

Zakat Development Towards Sustainable Economic Growth

Aminudin Ma'ruf^{*1}, Cut Meutia C², Silvy Miftahul H³, Cindy Puspitasari⁴

^{1,2,3,4}Universitas Muhammadiyah Surakarta, Jl. A. Yani, Central Java, Indonesia

*aminudin.maruf@ums.ac.id

Received: 2022-October-28

Rev. Req: 2022-November-28

Accepted: 2022-December-16



10.54956/eksyar.v9i2.389

How to cite this paper: Ma'ruf, A., Meutia C, C., Miftahul H, S. & Puspitasari, C. (2022). Zakat Development Towards Sustainable Economic Growth. *EKSYPAR : Jurnal Ekonomi Syari'ah & Bisnis Islam (e-Journal)*, 9(2), 158-172. <https://doi.org/10.54956/eksyar.v9i2.389>

This is an Open Access article distributed under the terms of the Creative Commons Attribution 4.0 International license (<https://creativecommons.org/licenses/by/4.0/>)

ABSTRACT: *The problem of Zakat management lies in its operational and managerial collection and distribution of its funds. This study aims to examine the performance of Zakat institutions in Indonesia in relation to economic sustainability. To achieve the aim of the study, the paper employs a quantitative descriptive methodology with the data taken from the annual report of the National Board of Zakat for the Republic of Indonesia (BAZNAS). The data consists of financial ratios of Zakat management performance from 2019 to 2022. The data was then gauged and analyzed through financial and management ratios developed by BAZNAS. The study results indicate a positive trend in the management of Zakat in Indonesia throughout the years. The growth ratio increased from 26% in 2019 to 42.16% and 50.02% in 2021 and 2022 respectively. The paper infers that there is a big potential for Zakat in Indonesia to support the economic sustainability of the nation. However, there must be an initiative from Zakat institutions and policymakers to increase awareness of Zakat. The study humbly suggests productive activities in the distribution of zakat funds, creating a circular economy for the nation's Muslims. The paper carries some limitations and future recommendations for the study of Zakat.*

Masalah pengelolaan zakat terletak pada operasional dan manajerial pengumpulan dan pendistribusian dananya. Tujuan dari penelitian ini adalah untuk mengkaji kinerja lembaga zakat di Indonesia dalam kaitannya dengan keberlangsungan ekonomi. Untuk mencapai tujuan penelitian, makalah ini menggunakan metodologi deskriptif kualitatif dengan data yang diambil dari laporan tahunan Badan Amil Zakat Nasional Republik Indonesia (BAZNAS). Data tersebut terdiri dari rasio keuangan kinerja pengelolaan zakat dari tahun 2019 hingga 2022. Data tersebut kemudian diukur dan dianalisis melalui rasio keuangan dan pengelolaan yang dikembangkan oleh BAZNAS. Hasil kajian menunjukkan adanya tren positif dalam pengelolaan zakat di Indonesia dari tahun ke tahun. Rasio pertumbuhan meningkat dari 26% pada 2019 menjadi 42,16% dan 50,02% masing-masing pada 2021 dan 2022. Makalah ini menyimpulkan bahwa terdapat potensi besar zakat di Indonesia untuk mendukung keberlangsungan

ekonomi bangsa. Namun, harus ada inisiatif dari lembaga zakat dan pembuat kebijakan untuk meningkatkan kesadaran berzakat. Studi ini dengan rendah hati menyarankan kegiatan produktif dalam pendistribusian dana zakat yang menciptakan ekonomi sirkular bagi umat Islam bangsa. Makalah ini membawa beberapa keterbatasan dan rekomendasi masa depan untuk studi Zakat.

Keywords: *Zakat Management, Zakat Development, Economic Growth, Sustainable Economy.*

I. INTRODUCTION

Zakat is worship arranged in the Al-Quran and Hadith, which must be accepted as what exists and included inside one pillar of Islam, that is, *fardhu' ain*. If held, Zakat payment could bring much usefulness as removing characteristic miser, cleaning treasures, eradicating poverty, training attitude philanthrope as well as obeying Allah's will SWT. According to the view structure of socio-economic related Islamic countries, Zakat has a unique character because the payment obligation is related to economy and religiosity as well as a means of Zakat spiritual (Muthoifin & Nuha, 2016). Zakat also determines the direction of economic movement through its effects on economic variables (Aswad & Ardi, 2021). Muslims who have assets more than the level of need and have reached the *nishab* for one year are required to pay Zakat for socio-economic welfare so that later the main goal of Zakat is achieved, namely realizing better income equality through equitable distribution of assets and reducing poverty and differences too starkly between the rich and the poor and in the end achieve the achievement of stable economic growth through various things such as investment, equitable consumption in society, and the provision of employment (Kusuma, 2016).

