

# AMBIGUITY IN THE MANAGEMENT OF ZAKAT FUNDS IN ISLAMIC BANKING BASED ON MAQASHID *SHARIA* AND SUSTAINABLE DEVELOPMENT GOALS (A PHENOMENOLOGICAL STUDY OF ZAKAT FUND MANAGEMENT AT BANK SYARIAH INDONESIA)

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## Keywords

*ambiguity; Islamic banking; Maqashid Sharia; SDGs; Zakat*

## ABSTRACT

*Zakat* as a *Mahdhah* worship has maqashid *Zakat* to meet the emergency needs of Mustahik which consists of 8 *Asnaf*. *Zakat* is a tool to carry out humanitarian programs that are sustainable in nature in addition to emergency needs (needs that must be met at that time). The purpose of this research is to identify the sources of ambiguity in the management of Muslim funds and to explore how these perspectives can function harmoniously. The research triangulation was carried out by looking at the compatibility of the data obtained from the Forum Group Discussion (FGD) with the Depth Interview used. The results of the study indicate that there are differences in understanding of *Zakat* innovation, especially related to income *Zakat* and corporate *Zakat*. The integration of programs sourced from *Zakat* funds and CSR funds is based on the needs and responsibilities of companies to fulfill maqashid *Sharia* and sustainable development.

## INTRODUCTION

*Sharia* banking initially had operational legality based on Article 6 point m of Law Number 7 of 1992 concerning Islamic banking, which allowed bank activities to be based on interest or "profit sharing," forming the basis for interest-free *Sharia* operations. This law was later replaced by Law No. 10 of 1998, which included provisions for both conventional and Islamic banks. *Sharia* banks are required to be free from elements of interest (*Riba*), speculative non-productive activities (*maysir*), and obscurity (*gharar*), adhering to the principle of justice (*Adl*) and financing only *Halal* business activities. Consequently, Law Number 21 of 2008 concerning *Sharia* Banking was enacted, which, in Article 4, outlines the social functions of *Sharia* banks, including the collection and distribution of community funds, the role of *Sharia* Banks and UUS (*Sharia* Business Units) in managing *Zakat*, *Infaq*, Alms, and other social funds, as well as acting as collectors and distributors of *Waqf* funds.

*Zakat* is an Islamic obligation that must be fulfilled under specific conditions and is one of the core pillars of Islam (AAOIFI, 2015; Maudūdī, 2014). The Quran emphasizes the significance of *Zakat* in Surah At-Taubah verse 103, highlighting its role in purifying both property and soul. At Bank Syariah Indonesia, *Zakat* management has seen a notable increase in both internal and external *Zakat* funds, including corporate and employee contributions, in 2022-2023. Although the status of corporate *Zakat* remains ambiguous in Islamic and Indonesian law, Law No. 23 of 2011 acknowledges legal entities as subjects of *Zakat* obligations, thereby enhancing BAZNAS's role in

national *Zakat* management (Alfitri, 2022; Z. Hasan, 2020). *Zakat* is regarded not merely as a gift but as a right of the poor that the wealthy must fulfill (Rahman, 2003). In *Zakat* there are several conditions for assets that can be used as objects of *Zakat*, including fulfilling the requirements for the assets to be *Halal*, full ownership, growing, sufficient *Nishab* and *Haul*, free from debt (Soekapdjo et al., 2019). Despite legal and MUI *Fatwa* support for professional *Zakat*, scholarly acceptance varies, leading to ambiguity regarding income *Zakat* obligations (Sarwat, 2023). Therefore, understanding *Zakat* as a tool for social justice is crucial, linking property with societal responsibility (Adzkiya' et al., 2023).

In addition to the dimension of worship in *Zakat*, *Zakat* has a social dimension where in the social dimension *Zakat* has the principle of balance, namely the distribution of wealth, so that wealth continues to flow to the poor and does not roll only to the poor (Badan Amil Zakat Nasional, 2017). According to (Badan Amil Zakat Nasional, 2017), *Zakat* is considered as a solution to the welfare problems of developing countries. One of the indicators of welfare that is measured (Badan Amil Zakat Nasional, 2017) is poverty. Poverty is the most critical environmental problem in the world, so it is a top priority for environmental mentalists (Hollander, 2003).

Based on data Badan Pusat Statistik (2023), the level of Gini ratio value has increased if in the September 2022 period the percentage of inequality of 0.402 in urban residents will be 0.409, which is an increase of 0.007 in March 2023, and if in the September 2022 period rural residents have a Gini ratio of 0.313, stabil in March 2023 0.313.

The fluctuation in the number of poor people in Indonesia between September 2019 and March 2023, with the figure reaching 12.29 million in March 2022, rose to 12.36 million in September 2022, and fell back to 12.22 million in March 2023 (Badan Pusat Statistik, 2023). The poverty level is measured based on the ability to meet basic needs, where a person whose per capita monthly expenditure is below the poverty line is considered poor. Although *Zakat* is not the only solution to alleviate poverty, Law No. 23 of 2011 emphasizes that *Zakat* aims to alleviate poverty (Badan Amil Zakat Nasional, 2017). However, the contribution of *Zakat* to poverty alleviation is still very small, only 0.0002% (Badan Amil Zakat Nasional, 2017). In addition, the National *Zakat* Index (IZN) has also decreased, and although BSI Maslahat as Strategic Partner of BSI has alleviated 53% of *Mustahik* from poverty, the challenge of converting *Mustahik* into *Muzakki* through better technology and distribution programs still exists (Badan Amil Zakat Nasional, 2017). In this context, corporate *Zakat* is regulated in the *Zakat* Law as a state intervention to ensure transparency and accountability in the management of *Zakat* (Alfitri, 2022)

In Islam, the things that must be considered when measuring social welfare are *Maqashid Shariah* (Mawardi et al., 2023). *Maqashid Sharia* is the purpose/purpose behind the rules in Islam (Auda, 2007). In *Maqashid Sharia*, there is the most fundamental element, namely the need in which there is a purpose to protect religion, soul, intellect, descendants, and property (Opwis, 2010).

*Maqashid Sharia* is a requirement in the function of Islamic banking activities (Nugroho et al., 2019). On the other hand, Islamic banks must also implement Sustainable Development Goals. Sustainable Development Goals adopted in September 2015 is a follow-up to the Millennium Development Goals (MDGs). Although there are significant differences between the MDGs and the SDGs: the SDG agenda is more than comprehensive (especially in the environmental dimension) and universal (all countries are committed to achieving it) (Monkelbaan, 2019).

