

Comparative Studies on Contemporary Zakat Distribution: A Practical Experience of Some Selected Muslim States

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Abstract: Zakat is the major source of Islamic revenue mobilization aiming at redistribution of wealth from the rich among the societies to the less privileged ones. In the Islamic traditions, zakat is collected upon acquiring certain amount of wealth and passing the five stipulated conditions for zakatabilty, and is given to certain category of people. In the early Islamic communities, zakat has played important roles in reducing poverty and establishing social welfare. Unfortunately, successive Muslim communities fail to administer zakat in a central body as it was the practice in the ancient Islamic era. Recently, Many Muslim states and communities consider the institutionalization of zakat system under the auspices of law and constitution. This study aims to examine the practices of zakat distribution in Malaysia, Sudan and Kuwait the three countries are assumed the leading countries in cooperate zakat management. The study finds that both countries adopt zakat distribution system suitable for their environment and level of poverty. This study will help other Muslim states and communities in developing or improving the already existing zakat system.

Introduction

The Contemporary practices of zakat management among Muslim communities are viewed in three situations. These include; a situation where the community is a dominant Muslim community like Middle Eastern countries, which can practice the provision of Shariah at liberty; community consisting of Muslims and non-Muslims enjoying similar citizenship like Nigeria and Malaysia; and Muslim minority states that are not favored by the constitution of the land to practice shariah (Sheriff & Amir 2015).

Most predominant Muslim states take a wide variety of approaches to zakat management among which are: (1) to ignore the state's involvement into zakat management; (2) establish voluntarily entities charged with zakat collection and attribution; (3) to officially engage in zakat management under government agencies.

There are forty predominant Muslim states in the world, out of which sixteen institutionalize the zakat management while twenty four do not. Lewis (2006) sighted the example of Turkey after the establishment of secular legal system based on European civil codes.

Most of these countries justify their lack of involvement in zakat based on excuses like: duplication of taxation. These taxation models are established and used by European and North American countries. However, there are empirical studies indicating that countries that do not pertain to the legal rulings regarding zakat, have a higher percentage of zakat giving rates than those who commit to the legal rulings of zakat (Riaz 2007). A study carried out in Turkey presented that in 2006, 69% of the Muslims paid their zakat dues. On the other hand, surprisingly, only 60% of Pakistanis paid Zakat despite the fact that the zakat payment is made compulsory by the Pakistani law (Riaz 2007).

Many states faced problems in the absence of zakat laws, as it led to; the allocation of funds to the non-legitimate beneficiaries; multiplication of payments; and some issues related to transparency and accountability. For these and other relevant reasons, some states established government supported entities, charged with the collection and distribution of zakat (Prihatna 2005).

Muslim states that considers making zakat payment compulsory by law includes, Saudi Arabia, Pakistan, Libya, Sudan, Malaysia and Yemen (Act No. 89 of 1971, Libya), (Powell 2011) (Kahf 1989 and 1997) and (Zuhaili 2007). Although, this states considers to fully involving in zakat management and services, each state adopted different methods of zakat administration suitable to the existing laws of the land.

Among the reasons leading to the establishment of zakat management institutions are the incident of 9/11. Some investigations revealed that there are a number of “terrorist” suspected organizations that benefited from the Islamic charities (Baron 2005). This report attracted both, the Muslim governments and the individual donors to consider the need for government involvement in the management of the zakat funds. This is to ensure that the funds are administered in line with the desired purpose (Prihatna 2005). Countries like Egypt, Jordan, Kuwait, Iran, Bangladesh, Bahrain, Lebanon, Qatar, the UAE, Indonesia and Oman, established centralized bodies for zakat collection and distribution.

Challenges Facing the Contemporary *Zakat* Distribution

Zakat distribution is not free from challenges affecting its expedition, as was the case for *zakat* collection and management. Major problems connected to *zakat* distribution includes; the issues regarding the determination of *haddkifayah*, the location of *zakat* distribution; and planning in *zakat* distribution. This section discusses the scholastic views on these issues with an aim to arrive at the best practices of *zakat* distribution.

***Hadd Kifayah* (Minimum amount for sustenance)**

Hadd kifayah refers to the specific amount supposed to be distributed to each *zakat* recipients to fill the gap of poverty. Questions related to the minimum amount to be allocated to each *zakat* recipients are discussed by scholars. The most common questions usually come in form of; ‘can *zakat* recipients be given what will be sufficient for him for the rest of his life?’ or ‘is he given what will sustain him to the end of the *zakat* year?’

