



The Relationship between Income Household and Intention to Pay Zakat on Income among Indonesian Academicians

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Abstract

Zakat on employment income is an important source that promotes economic activities and raises standard of living for the Muslims society. Proper distribution of zakat contributes to social security and fills the gap between the haves and those who are not. However, zakat on employment income is still an issue in Indonesia and Muslim people do not pay serious attention to the obligation of this type of zakat. This study aimed to investigate the relationship between household income as measured by the ability to fulfil dharuriyyat, hajjiyyat and tahsiniyyat needs and intention to pay zakat on income. The sample involved in this study consists of 94 academicians working for University of Mercu Buana, Indonesia. The results confirm that if the level of ability of lecturers to meet the needs dharuriyyat items increases, the level of intention to pay zakat will also increase. Results also showed that if the level of academicians' ability to meet the needs hajjiyyat items increases, the level of lecturer intention to carry items would increase the intention to pay zakat. Furthermore, it was found that if the level of academicians' ability to meet the needs tahsiniyyat items increases, the level of intention to pay zakat will also increase.

Keyword: *dharuriyyat, hajjiyyat, tahsiniyyat, zakat on income*

1. Introduction

Zakat is a form of almsgiving and is one of the five pillars of Islam. It is a religious obligation for individual Muslim who meets the necessary criteria of wealth (Khamis et al., 2014). Technically, zakat could be understood as "the portion of money or kind is taken from certain types of wealth when they fulfilled specific requirement at the specific time that will be given to zakat recipients in specific ways" (Azman and Bidin, 2015). Zakat has played its important role in Islam since the time of Prophet Muhammad (PBUH) and is mentioned in 17 chapters and 32 verses of the Quran. According to Islamic jurisprudence, high-income individuals should pay Zakat to purify their wealth as well as their soul. Money collected from the payment of zakat is to be distributed to the zakat recipients. In this sense, there are eight categories of people entitled to receive zakat proceeds: the poor (fuqara), the needy (masakin), the zakat collectors/officers (amilin), the new revert (muallaf), the emancipated slave (ar-riqab), the debtors (al-gharimin), the fighters of Allah (fisabilillah), and the travelers (ibnusabbil) (Ali and Aziz, 2014). Based on the Islamic economic point of view, zakat is not considered as a burden but is a religious responsibility of individual Muslims to other who are

less fortunate. Therefore, the harmonic relationship between the rich and the poor is expected will be enhanced through the payment of zakat (Nor et al., 2004).

The literature has identified zakat as an important source for the socio-economic development. In this perspective, Khamis et al. (2014) argue that the distribution of zakat proceeds is able to be utilised to generate economic activity of a country, to support the development of social security, and to fill the gap between the rich and the poor. Bidin et al. (2009) claim that zakat giving is an important source for a country in addition to tax fund. In particular, the author claim that zakat giving potentially [1] contributes to social security and harmony, [2] helping close the gap between the rich and the poor, and [3] generate economic activities of a nation through increase in individuals' purchasing power. The authors point out that one important zakat source contributing towards this end is zakat on employment income.

Furthermore, Islamic scholars mostly agree that zakat can be classified into two: zakat fitrah and zakat on wealth. Zakat fitrah refers to almsgiving being paid during the month of Ramadhan. Zakat on wealth is almsgiving being paid when the nisab and haul requirement have been fulfilled (Azman and Bidin, 2015). Referring to Aziz et al. (2013), there are two types of wealth that are subjected to zakat: traditional wealth and modern wealth. Traditional wealth refers to the wealth that had been mentioned in the main source of Islamic law: i.e., [1] agriculture produces, [2] mineral and marine wealth, [3] gold, [4] jewellery, [5] money wealth, [6] trade wealth, and [7] livestock wealth. Meanwhile, modern wealth is concerned with the wealth like income derived from exploited assets, employment income, financial securities wealth and companies and Islamic financial institutions wealth. This study focuses on zakat on income.

Referring to Abu Bakar and Abdul Rashid (2010), one of the emerging issues in zakat is concerned with the zakatable of zakat on income. The authors defined zakat on income as "an Islamic levy on personal income derived from sources or activities where labours are involved. It includes professional fees, labour compensation, salaries, wages, bonuses, grants, gifts, dividend income and the like". Literature has noted that zakat on income contributes a high percentage in the overall zakat collection (Bidin et al., 2009; Wahid et al., 2005). However, despite its significant contribution, the awareness of the responsibility to pay zakat on income is still an issue in Indonesia. The figure shows that the awareness of the responsibility among individual Muslims to pay zakat on income is still perceived to be low. This is might be caused by the misunderstanding of the individual Muslims that the responsibility to pay zakat is only in the month of Ramadan (Wahid et al., 2005). In other words, individual Muslims mostly pay a serious attention about paying zakat fitrah but not about paying zakat on income (Khamis et al., 2014).

