

EXPLORING UNDERSTANDING OF PADDY ZAKAT AMONG FARMERS IN SABAK BERNAM, SELANGOR

Nur Fariza Yacob¹
Mohd Ariff Mohd Daud²

¹ Academy of Contemporary Islamic Studies, Universiti Teknologi MARA Shah Alam, Malaysia,
(E-mail: nurfarizaaa.y@gmail.com)

² Academy of Contemporary Islamic Studies, Universiti Teknologi MARA Cawangan Terengganu, Malaysia,
(E-mail: ariffdaud@uitm.edu.my)

Article history

Received date : 12-12-2021
Revised date : 13-12-2021
Accepted date : 15-2-2022
Published date : 15-3-2022

To cite this document:

Yacob, N. F., & Mohd Daud, M. A. (2022). Exploring Understanding of Paddy Zakat Among Farmers in Sabak Bernam, Selangor. *Journal of Islamic, Social, Economics and Development (JISED)*, 7(43), 193 - 200.

Abstract: *Paddy cultivation is among the major agricultural sectors in Malaysia. As paddy is commercially produced, it is subjected to zakat, an obligation for the producer to donate certain proportion of wealth. A form of worship, zakat also contributes towards the economic development of Muslims in Malaysia. With this background, this study focuses on exploring the understanding of paddy zakat among farmers in Sabak Bernam, one of the biggest rice producing areas in Malaysia. This study uses qualitative method in which farmers who cultivate paddy in this district will be interviewed to gauge their level of understanding of paddy zakat. In addition, this study also intends to explore views of the farmers regarding zakat institution and how to improve management of paddy zakat collection. The research is expected to gauge the level of understanding of paddy zakat among the farmers in Sabak Bernam and recommend improvements for zakat institution in Selangor in managing paddy zakat collection.*

Keywords: *Paddy Zakat, Zakat Collection, Asnaf, Distribution*

Introduction

Paddy is one of the main crops in Malaysia and ASEAN countries. In 2019, 2,348.9 thousand tonnes of paddy were produced in Malaysia, declining by 11% from previous year. A total of 671,900 hectares of land are planted with paddy. In terms of economic activity, paddy contributes 0.2% towards total GDP in 2019, with contribution of RM2,370 million. However, Malaysia lagged its ASEAN counterpart in term of paddy production. For example, Indonesia is producing about 50,903 tonnes, Vietnam is producing about 42,257 tonnes, and Thailand is producing 28,181 tonnes. Only Brunei is producing less paddy in ASEAN compared to Malaysia (with exception of Singapore which does not produce paddy). The reason for huge paddy production in ASEAN countries is due to rice (by product of paddy) is the staple food for the people in this region (Department of Statistics Malaysia, 2020).

In general, there are two mechanism of paddy planting in Malaysia, which are in field submerged with water, and in hills. Paddy fields need a lot of water. Therefore, paddy is grown in areas where the water is stagnant for its growth. The states that use this method are Kedah, Perlis, Pahang, Negeri Sembilan, Melaka, Johor, and Selangor. The second mechanism is

cultivation of paddy in hill farms. Hills paddy or called huma is grown in low-lying, dry, and even hillside areas. The states that use this cultivation are the states of Kelantan, Terengganu, Sabah and Sarawak (Rahman, 1986).

In Selangor, the paddy area in Sabak Bernam district covers 12,771 harvested area in 2019. It is also the highest rice producer in Malaysia according to an average net yield of 6,176 kg in total in 2014. In addition, Selangor and Penang recorded the highest average paddy yield compared to the other states. For example, Selangor recorded 5,801 kg yield per hectare in 2019, whilst Penang recorded 6,324 kg yield per hectare (Jabatan Pertanian, 2015; Unit Geospatial Pertanian, 2019).

