

Analysis Of Zakat Distribution Policy At Baitul Mal In Central Aceh Regency

Tri Karunia Putri Amelia

Pascasarjana Keuangan Syariah, Institut Teknologi dan Bisnis Ahmad Dahlan Jakarta, Indonesia

Saiful Anwar

Pascasarjana Keuangan Syariah, Institut Teknologi dan Bisnis Ahmad Dahlan Jakarta, Indonesia

Correspondence Author

Tri Karunia Putri Amelia

puput.subakti@gmail.com

Article Info

Article History :

Received 08 Jun - 2024

Accepted 19 Aug - 2024

Available Online

15 Sep – 2024

Abstract

The policy of the Baitul Mal in Central Aceh Regency regarding zakat distribution aims to combat poverty in the medium to long term. Collected zakat funds are managed organizationally by the Baitul Mal, emphasizing transparency and accountability. The study investigates zakat distribution programs, related policies, and challenges the Baitul Mal faces. It employs a qualitative approach to provide a scientific overview. The research methods are employed, including observation, interviews, and documentation to gather data from the Baitul Mal of Central Aceh District. Results are expected to show alignment with Quranic mandates, ensuring independent, transparent, and accountable practices. The research aims to depict the reality of zakat distribution policies as efforts to alleviate poverty, catering to recipients' needs (Mustahik) through consumptive or productive means.

Keywords : *Baitul Mal, Policy, Zakat Distribution.*

1. INTRODUCTION

Poverty remains one of the unresolved specters year after year. In 2019, the number of people classified as poor reached 25.14 million. This figure is significantly high, making up 10% when compared to other countries where the population of the poor is less than 5%. The determination of the standard number of poor people is based on their income and the fulfillment of their basic needs, which are the lowest (Hardi, 2020).

Poverty is one of the symptoms of an imbalance between the growth rate and rapid economic growth. Consequently, the weaker groups are left behind compared to the more affluent ones in terms of daily needs fulfillment, and low quality is one of the causes of poverty problems (Ramadhanti & Riyadi, 2020).

The low ownership of income or the depiction of conditions unable to meet basic

needs such as clothing, food, and shelter has not yet ceased to be a complex problem from various aspects of human life. The concept of poverty eventually extends into dimensions of education, social, health, and economic dimensions. Poverty has been a dilemma throughout Indonesian history, with many children lacking access to quality education (Suwandi & Samri, 2022).

All children have the right and obligation to receive a decent education; therefore, education is a stage to transform children's behavior into adulthood. This becomes a constraint when facing economic limitations, preventing them from continuing education and opting to earn a living through begging, scavenging, and street performing. Yet, access to education from the most basic level can contribute to reducing poverty rates. Due to economic issues, many families are unable to afford to send their children to

school, worsening the current economic situation of the community. A survey conducted by the United Nations International Children's Emergency Fund (UNICEF) in Indonesia found that about 938 children in the productive age range (7 to 18 years) dropped out of school due to inadequate economic conditions. The economic impact is profound, particularly for the less affluent, as they risk not being able to pursue higher education due to financial constraints (Pramestuty & Suryaningsih, 2022).

Baitul Mal is a central pillar and financial institution for the Muslim community, expected to create beneficial distribution for every Muslim. This institution has significant benefits, functions, and values in helping and supporting zakat recipients (mustahik) to improve their lives and increase their welfare (Hardi, 2020). Zakat collected through Baitul Mal is distributed according to planned programs to ensure it benefits the mustahik. The collected zakat funds encourage Baitul Mal to manage them organizationally, avoiding direct handover from muzaki (zakat payers) to mustahik (Mukhlisin et al., 2019). In line with its duties and functions in managing religious assets, Baitul Mal enhances the welfare and quality of the community.

Zakat should ideally be collected by Amil, who the government officially appoints based on their expertise and make multiplier effect (Munandar et al., 2022; Ummah et al., 2018). The reorganization of zakat is crucial due to its significant role in addressing poverty in the past (Hadiyanto & Pusvisasari, 2022). During the time of Prophet Muhammad SAW, zakat management was carried out with a managerial system by a special institution. This institution was also authorized to enforce zakat collection, as exemplified by Abu Bakar r.a in his efforts to combat those who did not pay zakat. Zakat is carried out not only based on the awareness of muzaki alone but also involves the government, which appoints and establishes qualified amil zakat (Hafidhuddin, 2002).

Amil's duties include accurately recording muzaki, guiding, collecting, gathering, receiving zakat, praying for the muzaki, and maintaining administration. They also record mustahik, calculate, and determine the method of distribution, whether consumptive or productive. The management

of zakat funds must refer to laws related to financial management, as zakat collected by Baitul Mal in Central Aceh Regency constitutes regional original revenue (PAD).

2. LITERATUR REVIEW

2.1. Zakat

The term "zakat" from an etymological perspective means "blessing." From a terminological perspective, zakat refers to a certain amount of wealth that must be given to eligible recipients under specific conditions (Hafidhuddin, 2002; Nurhidayat, 2020). Zakat is a religious obligation in Islam that involves taking a portion of the wealth of able Muslim individuals and giving it to those in need (Widiastuti & Rani, 2020).