This study focuses on zakat payment in Indonesia for several reasons. First, Indonesia is the largest Muslim populated country in the world (Saidurrahman, 2013). It is estimated that currently, the population of Indonesia reached 244 million people. Out of its total population, approximately 204 million are Muslim whereas 112 million people are classified as obligatory zakat (Sari et al., 2013). The figure implies that the collection of zakat in Indonesia should be managed effectively to enhance its important role in alleviating poverty and promoting social welfare. A recent study indicates that the payment of zakat in Indonesia had a significant upward trend. Actually, zakat potential in Indonesia is enormous. It is estimated that nationally; zakat potential of households reach IDR 82.7 trillion, zakat potential of the industry reach IDR 114.89 trillion, while the zakat potential of savings reaches IDR 17 trillion. Meanwhile, the obligatory payment target in 2016 was IDR 5.27 trillion (Mubarok and Fanani, 2014). With 88% of the Muslim population and the assumption that 20% of them are the zakat payers, the zakat potential in Indonesia is around IDR 217 trillion per year. This potential zakat is a significant source to alleviate poverty in Indonesia. Nevertheless, the actual payment of zakat is around IDR 1.5 trillion per year. It seems that individual Muslims in Indonesia are still reluctant to pay zakat (Doktoralina, 2016a, 2016b). The gap between realisation and potential of zakat payment is an interesting topic to be explored further (Siswanto and Nurhayati, 2012).

Secondly, there are many kinds of literature concerning zakat compliance behaviour. These studies discussed about the factors that influence zakat compliance behaviour focusing on the demographic variables such as gender, age, marital status, education and income level (e.g. Ismail et al., 2010; Idris, 2006; Wahid et al., 2005). This gives an understanding that socio-economic

status could be regarded as the determinant of zakat compliance behaviour. However, all of these studies use material things (i.e., money) to measure the income level. None of these studies use spiritual things to measure the socio-economic status. Thirdly, there are a lot of studies were conducted in the countries (e.g., Pakistan, Singapore, and Malaysia) whereas the zakat administration is categorised as obligatory zakat collection by state or government. There is a lack of study focusing on zakat on income in Indonesia whereas the zakat administration is categorised as the voluntary collection by state.

Based on the above discussion, this paper attempts to shed some light on the relationship between the level of household income and the intention to pay zakat on income among academicians. In particular, this study attempts to answer the following questions: Q1. What does the relationship between the level of academicians' ability to fulfil Dharuriyyat needs and the intention to pay zakat on income? Q2. What does the relationship between the level of academicians' ability to fulfil Hajiyyat needs and the intention to pay zakat on income? Q3. What does the relationship between the level of academicians' ability to fulfil Tahsiniyyat needs and the intention to pay zakat on income?

This study is significant considering the current situation in Indonesia whereas the role of zakat has received less attention among Muslims, especially zakat on income. Up to now, there is still debate and gaps among academics, particularly regarding zakat on income, although the Indonesian government has passed the Government Regulation Number 14 on Zakat in 2014 (Doktoralina, 2016a, 2016b). This study selected University of Mercu Buana (UMB) because the majority of its academician are Muslim. In addition, MBU institutions do not strictly implement the terms of payroll deductions to pay zakat on employment income. The rest of this paper is organized as follows. The next section provides a brief discussion on prior studies related to zakat on income (Section 2). It proceeds with a review of research methodology (Section 3), followed by a discussion pertaining to the results of this study (Section 4). Finally, it discusses the results of the study (Section 5).

2. Concept of Zakat

Literary, the term of zakat could be interpreted into two different meanings. The first meaning of zakat is purity and cleanness. In this perspective, it is believed that the payment of zakat purifies and cleans the wealth of the zakat payers and the zakat recipients. In other words, the payment of zakat purifies and cleans the heart of the zakat payers and the zakat recipients, which in turn remove the envy and hatred among the individuals in the society. The payment of zakat is a means to prepare the individuals in the society to sacrifice for the cause of Allah. Meanwhile, the second meaning of zakat is growth or fertility. The growth and fertility mean that the payment of zakat is designed to enable zakat recipients to utilise the zakat fund to generate more income. This, in turn, will lead the poor to achieve economic stability and to grow in wealth in the future (Samad and Glenn, 2010; Hussain and Abdullah, 2015).

Moreover, based on the Islamic jurisprudence, the concept of zakat could be referenced as "an amount of wealth that Allah makes it compulsory to pay to the eligible persons" (Aziz et al., 2013). Zakat is also could be understood as the amount of money taken from specific types of wealth when they reach a specific amount at a specific time which must be spent on specific categories in specific ways (Aziz et al., 2013). Muslims around the world accept the premise that Allah is the source of wealth and Allah gives the wealth to the person Allah wishes. It means that the real owner of the wealth of the earth is Allah. Thus, by paying zakat, the zakat payers express their thanks to Allah and seek the pleasure of Allah. It is also believed that the poor have a right to the wealth of the earth as well as the rich. The payment of zakat provides that a part of the wealth of the rich is made available to the poor (Samad and Glenn, 2010).