The strengthening of *Zakat* On SDG is also contained in the Press Release of the Financial Services Authority in SP 101/DKNS/OJK/10/2016 regarding "*Sharia* Finance Solutions for Sustainable Development Goals" stating that "*Sharia* finance can also not only reach aspects of poverty eradication but also include improving health, providing quality education, gender equality,

infrastructure development, economic growth, anticipating climate change and also reducing income level inequality".

Although both perspectives aim to meet emergency needs, they have different philosophical foundation motivations and action motivations (Hudaifah et al., 2020). The goal of Sustainable Development tends to be worldly oriented and humanistic social welfare only, while *Maqashid Al-Syariah* leads humans to reach the dimension of the hereafter (Hudaifah et al., 2020).

On other hand As the company's primary means of communication, stakeholders are increasingly demanding Corporate Social Responsibility (CSR) for environmental and social impacts Kwarto et al. (2024). However, there are several cases of *Zakat* overlapping with CSR programs. In practice, corporate *Zakat* funds have become an integral part of the CSR of Islamic commercial banks in Indonesia (Alfitri, 2022). However, Islamic commercial banks do not mix corporate *Zakat* funds with CSR funds because they believe that *Zakat* should only be paid to traditional beneficiaries (Alfitri, 2022).

Several studies have explored Corporate Social Responsibility (CSR) in the Islamic banking sector, particularly regarding fund sources and CSR management. The first study indicates that Bank Syariah Indonesia (BSI) sources its CSR funds from corporate *Zakat*, customer fines, community donations, and corporate funds, which are allocated to various programs such as education, MSME empowerment, and humanitarian assistance (Farhan et al., 2024). The second study reveals that BSI's CSR implementation focuses on community partner programs, education, and sympathy initiatives, funded by ZISWAF (*Zakat, Infaq, alms, and Waqf*) along with social donations (Riznando et al., 2024). Additionally, the importance of CSR reporting in the Islamic banking sector is underscored, with BSI providing comprehensive external financial statements (Hamat, 2014).

This study aims to help overcome the ambiguity arising from various perspectives in the management of *Zakat* funds, which is crucial for Muslims, especially given that Islam is the largest religion in Indonesia, comprising about 87% of the population, or approximately 241.7 million people according to the Ministry of Religious Affairs in August 2022. The research seeks to identify the sources of ambiguity in *Zakat* fund management, differentiate *Zakat* from corporate social responsibility (CSR), and explore *Zakat's* alignment with *Maqashid Sharia* and the Sustainable Development Goals (SDGs) while promoting harmony between the two. The study is expected to enhance literacy and awareness regarding the importance of managing Muslim funds in compliance with *Sharia*. Practically, it aims to help Muzakki help overcome doubts about paying *Zakat*, provide insights for Bank Syariah Indonesia to broaden its impact, and assist the government in maximizing *Zakat* potential in Muslim-owned companies. Furthermore, it is designed to guide policymakers in optimizing existing regulations with a focus on justice to benefit all stakeholders involved.

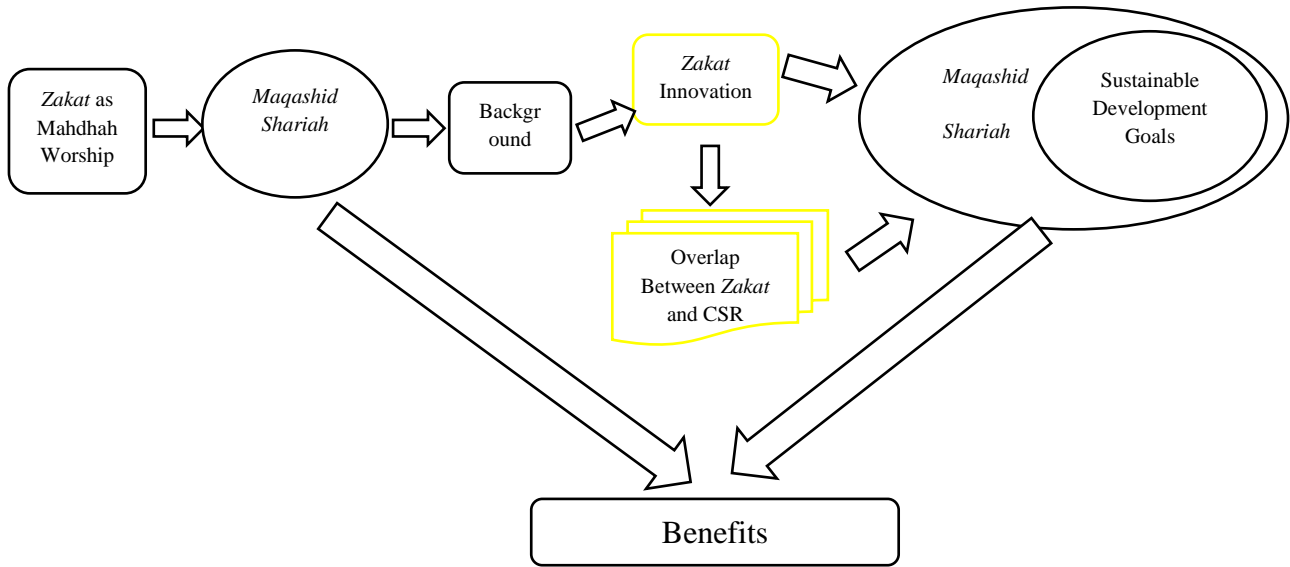
## **METHODS**

The methodology of this research focuses on qualitative research, which begins with assumptions and uses an interpretive/theoretical framework to shape or influence the study of research/research problems related to the meanings imposed by individuals or groups on a social or human problem (Creswell, 2013). This approach is carried out using an constructive framework that considers the meaning given by individuals or groups in social issues. The research aims to understand various perspectives in *Zakat* management and how these perspectives can function harmoniously.

The paradigm used in this study is social constructivism, allowing researchers to explore the subjective meaning of individual experiences (Creswell, 2013). The underlying philosophy of

research also plays an important role, paying attention to aspects of ontology, epistemology, and axiology to explain the relationship between knowledge, values, and practice in research.

The Research Paradigm model in this study is illustrated in the following figure.