Zakat is a form of worship that holds a strategic position in religious, social, economic, and community welfare fields (Sutantri, 2020). The objective of zakat management is to ensure that zakat funds are well-managed and distributed to those in need according to Islamic principles. The main goals of zakat management include (Fajrina et al., 2020; Solikhan, 2020):

1. Reducing poverty by equalizing income distribution between the affluent and the needy (Canggih et al., 2017).
2. Achieving socio-economic justice through the transfer of wealth from zakat payers (muzakki) to recipients (mustahik) based on specific criteria (Mikail et al., 2017).
3. Serving as a characteristic of the Islamic economy, emphasizing the principle of welfare (Darmawan & Desiana, 2021).

The Indonesian Ulema Council (MUI), as an organization that encompasses scholars, leaders, and intellectuals, issued Fatwa MUI No. 23 of 2020 stating that the use of zakat funds for combating the COVID-19 pandemic and its impacts is permissible under Islamic law, with the following conditions:

1. Eligible zakat recipients are classified into eight categories: poor, needy, zakat administrators ('amil), new converts (muallaf), those in debt, captives, travelers, or in the cause of Allah.
2. Zakat funds can be distributed in the form of staple foods like cash, rice, corn, medicine, business capital, and

other forms adjusted to the needs of the recipients (mustahik).

3. The forms of zakat fund distribution include both consumptive and productive zakat.

2.2. Public Policy in Zakat Distribution

Effective public policy in zakat distribution must prioritize several key principles to achieve the desired outcomes. First, transparency is crucial, ensuring that all stakeholders have access to information on how decisions are made and how zakat funds are distributed. This builds trust and ensures accountability. Second, participation from various stakeholders, including the community, religious leaders, and zakat recipients (mustahik), is essential in policy formulation (Solikhan, 2020).

This ensures that the policies are responsive to the community's needs. Third, accountability is key, where public officials and organizations must be responsible for their actions. Mechanisms to monitor and evaluate the distribution of zakat funds must be in place to ensure proper usage. Fourth, effectiveness and efficiency should be primary goals, avoiding resource wastage and ensuring that funds reach recipients promptly. Fifth, fairness must be considered to ensure equitable distribution of zakat, focusing on the most vulnerable and marginalized groups. Lastly, policies should be designed for sustainability, with long-term positive impacts on poverty alleviation and community development. The decision-making process in zakat organizations involves several important stages (Ag Omar et al., 2021; Raies, 2020; Zuchroh, 2022).

The process begins with identifying key issues and challenges in zakat distribution, including understanding the needs of mustahik and the barriers within the current distribution system. Next, public consultation and participation are carried out by involving stakeholders through community meetings, surveys, and discussions with religious leaders and zakat management experts. This ensures that various perspectives are considered (Mukhlisin et al., 2019; Ummah et al., 2018).

Policies are formulated based on collected data and received input, including drafting guidelines, setting goals, and outlining zakat distribution procedures. Alternatives are evaluated to assess various policy options and their potential impacts, including cost-benefit analysis, feasibility studies, and risk assessments to determine the best course of action. Policies are reviewed and approved by relevant authorities, such as zakat bodies or government officials, to ensure effective implementation and alignment with Islamic principles (Atmaja et al., 2017; Darmawan & Desiana, 2021).

3. METHODS

This qualitative research focuses on understanding zakat distribution programs, policies, and challenges faced by the Baitul Mal of Central Aceh District. Following (Sugiyono, 2012), qualitative research explores and interprets meanings derived from social or humanitarian issues. The interpretive paradigm guides this research, emphasizing the interpretation and understanding of phenomena, as stated by (Moleong, 2015). Using a case study strategy, the researcher investigates zakat management activities, aiming to interpret and understand the policies implemented in zakat management.

Qualitative research methods are employed, including observation, interviews, and documentation to gather data from the Baitul Mal of Central Aceh District.

This study employs qualitative methods within the interpretive paradigm, focusing on zakat management policies at the Baitul Mal. By conducting a case study, the researcher aims to provide a deep understanding of zakat management activities and their policy aspects. Through data analysis, the researcher identifies challenges and explores the realities of zakat management at the Baitul Mal of Central Aceh District.

4. RESULT AND DISCUSSION

4.1. Zakat Distribution Program at Baitul Mal Central Aceh District

The decision regarding the zakat distribution program for 2022 was based on an internal meeting attended by all officials within the Baitul Mal of Central Aceh District, including the Chairperson, the Head of Secretariat, the Heads of Distribution,

Receipt, Socialization and Training, Guardianship and Productive Religious Assets Departments, as well as the sub-heads of General Affairs, Planning and Finance, and Information and Technology.

The annual zakat distribution program meeting is conducted based on evaluations of the previous year's budget to formulate the next year's program. This approach aims to minimize the prioritized needs of mustahik (zakat recipients) annually by considering the economic conditions of the community, social and political situations, and incidental circumstances.

The internal meeting activities yielded inputs and suggestions from each participant. These inputs were then formulated into a draft used as a basis for designing and planning the annual programs. Subsequently, another internal meeting is held to address the suggestions and inputs given to the Chairperson of Baitul Mal Central Aceh District. The outcome of this meeting results in an agreement that is formalized through a decree by the Head of Baitul Mal Central Aceh District and then proposed to the Regent for approval.