As social beings, one's welfare needs to be achieved by working together. In an economic system, Islam orders to share with those who are less fortunate as much as 2.5 per cent of the total assets owned and reach *nishab* for a year. Its impact on the economy is increasing circulation of money as an impact of enhancement Request goods and services. Besides, Zakat raises stability price and provide relief for debt. Zakat funds collected moment the economy's prosperous got used to help the Public during the depression (Bergh, 2009). Payment of Zakat makes the rotation of the economy Keep continues and alleviates poverty with the recipients of Zakat becoming Zakat payers (Khaerunisa, Yayuli, & Febriandika, 2021). Zakat can also be called *maaliyah ijtidaiah*, where the level of necessity pays equal Zakat with order to fulfil prayer as base obligation pay zakat in the word of Allah AWT QS. At- Tauba verse 103. Based on the importance of fulfilling Zakat, management of Zakat must be done with good so that the purpose of Zakat can be achieved .

The management of Zakat by the Amil Zakat Agency (BAZ) and the Amil Zakat Institution (LAZ) must apply the principles of good organizational governance by applying the principles of trustworthiness, transparency and professionalism. If the principles are applied in a predominantly Muslim country, then the community will increasingly feel the benefits of Zakat. BAZNAS is a zakat management institution that is mandated by the state following Law Number 23 of 2011 Concerning Zakat Management, BAZNAS should

be able to show good performance, especially in the field of financial performance which includes achievements in operations both in terms of finance, marketing, fundraising, channelling funds, human resources and technology (Widiastuti & Cahyono, 2017).

The problem with Zakat so far is the management of Zakat which has not been managed professionally so the distribution of Zakat becomes less optimal (Amymie, F., 2019). Management of Zakat with maximum participation promotes development programs aligned with the Sustainable Development Goals (SDGs). This program into the UN's new program viz about purpose development sustainability with continuing The Millennium Development Goals (MDGs) as the agenda for 2030 is already in place since December 2015. Grand Design's purpose of sustainable development is to improve existing socio-economic well-being. There is a need for Islamic social institutions to overcome social problems such as poverty. Therefore, Zakat can be used as a source of Islamic socio-economic funds, which means that the management of Zakat by BAZ and LAZ can be used for the welfare of the people, and economic development is not limited to conventional activities. The purpose of Zakat, in the view of the SDGs, is to refer to economic, educational, social, humanitarian, health, and da'wah goals (Utama, 2021).

The literature regarding the performance of Zakat is extensive. To measure the performance of Zakat, most of the researchers use financial and non-financial indicators to get a broader picture of zakat management. Based on the discussion above, this study's peculiar aspect is that the paper attempts to connect the convergence features between Zakat and the SDGs.

Islam emphasizes the importance of seeking knowledge, health, and wealth. This is revealed in the formulation of maqashid shari'ah, namely guarding one's mind (*hifdzu-n-aql*), guarding one's self (*hifdzu-n-nafs*), and guarding property (*hifdzu-l-maal*) (Nurzaman, 2017). Zakat, as mandatory worship for someone who has reached the nisab, is one of the third pillars of the five pillars of Islam. As for terminology, Zakat is an asset with certain conditions, which Allah must hand over to the owner and those entitled to receive it with certain conditions (Iswanaji, Hasbi, Salekhah, & Amin, 2021).

Zakat is one of the tools used for human development. The concept of Zakat explains that the wealth of the rich is used to enrich and develop the poor so that these needy people become sufficient people to pay Zakat in the future (Hassan, Amuda, & Parveen, 2017). Poor and disadvantaged people with adequate health, education, and income needs can access development outcomes and ultimately have the potential for the country's economic development (Khanifa, 2018). The concept of Zakat performance is related to the implementation and success of the zakat information system (Chenhall, 2003). According to Johannessen et al., (1999), economic performance is often found in the core performance of organizations.

Sustainable development is a goal that focuses on increasing environmental, health, and education towards socially just and fair development, which is one of the factors that every country must face to achieve sustainable development in every aspect of life (Abdullah, Yusop, & Awang, 2013). The SDGs are action plans for humanity, the planet and prosperity that aim to strengthen universal peace in broad freedom without being marginalized by certain groups. The SDGs are designed to tackle poverty in all countries, a major challenge today. This is one of the work programs that will guide the development of world countries on some issues such as depletion of natural resources,

environmental degradation, climate change, food and energy security, and sustainable development in favour of the poor. Human development is commonly associated with the process of enhancing the capabilities of people or populations so that they can participate in all areas of development and lead healthy and productive lives in society (Alkire, 2010).

Human development has a broader meaning than economic growth, which is more than just income growth and the process of goods production and capital accumulation. The fundamental reason for paying attention to human development is that many developing countries, including Indonesia, have achieved economic growth but have failed to reduce the poverty gap. The Human Development Index (IPM) is a standard for governments to see the quality of their human resources. Some indicators used to compile HDI include health, education, and income (Rusydiana, 2020). (Boutayeb & Serghini, 2006) underlined that the main indicator of human development in Arabs is health. At the same time, some argue that the main indicator is the ability to obtain correct information or knowledge.

This paper examines and analyses the connecting dots between Zakat and the sustainable development of Indonesia. Zakat is deemed as one of the best Islamic financial tools to overcome the problem of poverty and inequality. Hence, it is important for a study to deeply assess the connection between both aspects.