**Figure 1.** Research Paradigm Model

From the picture above, it is explained that *Zakat* as a Mahdhah worship has *Maqashid Zakat* to meet the emergency needs of *Mustahik* which consists of 8 *Asnaf*, but as the times develop various *Zakat* innovations have emerged which in addition to aiming to meet the basic needs of *Mustahik* 8 *Asnaf* but also to be able to carry out the Sustainable Development Program (SDGs) where the goals in the program intersect with the goals of *Sharia* (*Maqashid Syariah*). In addition, one of the *Zakat* innovation products, namely corporate *Zakat*, also creates an overlap between *Zakat* and CSR to achieve *Maqashid Syariah* and Sustainable Development Goals. Although not all Sustainable Development Programs can meet the basic needs of *Maqashid Shariah*.

Researchers choose to use primary data through interviews and focus group discussions to obtain in-depth information. Data collection techniques include observation, interviews, document analysis, and audio-visual materials. After the data is collected, the researcher analyzes the data by organizing, describing, and interpreting the data to present the results of the research. Data validity tests are conducted through triangulation, which compares information from different sources and methods to ensure the validity of the findings.

## RESULTS

### Forum Group Discussion

#### *Presentation of Forum Group Discussion Data Analysis*

After expanding the data so that it can display a structural and textural theme, it will produce the following.

**Table 1.** Penyajian Analisis Data Forum Group Discussion

Theme	Research Results
General Provisions of <i>Zakat</i>	The contemporary <i>Zakat</i> law is taken through postulates and Ijma Syuhuti of the Ulama in the form of MUI <i>Fatwa</i>
General Provisions of CSR	- There are 2 types of donors, namely individual and corporate donors.- The reason donors do not want to donate to the Institution is because donors find it difficult

	to get information and the Institution does not provide information in a transparent manner even though the donor needs the information will make the donor satisfied.- Donors want a program that is mature, good, and correct
Reasons for <i>Zakat</i> Innovation	The reason for the <i>Zakat</i> innovation is to multiply in helping the poor and make it easier to make <i>Zakat</i>
Analogy of <i>Zakat</i> Innovation	The existence of <i>Zakat</i> innovations today is logically like agricultural <i>Zakat</i>
Purpose of <i>Zakat</i>	Learning to give alms, health costs, emphasizing stunting rates, preserving the environment, providing protection for humanity, minimizing and alleviating poverty, helping finances.
<i>Zakat</i> Program	Environmental preservation
CSR Program	Environmental preservation
Stakeholders Who Play a Role in the Management of <i>Zakat</i> Funds	<i>Sharia</i> Bank, <i>Sharia</i> Auditor, BAZNAZ, Ministry of Religious Affairs, Amil <i>Zakat</i> Institution

### Forum Group Discussion (FGD) Discussion

The great potential of *Zakat* encourages the emergence of these new *Zakats*, in addition to being based on existing evidence, the Government through MUI issued MUI *Fatwa* number 3 of 2003 concerning income *Zakat* and Law No. 23 of 2011 concerning *Zakat* Management. In the MUI *Fatwa* decree number 3 of 2003, it is explained that "All forms of Halal income must be issued *Zakat* on the condition that they have reached *Nishab* in one year, which is worth 85 grams".

The content of the decision is different from the practice in the field that does not wait for the *Haul* in 1 year but makes the *Nishab* per month. Although on the one hand in the Decree of the Chairman of the National Amil *Zakat* Agency Number 1 of 2023 concerning the *Nishab* Value of *Zakat* Income and Services in 2023, the first part is: "*Nishab Zakat on income and services in 2023 is worth 85 (eighty-five) grams of gold or equivalent to Rp81,945,667.00 (eighty-one million nine hundred and forty-five thousand six hundred and sixty-seven rupiah)/year or Rp6,828,806.00 (six million eight hundred and twenty-eight thousand eight hundred and six rupiah)/month.*"

In the above Decree, in addition to setting the annual *Nishab*, but Baznas in addition to setting the Decision for the annual *Nishab* also stipulates the Decision for the monthly *Nishab*. Here it can be seen that there is a difference from *Nishab*'s side. In this case, it can be seen that the MUI *Fatwa* Ijma states that the condition of *Zakat* is *Nishab* in one year, which is different from the Judgment of the Chairman of Baznas. In fact, both have an important role in the management of *Zakat* nationally. MUI is an Islamic organization that exists in the midst of Indonesian society and is trusted in the provision of its *Fatwas*. Baznas is a non-structural government agency that is trusted to manage *Zakat* funds nationally.

Another reason for the innovation of *Zakat* is to make it easier for *Muzakki* to give *Zakat* and multiply in helping the poor. *Zakat* as a driving tool for the economy in Islam, which already has its own purpose, is now used as a tool to carry out programs that are sustainable in nature in addition to emergency needs (needs that must be met at that time). Some programs of sustainable development can be used as a form of implementation of the goals of *Zakat* which are *Sharia*, and some are not because they cannot be touched and there are even those that tend to be contradictory such as gender equality programs where *Zakat* cannot enter the program because it is not an emergency need and is not the target of the subject of *Zakat* because *Zakat* also has its own distribution target or commonly

called *Asnaf* (the group that is entitled to receiving *Zakat*) also shows that *Zakat* has its own specificity in the distribution process.

According to researchers, in the SDGs program, there are also programs that are more environmentally oriented that are the responsibility of the Company, namely Corporate Social Responsibility (CSR), although one of the speakers said that *Zakat* for CSR funds is a different thing but can be sliced through transparent, cooked, good, and correct programs such as environmental programs for the poor. According to researchers, environmental programs cannot be integrated with *Zakat* funds because they are outside the provisions of the 8 *Asnaf*.