Furthermore, the literature suggests that zakat could serve as one of the most potent sources that promote economic activities and raise a standard of living for the Muslims society. In order to show the importance role of zakat, Allah S.W.T mentioned the term zakat 58 times in the Quran: it has been mentioned 32 times in isolation and 26 times in conjunction with shalat (prayers). Placing the command to pay zakat often together with the command to establish shalat indicates that Islam

equally emphasises both the development of the world and the Hereafter (Abu Bakar and Abd Ghani, 2011). Referring to Aziz et al. (2013), there five pre-requisites of the wealth prior to the zakat calculation, i.e., [1] the wealth should be in full ownership of the zakat payers, [2] the wealth must grow, [3] the wealth must exceed the nisab, [4] the wealth should be more than the necessity, and [5] the wealth must be in the possession of the zakat payer in the specific year period.

Muslims scholars around the world mostly agree that the payment of zakat has a positive effect on the socio-economic development of Muslim societies. The payment of zakat as an act of worship could be viewed as a symbol of Islamic socio-economy justice. Proper distribution of zakat will [1] promote self-respect, peace and Prosperity, and morality and [2] ensures equal and trustworthy distribution of wealth within Muslims society (Abu Bakar and Abd Ghani, 2011; Hussain & Abdullah, 2015). In conjunction with that, Samad and Glenn, (2010) stated that proper and transparent distribution of zakat fulfils four main economics and social objectives. First, it eradicates poverty and maintains socio-economic justice, second, it safeguards wealth from the jealousy of the others, the poor in particular, third, it purifies one's wealth and removes one's stringiness, and forth, it remains thankful to Allah for His bounty to him.

Furthermore, Al-Habshi and Shanmugam (2005) who express that zakat giving is the most effective way to help the poor and needy people. The authors also support the notion that the distribution of zakat should be able to help the poor to improve their standard of living. In other words, the distribution of zakat should be able to fulfil their minimum standard of living: i.e., fulfilling their dharuriyyat needs (basic needs) and hajiyyat needs (comfort). This argument supports the notion provided by Al-Ghazali and Al Syatibi who classify all things that can improve the standard of living into three stages of needs: dharuriyat, hajiyyat, and tahsiniyyat needs.

According to Quran (9:60), there are eight categories of people entitled to receive zakat proceeds: the poor (fuqara), the needy (masakin), the zakat collectors/officers (amilin), the new revert (muallaf), the emancipated slave (ar-riqab), the debtors (al-gharimin), the fighters of Allah (fisabilillah), and the travelers (ibnusabbil) (Samad and Glenn, 2010). In this perspective, the poor refers to the person who does not have any means of income or person who does have a source of income but is not enough to meet their daily needs. The needy are the person who has the means of income but are not enough to support their life. The zakat collectors/officers are the people who have been appointed by the Islamic authority to collect and manage the zakat. The new revert refers to the person who recently converted into Islam. The slave refers to the person who has a contract with their master that limits their freedom. The debtors are the person who are in debt and are unable to repay the debt. The fighters of Allah are the people who fight against injustice toward Muslims. The travellers refer to the travellers who are stranded for permissible purposes in Islam (Aziz et al., 2013)

The literature suggests that the wealth possessed by individual Muslims is subjected to zakat. There are two types of wealth subjected to zakat: traditional wealth and modern wealth. Traditional wealth refers to the wealth that had been mentioned in the main source of Islamic law and has been practised during the lifetime of Prophet Muhammad PBUH and his companions. They are [1] agriculture produce, [2] mineral and marine wealth, [3] gold, jewellery and money wealth, [4] trade wealth and livestock wealth. Meanwhile, modern wealth is concerned with the wealth like income derived from exploited assets, employment income, financial securities wealth and companies and Islamic financial institutions wealth (Aziz et al., 2013).