II. METHOD

This study employs a quantitative descriptive methodology. Quantitative descriptive methods have advantages and benefits in simplifying complex problems in a model and providing analytical results that can be obtained accurately (Ikhwan, 2021). This method does not aim to test theory so that perspectives are not filtered out. This method is suitable for studying discussions or comparisons related to financial report data at BAZNAS because the data taken is concrete and tangible, which can be taken from the BAZNAS financial report site. Quantitative descriptive is free to observe objects, explore, and prove that there are new insights during research. This study emphasizes data analysis in the form of numbers. The primary data analyzed in this study is collected through documentation and literature techniques from various sources in the form of annual data for 2019-2020 (Yusuf, 2014). Our research uses a quantitative descriptive method, this method will see how the performance of Zakat will be emphasized by looking at the phenomena that occur in the current development of Zakat and seeing how Zakat contributes in 2022 to support sustainable economic growth. According to (Wahyuni-TD, Haron, & Fernando, 2021), a study that discusses the performance of Zakat followed by survey methods with convenience sampling techniques is needed to qualify as a quantitative method in the data processing. In addition, there is evidence from (Retnowati, 2018) that the data used in analyzing the efficiency of zakat performance is collected in reports containing funds, funds disbursed, and personnel costs. (Atiqi & Widiastuti, 2022) asserted that using the quantitative descriptive method might be one of the best ways to analyze data-based problems.

III. RESULT AND DISCUSSION

Zakat Distribution System

Zakat is an alternative form of collecting and managing funds, almost the same as the taxation system, which can affect socio-economic conditions and provide comprehensive policies (Ben Jedidia & Guerbouj, 2021). At the microeconomic level, Zakat is essential in distributing funds to recipients. At the macroeconomic level, the impact of Zakat includes several dimensions, such as economic growth, distribution of wealth, poverty alleviation, and social security (Suripto, 2018). Zakat is a religious fiscal tool that aims to redistribute wealth from the rich to the poor, thereby reducing income inequality (Aziz & Mohamad, 2016). By maintaining the gap between the rich and the poor, Zakat becomes a tool that can guarantee equality among people (Abu Bakar & Abd Ghani, 2011); (Johari, Ali, Noor, Aziz, & Ibrahim, 2013). Furthermore, the distribution of Zakat to beneficiaries who are carried out productively can help them improve their quality and standard of living (Ibrahim, 2014). Overall, aggregate supply is affected by Zakat in three ways: resource allocation, labour supply (through improving health and nutrition and helping the poor life), and productivity because an increase in people's productivity can positively affect the supply of goods in an economic country.

The involvement of Zakat in growth can be channelled through financial inclusion. Zakat increases financial inclusion, and the poor can promote economic growth. On the one hand, the ability and intention to pay Zakat determine the amount of Zakat collected, so the potential role of Zakat can encourage economic growth. Paying Zakat predicts individual willingness to perform zakat compliance behaviour (Khasandy & Badrudin, 2019). On the other hand, it is said that the *muzakki's* knowledge level about Zakat significantly affects the intention to pay Zakat (Martono et al., 2019). Recently, (Yusfiarto, Setiawan, & Setia Nugraha, 2020) argued that in Indonesia, the higher the subjective norms, attitudes, and literacy of Zakat owned by *muzakki* in Indonesia, this also increases the intention of *muzakki* to comply with paying Zakat and (Owoyemi, 2020) argues that the loss of trust between zakat payers and recipients affects the willingness of payers to give Zakat to zakat recipients (the state or zakat institutions). Ineffectiveness in the distribution of Zakat arises when zakat funds are not received evenly by the rightful recipients of Zakat. This can be attributed to the problem of weakness in identifying the poor (Othman, 2015).

The development of Zakat in Indonesia is one of the most important triggers for the Indonesian economy. The management of Zakat is carried out by many *amil zakats* both nationally through the National Amil Zakat Agency (BAZNAS), as well as a civil society such as Amil Zakat Institutions (LAZ), *dompot dhuafa*, zakat houses, *waqf* houses, etc (Tambunan, Harahap, & Marliyah, 2019). Proper management of each board or organization will affect the performance and result of managing and withdrawing zakat funds. Therefore, proper and thorough management of zakat funds is an element. In addition, it is crucial to ensure that the organization works according to the regulations (Thalib, Irwan, & Ro'is, 2016). Zakat that is carried out consumptively or productively can encourage people to carry out economic activities to move the economy. However, one of the problems so far is the problem of managing Zakat, which has not been carried out professionally and fairly, so the collection and distribution of Zakat have become less

focused and do not have a positive effect. However, suppose zakat funds can be optimally managed. In that case, these funds can encourage sustainable development programs or what is commonly called SDGs, which are now the new programs of the United Nations, the world bank, and other organizations (Amymie, 2019).