## Interview Results

### Presentation of Interview Data Analysis

After analyzing the interview script in important statements and meanings, the whole meaning produces themes including:

**Table 1.** Presentation of Interview Data Analysis

Theme	Research Results
Reasons for <i>Zakat</i> Innovation	<i>Zakat</i> innovation needs to be carried out because of the diverse society, to increase community participation, especially companies to give <i>Zakat</i> , and encourage a Productive-Active-Creative Society, and succeed the SDGs program. <i>Zakat</i> is needed to succeed the SDGs program as an international program because it is driven by the development of the community's mindset. In addition, the reason why <i>Zakat</i> innovation is needed for the SDGs is to find foreign investors, and its long-term benefits.
Analogy of <i>Zakat</i> Innovation	Corporate <i>Zakat</i> can be anatomized such as Farming and Plantation <i>Zakat</i>
Failure in the empowerment program	The program can fail, depending on whether the case is force majeure or it can be caused by fraud. However, there are also those who say there is no failure in the empowerment program
Activities in the Distribution of <i>Zakat</i> Funds	BSI witnessed and was involved in the distribution of <i>Zakat</i> funds
General Provisions of CSR	CSR treatment is different from <i>Zakat</i> , CSR is treated as alms. CSR funds are from funds that have been budgeted from funds that cannot be recognized as <i>Halal</i> income. The CSR rate is 2-4% of the Company's profits every year. The purpose of CSR is for the sustainability of the program
General Provisions of <i>Zakat</i>	The subject of <i>Zakat</i> is divided into 2, namely, individuals and companies. However, for individual subjects, professional <i>Zakat</i> applied by BSI to lower level management only, while for Top Level Management it is not applied
CSR Programs	Some examples of CSR programs are to support international programs and disability empowerment
BSI Internal Program and BSI Maslahat	BSI in improving the quality of human resources is the responsibility of the company, they carry out several activities such as Friday Studies, monthly studies, conducting HR training, and Muamalah Refereshment every year
Program <i>Zakat</i>	The <i>Zakat</i> funds collected by BSI will later be managed by several programs, including for natural disasters, education programs, village empowerment, and MSME empowerment.

Stakeholders Who Play a Role in Zakat Funds	In this case, BSI is not only a collecting bank that is obliged to maintain <i>Sharia</i> principles through the <i>Sharia</i> Supervisory Board (DPS) at BSI, where the <i>Sharia</i> Supervisory Board is also part of the MUI National Supervisory Board.
Purpose of Zakat	The purpose of <i>Zakat</i> based on <i>Maqashid Syariah</i> is the indicator of maintaining religion aims to maintain Islam, the indicator of maintaining descendants if it aims to alleviate poverty, alleviate hunger, and handle climate change. The indicator of preserving the soul aims to deal with climate change, the indicator of maintaining reason aims at education, the indicator of protecting wealth aims to alleviate poverty, alleviate hunger, and alleviate unemployment.

In the collection process, BSI collects *Zakat* funds by practicing new *Zakat* innovations, namely income *Zakat* and company *Zakat* and in the middle of the management process, there is also a *Zakat* fund empowerment model. Income *Zakat* is collected from internal employees by giving options to employees through written letters, while Company *Zakat* is by paying *Zakat* 2.5% of the Company's profit before tax. The reason BSI practices these *Zakat* innovations is used to increase community participation. This type of *Zakat* is analogous to the *Zakat* that existed before, namely income *Zakat* which is analogous to agricultural *Zakat* although when viewed in terms of *Nishab* and *Haul* there is a very striking difference from the provisions in Agricultural *Zakat*,

If you look at the provisions, the similarity between income *Zakat* and agricultural *Zakat* is only the *Haul*, namely when obtaining income, while the *Nishab* and the size of *Zakat* are different, if the *Nishab* in *Zakat* per farm is 5 wasaq with a size of 653kg for plants and fruits and the size of *Zakat* used The size of *Zakat* issued is 10% if there is no irrigation cost, 5% if the irrigation costs money, and 7.5% if part of it is accompanied by a fee. While the *Nishab* on income *Zakat* is 85 grams of gold per year and divided by 12 months, the *Nishab* on this income *Zakat* also cannot be equated with *Zakat* maal which is issued from the property he owns. However, if income *Zakat* is associated with the property owned by a person, the *Haul* in income *Zakat* cannot be equated with *Zakat* maal even though in terms of *Haul* *Zakat* maal can be accelerated for no more than 1 Hijri calendar year as long as it meets the *Nishab* of 85 grams of gold per year instead of monthly.

Another innovative product implemented by BSI is the Company's *Zakat*. A company is likened *Syakhsiyah I'tibariyah*, The form of joint ownership that occurs by mutual agreement occurs due to the actions and will of the parties involved. So, company *Zakat* should be calculated as a unit of property. Then after *Zakat* is paid, the next is to all shareholders according to their respective shares in the company's capital. However, in practice, as explained by the informants who said that the *Zakat* distributed by BSI does not deduct the *Zakat* of BSI shareholders. This statement makes the researcher interpret the informant's answer, namely that BSI does not bind its company's *Zakat* with the personal *Zakat* of each shareholder.

Furthermore, in terms of distribution, BSI distributes to *Zakat* issued to BAZNAZ to be redistributed to BSI Maslahat by 70%. BSI Maslahat manages the *Zakat* in several forms of programs such as Education Programs, Village Empowerment, and MSME Empowerment. Although the informants said that *Zakat* funds are not used for CSR, the ambiguity of this distribution process is when BSI includes the *Zakat* program in the Social and Environmental Responsibility Program where the two have different legal bases even though the goals of the two intersect between *Maqashid Syariah* and the Sustainable Development Goals (SDGs).