Since paddy is one of the main crops, zakat is obligated towards the farmers. Zakat can be divided into two types which are zakat fitrah and zakat wealth. Zakat fitrah is zakat prescribed on every able-bodied Muslim individual with certain conditions that have the purpose of cleansing the soul and body. Zakat fitrah is collected from 1 Ramadan until 1 Syawal before performing the Aidilfitri prayers at a certain rate according to the respective states. On the other hand, property zakat consists of many items, such as gold and silver zakat, business zakat, agricultural zakat, livestock zakat, money zakat, ma'adin zakat, income zakat, and stock zakat. There is no set time for the implementation of property zakat, and it can be done at any time, provided that certain conditions are fulfilled. The determination of the property zakat rate is 2.5% of the total property in this case because there are the rights of eight asnaf who are eligible to receive zakat on it (Muaz et al., 2016). Crops such as paddy is one of the forms of property that zakat is made compulsory. It functions as a mechanism in the Islamic economic system for the distribution of wealth obtained from excess wealth.

Based on this background, this study seeks to investigate the understanding and awareness of farmers in Sabak Bernam towards agricultural zakat, in particular paddy zakat. In doing so, this research uses qualitative methods via interview to gain further insight on this topic.

The main purpose of this study is therefore to determine and identify the understanding and exposure about zakat paddy among farmers in Sabak Bernam and discuss ways of solving the problems to improve the management of Lembaga Zakat Selangor. Paddy farmers in Sabak Bernam will become the scope of this study. This study embarks on the following objectives:

- a) To identify the understanding of paddy zakat among farmers in Sabak Bernam;
- b) To investigate the understanding of farmers on the importance of paddy zakat; and,
- c) To improve the collection system of paddy zakat on Lembaga Zakat Selangor in Sabak Bernam;

Within context as discussed above, this study seeks to investigate further on the following questions:

- a) Why should farmers get awareness about paddy zakat?;
- b) Do farmers in Sabak Bernam understand the need to pay paddy zakat?; and,
- c) What are the mechanisms to improve the collection system of paddy zakat on Lembaga Zakat Selangor in Sabak Bernam?

As far as we are concerned, this study is among the limited research done on understanding awareness of paddy zakat, in particular for the farmers in Sabak Bernam. This study will contribute to the body of knowledge via highlighting the perspective of paddy farmers in Sabak Bernam, who are more modernized and exposed to technology. Furthermore, this study will

also suggest further improvement that can be made by Lembaga Zakat Selangor as the zakat collecting authority in Selangor to increase their zakat collection.

The structure of this paper is as follows: we will discuss previous literature related to the topics in the next section; then we describe the research methodology; after that we provide result from the study, before we conclude with policy recommendation in the last section.

Literature Review

Zakat is an Arabic term which is derives from the word zaka (زكى). Zaka means pure and fertile, including clean, blessed, prosperous, and good to the property of zakat, the payer of zakat, and the recipient of zakat. On the other hand, the concept of zakat in terms of Islamic law is to issue certain property at a certain rate according to certain conditions to be distributed to certain groups (Lembaga Zakat Selangor, n.d.). Yusof Al-Qardawi defines zakat a certain amount of property that Allah SWT is obligated to give to those who are entitled to receive it to issue a certain amount (Muaz et al., 2016). As a Muslim, we are upholding five main pillars of Islam in our life which are recital of syahadah, praying, fasting, zakat, and hajj. Zakat is included in the five pillars of Islam which means that all Muslims obligated to pay zakat. Allah SWT said:

إِنَّمَا الصَّدَقَاتُ لِلْفُقَرَاءِ وَالْمَسْكِينِ وَالْعَمِلِينَ عَلَيْهَا وَالْمَوْلَاةِ قُلُوبُهُمْ وَفِي الرِّقَابِ
وَالْغُرَمِينَ وَفِي سَبِيلِ اللَّهِ وَأَبْنِ السَّبِيلِ فَرِيضَةً مِّنَ اللَّهِ وَاللَّهُ عَلِيمٌ حَكِيمٌ

Meaning:

The alms are meant only for the poor and the needy and those who are in charge thereof, those whose hearts are to be reconciled, and to free those in bondage, and to help those burdened with debt, and for expenditure in the Way of Allah and the wayfarer. This is an obligation from Allah. Allah is All-Knowing, All-Wise.