Islamic legal experts consider the obligatory modern wealth is obligatory subject to change due to the current economic practice and to give greater benefits to more people and to uphold justice (Aziz et al., 2013). Referring to the existing literature (e.g., Kahf, 1999; Abu Bakar and Abdul Rashid, 2010), this study argues that income earned by individual Muslims is subject to zakat. The evidence that income earned by individual Muslims is subject to zakat are stipulated in various Islamic law and regulation: Quran, As-Sunnah, and Qiyas. For example, Quran (2:267) states:

"O ye who believe! Give of the good things which you have honourably earned and out of that which we bring forth for you from the earth of the fruits of the earth which we have produced for you"

Based on the above provision, the zakatability of wealth is general and inclusive of any types of wealth, including income. The text points out that Allah commands every Muslim to pay zakat on everything that he/she earned, including those who earn income are subjected to zakat (Abu Bakar and Abdul Rashid, 2010). Evidence that employment income is subject to zakat is also provided in the Sunnah. For instance, Prophet Muhammad (PBUH) complements the above Quran verse in his sayings: Narrated by Abu Burda:

“Every Muslim has to give in charity.” The people asked, “O Allah’s Prophet! If someone has nothing to give, what will he do?” He said, “He should work with his hands and benefit himself and also give in charity from what he earns” (Shahih Bukhari – cited in Abu Bakar and Abdul Rashid, 2010)

Based on the above Hadith, it could be stated that Islam requires every Muslim to engage in economic resources and activities to produce a certain amount of income in order for Muslims to be able to perform his/her zakat obligation (Abu Bakar and Abdul Rashid, 2010).

3. Research Methodology

3.1 Sample and data collection

The subjects involved in this study are academicians from six faculties in UMB. Following Abu Bakar and Abdul Rashid (2010), this study argues that academicians mostly have an income level that exceeds the nisab. In this perspective, the targeted academicians are the ones who have the minimum amount of income that reaches Nisab of IDR 36 million per year. Six faculties were included in the study: i.e., Design and creative art, Engineering, Economic and business, Communication Science, Computer Science, and Psychology. A total of 200 self-developed questionnaires were distributed to academicians from the six faculties. The questionnaire consists of three parts. Part A contains demographic variables that explain the background of the respondents. Part B is concerned with the ability of respondents to fulfil dharuriyat, hajjiyyat, and tahsiniyyat needs. Furthermore, part C is about the intention to pay zakat on income. For the purposes of this research, stratified random sampling was used to select the sample. Table 1 presents the distribution of sample involved in this study.

Table 1: Distribution of sample by faculties

No	Faculties	No. academicians
1	Design and creative art	7 persons
2	Engineering	32 persons
3	Economic and business	26 persons
4	Communication science	14 persons
5	Computer science	9 persons
6	Psychology	6 persons
Total		94 persons

3.2 Variable Measurement

3.2.1 Intention to pay zakat on income

In this study, intention to pay zakat on income acts as the dependent variable. Referring to Abu Bakar and Abdul Rashid (2010), this study defines zakat on income as “an Islamic levy on personal income derived from sources or activities where labours are involved including professional fees, labour compensation, salaries, wages, bonuses, grants, gifts, dividend income and the like”. Meanwhile, intention to pay zakat on income is defined as an individual’s willingness to pay zakat on income. Four items, adapted from Ismail et al. (2012), were used to measure the intention to pay zakat on income. Table 2 presents the items belonging intention to pay zakat on income utilised in

this study. In the survey, respondents were asked to indicate the extent of their agreement on items belonging to intention to pay zakat on income. The agreement of respondents were measured on a five-point Likert-type scale ranging from 1 (strongly disagree) to 5 (strongly disagree).

Table 2: Items of intention to pay zakat on income

Coding	Description
I1	I hope by paying zakat on employment income it can help the asnaf to survive
I2	I feel happy to pay for zakat on employment income because I could fulfil responsibility as a Muslim
I3	I will not oppose if my salary were to be deducted every month for the zakat payment
I4	I will pay zakat on employment income for this year and also for future

3.2.2 Household income

Referring to OECD (2013), this study refers to household income as a measure of the combined gross income of all the members of a household. It consists of every form of income that is received by the household or by individual members of the household at annual or more frequent intervals. While a variety of household income measurement method have been advanced in the literature, this study follows the view of Al Ghozali whereas household income was measured using the ability to fulfil Dharuriyyat, Hajjiyyat, and Tahsiniyyat needs. Al-Shatibi (1997) as cited in Sirat et al. (2016) defines [1] Dharuriyyat as what indispensable in sustaining and preserving the five objectives of Shariah. If they are disrupted the stability of the society will be at stake. [2] Hajjiyyat is concerned with the complementary needs in the sense that they are needed in order to remove hardship and impediments and hence complement the essential interest. However, the disruption of hajjiyyat not disruptive the normal order of life. [3] Tahsiniyyat is interest to realise that leads to refinement and perfection in the customs and conduct of people at all level of achievement. Table 3 presents the dimensions and items of household income.