Analysis of Financial Ratios Distribution of Zakat

Many methods can be used in analyzing financial reports to assess financial performance. One of the methods in question is ratio analysis. Ratio analysis uses financial ratios that are sourced from data from financial statements so that conformity of opinion can be obtained. Ratio analysis describes the relationship between a certain amount and another amount reported financially in comparison (ratio). Financial ratios are a valuable analytical tool when compared to a standard or norm (Cahyadi, 2020). Based on the definition above, it can be concluded that financial ratios are a financial analysis tool that compares one number with another from a company's financial statements. Through ratio analysis, the picture of the increase or decrease in financial condition can be seen when the ratio is compared with the standard ratio. The liquidity ratio is the ratio used to measure an entity's ability to pay its short-term obligations. Following are some of the liquidity ratios that OPZ can use:

1. Growth Rasio

The growth ratio is a ratio that describes developments in the collection of Zakat, infaq, and alms at zakat institutions from previous years. The indicator in the growth ratio is seen from the growth ratio of operational costs:

$$\frac{\text{Operational cost growth (per year)}}{\text{Growth of ZIS collection (per year)}}$$

The interpretation of the value of this operational cost growth ratio:

- (a) $R < 1$: aligned
- (b) $R > 1$: not aligned

2. Efficiency Rasio

The fundraising efficiency ratio is measured to see the potential or opportunity for the funds needed to collect Zakat. The more efficient the zakat institution is in carrying out collection activities, the better the governance of the zakat institution will be. Following are some of the efficiency ratios that OPZ can use, the Operational Expenses Ratio:

$$\frac{\text{Total Operating Costs}}{\text{Total Amil Rights}}$$

The value of this ratio can be interpreted with the following conditions:

- (a) $R < 80\%$: efficient
- (b) $80\% < R < 90\%$: quite efficient
- (c) $R > 90\%$: not efficient

3. Cash to Zakah Rasio

This ratio illustrates the ability of cash and cash equivalents to be carried out to see the potential of funds in fulfilling the obligation to distribute Zakat in a period.

Cash and Cash Equivalents from Zakat

Balance of Funds – Assets under the Management of Zakat

Under the conditions:

- (a) $R < 1$, not good because cash and cash equivalents by OPZ cannot cover all obligations to distribute zakat funds in a period
- (b) $1 < R < 1.5$, both because cash and cash equivalents by OPZ can cover the obligation to distribute zakat funds in a period
- (c) $R > 1.5$, is not good, so an in-depth analysis is needed first. If the value of the intended ratio is more than one due to distribution obligations that have not been distributed, it can be said that it is not good. However, suppose the value of the cash-to-zakah ratio is > 1 . In that case, it is caused by the reserves for amil expenses originating from the APBN, which have settled and have not been evenly distributed.

4. Cash to ZIS Rasio

This ratio measures the ability of cash and cash equivalents to fulfil the process of submitting zakat, infaq and alms funds in a period.

Cash and Cash Equivalents from Zakat

(Zakat Fund Balance + Alms Infaq Fund Balance) – Assets under Management

Under the conditions:

- (a) $R < 1$, not good because cash and cash equivalents by OPZ cannot cover all obligations to distribute zakat funds in a period
- (b) $1 < R < 1.5$, both because cash and cash equivalents by OPZ can cover the obligation to distribute zakat funds in a period
- (c) $R > 1.5$, is not good, so an in-depth analysis is needed first. If the value of the intended ratio is more than one due to distribution obligations that have not been distributed, it can be said that it is not good. However, suppose the value of the cash-to-zakah ratio is > 1 . In that case, it is caused by the reserves for amil expenses originating from the APBN, which have settled and have not been evenly distributed.

Presentation of Facts and Research Data

This study uses the liquidity ratio calculation, which consists of cash to zakah ratio and cash ZIS ratio—Efficiency ratio consisting of the balance of operational costs (ratio of operating expenses). And the growth ratio consists of the growth ratio in operational expenditures and the efficiency ratio cash and cash equivalents.

Table 1. efficiency ratio and cash equivalents of BAZNAS Nasional

Period	2019	2020	2021
Total	31.788.045.886	51.424.123.750	67.376.444.3999

Source: Primary Data

1. Operational Cost Growth

Table 2. operational cost growth of BAZNAS Nasional

Period	2019	2020	2021
Total	296.514.196.749	382.470.555.710	524.549.051.961

Source: Primary Data

2. ZIS Collection Growth

Table 3. Collection Growth of ZIS BAZNAS Nasional

Period	2019	2020	2021
Total	315.941.819.444	408.492.458.712	542.798.941.813

Source: Primary Data

3. Total Amil Rights

Table 4. total amil rights of BAZNAS Nasional

Period	2019	2020	2021
Total	60.726.256.474	69.835.682.994	86.805.511.101

Source: Primary Data

4. Balance of Zakat Funds

Table 5. balance of zakat funds of BAZNAS Nasional

Period	2019	2020	2021
Total	79.052.118.688	93.691.181.845	116.119.047.989

Source: Primary Data

5. Zakat Managed Assets

Table 6. zakat managed assets of BAZNAS Nasional

Period	2019	2020	2021
Total	840.628.668	810.516.960	2.203.648.864

Source: Primary Data

6. Alms Infaq Fund Balance

Table 7. alms infaq fund balance of BAZNAS Nasional

Period	2019	2020	2021
Total	840.628.668	810.516.960	2.203.648.864

Source: Primary Data

Research Data Analysis

Financial ratios are a method of economic analysis used to assess an institution, organization, or company's development by taking financial report data for a period. So that the financial performance of the company's organization or institution can be seen. Management companies often use financial ratios to reach policy decisions that will be enforced and needed to save company assets so that they don't make wrong decisions.