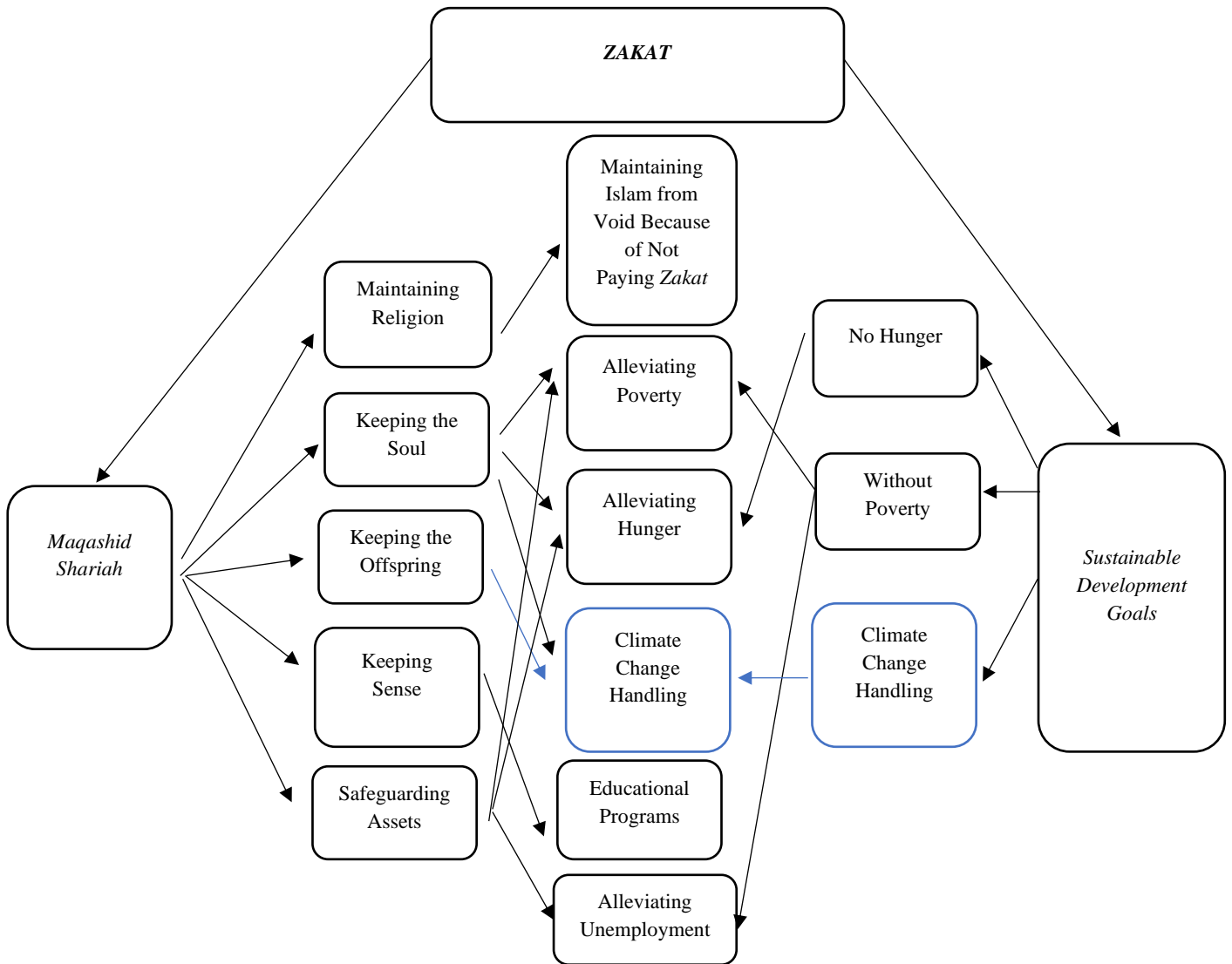
The informants revealed that in the process of collecting sources of *Zakat* and CSR funds, they are different. However, in practice, *Zakat* is an inseparable part. However, according to researchers, if *Zakat* is one of the sources of CSR funds, it shows that *Zakat* is also intended for the purposes

mentioned above where the above objectives are not only intended to maximize *Zakat* as an economic tool, but also the purpose of the Company's business such as to improve the Company's positive image. When the researcher asked one of the informants about the goal, the informant provided information that the goal is an impact of activities not only as a value of the Company's core business.

The next process, after the funds are collected and distributed, BSI will empower *Zakat* funds through BSI Maslahat as its strategic partner. *Zakat* funds and CSR funds that are empowered together are implemented through empowered programs such as education programs, MSME empowerment, and village empowerment. However, the empowerment process may experience obstacles as said by one of the Informants where these obstacles may arise from Force Majeure Especially in programs related to nature such as village empowerment. Although another informant said that no problems have arisen until now.

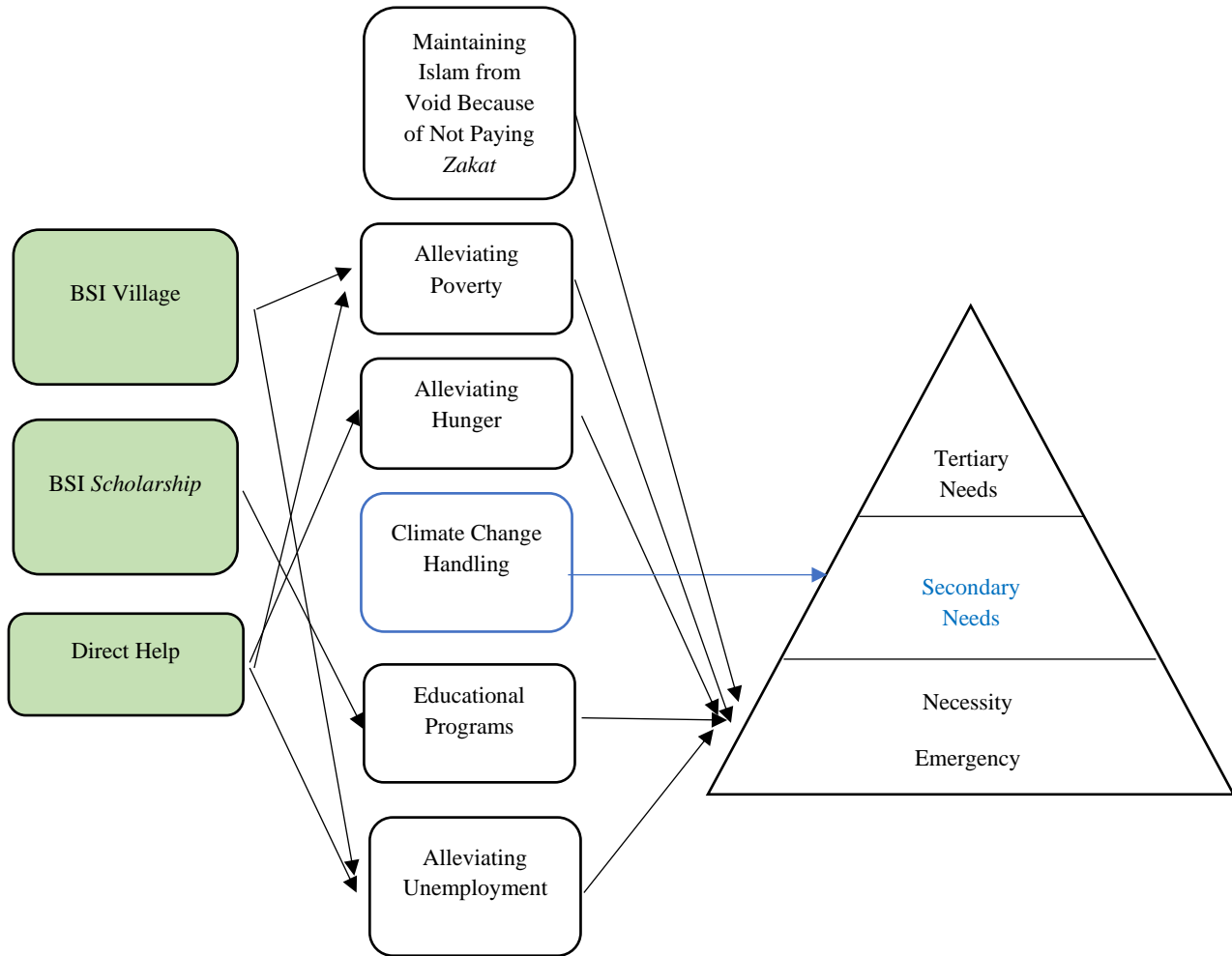
*Zakat*, which is a religious obligation that has its own *Sharia* goals, is now also side by side with CSR which is an obligation to the State as an entity. Both are now trying to be aligned for sustainable development. The informants agreed that the values in the Sustainable Development Goals cannot all be implemented with *Sharia* goals (*Maqashid Syariah*). The image below will explain the wedge between *Maqashid Syariah* and the Sustainable Development Goals.