Table 3: Operationalization of household income variable

Dimensions	Coding	Items description
Dharuriyyat	D1	ability to do all forms of worship
	D2	ability to keep the physical safety and health
	D3	ability to keep the mental safety and health
	D4	ability to keep the safety and health of all family member
	D5	ability to keep the property security and wealth
Hajjiyyat	H1	ability to buy food
	H2	ability to buy clothes
	H3	ability to have a house
	H4	ability to continue education
	H5	ability to marry
Tahsiniyyat	T1	ability to do Hajj
	T2	ability to do Umrah
	T3	ability to give support to the religion
	T4	ability to do recommended practice in worship
	T5	ability to keep ancestry

In the survey, respondents were asked to indicate the extent of their agreement on items belonging to household income construct. The agreement of respondents were measured on a five-point Likert-type scale ranging from 1 (strongly disagree) to 5 (strongly disagree).

4. Results and Discussion

4.1 Pilot Study Analysis

A pilot study has been conducted prior to the actual research. The conduct of the pilot study was

intended to assess whether or not the research instrument applied in the actual research was applicable. In particular, the aim of conducting a pilot study was to measure to what extent the suitability and appropriateness of the research instrument for the target population and its reliability and validity degrees as well. In this regard, the reliability refers to the consistency of measurements results when the instruments were used repeatedly or used under different measurement conditions. Meanwhile, the validity of instrument referred to the extent of accuracy or precision of the instruments when performing the measurement functions (Arikunto, 2010). For the purpose of this research, Corrected Item-Total Correlation (CITC) and Cronbach's alpha coefficients were applied to measure the reliability degree of the instruments. The minimum recommended value of 0.50 was applied to determine that the instrument was acceptable and reliable. Table 4 presents the CITC coefficients for the instruments applied in this study.

Table 4: Validity and reliability of the research instrument

Coding	CITC	Cronbach Alpha
D1	0.801	0.917
D2	0.816	
D3	0.794	
D4	0.848	
D5	0.779	
H1	0.804	0.915
H2	0.779	
H3	0.786	
H4	0.821	
H5	0.840	
T1	0.692	0.912
T2	0.824	
T3	0.814	
T4	0.811	
T5	0.748	
I1	0.827	0.911
I2	0.776	
I3	0.673	
I4	0.873	

As can be seen in Table 4, the CITC of items included in the dimension of Dharuriyyat varied between 0.779 (D5 – ability to keep property security and wealth) and 0.848 (D4 – ability to secure all family member). Meanwhile, the values of Cronbach's alpha coefficient for the instruments applied to measure the dimension of Dharuriyyat is 0.917, indicating that the instrument was highly valid and reliable. Furthermore, the analysis generated CITC of ≥ 0.50 for all indicators in the dimension of Hajjiyyat. In this sense, the CITC ranged from 0.779 (H2 – ability to buy clothes) to 0.840 (H5 – ability to marry). In the meantime, the analysis provided Cronbach's alpha coefficients of 0.915, confirming the validity and reliability of the instruments applied to measure the dimension of Hajjiyyat. As for the instruments applied to measure the dimension of Tahsiniyyat; the results show that the CITC ranged between 0.692 (T1 – ability to do Hajj) and 0.824 (T2 – ability to do umrah). Meanwhile, the Cronbach's alpha is 0.912. This supports the validity and reliability of the instruments applied to measure the dimension of Tahsiniyyat. Finally, results show that CITC of indicators in the dimension of intention to pay zakat on income varied between 0.673 (I3 - I will not oppose if my salary were to be deducted every month for the zakat payment) and 0.873 (I4 - I will pay zakat on employment income for this year and also for future). Meanwhile, the Cronbach's alpha is 0.911. The results indicate that the instrument was highly valid and reliable.

4.2 Characteristics of sample

This section provides a description concerning the characteristics of samples involved in this study. Five main characteristics of the sample were concerned with this study, namely age, income, gender, education, and a number of family members. Table 5 presents the distribution of the sample by the five characteristics.

Table 5: Distribution of sample by their characteristic

Attributes	Categories	Frequency	Percentage
Ages	< 35 years	6	6.38
	36 - 40 years	12	12.77
	41 - 45 years	14	14.89
	46 - 50 years	28	29.79
	51 - 55 years	18	19.15
	> 55 years	16	17.02
Income level per month	< 4.0 million	4	4.26
	4.0 - 6.0 million	14	14.89
	6.1 - 8.0 million	31	32.98
	8.1 - 10.0 million	24	25.53
	10.1 - 12.0 million	13	13.83
	> 12.0 million	8	8.51
Gender	Male	66	70.21
	Female	28	29.79
Qualification	Master	62	65.96
	Doctorate	32	34.04
Family member	2 persons	11	11.70
	3 persons	19	20.21
	4 persons	34	36.17
	5 persons	22	23.40
	6 persons	8	8.51