1. Growth Rasio

This ratio will show the growth in costs used for operations in channelling the collected ZIS funds.

Table 8. Growth Rasio

Calculation	Period	Result	Description
$\frac{296.514.196.749}{315.941.819.444}$	2020	9.40	Aligned
$\frac{382.470.555.710}{408.492.458.712}$	2021	0.93	Aligned
$\frac{524.549.051.961}{542.798.941.813}$	2022	0.97	Aligned

The Operational Cost Growth Ratio from 2019-2021 above shows consistent results where the growth in costs used for operations channelling ZIS funds collected is less than one.

2. Efficiency Rasio

The ratio analyzes how well BAZNAS manages its assets and liabilities. In the efficiency ratio, the registrar uses one ratio: 1) Operational Expenses Ratio; this ratio considers amil rights funds and operational costs in the working process and total collection.

Table 9. Efficiency Rasio

Calculation	Period	Result	Description
$\frac{296.514.196.749}{60.726.256.474}$	2020	4.8%	Aligned
$\frac{382.470.555.710}{69.835.682.994}$	2021	5.47%	Aligned
$\frac{524.549.051.961}{86.805.511.101}$	2022	6.04%	Aligned

Based on the results of the operational cost ratio owned by BAZNAS in 2019-2022, it is considered efficient because BAZNAS can calculate amyl rights funds and operational composition costs used in operational processes and total operations.

3. Cash to Zakah Rasio

This ratio measures the ability of cash and cash equivalents to fulfil the obligation to provide Zakat, infaq, and almsgiving funds within a period.

Table 10. Cash to zakah rasio

Calculation	Period	Result	Description
$\frac{31.788.045.886}{79.052.118.688 - 840.628.668}$	2020	0,406	Not Good
$\frac{51.424.123.750}{93.691.181.845 - 810.516.960}$	2021	0,550	Not Good
$\frac{67.376.444.399}{116.119.047.989 - 2.203.648.864}$	2022	0,591	Not Good

Based on the calculation of the Cash to Zakah Ratio owned by BAZNAS for 2019-2021, it states that this calculation is unreasonable because the cash and cash

equivalents owned by BAZNAS cannot cover all obligations to distribute zakat funds in the period up to 8 asnaf.

4. Cash to ZIS Ratio

This ratio measures the ability of cash and cash equivalents to fulfil the obligation to distribute Zakat, infaq, and alms funds in a period.

Table 11. Cash to ZIS ratio

Calculation	Period	Result	Description
31.788.045.886	2020	-840,6	Not Good
$(79.052.118.688 + 2.207.004.048) - 840.628.668$			
51.424.123.750	2021	-810,5	Not Good
$(93.691.181.845 + 15.548.813.042) - 810.516.960$			
67.376.444.399	2022	-2,20	Not Good
$(116.119.047.989 + 29.818.910.225) - 2.203.648.8$			

Based on the calculations on the Cash to ZIS Ratio owned by BAZNAS from 2019-2021, the results are said to be not wrong because the cash and cash equivalents owned by BAZNAS cannot cover all obligations to distribute zakat funds to 8 asnaf in one period.

Research Findings

Based on the analysis of several financial ratios that have been carried out above, it can be seen how the performance conditions of the national amil zakat financial institution BAZNAS and the ratio standards consist of, namely:

1. Liquidity Ratio

- The cash to Zakah Ratio, at BAZNAS in 2019, 2020, and 2021 $R < 1$ is not good because cash and cash equivalents owned by BAZNAS cannot cover all obligations to distribute zakat funds in a period of 8 asnaf.
- Cash to ZIS Ratio, at BAZNAS in 2019, 2020, and 2021 $R < 1$ is not good because the cash and cash equivalents owned by BAZNAS cannot cover all obligations to distribute zakat funds in a period.

2. Efficiency Ratio

The ratio of Operational Expenses, the proportion of operational costs to amil rights owned by BAZNAS, is efficient because $R < 80\%$. The result is that BAZNAS is efficient towards amil rights funds used in the operational process of Zakat.

3. Growth Ratio

BAZNAS's Operational Cost Growth Ratio is aligned with $R < 1$, showing that the cost growth in BAZNAS's operations is consistent with previous years. The increase in operational costs can describe how efficiently a BAZNAS institution manages funds used for operating activities in channelling collected ZIS funds.