Here are the zakat distribution policies:

1. Fakir (destitute):
 - Regular living assistance.
 - Verification, socialization, and distribution costs for fakir mustahik.
2. Miskin (poor):
 - Living assistance for the poor unable to work.
 - Ramadan/annual needs assistance.
 - Rehabilitation assistance for mustahik businesses based on heirs/close relatives.
 - Verification, socialization, and distribution costs for miskin mustahik.
3. Amil (zakat administrators):
 - Honorarium for Baitul Mal administrators.
 - Honorarium for Unit Pengumpul Zakat (UPZ).
4. Muallaf (new converts):
 - Assistance for new converts.
 - Support for Islamic law training activities for muallaf in Central Aceh.

- Education assistance for muallaf children (boarding schools and other schools).
5. Gharimin (debtors):
 - Medical treatment assistance (within and outside the region) for fakir and miskin mustahik.
 - Emergency disaster response assistance for fakir and miskin mustahik.
 - Assistance for disasters at the district, provincial, national, and international levels.
 - Emergency medical treatment assistance.
 - Construction/rehabilitation of homes for flood victims.
 6. Fi Sabilillah (in the way of Allah):
 - Human resource development assistance for lecturers at private universities in Central Aceh.
 - Assistance for Central Aceh students in the Middle East.
 - Support for educational institutions serving the poor.
 - Syariah-related activity assistance for UPZ or SKPK.
 - Operational support for schools/madrasahs in underdeveloped villages.
 - Construction/rehabilitation of mosques/mersahs within Central Aceh.
 7. Ibnu Sabil (travelers):
 - Education assistance for mustahik children from elementary to university level.
 - Assistance for hafiz (memorizers of the Quran) from 1 to 30 Juz.
 - Support for Quranic education.
 - Education assistance for poor mustahik children in entrepreneurial-based dayahs.
 - Entrepreneurship training for mustahik children.
 - Assistance for stranded travelers.

These policies align with the zakat categories in the Quran, Surah At-Taubah,

Verse 60. Understanding the categories of zakat, Baitul Mal plans a work program annually. The above program is a result of Baitul Mal's policies in empowering the community (mustahik) through zakat, based on syariah studies conducted by the leadership to empower zakat for each category.

4.2. Policies Related to Zakat Distribution at Baitul Mal Central Aceh District

The policies implemented by Baitul Mal Central Aceh District are guided by programs for each zakat recipient category (asnaf), outlined in the various types of assistance provided to the community. The implementation is carried out at the office through direct assistance or non-cash aid to each mustahik at a predetermined time.

The tasks of Baitul Mal Central Aceh District are regulated under Regent Regulation No. 29.1 of 2009, concerning the Mechanism for Managing Zakat, Infaq, Sadaqah, and Other Islamic Religious Assets. Additionally, zakat distribution guidelines refer to the Circular Letter of the Syari'ah Advisory Council of Baitul Mal Aceh No. 01/SE/V/2006 dated May 1, 2006, concerning Guidelines for Determining Mustahik Zakat Asnaf Criteria and Operational Instructions, Decision of the Head of Baitul Mal Central Aceh District No. 451.5/36/BM-AT/2021 dated September 27, 2021, concerning changes in the scheme and amount of aid for mustahik fakir and miskin, and Decision No. 451.5/10/BM-AT/2021 dated September 28, 2021, concerning changes in asnaf criteria and administrative requirements.

1. Implementation of Zakat Distribution for Routine Living Needs and Medical Treatment for Mustahik Fakir

The implementation of zakat distribution for mustahik fakir at Baitul Mal Central Aceh District adheres to the recipient criteria set forth in the Circular Letter of the Syari'ah Advisory Council of Baitul Mal Aceh No. 01/SE/V/2006: "People who do not have wealth and cannot work at all and do not receive assistance from others." These criteria serve as indicators for the verification team to ensure the accuracy of the criteria, which are then stipulated in a decree by the Head of Baitul Mal Central Aceh District. (Interview with the Head

of Distribution and Utilization, December 20, 2022, at 11:45 AM).

Mustahik fakir who meets the criteria are eligible to receive lifelong routine living assistance from the fakir asnaf and additional aid from the gharimin asnaf for medical and disaster response expenses. If any criteria are not met based on factual verification, the team can conduct further assessment using the miskin indicators. The results of the verification are formalized in a decree by the Head of Baitul Mal Central Aceh District as recipients of zakat from the fakir asnaf.

Zakat distribution for fakir is conducted directly (in cash), considering the physical condition of mustahik fakir, which does not allow for non-cash aid (via bank). Here is an image related to the zakat distribution process for mustahik fakir: (Interview with the Head of Distribution and Utilization, December 20, 2022, at 2:00 PM).

Mustahik & fakir who are confirmed in the decree are provided with monthly living assistance, up to Rp 500,000 per person, and medical expenses according to the treatment being undertaken and disaster response needs such as:

- Outpatient treatment within the region: up to Rp 1,000,000 per treatment.
- Inpatient treatment within the region: up to Rp 1,500,000 per admission.
- Out-of-region treatment: Rp 2,500,000 (within the province) and Rp 5,000,000 (outside the province).
- Emergency disaster response: Rp 5,000,000 for house rental and Rp 1,500,000 for panic period expenses per incident.

