



UNIVERSITI TEKNOLOGI MARA

**A STUDY ON THE PRACTICE OF HIBAH (INTER
VIVOS GIFT) AMONG MUSLIM COMMUNITY: A
CASE STUDY IN NILAI, NEGERI SEMBILAN**

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

Faculty of Business and Management

December 2018

ABSTRACT

Wealth is derived from something that someone possessed or beneficially entitled to. Someone must work hard in order to get the property about what they are dreamed for such as land, house, rights, shares as well as jewellery. However, people must know how to manage the property in order to get blessing from Allah where it also has mentioned in Al-Quran and Hadith. The importance of managing the property and wealth is the securest and most risk minimizing method to protect the intrinsic value of assets. By well-planned asset distribution, it will help in shortens lengthy court procedure. In case where the beneficiaries are minors, the appointment of trustworthy individuals as guardians in order to hold, invest or use the property behalf the minors is using estate planning. Due to the lack of knowledge and management there has been an increasing trend in volumes of unclaimed inheritance properties over the years. The increasing trend of frozen assets has become unresolved issues faced by the Muslim community in Malaysia. Therefore this research is aim to study on the practice of *hibah* (Inter Vivos Gift) within the contextual form of Islamic estate planning in Nilai, Negeri Sembilan. This research is based on questionnaire survey and the data were collected from 150 respondents. The data was analysed by using SPSS version 22.0.

ACKNOWLEDGEMENT

It is such a grateful that my research conduct has been successful due to various help from many sources. So, I want to take this chance to express my feeling. Most importantly, I might want to express my thankfulness to Universiti Teknologi Mara (UiTM) Campus Segamat, Johor for giving a chance to conduct this research which is valuable for my future.

Other than that, I also need to express again thankfulness to my advisor, Miss Sharazad binti Haris who has guided me in finishing this research. She has guided me to clarify my mistakes and furthermore recommended an answer for me to improve my research project. Her help and direction from the earliest starting point of the research conduct until the end has encouraged me to better enhance my weaknesses to be great.

Besides, the credit also given to my cherished mother Zaiton binti Baba and family who have helped a lot during the research conduct. Their understanding has enabled me to do my research in a free pressure condition and supported my research from beginning till the end.

Likewise, I like to acknowledge to every one of the respondents for their collaboration and cooperation to answer my questionnaire review/s. Finally yet importantly, I might want to offer an earnest thanks to every one of you and may Allah SWT compensate the consideration of everybody that I specified. Thank you.

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CHAPTER ONE

INTRODUCTION

1.1 Introduction

Estate planning is one of the components in personal financial planning (Abdul Aziz, 2016). Estate planning is a plan for someone managing their asset during their lifetime as well as after death (Ismail, Hashim, Kamis, Harun, Abdul Samad, 2013). Therefore, it includes both taking care of the property while alive and managing the end result for that property after death.

However, estate planning in Malaysia isn't broadly practised. Indeed, some of them are lack of knowledge with regards to awareness about the estate planning as they think it is pointless on the grounds that Islam has its own arrangement of legacy called as faraid framework (Md Azmi and Mohammad, 2015). In addition, Malaysian Muslims poor estate planning awareness are reflected additionally in their mindfulness seeing hibah as a strategy to deal with their property (Bernama, 2007). Despite the fact that estate planning is vital, lack of research has been done around there in Malaysia, particularly in the observational examination on hibah though it is likewise been featured in Islamic legacy framework (Alma'amun, Kamarudin, 2013). Consequently, this study attempts to revisit the practice of hibah (Inter Vivos Gift) in Malaysia using primary data within the contextual form of Islamic estate planning across the selected characteristic of the population.

1.2 Background of the study

1.2.1 An Overview of Estate Planning

Estate planning or otherwise known asset redistribution is concerned about how one should distribute his/her wealth after his/her death (Abdul Malek, Siti Fatimah, 2017). For Muslim whatever we do is not only for the benefit in this world but also in the hereafter. This is because, we will be questioned as to how we source our wealth, how and to whom do we spend our wealth and similar importance is how responsible are we in planning to distribute our wealth for the benefits of the surviving family members, non-family members as well as society.