Potential Development of Zakat in 2022

In creating an increase in national income, Zakat must be utilized to be allocated appropriately and empowered. The role of Zakat is essential in efforts to empower the

people's economic potential. The alternative and strategic solution Islam offers is a productive and creative zakat management (distribution and utilization) system. The potential for zakat funds collected from Muslims is an alternative solution that can be implemented to alleviate the problem of poverty in Indonesia and empower the people's economy, which cannot be resolved solely through state budget funds based on tax revenues and foreign debt (Anik & Prastiwi, 2019). According to the Indonesian Zakat Outlook 2022, the total distribution of zakat funds in 2019 was Rp. 8,688,221,234,354, while in 2020, the amount is Rp. 11,530,645,166,257. Collecting Zakat, infaq, alms, and other social and religious funds (ZIS-DSKL) is one of the main activities in the management of ZIS-DSKL. Outlook Zakat Indonesia continues to present the performance of the ZIS-DSKL collection conducted by OPZ to the Public on an ongoing basis. This section will describe the collection and distribution version of ZIS-DSKL based on the type of OPZ and its growth nationally.

Table 12. Growth of the National ZIS Collection in the last three years

Period	ZIS (Millions of Rupiah)	Percentage (%)
2019	Rp.10.227.940.000	26,00%
2020	Rp. 12.429.250.00	42,16%
2021	Rp.29.925.679.644	50,02%

Based on Table 5, the growth of Zakat, Infaq, Alms, and DSKL for the last five years in 2019-2020 has a positive upward trend in its development. The spirit of Zakat is always campaigned by all OPZ to *muzaki* with various zakat campaigns. In this digital era, OPZ (Zakat Management Organization) collaborates with various digital platforms to make it easier for *muzaki* to pay Zakat. It is hoped that making digital facilities for the payment of Zakat can maximize the potential for collecting Zakat in Indonesia. With the synergy between OPZs, it is hoped that the potential for large ZIS accumulation can be maximized so that it can impact society, especially in Indonesia. According to data in the Indonesian Zakat Outlook 2022, the potential for the projected distribution of zakat funds in 2022 is optimistic about being more than Rp. 19,486,790,330,974. There were development opportunities that year due to population demographics, Zakat and *waqf* synergy, Zakat's digitization, and the BAZNAS Institute (Puskas BAZNAS, 2021). The importance of increasing motivation in the continuous collection of Zakat, bearing in mind that because Zakat is important, the increasing number of zakat funds collected will have a positive impact on social, economic, educational, humanitarian, and *da'wah* programs carried out by zakat institutions will still be small because the funds Zakat distributed is also limited.

IV. CONCLUSION

The results of this study indicate that the impact of zakat distribution is significant in supporting sustainable community economic development programs in Indonesia. Consumptive or productive Zakat can encourage people to carry out economic activities that stimulate the economy. This study inferred that the 2019-2021 Operational Cost Growth Rate above shows consistent results. The ratio of operational costs owned by BAZNAS for 2019-2021 is classified as efficient because BAZNAS can take into account natural rights funds and the composition of operational costs used for operational processes and total operations. The results of the Cash to ZIS Ratio owned by BAZNAS between 2019-2021 are below the optimum level because the cash and cash equivalents

owned by BAZNAS cannot fulfil all of its obligations to distribute zakat funds to 8 asnaf in one period. The growth of Zakat, Infak, Sadaka, and DSKL in the last five years in 2017-2020 shows a positive increasing trend in their development. The importance of increasing motivation in collecting Zakat on an ongoing basis, considering that increasing the number of zakat funds collected will positively impact social, economic, educational, humanitarian, and invitational programs carried out because Zakat is essential and limited. An important implication for Muslim communities who are obliged is that the awareness to give income zakat to those who have reached the nisab must be raised to encourage the distribution of development results to all levels of society. The implications for zakat funding institutions such as BAZ and the LAZ need to be understood that Zakat will not help the problem of income inequality in a country if the zakat institution does not perform in its optimum capability.

