INTENTION TO PAY ZAKAH ON EMPLOYMENT INCOME AMONG MANUFACTURING EMPLOYEES IN PENANG

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UNIVERSITI UTARA MALAYSIA
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INTENTION TO PAY ZAKAH ON EMPLOYMENT INCOME
AMONG MANUFACTURING EMPLOYEES
IN PENANG

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fulfillment of the requirement for the degree
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By
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I certify that the substance of this thesis has not been already been submitted to any degree and is not currently being submitted for and other degree qualification.

I certify that any help received in preparing this thesis and all sources used have been acknowledged in this thesis.

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ABSTRACT

Previous research on zakah on employment income amongst public and private sector employees has been done before but not amongst manufacturing employees. In Penang, manufacturing employee can potentially be significant contributors to zakah on employment income.

Basically this study examines the relationship between attitude, subjective norm and perceived behavior control on zakah compliance intention on manufacturing employees in the Free Industrial Trade Zone Bayan Lepas Penang, using theory of planned behavior. One hundred and seventy three complete questionnaires that measured attitude (ATT), subjective norm (SN), perceived behavior control (PBC) and intention (ITT) to pay zakah on employment income were returned. The findings of the study show that attitude (ATT) and perceived behavior control (PBC) significantly influence intention to comply with zakah on income. Subjective norm (SN), however, did not show any significant influence on zakah compliance. In general, the study reveals that theory of planned behavior is capable in predicting zakah compliance intention and hence zakah compliance behavior. The findings of the present study can be used for the institution of zakah and policy makers to promote and educate the general public as to the importance of zakah on employment income. The implication of the findings to future research and the limitations of the present study are also highlighted.

KEYWORDS: Attitude, Subjective Norm, Perceived Behavior Control, Intention, Zakah
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Ida Husna Hedzir (88126)
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### ABBREVIATIONS

<table>
<thead>
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<th>Abbreviation</th>
<th>Full Form</th>
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<tr>
<td>ATT</td>
<td>Attitude</td>
</tr>
<tr>
<td>BI</td>
<td>Behavioral Intention</td>
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<td>ITT</td>
<td>Intention</td>
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<td>PBC</td>
<td>Perceived Behavior Control</td>
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<td>PZS</td>
<td>Subjective Norm</td>
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<tr>
<td>SN</td>
<td>Subjective Norm</td>
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<tr>
<td>TACT</td>
<td>Time, Action, Context and Target</td>
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<tr>
<td>TPB</td>
<td>Theory of Planned Behavior</td>
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<tr>
<td>TRA</td>
<td>Theory of Reasoned Action</td>
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CHAPTER ONE
INTRODUCTION

After Islam came to Tanah Melayu, zakah, as well as others pillars of Islam including prayer, fasting and pilgrimage, is regularly performed. In general, zakah can be divided into two categories: zakah fitrah and zakah on wealth. There are many types of zakah on wealth such as zakah on company, zakah on agriculture and zakah on employment income. Zakah revenue can be used in several ways to improve standard of living especially to the Asnaf (or people entitled to zakah fund), who have been specifically highlighted in the Holy Quran.

“Alms are for the poor and the needy, and those employed to administer the (funds); for those whose hearts have been (recently) reconciled (to Truth); for those in bondage and in debt; in the cause of God; and for the wayfarer: (thus is it) ordained by God, and God is full of knowledge and wisdom” (Surah Al-Taubah: 60).

The zakah fund can be used to help the Asnaf by providing them with educational aid, finance, training, career and others. Through these aids, the poor and the destitute can actually have opportunities to improve their standard of living. Because of its significance to the economic situation of the society, contributing to zakah is obligatory and as narrated by Muslim, zakah does not reduce wealth but enhances it. According to Nik Mustapha Hj. Nik Hassan (1995), zakah revenue collected by zakah institution is instrumental in eradicating absolute poverty. For
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REFERENCE

50,000 pekerja Islam dikesan layak bayar zakat (2000, 15 Sept.) Utusan Malaysia, p. 25