**Figure 2.** Summary of the informant's answers to the goals of *Zakat* based on Maqashid Syariah and Sustainable Development Goals

The figure above provides information that the purpose of *Zakat* as intended by the informants is to meet the emergency needs of the *Mustahiks* except for the purpose of handling climate change which is not included in the emergency needs needed by the *Mustahiks*.



**Figure 3.** Synchronization of Sustainability Reports with Information from Informants

In the figure above, based on Sustainability Reports, the researcher found 12 program *Zakat* who the programs integrated by CSR programs. But the researcher chose 3 out of 12 CSR programs that are directly mentioned by BSI using *Zakat* funds. Among these programs is the Village Program which if synchronized with information from informants the program can alleviate poverty and alleviate unemployment, while the BSI Scholarship program is an implementation of the Education program, as well as direct assistance intended to alleviate poverty, alleviate hunger, and alleviate unemployment. These programs aim to meet the basic needs of the *Zakat Mustahik*.

However, among the goals mentioned by the informant, the researcher cannot synchronize climate change, into the *Zakat* program that has been integrated with the CSR program, this is because the climate change handling program is not the basic need of the *Zakat Mustahik*.

On the other hand, as a form of moral responsibility to the community as the *Zakat* manager, BSI also internally provides education through Friday studies, monthly studies, conducting HR training, and refreshment of muamalah every year.

### ***Confirmation of Forum Group Discussion (FGD) Results and Interview Results***

Confirm the findings FGD and Interview consisting of 8 Thematic Discussions, each of which consisted of 8 Discussion Themes for Forum Group Discussion, and in the Interview activity produced 11 Discussion Themes. The 8 correlated themes are Reasons for *Zakat* Innovation, Analogy of *Zakat* Innovation, General Provisions of CSR, General Provisions of *Zakat*, CSR Program, *Zakat* Program, Stakeholders, *Zakat* Goals.

In order to achieve the goals of *Zakat* in *Maqashid Syariah* and the Sustainable Development Goals, where both are linked by broader humanitarian programs, stakeholders related to *Zakat* fund managers synergize to maximize the great potential of *Zakat* which is one of the main reasons for the emergence of various new types, these stakeholders are *Sharia* Auditors, *Sharia* Bank, BAZNAZ, LAZ, Ministry of Religious Affairs, and MUI. MUI as a community organization that is trusted to give *Fatwas* in every case of Muslims in Indonesia in the case of *Zakat* issues a *Fatwa* regarding income *Zakat* and the Decision of *Ijtima'* Ulama of the *Fatwa* Commission throughout Indonesia VII B2 concerning corporate *Zakat* where the decision is a reference used by BSI to practice income *Zakat* and the company's *Zakat* will later be distributed to BAZNAZ and managed by BSI Maslahat. However, in addition to the MUI *Fatwa*, it turns out that BAZNAZ is not only authorized to collect *Zakat* funds, but it turns out that BAZNAZ also issues guidelines for income *Zakat* and corporate *Zakat* which if you pay attention to the difference between the calculation guidelines of BAZNAZ and *Ijtima* MUI.

In practice, BSI in terms of income *Zakat*, does not follow the *Nishab* in the MUI *Fatwa* Number 3 of 2009 concerning income *Zakat* which refers to the opinion of Dr. Yusuf al-Qardhawi who logicalizes income *Zakat* like agricultural *Zakat*, but BSI practices in collecting its *Zakat* following the guidelines of BAZNAZ which divides the annual *Nishab* into monthly ones. In addition, for the Company's *Zakat* in calculating its *Zakat*, BSI follows the *Ijtima'* Ulama of the *Fatwa* Commission throughout Indonesia VII B2 rather than BAZNAZ's guidance regarding the Company's *Zakat* for the Financial Institution Company's *Zakat*.

Furthermore, in the discussion of the General Provisions of *Zakat* where both the resource persons from the FGD and the informants from the Interview agreed that the *Muzakki* in *Zakat* are individuals and companies, but more specifically the informant from BSI stated that individuals as subjects of *Zakat* income are not deducted for all levels, but only certain levels, namely the lower middle level while for the upper middle level are not deducted for the reason that they have additional income such as bonuses.

The bias factor also occurs because of 2 obligations carried out by BSI, namely the obligation as a *Muzakki Zakat* and the obligation as a business entity. In practice, BSI uses its *Zakat* funds as CSR in social programs even though there is a separation of programs from BSI that use *Zakat* funds or not.

## Relevance of the Theory

### *Maslahah Theory*

The concept of *Maslahah* explained by Helvacıoğlu et al. (2021) is a pillar of divine principles related to the goals of *Sharia* related to human, social, and environmental aspects. Related to SDGs, the benefits include three dimensions: economic, social, and environmental. The relevance of this research is the innovation of existing *Zakat* based on meeting human, social, economic, and social needs. In the concept of *Maslahah*, there is a relationship between humans and the economy, basically humans will try to meet their basic needs, they will move to be able to support their daily emergency needs. The economic concept in *Zakat* can function to reduce inequality. In the SDGs, the economic concept in *Zakat* is used to achieve the 1st pillar, namely no hunger, the 3rd pillar of healthy and prosperous life, the 8th pillar, namely decent work and economic growth, the 10th pillar, namely reducing inequality, the 12th pillar, namely Responsible Consumption and Production. In practice, BSI provides and empowers *Mustahik Zakat* such as creating BSI village empowerment programs, empowering MSMEs, and direct assistance through charity activities that include economic, educational, da'wah, social humanitarian, and health needs.