(at-Taubah: 60)

From this verse, it shows the alms should be given to those who are in need, such as the poor, and those who are struggling fi sabilillah. As Allah has commanded to encourage all Muslim to give a donation for human well-being.

Zakat can be divided into two types which are zakat fitrah and zakat wealth. Zakat fitrah is zakat prescribed on every able-bodied Muslim individual with certain conditions that have the purpose of cleansing the soul and body. Zakat fitrah is collected from 1 Ramadan until 1 Syawal before performing the Aidilfitri prayers at a certain rate, according to the respective states. On the other hand, property zakat consists of many items, such as gold and silver zakat, business zakat, agricultural zakat, livestock zakat, money zakat, mineral zakat, income zakat, and stock zakat. There is no set time for the implementation of property zakat, and it can be done at any time, provided that certain conditions are fulfilled. The determination of the property zakat rate is 2.5% of the total property in this case because there are the rights of eight asnaf who are eligible to receive zakat on it (Muaz et al., 2016).

Classical and contemporary scholars of Islam have different views on the cost of crops. There are two perspectives on crop costs, the first view is not to allow the collection to deduct crop costs and zakat is imposed on collection, while the wider perspective is that collection can be subtracted from collection and zakat is charged on net income (Zahari et al., 2017). Crops such as paddy is one of the forms of property that zakat is made compulsory. It functions as a

mechanism in the Islamic economic system for the distribution of wealth obtained from excess wealth.

The availability of zakat collection institutions does not guarantee the payment of zakat by those who are supposed to do so. There are various internal factors (values) such as religious knowledge, faith, culture, and external factors that influence the decision to pay zakat. This issue becomes more interesting because there seems to be an illogical contradiction in the behaviour of wealthy Muslim individuals where they are more willing to give various forms of donations and sadaqah but do not pay property zakat. The zakat rate charged is also small and affordable. Furthermore, it is an order that must be implemented for those who meet the conditions like the other pillars of Islam even if the country is already in a state of luxury where all its citizens are high income. There are also situations where it is possible that zakat payers are not interested in paying zakat to formal institutions due to their distrust of zakat institutions (Hairunnizam Wahid et al., 2005).

Zakat institutions provide various types of assistance to asnaf zakat especially the poor covering necessities of life such as food and drink, shelter, education, medicine, career development transport, and human capital. Each aid (basic needs) there are various types of assistance and are not categorized according to priority. As masalah is divided into daruriyyat, hajiyyat, and tahsiniyyat, the same approach should be taken by the zakat institution in the distribution of zakat. This is because it is feared that the weakness of understanding the maqasid Syariah will cause things that need to be given priority not to be given priority. Daruriyyat is a basic requirement that must be met to continue living and without it, it will lead to life-threatening harm. Life, religion, soul, property, and descent are matters of daruriyyat that must be fulfilled by every Muslim based on the Shari'ah. Next, hajiyyat is something that is needed to facilitate all affairs in life, thus eliminating the narrowness that usually leads to hardship. For example, transportation, utilities, and communications are items that are categorized as additional needs to an individual. These three items provide convenience and comfort to human beings. On the other hand, if these three items are not met will cause difficulties and hardships to human beings but do not lead to harm that can directly threaten religion, life, intellect, lineage, and property. Furthermore, tahsiniyyat is the act of doing practice or custom that pushes oneself to beauty and stays away from things that are considered bad by the perfect intellect. Tahsiniyyat is considered as a complement to daruriyyat and hajiyyat (Zahari et al., 2017).

