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TAWARRUQ: THE ISLAMIC PERSPECTIVE AND THE APPLICATION FIQH MUAMALAT

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ABSTRACT

This study has focused the discussion on tawarruq: the Islamic perspective and the application fiqh muamalat. Tawarruq is a modern form of financing that has been applied by Islamic financial institutions in Malaysia and abroad. With this tawarruq, people can sell and buy goods or assets of high value. This study includes three objectives, namely the concept of tawarruq, Islamic scholars about tawarruq and the application of tawarruq in Malaysia. The methodology of this study is to use authoritative reference sources such as previous studies, and journals have been selected as primary references. While the search for reference sources is based on websites such as the websites of scientists and newspapers as secondary references. The findings of the study show the concept of tawarruq which includes definitions, propositions and types of tawarruq. Tawarruq means the sale and purchase of commodities or assets based on deferred payment and then the item is sold at a lower price than the first purchase price to a third party where the third party is not the original seller and the types of tawarruq are tawarruq al-fardi, tawarruq al munazzam, and others. In addition, the research findings also found several views of Islamic scholars on tawarruq, including Imam Syafie, Imam Hambali, the Maliki school and others as well as the application of tawarruq in Malaysia. In conclusion, tawarruq is a very important thing and we should learn it so that we can avoid getting involved in forbidden things.

1.0) INTRODUCTION

There are many financial institutions that have been offered in Malaysia including Islamic banking and conventional banking. Among the examples of Islamic banking are Bank Muamalat, Bank Islam, Maybank Islamic Bank, RHB Islamic Bank and so on while examples of conventional banking are AmBank, Maybank, Affin Bank, Agro Bank and others. Now, we can see that Islamic banking has grown rapidly in Malaysia in line with the government's goals and wishes to make Malaysia an Islamic hub in the Asian region. So, Islamic financial institutions around the world must focus on and improve these institutions so that they become more efficient and proactive in introducing banking products that are based on Sharia (Nor Fadilah Bahari, Konsep shariah al-tawarruq: konsep dan aplikasinya dalam produk perbankan Islam, 2020).

In addition, the function of Islamic banking is the same as conventional banking where this banking will provide services to customers such as savings accounts, loans, financing and more. However, Islamic banking is implemented based on the principles and laws that have been established by Allah swt in the Qur'an and Sunnah. This is said to be so because Islamic banking does not involve prohibited elements which have been mentioned in the Qur'an. Among its elements are riba, qharar, gambling and illegal activities. So, customers can distinguish between Islamic banking and conventional banking.

Subsequently, these financial institutions have offered and disclosed many banking products to customers. Among them, financing products such as tawarruq, murabahah, ijarah, bay al inah, and other contracts while partnership products such as musyarakah and mudharabah. This has indirectly caused many people to get involved in Islamic banking in our country (Nor Fadilah Bahari, Konsep shariah al-tawarruq: konsep dan aplikasinya dalam produk perbankan Islam, 2020). Islamic banking is not specific to Muslims only, but it can also be applied by other races and religions such as Chinese, Indian and so on. Currently, we can see that many people have applied Islamic banking in their every purchase. This is a very good thing as long as it does not conflict with Islamic law.