Zakat Distribution Procedure for Mustahik Fakir

- a. The verification team reports the factual verification results to the Head of Baitul Mal for a decision.
- b. The Head of Distribution reports the fakir decree to the Technical Activity Executive Officer (PPTK) for aid proposal planning.

- c. PPTK submits the planned aid budget to the Head of Secretariat (KPA) for approval.
- d. KPA instructs the Distribution Treasurer to prepare the aid proposal documents (SP2D) for submission to the Regional Financial Management Agency and subsequent transfer via Bank Aceh Syariah. The Distribution Treasurer coordinates with PPTK to assign a team to deliver aid to each region according to the location of the mustahik fakir.

2. Implementation of Zakat Distribution for Mustahik Miskin, Gharimin, and Ibnu Sabil at Baitul Mal Central Aceh District

The implementation of zakat distribution for mustahik miskin, gharimin, and ibnu sabil at Baitul Mal Central Aceh District considers the recipient criteria based on the Surat Edaran Dewan Pertimbangan Syariah Baitul Mal Aceh No. 01/SE/V/2006: "People who have assets or businesses, but their income is not sufficient for themselves or their families." These criteria are the reference for the verification team to ensure accuracy. In terms of asset or business ownership, the team can easily visually verify these indicators, but to ensure someone's income is insufficient for themselves and their families, the Head of Baitul Mal Central Aceh District has made a policy to use 14 poverty indicators according to the standards of the Central Statistics Agency (BPS). Attached is the verification form. (Interview with the Head of Distribution and Utilization, December 20, 2022, at 11:45 AM).

Mustahik miskin who meets the criteria based on factual verification results is given annual zakat assistance with a maximum amount of Rp. 750,000 per household. For the gharimin program, zakat assistance includes medical expenses and disaster relief for mustahik miskin, with zakat amounts consisting of:

- Maximum outpatient assistance within the region: Rp. 1,000,000 per treatment.

- Maximum inpatient assistance within the region: Rp. 1,500,000 per admission.
- Out-of-region treatment: Rp. 2,500,000 (within the province) and Rp. 5,000,000 (outside the province).
- Emergency disaster response: Rp. 3,000,000 per incident.

The amount of zakat distribution in the gharimin program is the same as the zakat assistance program for mustahik fakir. For the ibnu sabil program, zakat assistance includes education costs for the children of mustahik miskin. Education costs cover re-registration fees for mustahik miskin children entering elementary to high school levels in Central Aceh District and first-time undergraduate (S-1) students inside or outside Central Aceh District. The zakat assistance is provided according to the re-registration fees set by the school or campus. Additionally, Baitul Mal Central Aceh District provides educational assistance to settle overdue school fees for mustahik miskin children who cannot pay their fees, based on the school's or campus's reported overdue amounts. Zakat is also distributed for final project completion (thesis) with a maximum amount of Rp. 3,000,000. For skill training programs from the ibnu sabil asnaf, specifically for mustahik miskin children who have dropped out of school, in 2022, Baitul Mal Central Aceh District held a sewing skills training in collaboration with the Job Training Center (BLK) of Central Aceh District, fully funded by zakat.

Mustahik miskin registered with Baitul Mal Central Aceh District are entitled to zakat assistance from other asnaf such as gharimin and ibnu sabil, including medical expenses, disaster response, education costs, entrepreneurship training, and other programs established for these two asnaf. Zakat Distribution Procedure for Mustahik Miskin

a. Registration

Applications are submitted online through the official Baitul Mal Central Aceh District website: <https://zihaf.baitulmalat.or.id>,

accessible to anyone or any community group concerned about the poor in Central Aceh. The registration results automatically enter the account of each designated team member for further factual verification in the field to ensure the poverty criteria set by DPS Baitul Mal Aceh.

b. Verification Report

The team reports the factual verification results to the Head of Distribution to plan the aid proposal for the Technical Activity Executive Officer (PPTK).

c. Aid Proposal Submission

PPTK submits the planned aid budget to the Head of the Secretariat (KPA) for approval.

d. Fund Preparation

KPA instructs the Distribution Treasurer to prepare the necessary aid proposal documents (SP2D) for submission to the Regional Financial Management Agency, which then processes the direct transfer to each mustahik miskin's bank account. Zakat distribution for mustahik miskin is done non-cash. (Interview with the Head of Secretariat, December 20, 2022, at 11:20 AM).

Mustahik miskin verified and provided zakat assistance according to their needs and can receive zakat again as per their requests without re-verification. This aims to provide fast and effective zakat distribution services in Baitul Mal Central Aceh District.