The first characteristic of the respondents is concerned with ages, which were classified into six categories. The results presented in Table 5 show that most respondents (29.79%) aged between 46-50 years old, while 19.15% are between 46-50 years old. This is followed by respondents with aged more than 55 years old (17.02%) and respondents with aged between 41-45 years old (14.89%). The remaining 12.77% are between 36-40 years old and are below 35 years old (6.38%). The second characteristic relates to the income level. As can be seen in Table 5, it was found that 32.98% of respondents have the monthly income level at IDR 6.1 million – 8.0 million. This is followed by respondents with the monthly income level at IDR 8.1 million – 10.0 million (25.53%), respondents with the monthly income level at IDR 4.0 million – 6.0 million (14.89%), and respondents with the monthly income level at IDR 10.1 million – 12.0 million (13.83%). The balances 8.51% of respondents have the monthly income level at higher than IDR 12 million and the remaining 4.26% refer to respondents, which have the monthly income level at lower than IDR 4 million. With respect to gender, the results presented in Table 5 show that the majority of respondents (70.21%) are male, while 29.79% of respondents are female. Furthermore, it was found that most of the respondents (65.96%) hold a Master degree, while 34.04% of respondents are PhD holders. The last characteristic is concerned with the number of family member. The results presented in Table 5 show that 36.17% of respondents have the family member of four persons. This is followed by respondents with a number of family member of five persons (23.40%), respondents number of family member of three persons (20.21%), and respondents with the number of family member of two persons (13.83%). The balances 8.51% of respondents have the family member of six persons.

4.3 Descriptive Analysis

This section provides a descriptive analysis of household income and intention to pay zakat variable on income variables, as an effort in exploring to what extent the academicians is associated with the level of the two variables.

4.3.1 Dharuriyyat needs

Following Shidiq (2009), this study refers to the Dharuriyyat needs as the requirements that must be fulfilled. In particular, this research considers five items to be included in the dimension of Dharuriyyat needs: [1] the ability academician to carry out various forms of worship, [2] the ability of

academician in maintaining his/her physical safety and health, [3] the ability of academician in maintaining his/her mental safety and health, [4] the ability of academician to maintain his/her family members safety and the health, and [5] the ability of academician to keep family members health and wealth. Figure 1 presents the mean score of each item included in the dimension of Dharuriyyat needs.

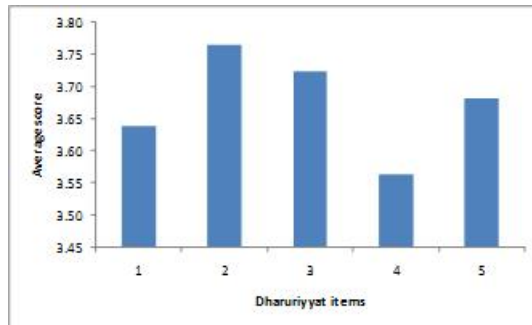


Figure 1: The response concerning the ability of academicians to meet Dharuriyyat needs

As depicted in Figure 1, overall, the mean scores of the response related to the five dimensions of Dharuriyyat needs to be ranged between 3.56 points and 3.77 points. The mean scores, which were higher than the average value (2.50), indicated that the five items were regarded as important items of Dharuriyyat needs for supporting the intention to pay zakat on income. Furthermore, out of the five items, the ability of academician in maintaining his/her physical safety and health was perceived as the most important item of the dimension of Dharuriyyat needs (mean score = 3.77 points). This means that a higher ability of academician in maintaining his/her physical safety and health might be a determinant underlying the reason for the academician to pay zakat on income.

4.3.2 Hajjiyyat needs

Referring to Shidiq (2009), this study refers Hajjiyyat needs as a secondary type of needs. The inability of an individual to meet this type of needs actually do not threaten his/her health and lead to extinction. However, the inability to meet hajjiyyat needs will cause academicians to have some difficulties in his/her daily life. As such, hajjiyyat needs need to be met to eliminate these difficulties. This study focuses on five items on hajjiyyat needs: [1] the ability to buy food, [2] the ability to buy clothes, [3] the ability to have a home, [4] the ability to continue education), and [5] the ability to married. Figure 2 presents the mean score of each item included in the dimension of Hajjiyyat needs.

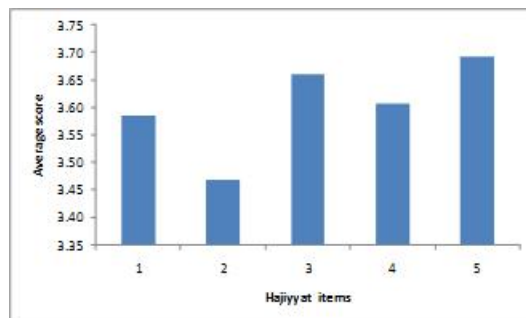


Figure 2: The response concerning the ability of academicians to meet Hajjiyyat needs

The results presented in Figure 2 show that the mean scores for the items of the dimension of Hajjiyyat need ranged from 3.47 points to 3.69 points. All the mean scores were above the average value (2.50), indicating that all items included in the dimensions of Hajjiyyat needs were acknowledged as important abilities the companies need to possess. In this regard, two items were identified as the most important items of Hajjiyyat needs, that is, an ability to married (mean score = 3.69 points) and ability to have a home (mean score = 3.66 points).

