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Zakat on Gold and the Awareness of Muslims in Terengganu

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ABSTRACT

Islam has laid down clear rules and regulations related to wealth on which zakah is a religious obligation. Zakah is made obligatory among others on life stock, agricultural product, gold and silver, business profits and treasure. Although gold is clearly mentioned as items subjected to zakah, the knowledge of Muslims about its details is still questionable. This study aims to identify the level of knowledge among Muslims in Terengganu on the rules and regulations of zakah on gold. This study will use a quantitative approach with the aim of revealing the measure of knowledge among the Muslim society in Terengganu on zakat related to gold. This outcome will help the relevant religious authorities in Terengganu to undertake appropriate measures in order to increase the level of knowledge among the society on this pillar of Islam component.

Keywords: Gold, Zakah, Jewelleries.

INTRODUCTION

Zakah is among obligations that represent an act of worship performed by every competent Muslims. It is one of the five pillars of Islam. *Zakah* is also the core element for the socio-economic system in Islam. A good administration of *zakah* can stabilise the Muslims' economy. The positive impact of *zakah* had been proven in the days of the Caliph Umar bin Abdul Aziz, where there was no pauper or poor who is entitled to receive *zakah* distribution because everybody managed to get themselves out of the poverty circle. The role of *zakah* in stabilising the economy must be seen from a holistic perspective, and not only limited to the collection and distribution of *zakah* in a conventional context.

Zakah has been mentioned 28 times in the Holy Quran together with *solah* (prayer). This gives us a general understanding that both acts of worship are interrelated. Allah says among others in *surah A-Taubah* verse 103: "Take, [O, Muhammad], from their wealth a charity by which you purify them and cause them increase, and invoke [Allah's blessings] upon them. Indeed, your invocations are reassurance for them. And Allah is Hearing and Knowing". In another verse, Allah says: "And from their properties was [given] the right of the [needy] petitioner and the deprived" (*surah al-Dzariyat*: 19).

Zakah is not subjected on every type of wealth. Only certain types of wealth are subjected to *zakah*. These types of wealth has been mentioned by Allah in the Holy Quran; they are gold and silver, agricultural produces, live stocks, business profit, minerals and treasure. (al-Zuhayli, 1989). These types of wealth are mentioned as a general context in the Holy Quran. Apart from these types of wealth, there are additional types of wealth that are also subjected to *zakah*. A more detailed description on these types of wealth can be found in the tradition of the Prophet SAW whether by his conduct or his order (al-Qaradawi, 1986).

The absurdity of human being towards gold is not a new thing. Gold has been adored by man notwithstanding their religion or race from time to time. This is not surprising because the love of human towards gold is something nature. Allah has created this love in humans' heart as a mean of test. Does human willing to sacrifice their wealth including gold in order to seek the forgiveness of Allah? (Ali, Mohammad & Taha, 2015). Among these test is through the obligation of *zakah* on gold.

In addition to the types of wealth as mentioned, there are other kinds of wealth on which *zakah* should be paid and its required percentages are left to the *Sunnah* to illustrate, by examples or directives (al-Qaradawi, 1986). It is the *Sunnah* that provides the details of the general *Quranic* commands and to convert the theoretical axioms of the *Quran* into a living reality in human life.

The Muslims jurists are unanimous that gold and silver are subjected to *zakah* (Ibn Rusd, n.d.). Allah says in *surah al-Tawbah*, verse 34 to the meaning: "...And there are those who hoard gold and silver and spend it not in the Way of Allah; announce unto them a most grievous chastisement". The *nisab* (lowest amount) for gold is twenty *dinar* which is equivalent to 96 gram. The *nisab* for silver is two hundred *dirham* which commensurate to 672 gram. The rate of *zakah* that will be taken from both gold and silver which have reached the said *nisab* is 2.5%. The Prophet said: "Nothing is imposed on less than twenty *dinar* of gold, and for twenty *dinar* you have to pay half a *dinar* (2.5%)" (al-Bayjuri, 1994). Jewelleries made of gold and silver that are kept and not used are also subjected to *zakah*. On the other hand, jewelleries that are legally used such as gold rings being worn by women or silver rings worn by men are exempted from *zakah*. However, jewelleries that are extravagant, even when used by women are still subjected to *zakah*. Extravagance jewelleries are defined as anything above the customary use by women within a particular community. It also means to exceed the limits (al-Sharbini, 1978).