Imam Shafi'i maintained that the group of poor and needy is to be given what will sustain their needs for their life time. This is referred to *kifayatul umr* (minimum amount for life sustenance) in the *Shafi'i* school of thought. The *Shafi'i* school maintained that by receiving *zakat*, it is expected that the receiver will no longer be poor in the future (al-Nawawy 1997).

This view may not be consistent considering the large number of potential *zakat* recipients across the globe. The application of this view may result in deprivation of some in favor of others.

The most logical view regarding the concept of *kifayatul umr* is shared by Ramli (1993) as; provisions of economic empowerment for the *zakat* recipients that will enable him establish his own business that could sustain him for the rest of his life.

In contrast, the *maliki* and the majority of *hanbali* scholars are of the opinion that the *zakat* allocations should not exceed the basic needs of the recipients for the period of one year (al-Maqdisi 1972), (al-Bahuti 1982), (al-Qarafi 1994).

Contemporarily, al-Qardawi (2006) supports the later view, arguing that since *zakat* is paid once in a year, the receivers should also be limited to yearly collection. Al-Qardawi cited the practice of the prophet S.A.W. of reserving only one year food for his *family* consumption.

This study prefers the allocation of *zakat* on one year sustenance. It is believed by the research to be more consistent with the concept of *zakat*, whereas the allocation of *zakat*

on life sustenance may discourage the recipients from working hard to earn for their life and benefits their *families*.

Hanafi school of thought specifies a limited amount of *zakat* to be paid of not more than 200 *dirham* (silver). They argued, that since 200 *dirhams* determine the difference between the *zakat* giver and the recipients, the allocation of *zakat* should not exceed that amount (a-zarkashi 1978), (al-Bahuti 1982).

However, it should be noted, that the application of *nisab* in the present days could not be consistent with the value silver *dirham* as discussed earlier.

For the allocation of *Zakat* to the categories of recipients other than the poor and needy, scholars agreed that each should be given according to their needs. For instance; the indebted requires what is enough to free him from his debts; the wayfarer requires what will support his expedition; and the *amilun* are paid based on what is agreed upon the authorities in charge.

Location of *Zakat* Distribution

The most popular view regarding *zakat* distribution is that *zakat* should be distributed within the community from where it is received. This view is expressed by Abu Zahra as cited in Shahatah (1989). Similarly, al-Qardawi (2006) supports this view, justifying that *zakat* is obligated on Muslims with a view to handle the poverty of the community from where the *zakat* is received.

Abu Saud (1988) argued that it is not a mandatory rule prescribed in the sources of *shariah* that *zakat* is to be distributed from where it is collected. He insisted that considering the nature of today's world and the ease to communicate and travel, the question of limiting *zakat* to a specific location is irrelevant.

Apparently, the two opposing views above may be relevant at different scenarios. For instance, in a situation where the *zakat* fund is distributed in a community which needs the aid of *zakat*, there is no point in allocating it to other communities. But whenever it is known that other communities are facing calamities like starvation and hunger, civil wars, drought or any other natural disasters, then *zakat* funds should be directed to address their situation.

Planning of *Zakat* Distribution

The traditional practices of the *zakat* distribution indicate that *zakat* proceeds are calculated and distributed only after the funds are collected. However, the contemporary *zakat* practices of many *zakat* institutions ensure the centralization of all the *zakat* activities.

Structures are put in place for the data bank for *zakat* payers and recipients. This helps in collecting the information of the *zakat* payers and the potential amount of *zakat* to be received from them. It also helps in determining the level of changes in the poor population and ensures the utilization of the *zakat* funds given.

Other institutions like that in Sudan and Selangor, calculate the potential of *zakat* collection and distribution ahead of time to ease the process (Bryson 1989). These

projections have yielded in positive results in many *zakat* institutions and have promoted transparency (Wildavsky 1986).

***Zakat* Distribution: Practical Experiences of Some Muslim Countries**

Recently, many Muslim governments have been engaged in activities reviving the *Zakat* collection and its distribution system. Thus, this study aims at proposing the best practices of *zakat* management, collection and distribution in Kano. Therefore, realities of other Muslim countries are considered in this study. These experiences are to be used as a yardstick to avoid the current problems facing the *zakat* management in Kano.