3. Implementation of Zakat Distribution for Mustahik Fisabilillah

The implementation of zakat distribution for mustahik fisabilillah at Baitul Mal Central Aceh District adheres to the criteria outlined in the Surat Edaran Dewan Pertimbangan Syaria'h Baitul Mal Aceh No. 01/SE/V/2006, which defines fisabilillah as "activities aimed at strengthening the faith of the Muslim community." Based on this criterion, Baitul Mal Central Aceh District has developed several zakat distribution programs, including:

a. Education Funding for S2 and S3

Zakat distribution for S2 and S3 education costs for permanent lecturers at private universities accredited to C within Central Aceh District. Each lecturer receives educational assistance of Rp. 30,000,000 per year for S2 and Rp. 50,000,000 per year for S3.

b. Education Funding for Middle Eastern Studies

Zakat distribution for education costs for students from Central Aceh studying in the Middle East. The amount of assistance per year is specified per student.

c. Support for Educational Institutions

Zakat distribution for operational support for educational institutions in underdeveloped villages or those serving the poor. Each institution receives a maximum of Rp. 20,000,000.

d. Support for Religious Activities

Zakat distribution for religious activities at UPZ or SKPK, including study groups, religious seminars, and other religious programs. The assistance for this program is 4% of the total zakat collected or submitted to Baitul Mal Central Aceh District annually.

e. Mosque Rehabilitation

Zakat distribution for the construction or rehabilitation of mosques/musholla in Central Aceh, prioritizing the rehabilitation of ablution areas or prayer spaces. The assistance amount is based on the cost analysis for each mosque/mersah.

Zakat Distribution Procedure for Fisabilillah Programs

a. Application Submission: Direct application to the head of Baitul Mal Central Aceh District.

b. Verification: The team conducts factual verification based on the application.

c. Verification Reporting: The verification results are submitted to the Head of Distribution to plan the aid proposal for the

- Technical Activity Executive Officer (PPTK).
- d. Proposal Submission: PPTK submits the planned aid budget to the Head of Secretariat (KPA) for approval.
 - e. Fund Preparation: KPA instructs the Distribution Treasurer to prepare the necessary aid proposal documents (SP2D) for submission to the Regional Financial Management Agency, which then processes the direct transfer to the respective accounts in a non-cash manner. (Interview with the Head of Secretariat, December 20, 2022, at 11:20 AM).
4. Implementation of Zakat Distribution for Muallaf
- The implementation of zakat distribution for muallaf at Baitul Mal Central Aceh District adheres to the criteria outlined in the Surat Edaran Dewan Pertimbangan Syari'ah Baitul Mal Aceh No. 01/SE/V/2006. This defines muallaf as "people who have recently converted to Islam and have not been Muslim for more than three years, or those whose inclination towards Islam is desired, and who reside in the respective region." Based on these criteria, the following zakat distribution programs are implemented:
- a. Zakat Distribution for Newly Converted Muallaf
Individuals who have recently declared their faith by reciting the shahada, acknowledged by the MPU of Central Aceh District, receive zakat assistance of Rp. 1,000,000 per person.
 - b. Islamic Guidance Programs for Muallaf
Zakat is distributed to support Islamic guidance programs for newly converted muallaf. This includes honorariums for individuals with a solid understanding of Islamic teachings who are willing to earnestly teach and guide muallaf residing in Central Aceh.
 - c. Education Costs for Muallaf's Children
Full educational support is provided for the children of muallaf until they complete their studies at Islamic boarding schools (pesantren) and other schools, in accordance with the fee structure set by the respective pesantren or school.
- Procedure for Zakat Distribution to Muallaf
- a. Application Submission
Direct application to the head of Baitul Mal Central Aceh District.
 - b. Verification
The team conducts factual verification based on the application.
 - c. Verification Reporting
The verification results are submitted to the Head of Distribution to plan the aid proposal for the Technical Activity Executive Officer (PPTK).
 - d. Proposal Submission
PPTK submits the planned aid budget to the Head of Secretariat (KPA) for approval.
 - e. Fund Preparation
KPA instructs the Distribution Treasurer to prepare the necessary aid proposal documents (SP2D) for submission to the Regional Financial Management Agency, which then processes the direct transfer to the respective accounts in a non-cash manner. (Interview with the Head of Secretariat, December 20, 2022, at 11:20 AM).
5. Implementation of Zakat Distribution for Amil
- The implementation of zakat distribution for amil at Baitul Mal Central Aceh District adheres to the criteria set forth in the Surat Edaran Dewan Pertimbangan Syari'ah Baitul Mal Aceh No. 01/SE/V/2006, which defines amil as "zakat managers appointed or authorized by the government." Based on this criterion,

the following zakat distribution programs are implemented:

- a. Honorarium for Amil BMK or Zakat Managers: Zakat is distributed as honorarium for amil working at Baitul Mal Central Aceh District, with the amount determined based on the position, as specified in the Regent's decree.
- b. Operational Costs for Amilun Unit Pengumpul Zakat (UPZ): Zakat is distributed to cover the operational costs for zakat collectors in each SKPK, amounting to 2% of the total zakat collected or submitted to Baitul Mal Central Aceh District annually.

Procedure for Zakat Distribution to Amil

- a. Budget Planning
The Head of Distribution plans the budget proposal for the Technical Activity Executive Officer (PPTK).
- b. Proposal Submission
PPTK submits the planned budget to the Head of Secretariat (KPA) for approval.

Fund Preparation KPA instructs the Distribution Treasurer to prepare the necessary budget proposal documents (SP2D) for submission to the Regional Financial Management Agency, which then processes the direct transfer to the respective accounts of amil BMK and UPZ officials in a non-cash manner. (Interview with the Head of Secretariat, December 20, 2022, at 11:20 AM).