RESEARCH METODOLOGY

This is a quantitative study. Primer data will be sought through survey technique in order to measure the level of knowledge among Muslims in Terengganu on the rules and regulations related to *zakah* on gold. Using the questionnaire as an instrument, a set of questions containing identified items will be distributed to selected sample. The respondents' knowledge on the rules and regulations related

to *zakah* on gold will be measured using Likert scale with ten options of answers to be chosen from. In order to test the validity and trustworthiness of the questionnaire used, a pilot study involving forty respondents from Kuala Terengganu was also conducted. This pilot study also aims to ensure that the questionnaire are apprehensible and at the same time to identify possible limitations during the actual data collection process. The verified questionnaires were distributed among three hundred and fifty Muslim respondents all over the state of Terengganu who are selected through the purposive sampling technique. Data management and analysis is performed using the SPSS version 13 software.

RULES AND REGULATIONS ON ZAKAH ON GOLD

The Islamic laws corresponding to gold also include rules and regulations with regards to *zakah*. *Zakah* is obligatory on both gold and silver. This obligation is revealed in more than one verse in the Quran. Among these verses is the saying of Allah in *surah* al-Tawbah, verses 34–35 to the meaning:

“O you who have believed, indeed many of the scholars and the monks devour the wealth of people unjustly and avert [them] from the way of Allah. And those who hoard gold and silver and spend it not in the way of Allah - give them tidings of a painful punishment. The Day when it will be heated in the fire of Hell and seared therewith will be their foreheads, their flanks, and their backs, [it will be said], "This is what you hoarded for yourselves, so taste what you used to hoard”.

There are several conditions that must be fulfilled before *zakah* is imposed on gold. These conditions are Islam, *baligh* (age of puberty), free from slavery, *milk al-tam* (full ownership), *nisab* (the lowest amount) and *hawl* (the completion of one year). As for the rate of *zakah* to be paid, the Muslim jurists are unanimous that it is 2.5% (al-Bayjuri, 1994).

The Knowledge of the Muslim in Terengganu on the Islamic Rules and Regulations Relating to *Zakah* on Gold.

A set of questionnaire has been distributed to respondents in the state of Terengganu to evaluate how far is their knowledge on the Islamic rules and regulations related to the *zakah* on gold. The outcome of this questionnaire is as follow.

Schedule: Respondents' Min for Knowledge on Islamic Rules and Regulations Related to the *Zakah* on Gold

ITEM	SCALE									
	Very Disagree					Very Agree				
	1	2	3	4	5	6	7	8	9	10
<i>Zakah</i> is one of the pillars of Islam	9.3									
<i>Zakah</i> is categorised into two types i.e. <i>zakah</i> fitrah and <i>zakah</i> on wealth	9.7									
<i>Zakah</i> on gold is a type of <i>zakah</i> imposed on wealth.	7.1									
The owner of gold must pay <i>zakah</i> out of it when they own it for at least one year.	7.4									
The owner of gold must pay <i>zakah</i> out of it when the amount of gold they own equal or more than the <i>nisab</i> (85 gram)	7.3									
The <i>nisab</i> for gold jewellery is the same as the <i>nisab</i> for gold bar	7.8									
The rate of <i>zakah</i> imposed on gold is 2.5% from the amount owned.	7.7									
The total amount of gold that is kept by its owner is the amount that must be calculated for the purpose of <i>zakah</i> when it reach the <i>nisab</i> .	7.7									
The total amount of gold that is invested by its owner is the amount that must be calculated for the purpose of <i>zakah</i> when it reach the <i>nisab</i> .	6.5									
The total amount of gold that is pawned by its owner is the amount that must be calculated for the purpose of <i>zakah</i> when it reach the <i>nisab</i> .	7.9									
The <i>zakah</i> imposed on jewellery that are worn by a woman is the amount exceeds the normal customary amount worn by woman in that area.	7.1									
Gold that are used in forbidden way is subjected to <i>zakah</i> when all conditions for it are met	8.4									
Gold jewellery that are not worn are subjected to <i>zakah</i> when all conditions for it are met	8.5									

All of the above questions can be concluded into several main questions that demonstrate the general knowledge of Muslims in Terengganu on the Islamic rules and regulations related to the obligation to pay *zakah* on gold. These main questions are as below:

Zakah is one of the Islamic pillars				
	Yes	Uncertain	No	Total
Sex				
Male	72	3	6	81
Female	248	12	8	269
TOTAL	320	15	14	350
District				
Kuala Terengganu	107	4	5	116
Marang	30	3	0	33
Dungun	56	1	1	58
Setiu	34	2	1	37
Kemaman	38	1	1	40
Besut	34	3	4	41
Hulu Terengganu	21	1	2	24
Total	320	15	14	350

In relation with the knowledge of the respondent about the position of *zakah* in Islam, it can be concluded that majority of the respondents understand it. Only 14 respondents (4%) do not understand it while only 15 (representing 4.3%) are uncertain about it. The majority i.e. 320 respondents (representing 91%) understand the important position of *zakah*.