Research Methodology

This research uses qualitative method as a research instrument. Interviews are conducted from respondents among farmers in Sabak Bernam. Semi-structured face-to-face interviews are conducted, and the interviewer modifies the sequence and arrangement of questions to a group of selected participants among the farmers in Sabak Bernam about their opinions or experiences about paddy zakat. This method allows the researchers to solicit the response from farmers to measure their level of understanding of paddy zakat.

Table 1: Respondents' Background

Respondent	Gender	Age	Location of Paddy Field
Farmer 1	Male	50-60	Parit 3 Barat Sg. Besar
Farmer 2	Male	61-70	Parit 3 Barat Sg. Besar
Farmer 3	Male	40-50	Parit 8 Sg. Timur Sg. Besar
Farmer 4	Male	71-80	Parit 4 Barat Sg. Besar
Farmer 5	Male	71-80	Parit 4 Barat Sg. Besar

Table 1 provides data on the categories of respondents according to age and location of paddy field. The researcher managed to interview 5 farmers, who are all male. Their age ranges from 40 years to 80 years old. They own and operate these paddy fields, which are a multi-generational family business. In the responses of the interviewees, the researcher sees a similar pattern. Further gathering of new information will not necessarily contribute to a new discovery of the problem. As such, the researcher conclude that the data has reach point of saturation.

Results and Discussions

Based on the interview session with the farmers, we can gauge that the farmers in Sabak Bernam understood and aware about paddy zakat. they also know the exact rate of nisab paddy zakat imposed which is 5% and the calculation of paddy zakat need to pay. If the amount of net worth exceeds RM5,000, then the farmers must pay zakat. Farmers 1, 2, 3, 4 and 5 state the following:

"5% of net worth. Meaning for example, the value is earned in RM5,000, so times with 5% and get RM250 as the balance will be subject to zakat. If not reached the value of RM5,000, you are not going to pay zakat" (Farmer 1).

"5% times with net income, we get the balance, and it must be paid zakat" (Farmer 2).

"In the case of RM5,000 times 5/100. Total in RM250 and this total must pay zakat" (Farmer 3).

"5% times with net income" (Farmer 4 and Farmer 5).

The next compulsory condition of zakat is enough haul where it must ensure sufficient period for paddy to harvested between 100 days or 85 days for one season after the cultivation of seeds in April and October. Farmer 1 depicted this issue as follow:

"Essentially, paddy harvested after enough 100 days after the cultivation of paddy seeds, nevertheless, there are also some of their paddies harvested after 85 days. For the cultivation of seeds in April, paddy will be harvested in August while cultivation of seeds in October, the paddy will be harvested in the month of January or February".

Similarly, the farmers in Sabak Bernam depict their high level of understanding on the need to pay paddy zakat. Three from five farmers pay zakat directly to asnaf, because it is easy for them to give to the asnaf that they know personally. On the other hand, two of the farmers pay zakat via Lembaga Zakat Selangor in Sabak Bernam as they argue that it is fairer, and they trust the professionalism of Lembaga Zakat Selangor. On the importance of paying paddy zakat, all the

farmers in Sabak Bernam opine that zakat is imposed to clean property, and an obligation that Muslims must perform. Farmer 1 opine:

“The reason why zakat imposed...for me it is to clean our property”.

On the other hand, Farmer 2, Farmer 4, and Farmer 5 said the importance of zakat is as follows:

“As we know, it is an obligation that all Muslims farmers must perform”.

Furthermore, Farmer 3 describe the importance of paddy zakat as follow:

“The important of paddy zakat is to get blessings and increase sustenance”.

To improve zakat collection system of Lembaga Zakat Selangor in Sabak Bernam, the farmers suggest that Lembaga Zakat Selangor make it compulsory for the farmers to pay zakat via Lembaga Zakat Selangor; frequently visit paddy fields when the paddy is harvested; send a reminder message to farmers to pay paddy zakat; appoint head of each paddy block to collect zakat payments from farmers; and make advertising via social media and printed media. Farmer 1 stated as follows:

“I think Lembaga Zakat Selangor can make it compulsory for all farmers who earn zakat to pay them to increase their collection fund. If anyone does not pay zakat to the zakat centre, maybe next year they will not be able to receive assistance from the government”.