This study focuses on the practicality of three countries including: Malaysia, Sudan and Kuwait

***Zakat* Distribution System in Malaysia**

In Malaysia, the *Zakat* collection and distribution system follows the nature of the federal system of the country, which gives right to all the states to establish constitution and enact laws according to their understanding. Consequently, *zakat* practices differ from one state to another. Nevertheless, a central body called State Islamic Religious Councils (SIRC) is assigned to oversee all the Islamic activities of all states including *zakat* institutions. In Malaysia, there are 14 SIRC branches that cover the 13 states and the federal capital territory (Patmawati 2006).

SIRC being the governing body of the Islamic affairs, have regulated the category of Poor and needy into three groups for an easier identification regarding distribution.

These groups are classified as;

a- Faqura'a (poor): this is a group of people who are believed to be extremely destitute with low monthly income of:

- i. West Malaysia: RM 440 and below
- ii. Sabah: RM 540 and below
- iii. Sarawak: RM 520 and below;

b- Masakin (needy): Needy are categorized as people whose monthly income is below the *Zakat Nisab* and are vulnerable to poverty:

- i. West Malaysia: RM 750 and below
- ii. Sabah: RM 960 and below
- iii. Sarawak: RM 830 and below;

c- The third category is of people identified with low income of RM2000 and below in West Malaysia (Patmawati 2006).

The following tables indicate the *Zakat* distribution in Wilaya Persekutuan

Table: *Zakat* distribution in Selangor according to categories and dates

| No | <i>Asnaf</i> | 2009 | % | 2010 | % | 2011 | % |
|----|---------------|---------------|------|---------------|------|------------|------|
| 1 | <i>Fakir</i> | 36,086,388.00 | 20.6 | 36,908,180.79 | 18.4 | 56,837,760 | 23 |
| 2 | <i>Miskin</i> | 25,932,448.00 | 14.8 | 36,908,180.79 | 15.4 | 58,526,035 | 23.7 |
| 3 | <i>Amil</i> | 40,350,845.00 | 23 | 32,483,319.69 | 16.2 | 27,807,763 | 11.3 |

| | | | | | | | |
|---|---------------------|----------------|----------|--------------------|------|-----------------|------|
| 4 | <i>Mu`allaf</i> | 6,570,162.00 | 3.8 | 3,458,605.3 0 | 1.7 | 6,642,566 | 2.7 |
| 5 | <i>Al-Riqab</i> | 0.00 | 0.0 0 | 0.00 | 0.00 | 0.00 | 0.00 |
| 6 | <i>Al-Gharimin</i> | 2,229,586.00 | 1.3 | 2,540,336.3 5 | 1.3 | 3,770,992 | 1.5 |
| 7 | <i>IbnuSabil</i> | 487,030.00 | 0.3 | 575,072.81 | 0.3 | 2,145,720 | 0.9 |
| 8 | <i>Fisabilillah</i> | 63,329,554.00 | 36. 2 | 93,731,947. 11 | 46.7 | 90,975,847 | 36.9 |
| 9 | Total | 174,986,013.00 | 100 | 200,542, 409.45 | 100 | 246,706,68 3 | 100 |

Amount Malaysian Rnggit see attached for conversion to USD

Source: PPZ annual Report (2010, 2011 and 2012) Percentage calculated by Muhammad *et al* (2013)

The above table indicates three years *zakat* distribution in Wilayah Persekutuan. Muhammad *et al.* (2013) observed that *fisabilillah* (for the cause of Allah) category receives much more priority in the distribution over the three years, followed by *faqir* (poor). The research also observed that 1% increment is witnessed in the share of *miskeen* (needy) from 2009 to 2010, where the rate is increased by 7% between the year 2010 and 2011. *A mil's* share in 2009 was detected to be 23% while it decreased to 16% in 2010. This shows that the share given to *amil* has declined by 12% from 2009 and 2011.

Table: *Zakat* collection in Wilayah Perpesukutuan according to categories and dates