V. REFERENCES

- [3] Abdullah, N., Yusop, M. M. M., & Awang, C. O. H. (2013). A Technical Note on The Derivation of Zakat Effectiveness Index (Zein). *International Journal of Economics, Management and Accounting*, 20(1), 75–86. Retrieved from <https://journals.iium.edu.my/enmjjournal/index.php/enmj/article/view/188>
- [4] Abu Bakar, M., & Abd Ghani, A. (2011). Towards Achieving the Quality of Life in the Management of Zakat Distribution to the Rightful Recipients (The Poor and Needy). *International Journal of Business and Social Science*, 2(4), 237–246.
- [5] Alkire, S. (2010). Human Development: Definitions, Critiques, and Related Concepts. *IDEAS: Human Development Research Papers (2009 to Present) HDRP-2010-01, Human Development Report Office (HDRO), United Nations Development Programme (UNDP)*.
- [6] Amymie, F. (2019). Optimalisasi Pendistribusian dan Pendayagunaan Dana Zakat dalam Pelaksanaan Tujuan Program Pembangunan Berkelanjutan (SDGs). *Anida (Aktualisasi Nuansa Ilmu Dakwah)*, 17(1), 1–18. <https://doi.org/10.15575/anida.v17i1.5046>
- [7] Anik, & Prastiwi, I. E. (2019). Peran Zakat dalam Meningkatkan Pertumbuhan Ekonomi Melalui Pemerataan Equity. *Proceeding Seminar Nasional & Call For Papers*, (September), 119–138.
- [8] Aswad, M., & Ardi, M. (2021). Analisis Potensi, Realisasi Dan Kinerja Organisasi Pengelola Zakat Baznas Tulungagung. *Jurnal Dinamika Penelitian: Media Komunikasi Penelitian Sosial Keagamaan*, 21(1), 42–64. <https://doi.org/https://doi.org/10.21274/dinamika.2021.21.01.42-64>
- [9] Atiqi, H. H., & Widiastuti, T. (2022). Analisis Peran Pemerintah dan Masyarakat terhadap Perzakatan di Provinsi Jawa Timur. *Jurnal Ekonomi Syariah Teori Dan Terapan*, 9(2), 230–238. <https://doi.org/10.20473/vol9iss20222pp230-238>
- [10] Aziz, M. N., & Mohamad, O. Bin. (2016). Islamic social business to alleviate poverty and social inequality. *International Journal of Social Economics*, 43(6), 573–592. <https://doi.org/10.1108/ijse-06-2014-0129>

- [11] Ben Jedidia, K., & Guerbouj, K. (2021). Effects of zakat on the economic growth in selected Islamic countries: empirical evidence. *International Journal of Development Issues*, 20(1), 126–142. <https://doi.org/10.1108/IJDI-05-2020-0100>
- [12] Bergh, J. C. J. M. van den. (2009). The GDP paradox. *Journal of Economic Psychology*, 30, 117–135. <https://doi.org/10.1016/j.joep.2008.12.001>
- [13] Boutayeb, A., & Serghini, M. (2006). Health indicators and human development in the Arab region. *International Journal of Health Geographics*, 5. <https://doi.org/10.1186/1476-072X-5-61>
- [14] Cahyadi, R. (2020). Analisis Kinerja Keuangan Badan Amil Zakat Berdasarkan Pernyataan Standar Akuntansi Keuangan (Psak) Nomor 109 Di Kabupaten Gowa. *Ar-Ribh : Jurnal Ekonomi Islam*, 3(1), 81–94. <https://doi.org/10.26618/jei.v3i1.3389>
- [15] Chenhall, R. H. (2003). Management control systems design within its organizational context: findings from contingency-based research and directions for the future. *Accounting, Organizations and Society*, 28, 127–168. <https://doi.org/10.1063/1.5024417>
- [16] Hassan, S., Amuda, Y. J., & Parveen, R. (2017). Persecuted Muslim Minority: Zakat, Waqf, and Sadaqah as financial Instrument for Human Development. *International Journal of Applied Business and Economic Research*, 15(15), 475–484.
- [17] Ibrahim, P. (2014). Zakah as an Islamic Micro-Financing Mechanism to Productive Zakah Recipients. *Asian Economic and Financial Review*, 4(1), 117–125., 4(1), 117–125.
- [18] Ikhwan, A. (2021). *Metode Penelitian Dasar (Menenal Model Penelitian dan Sistemikanya)*. Tulungagung: STAI Muhammadiyah Tulungagung.
- [19] Iswanaji, C., Hasbi, M. Z. N., Salekhah, F., & Amin, M. (2021). Implementasi Analytical Networking Process (ANP) Distribusi Zakat Terhadap Pembangunan Ekonomi Masyarakat Berkelanjutan. *Jurnal Tabarru': Islamic Banking and Finance*, 4(1), 195–208. [https://doi.org/https://doi.org/10.25299/jtb.2021.vol4\(1\).6681](https://doi.org/https://doi.org/10.25299/jtb.2021.vol4(1).6681)
- [20] Johari, F., Ali, A. F. M., Noor, Z. binti M., Aziz, M. R. A., & Ibrahim, M. F. (2013). Impact of Zakat Distribution on Poor and Needy Recipients: An Analysis in Kelantan, Malaysia. *Australian Journal of Basic and Applied Sciences Malaysia. Aust. J. Basic & Appl. Sci*, 7(713), 177–182.
- [21] Khaerunisa, S., Yayuli, & Febriandika, N. R. (2021). Analysis of the Impact of Covid-19 on the Collection of Zis Funds (Zakat, Infaq and Shodaqoh) in Lazismu Surakarta in 2020. Proceedings Book the International Conference on Islamic Economics, Islamic Finance, & Islamic Law (ICIEIFIL) 2021. In *Proceedings Book The International Conference On Islamic Economics, Islamic Finance, & Islamic Law (ICIEIFIL)* (pp. 65–74).
- [22] Khanifa, N. K. (2018). Penguatan Peran Ziswaf dalam Menyongsong Era SDGs: Kajian Filantropi BMT Tamzis Wonosobo. *Cakrawala: Jurnal Studi Islam*, 13(2), 149–168. <https://doi.org/https://doi.org/10.31603/cakrawala.v13i2.2329>
- [23] Khasandy, E. A., & Badrudin, R. (2019). The Influence of Zakat on Economic Growth and Welfare Society in Indonesia. *Integrated Journal of Business and Economics*, 3(1), 65. <https://doi.org/10.33019/ijbe.v3i1.89>