The gold owner must pay the due <i>zakah</i> when he owns it more than one year.				
	Yes	Uncertain	No	Total
Sex				
Male	54	9	18	81
Female	157	69	43	269
TOTAL	211	78	61	350
District				
Kuala Terengganu	70	22	25	117
Marang	15	14	4	33
Dungun	42	8	8	58
Setiu	20	13	4	37
Kemaman	23	7	10	40
Besut	22	12	7	41
Hulu Terengganu	19	12	3	24
TOTAL	211	78	61	350

The respondents also demonstrate a good level of understanding towards the obligation to pay *zakah* on gold when it is owned for at least one year. Only 61 respondents (representing 17.4%) do not

understand it while 78 respondents (representing 22.3%) are not sure about it. The majority i.e. 211 respondents (representing 60.2%) understand the obligation to pay *zakah* out of gold that is owned for at least one year.

The Gold Owner Must Pay the Due <i>Zakah</i> When the Amount of Gold in His Ownership Exceed the Nisab (85 gram).				
	Yes	Uncertain	No	Total
Sex				
Male	51	11	19	81
Female	177	62	30	269
TOTAL	228	73	49	350
District				
Kuala Terengganu	72	21	24	117
Marang	17	13	3	33
Dungun	41	11	6	58
Setiu	22	13	2	37
Kemaman	26	5	9	40
Besut	29	8	4	41
Hulu Terengganu	21	2	1	24
TOTAL	228	73	49	350

The level of the respondents' understanding on the fulfilment of *nisab* to make the *zakah* payment as obligatory is also good. Majority of the respondents i.e. 228 respondents (representing 65.1%) understand the condition of *nisab* in *zakah* obligation. Only 49 respondents (representing 14%) do not understand it while a number of 73 respondents (representing 20.8%) are uncertain about it.

The <i>zakah</i> imposed on jewelleries that are worn by a woman is on the amount exceeds the normal customary amount worn by woman in that area				
	Yes	Uncertain	No	Total
Sex				
Male	59	16	6	81
Female	186	62	21	269
TOTAL	244	78	27	350
District				
Kuala Terengganu	80	21	16	117
Marang	20	11	2	33
Dungun	38	17	3	58
Setiu	23	11	3	37
Kemaman	34	6	0	40
Besut	30	8	3	41
Hulu Terengganu	20	4	0	24
TOTAL	245	78	27	350

Respondents also demonstrate a good knowledge in relation to Islamic rules and regulations on the obligation to pay *zakah* when the ownership reaches at least one year. Only 61 respondents (representing 17.4%) do not understand it while 78 respondents (representing 22.3%) are uncertain about it. The majority i.e. 211 respondents (representing 60.2%) know about that obligation.

Gold jewellerys that are not worn are subjected to <i>zakah</i> when all conditions for it are met				
	Yes	Uncertain	No	Total
Sex				
Male	67	8	6	81
Female	216	41	12	269
TOTAL	283	49	18	350
District				
Kuala Terengganu	98	13	6	117
Marang	24	8	1	33
Dungun	50	4	4	58
Setiu	24	9	4	37
Kemaman	35	4	1	40
Besut	31	8	2	41
Hulu Terengganu	21	3	0	24
TOTAL	283	49	18	350

In relation to Islamic rules and regulations related to *zakah* on gold jewellerys that are not worn, majority of the respondents have also shown a good level of knowledge. A number of 283 respondents (representing 81%) acknowledge the obligation to pay *zakah* out on jewellerys that are not worn when all other conditions for it are met. Only 18 respondents (representing 5.1%) do not know about it and 49 respondents (representing 14%) are not sure about it.

CONCLUSION

The level of knowledge among Muslims in Terengganu on the Islamic rules and regulation related to *zakah* on gold is good. Majority of the respondents have given correct answers for all relevant questions. In terms of the respondents' knowledge on the obligation of *zakah* on gold, it can be concluded that majority of them have good knowledge on it. A number of 320 respondents (representing 91%) answer the related question correctly. The respondents also possess a good knowledge on the obligation to pay *zakah* in case where ownership reaches at least one year. Majority of the respondents with numbers amounting to 211 respondents (representing 60.2%) understand it. The level of respondents' knowledge on the condition of *nisab* is also good. The majority of 228 respondents (representing 65.1%) understand this condition. Majority of the respondents also knows that gold jewellerys that are not worn are subjected to *zakah* when all other conditions are met. A number of 283 respondents (representing 81%) are of this opinion which is no doubt in line with the related Islamic rules and regulation.

However, this does not in any way means that effort to educate Muslim society on rules and regulations related to the usage of gold is not necessary. This study reveals that there is a proportional number of Muslims who have poor grasp on this pertinent aspect of *zakah*. Although they are not many but the duty to improve their understanding cannot be neglected. Hence, adequate steps to enhance the understanding and knowledge among Muslims on the using of gold ought to be taken by multidisciplinary approach and close collaborations among respective institutions.

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