



**Selected Issues in
Islamic Banking
and Finance**



AKHTARZAITE HJ. ABDUL AZIZ



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THE ROLE OF ZAKAH IN REDUCING POVERTY: A CASE STUDY OF PUSAT ZAKAT SELANGOR, MALAYSIA

Prof Dr Muhammad Amanullah

Abstract

Payment of *zakah* is obligatory in Islam. It has a significant role in reducing poverty among poor members of a society. The purpose of this paper is to discuss how *zakah* could be utilized to reduce poverty, and to investigate how Pusat Zakat Selangor, Malaysia utilizes and distributes *zakah* to reduce poverty among its recipients. In order to reach this objective, the researcher critically analyzes the verses of the Qur'an, *Sunnah* of the Prophet (p. b. u. h.) and opinions of Muslim jurists about the issue using both classical and modern sources. This research depends on both library works and a study of Pusat Zakat Selangor. This paper is divided into four sections: introduction, Islamic ways to distribute and utilize *zakah* to reduce poverty, review of how *zakah* is distributed and utilized by Pusat Zakat Selangor to reduce