| N o. | <i>Asnaf</i> | 2009 | % | 2010 | % | 2011 | % |
|---------|---------------------|-------------------|----------|-----------------|----------|-----------------|----------|
| 1 | Fakir | 34,946,718. 00 | 12. 5 | 50,340,01 6 | 15. 2 | 35,495,36 2 | 9.5 |
| 2 | <i>Miskin</i> | 70,706,452. 00 | 25. 3 | 76,862,54 3 | 23. 3 | 76,090,32 0 | 20. 4 |
| 3 | <i>Amil</i> | 35,473,381. 00 | 12. 7 | 42,116,81 5 | 12. 7 | 49,274,77 8 | 13. 2 |
| 4 | Mu'allaf | 15,975,825. 00 | 5.7 | 19,956,58 0 | 6.0 | 15,518,40 4 | 4.2 |
| 5 | <i>Al-Riqab</i> | 1,610,567.0 0 | 0.6 | 2,454,920 | 0.7 | 0.00 | 0.0 0 |
| 6 | <i>Gharimin</i> | 30,144,873. 00 | 10. 8 | 29,105,92 6 | 8.8 | 32,025,05 7 | 8.6 |
| 7 | IbnuSabil | 1,081,027.0 0 | 0.4 | 1,223,822 | 0.5 | 1,245,091 | 0.3 |
| 8 | <i>Fisabilillah</i> | 89,252,198. 00 | 32 | 108,303,8 81 | 32. 2 | 156,007,5 10 | 41. 8 |
| 9 | Total | 279,191,04 1. | 10 0 | 330,364,5 03 | 10 0 | 373,465,6 26 | 10 0 |

Amount Malaysian Rnggit see attached for conversion to USD

Source: Lembaga *Zakat* annual Report (2010, 2011 and 2012) Percentage calculated

Muhammad et al (2013)

The above table shows the performance of *Zakat* distribution in the state of Selangor from 2009 to 2011. It was noted, that both *Faqir* and *Miskin* in Selangor together fall at 35% in 2009 and 2010 and the percentage reduces to 30% in 2011. *Amil* share is observed to be higher than that of *Faqir* in 2009 and 2011, as *Faqir* receives only 12.5% and 9.5% respectively. It's also observed that, *fisabilillah* share is the largest among *Asnaf* reaching about 42% in 2011 (Muhamamd et al. 2013)

It is observed that in Selangor, the poor and needy from the *zakat* recipients gets lower amount of *zakat* proceeds, unlike Baitulmal MAIWP (Wilayah). It is indicated that *the fisabilillah* (for the cause of Allah) category received a larger amount of *zakat* proceeds in the state of Selangor.

***Zakat* Distribution System in Sudan**

Zakat distribution in Sudan is based on the prescribed eight categories of the recipients mentioned in the Quran. The poor and the needy are categorized into two; the first category involves those, who are very weak and are in dire need for sustenance for e.g. sick people, handicapped, widows, orphans and old aged people. These people are being given preference under the distribution of *Zakat*; the second category is made up of people who can work for their needs, but do not have the working material. They are being given 40% from the amount allocated to the category of poor and the needy in general (Basheer 2003).

The recognized debtors are those who accumulated debts in a legitimate way. The *Zakat* that is given for the sake of Allah is used on charitable activities such as; provision

of drugs and services at the hospital; drilling boreholes; financial aid to the students; and poor non-Muslims.

Table 2. 1 Potential and actual *Zakat* collection according to states 2011

| <i>Asnaf</i> | Share allocated | Actual amount disbursed | Percentage of amount disbursed form the share | Percentage of disbursement form the total collection |
|--------------------|-----------------|-------------------------|---|--|
| Fuqara'and Masakin | 402,992,886 | 434,059,776 | 107.7 | 73.2 |
| <i>Gharimin</i> | 29,631,828 | 20,417,421 | 68.9 | 3.4 |
| Ibn Sabil | 2,963,183 | 1,648,103 | 55.6 | 0.3 |
| Mu'allafat Qulub | 29,631,828 | 28,953,072 | 97.7 | 4.9 |
| Fi sabilillah | 14,815,914 | 13,707,284 | 92.5 | 2.3 |
| <i>Al-amilin</i> | 85,932,302 | 75,485,183 | 87.8 | 12.7 |
| Official expensis | 26,668,646 | 23,468,268 | 88.0 | 4.0 |
| Total | 592,636,568 | 597,739,097 | 100.9 | 100.9 |

Amount in Sudan Junaih see attached for conversion to USD

Source: the Republic of Sudan *Zakat* Chamber <http://www.zakat-chamber.gov.sd/english/index.php#>

Sudan *Zakat* distribution system prioritizes the reduction of poverty, as Sudan accepts poverty as the most visible problem in the country. The system of distribution of *Zakat* in Sudan is as follows; 3.2 percent is allocated to the poor and the needy; 3.4 percent for

debtors; 0.3 percent for wayfarers; 4.9 percent for Islamic propagation and those, whose hearts are inclined towards Islam among the non-Muslims; 2.3 percent for the sake of Allah; and 4.0 percent is allocated for official expenses. Salaries and wages of the *Zakat* staff covers 12.7 percent of the income generated through *Zakat* (Basheer 2003).