4.3. Challenges Faced by Baitul Mal Kabupaten Aceh Tengah in Distributing Zakat

The implementation of zakat distribution in Kabupaten Aceh Tengah encounters several challenges, particularly related to banking access. The main challenges are as follows:

- a. Difficult Access to Banks in Remote Areas
Many regions in Aceh Tengah, especially in remote areas, lack

nearby banking facilities. This makes it difficult for mustahik (zakat recipients) to withdraw the zakat assistance that has been transferred to their respective accounts. Mustahik have to travel long distances and incur significant transportation costs to reach the nearest bank. This situation becomes a barrier for mustahik living far from banking facilities to easily receive the zakat assistance they are entitled to.

- b. Non-Cash Distribution Mandate Based on BPK Audit

Based on the audit results from the Badan Pemeriksa Keuangan (BPK) in 2022, zakat distribution to mustahik cannot be done directly or in cash. This policy is implemented to enhance accountability and transparency in zakat distribution. However, the implementation of this policy adds a burden to mustahik who do not have easy access to banks, resulting in many of them being unable to collect their assistance due to the lack of transportation funds to reach distant banks.

These challenges do not halt Baitul Mal Kabupaten Aceh Tengah from distributing zakat. However, these issues require quick and appropriate solutions to ensure that zakat distribution can be carried out effectively and efficiently. Some potential efforts to address these challenges include:

- a. Improving Banking Access
Baitul Mal can collaborate with banks to provide mobile banking services or set up mobile ATMs in remote areas at specific times, allowing mustahik to easily access their zakat assistance without having to travel long distances.
- b. Utilizing Financial Technology
Leveraging financial technology (fintech) to offer more accessible payment solutions for mustahik, such as through digital payment applications that can be accessed via mobile phones.
- c. Distribution Through Laku Pandai Agents: Establishing partnerships with Laku Pandai agents (branchless banking agents under the Financial

Inclusion initiative) in remote areas. These agents can assist mustahik in withdrawing zakat assistance without having to visit a bank.

- d. Financial Training and Education
Organizing financial training and education programs for mustahik on the use of digital banking services and payment applications, enabling them to independently access zakat assistance.

It is hoped that the challenges in zakat distribution in Kabupaten Aceh Tengah can be overcome, allowing zakat assistance to be distributed more effectively and efficiently. (Interview with the Head of Distribution and Utilization Division of Baitul Mal, December 20, 2022, at 11:45 AM).

The policy of Baitul Mal Kabupaten Aceh Tengah in distributing zakat is carried out through a consultative and open system involving all stakeholders, including all relevant internal officials. Throughout the process, thorough consideration and discussions are conducted by the scholarly input provided by the Sharia Council of Baitul Mal Aceh, resulting in recommendations for its implementation. The policies related to zakat distribution, starting from conceptualizing activities, discussing these concepts, and determining them, are followed by an evaluation phase for each implemented activity. Consultations are held among all officials within the environment of Baitul Mal Kabupaten Aceh Tengah, resulting in agreements that become final policies for the implementation of zakat distribution programs each year.

These activities align with the goal of empowerment through detailed processes. They prioritize the acknowledgment of the subject's capability or power possessed by the object. Thus, this process emphasizes the flow of power from the subject to the object (Sa'adah & Hasanah, 2021; Triatmo et al., 2020). The subject refers to all parties responsible for managing zakat at Baitul Mal Kabupaten Aceh Tengah, while the object refers to the community as beneficiaries of the Baitul

Mal Aceh Tengah program implementation.

The resulting policies can serve as solutions to ongoing issues such as the high number of economically disadvantaged individuals, health and education-related concerns, the low level of understanding of Islamic law among the community, the inadequacy of organized and clean worship facilities, as well as the poor quality of educational facilities in remote areas of Aceh Tengah and other issues faced by the Muslim community. These descriptions represent the aspirations conveyed to the head of Baitul Mal Kabupaten Aceh Tengah during the consultations, allowing these aspirations to be accepted and addressed as concrete solutions to these issues. This represents a form of empowerment. Empowerment, besides in the context of economic improvement, also encompasses a concept that implies struggle (Ahmad et al., 2015; Ninglasari & Muhammad, 2021).

Referring to the vision of Baitul Mal Kabupaten Aceh Tengah, which is to "reduce poverty and improve the quality of the Muslim community in Aceh Tengah," this is done by managing zakat as outlined in its work programs. This is implemented to support the life goals of the Muslim community in Aceh Tengah, akin to educational goals, which are also programmed through zakat allocations for the Ibn Sabil category. This is because through education, individuals can maintain and enhance their quality of life (Canggih et al., 2017).

Another perspective explains that the purpose of the educational process is to prepare children to have the skills to lead a fulfilling life, thus achieving happiness together in this world and the hereafter. The correlation of vision and mission with the life goals of humans is to free them from poverty and ignorance, thereby realizing a well-ordered society. Below is the implementation process of policy formulation.