Next, Farmer 2 suggested for Lembaga Zakat Selangor’s representatives to visit the fields every time the paddy is harvested directly where farmers do not have to queue to pay zakat at the zakat centre which can cause congestion. Farmer 2 opined:

“Maybe if they often go to the paddy fields when the paddy is harvested because from there, they can directly collect payment from these farmers”.

To improve the management of paddy zakat collection for zakat centre in Sabak Bernam, continuous effort should be made to give reminders via message, WhatsApp, and calls to farmers to pay zakat on time. This is based on the statement given by Farmer 3:

“The LZS will send a message as a reminder to pay zakat on paddy every season and every year, and whoever pays zakat at zakat centre, LZS will give give calendar. I think this way we can remember to pay zakat via LZS”.

Moreover, the zakat management should also make it mandatory for each block leader to collect paddy zakat payments from farmers. This can improve the management of zakat collection on LZS in Sabak Bernam. Farmer 4 gives the following suggestions:

“The zakat party may oblige the head of each block to collect zakat payments from farmers and submit it to the zakat centre back”.

Finally, the last respondent suggested that zakat be advertised through social media or printed media such as banners in order to encourage farmers to pay zakat paddy. As highlighted by Farmer 5:

“The zakat party can make advertising via social media or printed like banners as encouraged farmers to pay zakat to the zakat centre”.

Overall, farmers are willing to share their opinions to improve the management of paddy zakat collection in Sabak Bernam even though some of them do not pay paddy zakat to zakat centre.

Conclusions, Recommendation, Limitations and Future Research

It can be concluded that the farmers in Sabak Bernam have a deep understanding and aware on the importance of paddy zakat. Via interviews conducted, the farmers understand about the rate of zakat imposed on paddy, and the need to pay it. The farmers are also able to identify the condition of paddy zakat obligation which is enough nisab and haul. Farmers correctly point out nisab at a rate of 5%, which is in accordance with what has been set by Lembaga Zakat Selangor. This is in line with the opinion of Ibn Humam, who stated that there was only a range of zakat rate based on the hadith narrated by Ibn 'Umar' at the time of Rasulullah PBUH, which is the rate of 10 percent and 5 percent based only on irrigation method, where the original crop zakat rate law is 10 percent and has been reduced to 5 percent as rukhsah because of the irrigation workforce used (Firdaus, 2014).

In addition, farmers' understanding on the importance of paddy zakat can be gauge through their response on the importance of paddy zakat. In general, all the farmers agree that the zakat was imposed to clean property, an obligation that Muslims must perform, and to get blessings and increase sustenance.

Farmers in Sabak Bernam also suggest method to increase the collection of zakat on paddy to Lembaga Zakat Selangor in Sabak Bernam. Among the suggestions given by farmers are to make it compulsory for the farmers to pay zakat via Lembaga Zakat Selangor; frequent visit to paddy fields via officers of Lembaga Zakat Selangor when the paddy is harvested; to send a reminder message to farmers to pay paddy zakat; to appoint head of each paddy block to collect zakat payments from farmers; and to make advertising via social media and printed media.

This study is limited by the geographical barrier, in which the researcher focuses only on farmers in Sabak Bernam, who might be more modernized and have more access towards information via technology. In addition to that, insight from officer of Lembaga Zakat Selangor can potentially provide more useful information.