- [24] Kusuma, K. A. (2016). Mengembangkan Indikator Ekonomi Islam Melalui Zakat: Sebuah Kerangka untuk Mengukur Kesejahteraan Masyarakat/Negara Muslim. In *Seminar Nasional dan The 3rd Call For Syariah Paper (SANCALL)* (pp. 251–269). Syariah Paper Accounting FEB UMS. Retrieved from <http://hdl.handle.net/11617/7330>
- [25] Martono, S., Nurkhin, A., Lutfhiyah, F., Fachrurrozie, Rofiq, A., & Sumiadji. (2019). The relationship between knowledge, trust, intention to pay zakah, and zakah-paying behavior. *International Journal of Financial Research*, 10(2), 75–81. <https://doi.org/10.5430/ijfr.v10n2p75>
- [26] Muthoifin, & Nuha. (2016). Kontekstualisasi Makna Zakat: Studi Kritis Kosep Sabilillah Menurut Masdar Farid Mas'udi. In *The 3rd University Research Colloquium* (pp. 185–191). Retrieved from <http://hdl.handle.net/11617/6675>
- [27] Nurzaman, M. S. (2017). The Impact of Zakat Programs from Human Development Perspectives: An Empirical Evaluation. In *Financial Inclusion and Poverty Alleviation* (pp. 245–269). https://doi.org/https://doi.org/10.1007/978-3-319-69799-4_7
- [28] Othman, A. and A. H. M. N. and A. M. S. (2015). An Analysis Relationship Between Social Exclusion and Nonrecipients Asnaf of Zakat Fund (Nrazf). *Australian Journal of Sustainable Business and Society*, 1(2), 41–46.
- [29] Owoyemi, M. Y. (2020). Zakat management: The crisis of confidence in zakat agencies and the legality of giving zakat directly to the poor. *Journal of Islamic Accounting and Business Research*, 11(2), 498–510. <https://doi.org/10.1108/JIABR-07-2017-0097>
- [30] Puskas BAZNAS. (2021). *Outlook Zakat Indonesia 2022*. Pusat Kajian Strategis – Badan Amil Zakat Nasional (Puskas BAZNAS).
- [31] Retnowati, D. (2018). The Performance and Efficiency of Zakat Institutions in Jambi. *International Journal of Zakat*, 3(2), 29–40. <https://doi.org/10.37706/ijaz.v3i2.76>
- [32] Rusydiana, A. S. (2020). Islamic Finance and Sustainable Development Goals (SDG): A Bibliometric Review. *Journal of Islamic Economic Literature.*, 1(1).
- [33] Suropto. (2018). Reposisi Teologi Zakat Dalam Praksis Pengentasan Kemiskinan. *Eksyar*, 2(2), 218–230.
- [34] Tambunan, K., Harahap, I., & Marliyah, M. (2019). Analisis Kointegrasi Zakat dan Pertumbuhan Ekonomi Indonesia Periode Tahun 2015-2018. *AKTSAR: Jurnal Akuntansi Syariah*, 2(2), 249. <https://doi.org/10.21043/aktsar.v2i2.6066>
- [35] Thalib, H., Irwan, M., & Ro'is, I. (2016). Peranan Amil Sebagai Pengelola Zakat Untuk Kesejahteraan Umat Kota Bima. *Eksyar*, 03(01), 55–81.
- [36] Utama, R. P. (2021). The Role of Zakat, Infaq, Alms In Realizing Sustainable Development Goals In Indonesia. *FINEST Jurnal Riset Dan Pengembangan Ekonomi Islam*, 5(2), 240–253.
- [37] Wahyuni-TD, I. S., Haron, H., & Fernando, Y. (2021). The effects of good governance and fraud prevention on performance of the zakat institutions in Indonesia: a Shari'ah forensic accounting perspective. *International Journal of Islamic and Middle Eastern Finance and Management*, 14(4), 692–712. <https://doi.org/10.1108/IMEFM-03-2019->

0089

- [38] Widiastuti, T., & Cahyono, E. F. (2017). Impact of ZIS (Zakah, Infaq and Sadaqa) Distribution and Islamic Financial Institutions to MSMEs (Micro, Small, and Medium Enterprises) and Gross Regional Product Growth in East Java (2011-2014 Periods). *Journal of Islamic Financial Studies*, 3(1), 1–15. <https://doi.org/10.12785/JIFS/030101>
- [39] Yusfiarto, R., Setiawan, A., & Setia Nugraha, S. (2020). Literacy and Intention to Pay Zakat: A Theory Planned Behavior View Evidence from Indonesian Muzakki. *International Journal of Zakat*, 5(1), 15–27.
- [40] Yusuf, M. (2014). *Metode Penelitian Kuantitatif Kualitatif dan Penelitian Gabungan*. Jakarta: Prenada Media Group.