4.3.3 Tahsiniyyat needs

Tahsiniyyat needs is concerned with all types of needs that must be met so that academicians daily life becomes convenience, comfort and spaciousness (Shidiq, 2009). Specifically, the study focuses on the five items Tahsiniyyat needs: [1] the ability of academicians to do Hajj, [2] the ability of academicians to go Umrah, [3] the ability of academicians to provide support to religion, [4] the ability of academicians to carry out recommended practices in worship, and [5] the ability of academicians to take care of children. Figure 3 presents the mean score of each item included in the dimension of Tahsiniyyat needs.

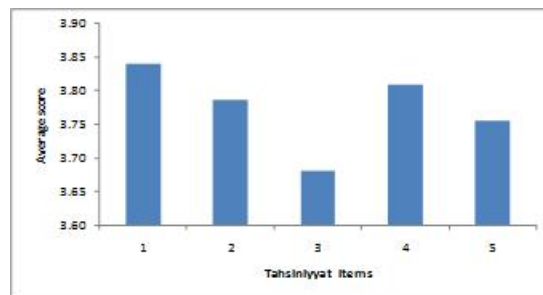


Figure 3: The response concerning the ability of academicians to meet Tahsiniyyat needs

Figure 3 shows the mean scores of Tahsiniyyat items ranging from 3.68 points to 3.84 points, indicating that academicians involved in this study commonly look at the items included in the dimensions of Tahsiniyyat needs as the important ability the academicians have to possess, as indicated by the mean scores that were higher than the average value (2.50). In particular, the ability to do haj was recognised as the most important item of the dimensions of Tahsiniyyat needs the academicians have to possess (mean score = 3.84 points). The ability of academicians to carry out recommended practices in worship was also perceived a relatively high appreciation by the surveyed academicians (mean score = 3.81 points). This is followed the ability of academicians to go Umrah, the ability of academicians to provide support to religion, and the ability of academicians to take care of children.

4.3.4 Intention to pay zakat on income

For the purposes of this study, intention to zakat on income is affected by three dimensions of household income level: Dharuriyyat, Hajjiyyat, Tahsiniyyat needs. Intention to pay zakat on income refers to the extent to which an academician is willing to try or attempt to act (Dugan et al., 2009). Referring to Ismail et al. (2012), this study focuses on four items of intention to pay zakat on income. This includes [1] I hope by paying zakat on employment income it can help the asnaf to survive, [2] I feel happy pay for zakat on employment income because I could fulfil responsibility as a Muslim, [3] I will not oppose if my salary were to be deducted every month for the zakat payment, and [4] I will pay zakat on employment income for this year and also for future. Figure 4 presents the mean score of each item included in the dimension of intention to pay zakat on income.

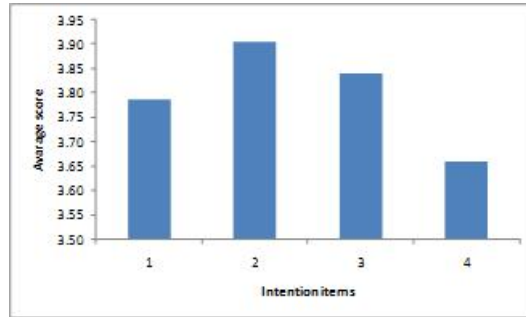


Figure 4: The response concerning the intention to pay zakat on income

As can be seen in Figure 4, the mean scores of items included in the dimension of intention to pay zakat on income ranged between 3.66 points and 3.90 points. All the mean scores were higher than the average value (2.50), indicating that academicians included in this study achieved a high intention in each item of the dimension of intention to pay zakat on income. The results presented in Figure 4 confirm that “I feel happy to pay for zakat on income because I could fulfil responsibility as a Muslim” is an item of the dimension of intention to pay zakat on income that occupies the highest position in the ranking (mean value = 3.90 points). This indicates that most of the surveyed academicians pay much concern about the second item of the dimension.

4.4 Test of Hypotheses

In this study, multiple regression analysis (MRA) was used to examine the relationship between Dharuriyyat needs, hajiyyat needs, and the Tahsiniyyat needs with the intention to pay zakat on income among academicians. Figure 5 depicts the results of MRA.