Distribution of *Zakat* in Kuwait

This study could not trace any data indicating the figures of *zakat* distribution in Kuwait. Yet it is observed, that Kuwait has established a very sound system for *zakat* distribution.

Al-Ajil (2001) reported, *Zakat* distribution in Kuwait is divided into two: Internal distribution & External distribution; Internal distribution: *Bayt al-Zakah* ensures that whatever is collected as *Zakat* income is distributed only within Kuwait, while other charities and endowments can be distributed to other places that are seriously in need. The internal distribution system discovers the needy people in Kuwait, and assists them in the following ways;

a- Monthly assistance: this is usually given to the orphans, widows, aged and sick people. It also helps the prisoners and students. All of these categories are considered as the *Fuqara'a* and *Masakin*;

b- The second category comprises of people whose hearts are inclined towards Islam, and these are the debtors and the wayfarers. This may include; the assistance given to the people who are in need of furniture; people affected by fire outbreak; people faced by temporary financial problems; and etc.;

c- The third category is of people who enjoy soft loans. They are able to work but need capital for establishing their own business, or they are people with insufficient income. These categories of people are given loans out of the *Zakat* funds on the condition that they would pay back in installments;

d- Self-satisfied poor people: these are the people who are poor but are contented with their destiny and do not ask for *Zakat* assistance. The *Bayt al-Zakat* considers these people and gives them fractional portions of *Zakat* revenue (al-Ajil 2001).

i. Procedure for *Zakat* distribution in Kuwait

The *Bayt al-Zakat* has designed a very modest way for the distribution of *Zakat*:

a- Reception: a written application is to be submitted to the *Bayt al-mal* upon which, the staff would register it in the computer for proper recording and assessment;

b- The *Bayt al-Zakah* assigns its staff to check the application in order to know the extent of the need and problems of the applicant, and suggests approval or otherwise.

c- The file is then submitted to the committee of distribution if considered. Then the committee is inaugurated by the *Bayt al-Zakat* governing council led by the director and deputy director of *Bayt al-Zakat* and others.

The task of the committee is to design and effectively carry out the distribution policies. It also needs to ensure that the process is followed, especially with the local distribution and submission of reports to the *Bayt al-Zakat* council (al-Ajil 2001).

ii. Social welfare activities

Bayt al-Zakat normally organizes social activities including: breakfast during Ramadan period; animal sacrifices at the Eid festivity days; distributing clothes to the orphanage; distribution of *zakat al-fitr*; and assistance to pilgrims (Hajj) (al-Ajil 2001)

iii. Staff training and welfare

Bayt al-Zakat initiates activities aiming to improve and update the knowledge and skills of the staff, and ensuring their welfare. These activities include: staff training; staff enlightenment concerning their official duties; religious enlightenment and preaching; evaluation of staff effectiveness; staff orientation for self-esteem; and moral value, encouraging staff through gifts and incentives (al-Ajil 2001).

Although, this study does not intends to check the role of *zakat* in poverty reduction among Muslim communities, an example of *zakat*'s role in poverty alleviation and establishment of social welfare will be discussed. It should be recalled that in the previous section of this chapter, we noted that apart *Zakat*, the Kuwait *Zakat* House also receives voluntary alms like *sadaqah*, gifts, *wasiyya*, and government aids.

In 2008, the collected *zakat* amounted to KWD11,060,553, which was only about 27.3% of the total amount of alms - KWD40,499,422 - received by the *Zakat* House. Most of the *Zakat* House's revenue is spent on assisting basic needs for the poor, such as food, water and health care. A part of the revenue had been invested in developing the recipients' human assets, through education grants for studying at special institutions offering computer, secretarial and technical studies which would enable them to be a part of the employment market (*Zakat* Annual Report 2008).

In 2008, 25% of the distributed revenue worth KWD9,594,827 was dispensed to 38 foreign countries. Throughout the years, numerous foreign investment projects were sponsored by the *Zakat* House including rehabilitation programs, whereby the poor are given the financial and material assistance to; set up businesses and training centers; construction of development centers; hospitals; education and training institutions; and etc. Most likely, the overseas investments were made because of the surplus alms collection at the *Zakat* House due to the high per capita income of Kuwait's population - estimated per capita income in 2008 was US\$57,400 - and the non-existence of the extreme poverty indices in the country (*Zakat* Annual Report 2008).