In the context of the community as a social unit to achieve common prosperity to ensure that every action and policy can provide broad benefits for each party involved. This can encourage all stakeholders to play an active role in creating mutually beneficial conditions and minimizing losses. In practice, stakeholders strive to achieve common prosperity with the Government, Islamic Community organizations, and the private sector. The government with its legal products Law No. 23 of 2011 concerning *Zakat* Management, Islamic Community Organizations, namely the Indonesian Ulema Council (MUI) with its products, namely *Fatwa* of the Indonesian Ulema Council Number 3 of 2003 concerning Income *Zakat* and the Decree of *Ijtima'* Ulama of the *Fatwa* Commission of Indonesia VII B2 concerning Corporate *Zakat* Law. BAZNAZ as the manager of *Zakat* and its products, namely by issuing the 2021 Indonesian Public Company *Zakat* Study which contains guidelines for calculating corporate *Zakat* for various types of industries/companies, and issuing the Decree of the Chairman of the National Amil *Zakat* Agency Number 1 of 2003 concerning the *Nishab* Value of *Zakat* Income and Services in 2003. Furthermore *Sharia* Bank in this study is Bank Syariah Indonesia (BSI) as a collector of *Zakat* funds. The Amil *Zakat* institution in this case is BSI Maslahat with its role to manage and empower *Mustahik Zakat*. As well as *Sharia* Auditors who play a role in supervising *Zakat* funds so that unexpected violations do not occur.

### ***Needs Theory***

In *Maqashid Sharia*, Ulama has classified *Maslahah* into three, namely basic needs (emergency), complementary needs (hajiyat), and luxury (tahsiniat) (Auda, 2007). According to Helvacioğlu et al. (2021), basic needs in Islam are a necessity that must be met for all human beings who will create rights for members of society in need and members who have the ability to have the right to meet the needs of others.

Knowing the concept of needs will help us in mapping the needs of the SDGs related to economic and social aspects in *Zakat*. In practice, knowing this concept also helps the amil whether the *Mustahik* candidate is a person who is indeed classified as a person who is entitled to receive *Zakat* or not through the assessment given by LAZ to the *Mustahik Zakat* candidate.

### ***Limitation Theory***

According to Helvacioğlu et al., (2021) In every economic behavior, activity, and transaction, divine principles oblige humans to seek the pleasure of Allah Subhanahu Wa Ta'ala. In the concept of divine principles, embedded motivation and intention should be internal limits that are parallel to external physical limitations addressed by the SDGs.

The importance of knowing the concept of limitations because *Zakat* is not only a religious obligation in the form of worship to Allah Subhanahu Wa Ta'ala, but also as a socio-economic instrument regulated by sharia principles to ensure justice and the benefit of the people. The concept of limitations is an important thing that must be known so that there is no bias in worship. Because in this concept, *Zakat* is related to certain procedures that regulate who is obliged to pay *Zakat* (*Muzakki*), those who are entitled to receive *Zakat* (*Mustahik Zakat*), and the procedure for distributing *Zakat* in accordance with sharia purposes (*Maqashid Syariah*).

### ***Goal Theory***

God's primary purpose in creating man is to know, love, and obey God (Helvacioğlu et al., 2021). There are 5 main purposes that are generally accepted as Divine principles known as *Maqashid Shariah* namely the need to maintain religion (*diin*), soul (*nafs*), mind (*aql*), descendents (*nasl*), and property (*maal*) (Beik et al., 2021).

The SDGs goals in *Zakat* can only implement 4 of the 5 main goals of *Sharia*, namely the goal of preserving the soul, intellect, descendants, and property. Meanwhile, the main purpose of giving *Zakat* is to know, love, and obey Allah cannot be achieved with this goal because of its universal nature that applies globally is not only for Muslims.

**Theoretical Conclusion**

The following are the relationships between the theories that have been explained above.