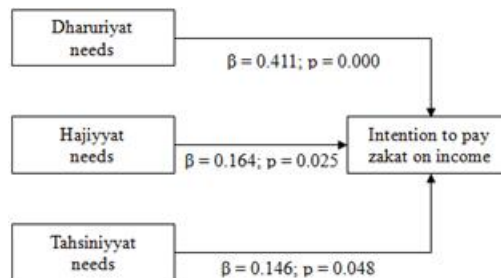


Figure 5: Results of MRA

4.4.1 Hypothesis 1

The first hypothesis of this study was dealing with the relationship between the ability to fulfil Dharuriyyat needs and intention to pay zakat on income among academicians. This study hypothesised that the ability to fulfil Dharuriyyat needs would provide a significant and positive effect towards the intention to pay zakat on income among academicians. The results presented in Figure 5 indicate that the ability to fulfil Dharuriyyat needs provides a significant and positive effect towards the intention to pay zakat on income ($\beta = 0,411$; $p = 0,000$). Therefore, Hypothesis 1 was supported. The MRA results confirm that academicians' level of ability to fulfil Dharuriyyat items is positively and significantly affect the degree of intention to pay zakat on income. In other words, if the level of ability to fulfil Dharuriyyat needs increases, the degree of intention to pay zakat on

income will also increase. For example, if the level of academician ability to maintain the safety and health is increasing, so the level of intention to pay zakat to help recipients survive will also increase.

4.4.2 Hypothesis 2

The second hypothesis of this study relates to the relationship between the ability to fulfil Hajjiyyat needs and intention to pay zakat on income among academicians. This study hypothesised that the ability to fulfil Hajjiyyat needs and intention to pay zakat on income are positively related. Towards this end, this study used MRA to test this hypothesis. The results of MRA, depicted in Figure 5, show that the ability to fulfil Hajjiyyat needs has a positive and significant effect towards the intention to pay zakat on income ($\beta = 0.164$; $p = 0.025$). Therefore, Hypothesis 2 was supported. The results of MRA confirm that the higher the academician ability to fulfil Hajjiyyat items, the higher the level of intention to pay zakat on income. For example, the higher the level of ability of an academician to buy food or food, the higher the level of his/her intention to pay zakat on income this year and in the future.

4.4.3 Hypothesis 3

The third hypothesis of this study deals with the relationships between the ability to fulfil Tahsiniyyat needs and intention to pay zakat on income among academicians. This study hypothesised that the ability to fulfil Tahsiniyyat needs would provide a significant and positive effect towards the intention to pay zakat on income among academicians. The results of MRA, depicted in Figure 5, show that the ability to fulfil Tahsiniyyat needs has a positive and significant effect towards the intention to pay zakat on income ($\beta = 0.146$; $p = 0.048$). Therefore, Hypothesis 3 was supported. The MRA results confirm that the level of academicians' ability to fulfil Tahsiniyyat items is positively and significantly affect the degree of intention to pay zakat on income. In other words, if the level of ability to fulfil academicians' needs increases, the degree of intention to pay zakat on income will also increase. For example, if the level of academician ability to do Hajj increase, the level of intention to pay zakat to meet its obligations as a Muslim will also be increased.

To assess the presence of multicollinearity, this study examined variance inflation factor (VIF) for all the variables. As it emerged, all VIF values vary between 2.47 and 3.14. These VIF values are well below the recommended cut-off of 10, confirming that multicollinearity is not concerned in the MRA for the ability to fulfil Dharuriyyat, Hajjiyyat, Tahsiniyyat needs and the intention to pay zakat on income.

5. Conclusion

This study primarily aims to investigate the relationship between household income and intention to pay zakat on income among academicians. For the purposes of this study, household income was measured using three dimensions, namely the ability to fulfil Dharuriyyat needs (five items), Hajjiyyat needs (five items), and Tahsiniyyat needs (five items). Meanwhile, the intention to pay zakat on income was measured using four items. The sample involved in this study consists of 94 academicians working for the University of Mercu Buana. This study hypothesises that the ability to fulfil Dharuriyyat needs, Hajjiyyat needs, and Tahsiniyyat needs have a positive effect on the intention to pay zakat on income.

The results of this study indicate that two items of Dharuriyyat needs are widely regarded as two of the most important ability to be fulfilled, namely the ability to maintain physical safety and health and the ability to maintain mental safety and health. Further, the results show that the ability to buy food, the ability to have a home, and the ability to married are widely cited as the three main items of Hajjiyyat needs to be fulfilled. Meanwhile, out of five items of Tahsiniyyat needs, it was found that two items occupy the two highest levels, namely the ability to do Hajj and the ability to carry out recommended practices in worship. Finally, it was found that feeling happy to pay zakat on income item and not opposing if the salary were to be deducted item occupy the two highest

levels of intention to pay zakat on income. Finally, this study found that the three dimensions of household income (the ability to fulfil Dharuriyyat, Hajjiyyat, and Tahsiniyyat needs) provide a significant and positive effect towards the intention to pay zakat on income among academicians.

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