

CHAPTER 1

2.0	Introduction	21
2.1	What is Zakat?	21
2.2	Collection and Disbursement of Zakat	22-23
2.3	How Zakat Should Be Distributed	25
2.4	Zakat of Salaries	26
2.5	Burjar - Activities	27
2.6	The Poor and The Needy	28-29

CHAPTER 2

3.0	RESEARCH METHODOLOGY	30
-----	----------------------	----

TABLE OF CONTENT

PAGE

ACKNOWLEDGEMENT	iv
LIST OF TABLES	v – vi
LIST OF FIGURES	vii
ABSTRACT	viii
CHAPTER 1	
1.0 INTRODUCTION	1 - 7
1.1 Zakat Collection in Kota Kinabalu	8 - 10
1.2 Scope of Study	11
1.3 Problem Statement	12 - 13
1.4 Research Objectives	14
1.5 Definition of Terms	15
1.6 Significance of Study	16
1.7 Research Questions	17
1.8 Research Framework	18
1.9 Limitation of Study	19 - 20
CHAPTER 2	
2.0 LITERATURE REVIEW	21
2.1 What is Zakat?	21
2.2 Collection and Disbursement of Zakat	22 - 25
2.3 How Zakat Should Be Distributed	25
2.4 Zakat of Salaries	26
2.5 Business Activities	27
2.6 The Poor and The Needy	28 - 29
CHAPTER 3	
3.0 RESEARCH METHODOLOGY	30

3.1	Methodology	30
3.2	Sampling Design	31
3.2.1	Target Population	31 - 32
3.2.2	Sampling Technique	32
3.2.3	Sample Size	32
3.3	Data Analysis	33

CHAPTER 4

4.0	FINDINGS	34
4.1	Characteristics of Respondents	34
4.1.1	Gender	34 - 35
4.1.2	Nationality	35
4.1.3	Ethnic Group	36
4.1.4	Residence	37 - 38
4.1.5	Age	38 - 39
4.2	Section A: Respondents Particulars and Information on Zakat	39
4.2.1	Marital Status	39
4.2.2	Employment	40
4.2.3	Monthly Income	41
4.2.4	Zakat Fitrah Payment	42
4.2.5	Paying Zakat Fitrah	43
4.2.6	Respondents Idea of Sedekah and Zakat	44
4.2.7	Awareness on Types of Zakat	45
4.3	Section B: Respondents General Knowledge on Zakat	46
4.3.1	Payment Other Than Zakat Fitrah	46
4.3.2	Organization/Agency in Charge of Zakat	47 - 48
4.3.3	Location of the Organization	48

ABSTRACT

This study was conducted to identify the 'zakat' implementation as a resource for the Muslim community economic development in Kota Kinabalu area. Kota Kinabalu is the state capital of Sabah. Here, 'zakat' implementation is done by Pusat Zakat Sabah (PZS), a 'zakat' institution which is under the jurisdiction of Majlis Ugama Islam Sabah (MUIS). Pusat Zakat Sabah started its operation in the year 2004. Previously, 'zakat' collection and distribution was done by Perbadanan Baitulmal Negeri Sabah (PBNS) formerly known as Baitulmal.

The research design used is descriptive study and both the primary and secondary data regarding the study were gathered. The target population of this study is adult Muslims who are residing in Kota Kinabalu area. In analyzing the data, frequency distribution was used.

The findings of this study showed most of the respondents involved did fulfill their obligation by paying 'zakat' fitrah. Based on the analysis also showed that obligation by paying 'zakat' on wealth is less fulfilled due to several reasons and factors. 'Zakat' implementation in Kota Kinabalu area had been done effectively over the years by the 'zakat' institution.