Figure 1 The process of formulating zakat distribution policies

The mechanism employed in the process of formulating zakat distribution program policies involves inviting all internal officials of Baitul Mal Kabupaten Aceh Tengah to conduct official and scheduled consultations, concluding the consultation results in the form of meeting minutes. Once the consultation results are jointly agreed upon, a team is formed to create a work program approved by the Head of Baitul Mal Kabupaten Aceh Tengah, which is then endorsed by the Regent of Aceh Tengah as the Patron of Baitul Mal.

This pattern follows regulations and is a formal pattern that can be carried out and accepted collectively to achieve objectives. However, on the other hand, Baitul Mal Kabupaten Aceh Tengah does not create policies intended for the entire community in Kabupaten Aceh Tengah because the principles or recipients of zakat have been detailed and clear in the Qur'an. Another term for policy is a decision that is general and applicable to all members of society. This policy theory cannot be applied by Baitul Mal Kabupaten Aceh Tengah in distributing zakat due to certain limitations according to the Sharia concept that must be implemented by Baitul Mal in every policy to be executed.

The distribution of zakat by Baitul Mal Kabupaten Aceh Tengah is carried out through diverse methods according to its work programs. Direct assistance is provided to each beneficiary with the aim of addressing the problems experienced by the community according to the categories of zakat recipients. In line with the essence of empowerment aimed at providing assistance to communities to become empowered, strong, and capable, and to reduce personal and social constraints. Additionally, Baitul Mal Kabupaten

Aceh Tengah empowers living, economic, educational, health, and faith needs through zakat, focusing on individuals, groups, and institutions specifically and periodically.

These efforts represent the implementation of the goal of empowerment, which is to create individuals and communities that are independent in thinking, acting, and developing what they already possess. Community empowerment is demonstrated by the ability to think, make decisions, and take appropriate actions to solve individual problems using existing resources and capabilities. Community empowerment carried out through the concept of Baitul Mal Kabupaten Aceh Tengah involves strengthening stakeholders through stimulus, training, and providing opportunities to optimally develop human resources and fully engage in its production, economic, social, and ecological mechanisms.

One of the implementations of zakat distribution by Baitul Mal Kabupaten Aceh Tengah is by considering education through providing financial assistance. The implementation of zakat distribution programs is based on fulfilling the needs of the poor, as stated by Agus Irianto, where one classification of expenditures is Direct Cost, which is expenses allocated for specific activities, such as supporting someone's livelihood.

According to Widiastuti et al., (2022), financing consists of recurring costs and capital costs. Recurring costs essentially cover all operational expenses, such as administrative costs, facility maintenance, supervision costs, and salaries. Capital costs include expenses for physical buildings, land purchases, and procurement of other goods. Baitul Mal Kabupaten Aceh Tengah implements both types of financing but does not include assistance for facility maintenance costs. Other efforts also exist to improve the quality of life through zakat programs, such as the Ibnu Sabil program, which is directly related to education (educational assistance).

The author's analysis regarding this matter suggests that the educational empowerment activities conducted by Baitul Mal Kabupaten Aceh Tengah are individual empowerment rather than institutional or educational activities. Individual empowerment means meeting the personal needs of the community to carry out the education process and improve the quality. It can be confirmed that the utilization of zakat carried out refers to the Hanafi school of thought regarding the understanding of zakat recipients, which includes only the poor or needy and tends to be given to individuals rather than activities. The illustration of the implementation of the zakat distribution program is depicted as shown in the image below:

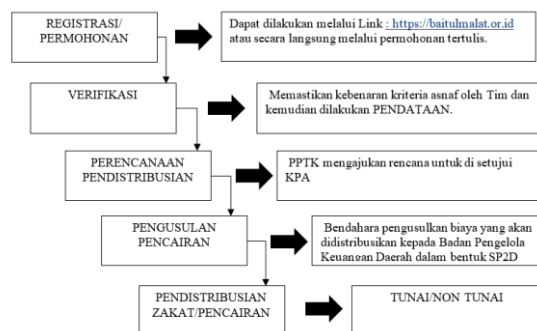


Figure 2 Mechanism of the Program

The performance process of Baitul Mal Kabupaten Aceh Tengah as depicted in the above diagram explains that in the implementation of the zakat distribution program, a structured mechanism and stages start from Registration, verification, distribution planning, proposal submission for disbursement, and then the distribution to each recipient according to the predetermined program. The factual verification activity will affect the implementation of the zakat distribution program due to the limitations related to the criteria for eligibility. Then, Baitul Mal Kabupaten Aceh Tengah evaluates all implemented programs through supervision and reporting stages, aiming for improvements in the subsequent program implementations.

The series of program implementations meet legal and formal aspects as they fulfill prerequisites and

are officially recognized for conducting activities in each respective area. The implementation of legal and orderly activities thus realizes legitimate policy implementation. The distribution of zakat to beneficiaries receiving assistance is carried out continuously and periodically with established financial mechanisms, as the zakat financial system at Baitul Mal must be managed according to the standards of regional financial management. This is because the revenue source of Baitul Mal Kabupaten Aceh Tengah becomes Local Original Revenue (PAD) (Law Number 11 of 2006). Meanwhile, during the time of the Prophet Muhammad, he distributed wealth on the day it was acquired. Hasan Bin Muhammad stated that the Prophet Muhammad never stored wealth from the received funds managed by Baitul Mal, neither during the day nor at night (Kailani & Slama, 2020; Sutantri, 2020).