Findings and Discussion

This section gives brief accounts of the systems of zakat distributions of three countries and discuss findings;

Malaysia

The study finds that based on the data from the institutions, *fakir* and *misikin* receives lesser attention among the eight *asnaf*; compared to say, *fisabilillah* and *amil*. This may indicate that poverty is not a core challenge in Malaysia as only 3.8 percent of its population lies under the poverty line (Muhammad et al 2013). Besides that, many government programs are designed especially for addressing the needs of the bottom 5 per cent of the population. For instance, government plans and strategies are to provide social and physical infrastructures for the development in health, education, employment mobility and product market. In addition, government supports on Amanah Ikhtiar Malaysia (AIM) for providing Microcredit to the hardcore poor to enhance their

participation in income generating activities and to reduce pressure on the proceeds from *zakat* Muhammad et al (2013).

It is also observed, that in both Wilayah Persekutuan and Selangor, the categories of *muallafat*, *gharim*, *riqab* and *Ibn sabil* had been receiving the least attention among the eight *asnaf*. This may be due to the definitional issues related to *asnaf* or because of *ijtihad* and fatwa of the respective *zakat* institutions. In order to maximize the benefits by allocating the resources, specialists of various subjects should be taken into consideration and not only the religious scholars.

This indicates that there is a tremendous achievement in the system of *Zakat* collection in Malaysia, especially regarding the two states under study. However, it is a consensus of the Islamic scholars that the higher priority in *zakat* disbursement is for the eradication of poverty, therefore, the need to ensure distribution of the *zakat* funds towards poverty eradication should be strengthened.

According to Saad and Abdullah (2011), since one of the main objectives of *zakat* is to improve the living standard of the *Asnaf*, the institution/state must follow the principles of *al-awlawiyyah* (prioritization), starting from the *fakir*, *miskin* and *amil*. And if there are insufficient funds, allocated funds to other *Asnaf* groups should be redirected to these stated *Asnaf* groups of poor, needy and *amil*. Perhaps, in the case of *amil*, it would be an incentive for him to work hard and generate more *zakat* funds and make it available for distribution. Ordinarily, one can infer that *amil* is an honest and a responsible person in a society, with a decent living. This role also indicates, that Muslims are taught by the

religion to be organized and assign responsibilities among themselves for a mutual living and to have sincerity in all affairs.

Sudan

For Sudan, the *Zakat* Chamber utilizes its funds for reproduction through meaningful investments in social services such as schools, hospitals and pharmacies. But it should be noted, that by investing *zakat* in projects like hospitals and national pharmacies, the users and beneficiaries of such project are not limited to the recipients of *zakat* only. Treatments are not only given to the poor members of society, but also to the other residents Abdalla (2009). There will be no concerns if the allocations are made from the portion of the group *fisabilillah*, however, the amount allocated for the poor and needy is comparatively much higher than the amount allocated for *fisabilillah* as shown in Table 2.3. It is very likely that the allocations are sourced from the shares of the poor.

Moreover, the percentage of amount allocated to the group of *fisabilillah* category in Sudan is 2.3%. Considering the nature of challenges faced by the Sudan community and the prevalence of poverty, the allocations are expected to be higher than that of Selangor which is about 41.8% and Wilayah Persekutuan with 36.9%.

Similarly, it appears that the category of *riqab* is not considered in Sudan, despite the fact that scholars have agreed that freeing Muslim prisoners may be replaced with the category of *riqab*.

Kuwait

Although, this study does not intend to check the role of *zakat* in poverty reduction among Muslim communities, an example of *zakat*'s role in poverty alleviation and establishment of social welfare will be discussed. It should be recalled that in the previous section of this chapter, we noted that apart *Zakat*, the Kuwait *Zakat* House also receives voluntary alms like *sadaqah*, gifts, *wasiyya*, and government aids.

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Conclusion

Comparing the distribution of *zakat* in Sudan with that in Malaysia, it is evident, that the system in Sudan is quite impressive, considering the distribution pattern in Malaysia, where 23% and 23.7% in Wilayah Persekutuan, and 9.5% and 20% in Selangor is allocated to the poor and needy respectively, while in Sudan, about 73.2% is allocated jointly to the two groups. Although, there are differences in the nature of demands resulting from the percentage of poverty between the two countries, the priority for the category of poor and needy is more consistent with the opinion of many scholars.

The study could not find any data giving in details how zakat funds is distributed in Kuwait, it is evident enough that the Zakat House of Kuwait distributes what is enough to eradicate poverty and improves social wellbeing.

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