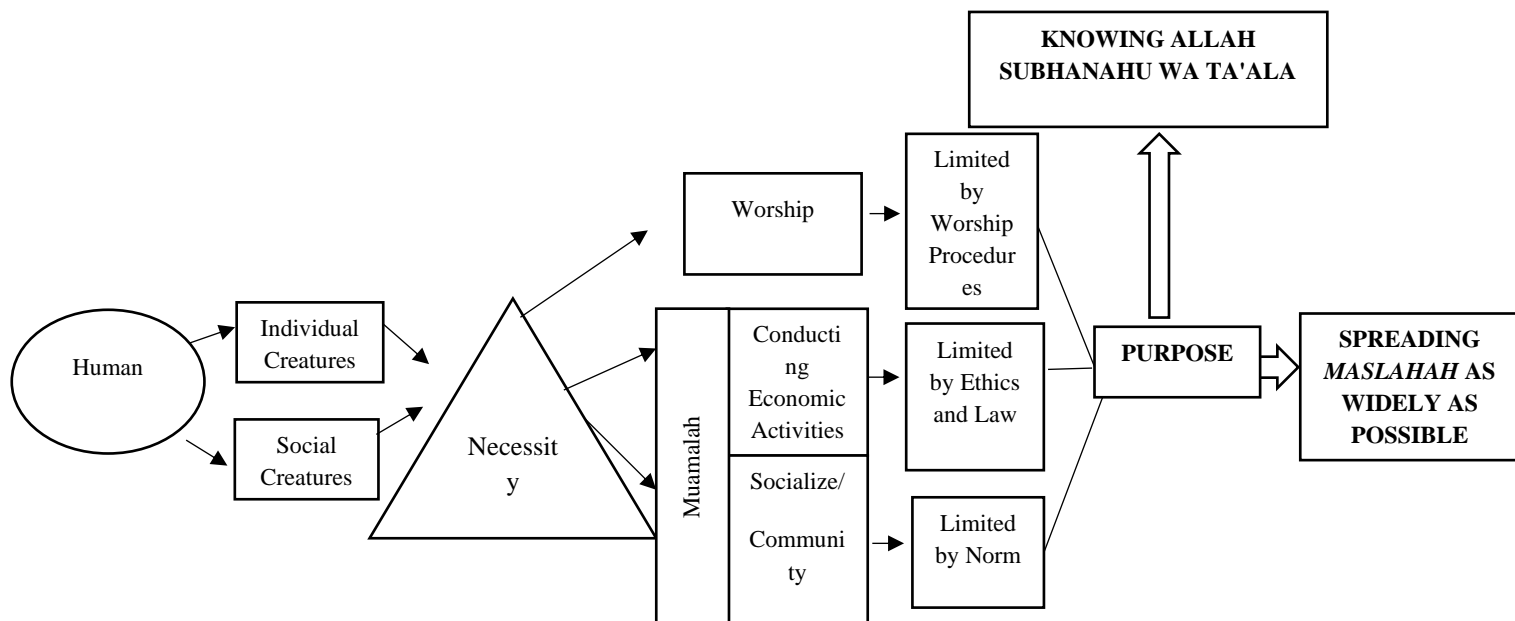


Figure 4. Theoretical Conclusion

The picture above explains that human beings as individual creatures and social beings must have needs, as individual creatures humans have the need to worship, as social beings humans need to do muamalah both economic and social, each of these needs is bound by Restrictions, in worship is bound by the ordinances of worship, in doing economics is limited by ethics and laws, and in society bound by the norm. The limit aims to keep humans in the corridor that has been set and not violate the rules that have been made. In the concept of goals, namely *Maqashid Sharia*, these things are done so that humans can get to know their Creator and if sliced with the Sustainable Development Goals (SDGs), these goals are expected to spread as many benefits as possible.

If included in the concept *Zakat*, Man as an individual creature has the need to worship, and *Zakat* is one of the most important Worship for Muslims, because it is related to the pillars of Islam, but human beings as social beings, need to reach out to other creatures to meet their needs both in terms of economy, such as conducting trade transactions. And humans also need to interact socially as part of society. These needs are limited by the rules, in performing Worship *Zakat* Human beings are limited by the ordinances or rules that apply in *Zakat* which determines the validity of Worship *Zakat* is limited to anyone who is already required to give *Zakat*, anyone who is entitled to receive *Zakat*, what is the value of the property that must be *Zakat*, what is the time limit for property ownership that must be issued *Zakat*, what assets can be subject to *Zakat*, what is the rate in *Zakat*. In economic activities, *Zakat* is limited to the applicable ethics and laws, whether the transaction activities carried out are carried out in a manner that *Halal* or not, whether the activity violates the law or not, whether the activity is based on correct business ethics or not. In community activities, humans are limited to the norms that apply to society. In the case of *Zakat*, it is better to distribute it

where the muzakki live in order to help local life such as the poor in the area. The goal is for humans to get to know better who their creator is and what humans were created for.

This research supports the theory *Maslahah*, needs, limitations and objectives of Helvacioğlu et al. (2021) due to the practice of *Zakat* BSI is BSI as the compiler *Zakat* as the representative of Muzakki *Zakat* is also Muzakki *Zakat*, dimana Muzakki *Zakat* is fulfilling 2 needs, namely the need for worship and the need for Muamalah, besides that, currently BSI and other stakeholders are also trying to increase the level of trust in the community as a place of care *Zakat* to meet these needs through more sustainable programs. The bias that occurs today is due to the position of *Zakat* which plays a role in meeting the needs of Ibadah and Muamalah which is a triggering factor for the emergence of *Zakat-Zakat* new. and the need for BSI to fulfill its social and environmental responsibilities. Where to achieve these goals, there are things that must be maintained so that they do not overlap with each other.

## Testing of Research Results

### Research Triangulation

The research triangulation was carried out by looking at the compatibility of the data from the Forum Group Discussion (FGD) with the Depth Interview used. Overall, the triangulation of the research carried out includes several aspects, including the following:

**Table 2.** Research Triangulation

Triangulation Methods			
Forum Group Discussion (FGD)		Depth Interview	
Triangulation of Data Sources			
Resource persons involved in the management of <i>Zakat</i> funds nationally are the Government from the Ministry of Religion and resource persons from the National <i>Sharia</i> Council of the Indonesian Ulema Council.		Informants involved in the management of <i>Zakat</i> funds at Bank BSI, namely Bank Syariah Indonesia and BSI Maslahat	
Triangulation Theory			
Maslahat Theory	Needs Theory	Limitation Theory	Goal Theory
Triangulation Results			
MUI <i>Fatwa</i> of 2003		MUI <i>Fatwa</i> of 2003 concerning income <i>Zakat</i> , <i>Nishab</i> Value of Income and Services <i>Zakat</i> in 2023, Fiqh <i>Zakat</i> of Companies (BAZNAZ) BSI Sustainable Report 2023	

In the table above, are the results of FGD and Interview triangulation. The data obtained from resource persons involved in the management of *Zakat* funds nationally, namely the Government from the Ministry of Religious Affairs, the National *Sharia* Council of the Indonesian Ulema Council, Bank Syariah Indonesia and BSI Maslahat are relevant to the theory of maslahat, the theory of needs, the theory of limitations, and the theory of goals. As well as the results obtained by the test with the 2003 MUI *Fatwa* regarding income *Zakat*, the *Nishab* Value of Income and Services *Zakat* in 2023, the Corporate *Zakat* Fiqh (BAZNAZ) BSI Sustainable Report in 2023.

## CONCLUSION

The inconsistency between *Zakat* calculations in the MUI *Fatwa* and BAZNAZ leads to bias in *Zakat* obligations, creating conflicts between religious duties and business responsibilities for entities like Bank Syariah Indonesia (BSI), which must fulfill its obligations as a Muzakki while also

addressing its societal and environmental responsibilities through community programs. *Zakat* has both Worship and Social dimensions, it serves to fulfill Allah's rights over Mustahik properties and acts as a national financial instrument, intertwining with humanitarian goals aligned with *Maqashid Sharia* and the Sustainable Development Goals (SDGs). Recommendations for personal Muzakki include enhancing knowledge to resolve doubts about *Zakat*, while BSI could optimize its *Zakat* potential by using the net asset method for calculations. Additionally, the government is encouraged to establish a fixed mechanism for *Zakat* management among stakeholders, maximizing its potential as an economic tool. Future research should focus on standardizing *Zakat* calculations, exploring dual obligations faced by businesses, aligning *Zakat* with SDGs, investigating innovations in *Zakat* management, and optimizing government policy frameworks to ensure effective *Zakat* practices.

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