

# Zakat

AND  
ITS POVERTY ALLEVIATION GOAL



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AND  
POVERTY ALLEVIATION

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# CONTENTS

<i>Preface</i>	<i>i</i>
<b>SECTION ONE: INTRODUCTION</b>	
Chapter 1: ISSUES ON <i>ZAKAT</i> AND ITS POVERTY ALLEVIATION GOAL <i>Naziruddin Abdullah &amp; Mohd Mahyudi Mohd Yusop</i>	1
Chapter 2: FACTORS THAT MOTIVATE PAYMENTS OF <i>ZAKAT</i> ON INCOME AND INCOME TAX AMONG IUM STAFF <i>Muhammad Ibrahim Abdullahi, Mohd Mahyudi Mohd Yusop &amp; Syezlin Hasan</i>	8
<b>SECTION TWO: MANAGEMENT OF <i>ZAKAT</i> INSTITUTIONS</b>	
Chapter 3: ASSESSMENT ON THE EFFICIENCY OF <i>ZAKAT</i> DISBURSEMENT IN MALAYSIAN <i>ZAKAT</i> INSTITUTIONS <i>Siti Normala Sheikh Obid, Sherliza Puat Nelson &amp; Nazifah Mustapha</i>	30
Chapter 4: FINANCIAL CONTROL PRACTICES OF <i>ZAKAT</i> INSTITUTIONS IN MALAYSIA <i>Muhammad Akhyar Adnan &amp; Bashir Abdisamad Hareed</i>	68
Chapter 5: PAKISTAN'S POVERTY- <i>ZAKAT</i> NEXUS: A MEASUREMENT USING <i>ZAKAT</i> EFFECTIVENESS INDEX <i>Naziruddin Abdullah, Mohd Mahyudi Mohd Yusop &amp; Che Omar Hj. Awang</i>	86
<b>SECTION THREE- FULFILLMENT OF <i>ZAKAT</i> POLICIES TO ALLEVIATE POVERTY</b>	

Chapter 6: ZAKAT DISTRIBUTION IN THE ECONOMIC DEVELOPMENT PROGRAMME: A CASE STUDY OF SELANGOR <i>Husna Jamaludin, Nabila Ahmad, Sharifah Nabilah Syed Salleh &amp; Naziruddin Abdullah</i>	103
Chapter 7: ZAKAT RECIPIENTS' SATISFACTION ON HOUSING PROGRAMME <i>Mohammad Abdul Mohit &amp; Nurul Nazzyddah</i>	120
Chapter 8: ZAKAT AS A FINANCIAL CATALYST FOR MICRO AND SMALL BUSINESSES IN MALAYSIA <i>Zuhairah Ariff Abd Ghadas &amp; Mohd Fahme Hasnor</i>	143
Chapter 9: ZAKAT AS A SOURCE FOR MICROFINANCING <i>Norma Md Saad &amp; Jarita Duasa</i>	152
Chapter 10: ANALYSIS OF ZAKAT DISTRIBUTION IMPACT TOWARDS REDUCTION OF POVERTY AND INCOME INEQUALITY <i>Irfan Syauqi Beik &amp; Tiara Tsani</i>	167
List of Contributors	184
Index	186

## CHAPTER 7

### **ZAKAT RECIPIENTS' SATISFACTION ON HOUSING PROGRAMME**

*Mohammad Abdul Mohit  
Nurul Nazyddah*

#### **INTRODUCTION**

In Malaysia, low-cost housing is usually provided through both the public and private sectors. Public sector provisions are mostly concentrated in large urban centres such as Kuala Lumpur, George Town, and in the rural areas as well, while private sector operates in both urban and suburban areas. Recently, the Selangor Zakat Board (SZB) has started to participate in the provision of low-cost housing in the state of Selangor, Malaysia, and up to 2007, 906 units, which accounts for a little over 1% of total low-cost housing in the state, have been delivered under its different programmes. Although low-cost housing delivered by the public and private sectors have been widely studied in Malaysia, so far no study has been undertaken to examine the effectiveness of the *zakat*-funded housing programmes in the country. This chapter; therefore, intends to evaluate the important SZB housing programmes by adopting the housing satisfaction approach which is currently used as a customer satisfaction tool for evaluating public/ private housing in many local governments in UK and USA.

#### **Selangor Zakat Board and its housing programmes**

SZB is a fully owned subsidiary of Majlis Agama Islam Selangor (Selangor Islamic Religious Council) (MAIS) with a paid-up share capital of RM 0.50 million. It was established in 1994 in order to manage the *zakat* system in the state, but it started its operation in October 1995. The main function of SZB is to manage the collection of *zakat* payments in the state on behalf of MAIS under the supervision of a Board of Directors appointed by MAIS. This board consists of various professionals and experts drawn from different fields. The objective of the distribution of *zakat* is to fulfil the right and responsibility to all beneficiary categories (*asnaf*) in Selangor by adopting the principles of *shari'ah*, and improve the quality of life of all the recipients in the state.

*Zakat* collection in Selangor increased from RM15.8 (US\$5.1) million in 1995 to RM159.8 (US\$51.9) million (Fig. 1) showing a ten-fold increase or a growth rate of 8.1, during a 12-year period. SZB follows *Ummah* (Community) Development Programme to channel its *zakat* fund through the following programmes: