UNIVERSITI TEKNOLOGI MARA

THE DETERMINANTS OF HIBAH INTENTION IN ESTATE PLANNING AMONG STAFF AT THE KELANTAN ISLAMIC RELIGIOUS AFFAIRS DEPARTMENT (JAHEAIK)

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ABSTRACT

Hibah is the voluntary transfer of ownership of one's property to another party without expecting any return, made during the lifetime of the giver sincerely and without coercion. *Hibah* is also one of the instruments in property management in Islam, yet it is still not widely practiced in this country. This may be due to a lack of understanding regarding the concept of *hibah* and its application in accordance with Shariah, as well as insufficient awareness of the benefits of *hibah* compared to other instruments such as *faraid* or a will. As a result, the issue of frozen and unclaimed property in Malaysia is often talked about in newspapers, in daily news and more. Although this issue is often talked about, the rate of unclaimed assets and frozen assets always increases every year. As the percentage of frozen and unclaimed property in Malaysia is increasing, researchers aim to study the factors that are the catalyst for this issue. Therefore, this study aims in understanding the concept of *hibah* intention among staff at the Kelantan Islamic Religious Affairs Department (JAHEAIK). The discussion will focus on the concept of *hibah*, awareness of *hibah* and also factors that determine *hibah*. This study uses quantitative methods to accomplish its objectives and gathers data using a questionnaire survey. Additionally, the questionnaire was examined using the T-test, percentage, mean, and standard deviation using SPSS software. According to the study findings, the staff at the Kelantan Islamic Religious Affairs Department (JAHEAIK) have a good knowledge about *hibah* in property management. Their level of understanding of *hibah* fundamental also in high-level and the factors that determine *hibah* intentions among staff is the awareness of a person about *hibah.*

Keywords: *Hibah*, Property management, Awareness, Frozen property, Unclaimed property, *Hibah* intention.

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CHAPTER 1
INTRODUCTION

1.1 INTRODUCTION

Property is a fundamental component in human life, enabling people to live their daily lives while also fulfilling their religious commitments and duties as managers (caliphs) of God on this earth. As a sign of gratitude for God's blessings, one should use their money responsibly to meet their personal needs, support their families, and help other Muslims in need. However, the acquired property needs to be managed appropriately, it is important for it to give satisfaction and prosperity in this world and the hereafter.

Islam has established many basic tools for property management and planning, including *Hibah, Wasiat, Waqf*, and others. *Hibah*, in particular, is a property management tool recommended by Al-Quran, As-Sunnah, and consensus of scholars. It is also highly recommended in Islam to use this instrument. A fundamental concept in Islamic finance management, *hibah* is derived from the Arabic word meaning "gift" or "voluntary donation," and it represents the values of generosity and charity (Bakar, 2020). When an asset is voluntarily transferred from one person to another, there is no expectation of payment or return. This custom is seen as a legitimate and official way for Muslims to distribute their inheritance money to their heirs and this practice has its roots in Islamic teachings.

Hibah is a substitute for conventional inheritance practices like faraid, which assigns heirs set portions according to their relationship to the deceased, in the framework of Islamic finance. In contrast to *faraid*, which occasionally causes disagreements and issues among heirs, *hibah* permits people to use their judgement while allocating their fortune during its lifetime. This matter not only can foster goodwill among family members but also enables individuals to provide support to their loved ones in times of need.