References

- Ahmad, R. A. R., Othman, A. M. A., & Salleh, M. S. (2015). Assessing the Satisfaction Level of Zakat Recipients Towards Zakat Management PCA for Social Research View Project Assessing the Satisfaction Level of Zakat Recipients Towards Zakat Management View project. *Procedia Economics and Finance*. [https://doi.org/10.1016/S2212-5671\(15\)01141-7](https://doi.org/10.1016/S2212-5671(15)01141-7).
- Department of Statistics Malaysia. (2020). *Selected Agricultural Indicators 2020*. Department of Statistics Malaysia.
- Hassan, W. Z. W., Alias, J., Muslim, N., Abdullah, L., & Abdullah, S. (2014). Challenges in fatwa management in Terengganu, Malaysia. *Mediterranean Journal of Social Sciences*, 5(29), 9–18. <https://doi.org/10.5901/mjss.2014.v5n29p9>
- Hassan, R., & Nasir, N. I. F. M. (2016). Prioritization of zakat distribution in Selangor and the Federal Territory of Malaysia: Are they following the right distribution principles according to Shariah? *Intellectual Discourse*, 24 January 2016, 435–457.

- Ibrahim, S. M. (2015). The Role of Zakat in Establishing Social Welfare and Economic Sustainability, 3(1), (437-441), 1-5. DOI: ISSN 2348-7585
- Izwan, K. (2020). Lzs Sedia Rm34.6 Juta Biayai Persiapan Persekolahan Anak-Anak *Asnaf* Fakir & Miskin Serta Mualaf Sesi 2021. Retrieved January 28, 2021, from <https://www.zakatselangor.com.my/terkini/lzs-sedia-rm34-6-juta-biayai-persiapanpersekolahan-anak-anak-asnaf-fakir-miskin-serta-mualaf-sesi-2021/>
- Lembaga Zakat Selangor (2018). Sejarah. Lembaga Zakat Selangor. <https://www.zakatselangor.com.my/info-lzs/sejarah-lzs/>
- Mahidin, Dato' Sri Dr. Mohd Uzir. (2020). Key Statistic of Labour Force in Malaysia, www.dosm.gov.my/v1/index.php1.
- Malay Mail. (2020). Selangor Zakat Board's Covid-19 special aid for 29,000 recipients to be fully distributed by Friday. Malaysia | Malay Mail. <https://www.malaymail.com/news/malaysia/2020/04/01/selangor-zakatboards-covid19-special-aid-for-29000-recipients-to-be-full>
- Meerangani, K. A. (2019). The Effectiveness of Zakat in Developing Muslims in Malaysia. *Insaniyat: Journal of Islam and Humanities*, 3(2), 127–138. <https://doi.org/10.15408/insaniyat.v3i2.11315>.
- Muhamad Firdaus, A. R. (2014) *Pelaksanaan Zakat Pertanian di Malaysia berdasarkan Maqasid Syari'ah*. [Master thesis, University of Malaya]. <http://studentsrepo.um.edu.my/5063/>
- Nik Hasan, N. M. bin. (2013). Zakat in Malaysia - Present and Future Status. *International Journal of Economics, Management and Accounting*, 1(1). Retrieved from <https://journals.iium.edu.my/enmjjournal/index.php/enmj/article/view/>
- Noor, W., Muhammad, W., Abdullah, N., Hanafi, H., & Izzat, H. (2018). Islam Dan Adat Melayu Terengganu. 6(1), 54–66.
- Shima, A. Z., Maharah, M. W. D., Suraya, A. W., Hubbul, W., S.Ag. M. ., Fatira, A. M., S.E, M. S., & Suherman, M. . D. (2020). Enhancement of Zakat Institutions through Zakat Management of Gharimin *Asnaf*: Case Study in Malaysia and 46 Indonesia Zanatul. *Journal of Physics A: Mathematical and Theoretical*, 44(8), 085201.
- Umair, S., Waqas, U., & Faheem, M. (2020). COVID-19 pandemic: Stringent measures of Malaysia and implications for other countries. *Postgraduate Medical Journal*, 2–4. <https://doi.org/10.1136/postgradmedj-2020-138079>
- Zahari, M. M., Azman, A. R., Adibah, A. W. (2017). Memperkasa kutipan dan agihan zakat di Malaysia. *Had kifayah zakat pendapatan berasaskan maqasid syariah*.