The challenges faced by Baitul Mal Kabupaten Aceh Tengah in implementing zakat distribution are as mentioned above: the difficulty of bank access in certain areas that lack nearby banking facilities for the recipients, especially in the rural areas of Central Aceh. This was revealed in the audit results by the Supreme Audit Agency (BPK) in 2022, indicating that zakat distribution to recipients couldn't be done directly (in cash) that year. Consequently, many recipients couldn't access their assistance because they lacked transportation funds to reach distant bank locations from their residences.

Regulators should play a full role in supporting and facilitating the necessary measures for implementing laws/regulations on zakat management (Ag Omar et al., 2021). In practice, Baitul Mal Kabupaten Aceh Tengah should execute programs transparently, accountably, and fairly concerning administrative reporting, zakat collection, and distribution managed by professional custodians (Al-Qardawi, 2003). Transparency, accountability, and honesty in reporting are principles that must be firmly upheld so that Baitul Mal

can provide reports that are not only administratively orderly but also accountable and trustworthy.

The issues faced by zakat administrators (amil zakat) are (Sutantri, 2020):

- a. Low competency levels due to insufficient skills related to zakat management.
- b. Low remuneration offered, leading to many amil not considering their work as zakat administrators as their primary occupation.
- c. Insufficient efforts to improve the quality of zakat administrators, resulting in a mismatch between the demands of the task and the abilities of the administrators.

These issues must be promptly addressed by Baitul Mal Kabupaten Aceh Tengah through coordination with relevant parties regarding the challenges faced in zakat distribution to recipients. Since Baitul Mal Kabupaten Aceh Tengah has independent authority in managing zakat finances, if left unaddressed, it may not fulfill the principles of utility, justice, integration, effectiveness, efficiency, and autonomy as mandated in Aceh Regional Regulation Number 10 of 2018 concerning Baitul Mal. Additionally, zakat is one of the pillars of Islam with social dimensions, and recipients should be able to use their rights responsibly according to their needs.

5. CONCLUSION

This study concludes that the zakat distribution policy by Baitul Mal in Central Aceh Regency has a significant impact on reducing poverty and improving the welfare of the community. The distribution of zakat through a transparent, accountable, and Sharia-based approach is able to meet the basic needs of mustahik, both consumptive and productive. Additionally, this policy contributes to the development of education, improvement in healthcare quality, and strengthening of faith through support for worship facilities.

The theoretical implications of this study support previous research, as highlighted by

Hafidhuddin (2002) and Mikail et al. (2017), which show that effective zakat management can serve as an important instrument in achieving social justice and wealth redistribution. The findings of this study reinforce the notion that zakat is not only a religious obligation but also a significant tool for empowering communities and creating economic equity. Thus, the zakat distribution policy in Central Aceh Regency provides positive social and economic impacts for the zakat recipients.

6. REFERENCES

- Ag Omar, P. M. F. F., Muchlis Gazali, H., Samsulbahri, M. N., Abd Razak, N. I., & Ishak, N. (2021). Establishing zakat on oil and gas in Malaysia: a new insight. *ISRA International Journal of Islamic Finance*, 13(3), 318–332. <https://doi.org/10.1108/IJIF-04-2020-0089>
- Ahmad, R. A. R., Othman, A. M. A., & Salleh, M. S. (2015). Assessing the Satisfaction Level of Zakat Recipients Towards Zakat Management. *Procedia Economics and Finance*, 31(15), 140–151. [https://doi.org/10.1016/s2212-5671\(15\)01141-7](https://doi.org/10.1016/s2212-5671(15)01141-7)
- Al-Qardawi, Y. (2003). *The Lawful and the Prohibited in Islam*. Dalul Ma'rifah.
- Atmaja, F. F., Yulianti, R. T., Pusparini, M. D., Putri, N. W., & Jannati, N. (2017). Implementasi Manajemen Strategik Pengelolaan Zakat Produktif Di Lembaga Keuangan Publik Islam (Studi Pada Dompot Dhuafa Yogyakarta) Rahmani Timorita Yulianti Martini Dwi Pusparini Nurul Wulandari Putri Naili Jannati. *Jurnal Dinamika Ekonomi & Bisnis*, 14(1), 58–72.
- Canggih, C., Fikriyah, K., & Yasin, A. (2017). Potensi Dan Realisasi Dana Zakat Indonesia. *Al-Uqud : Journal of Islamic Economics*, 1(1), 14. <https://doi.org/10.26740/jie.v1n1.p14-26>
- Darmawan, A., & Desiana, R. (2021). Zakat dan Pemerataan Ekonomi Di Masa Pandemi COVID-19. *Al - Azhar Journal of Islamic Economics*, 3(April), 12–24. <https://doi.org/10.37146/ajie.v3i1.57>
- Fajrina, A. N., Putra, F. R., & Sisillia, A. S. (2020). Optimalisasi Pengelolaan Zakat:

- Implementasi dan Implikasinya dalam Perekonomian. *Journal of Islamic Economics and Finance Studies*, 1(1), 100.
<https://doi.org/10.47700/jiefes.v1i1.1918>
- Hadiyanto, R., & Pusvisasari, L. (2022). Efisiensi Pengumpulan dan Pendistribusian Zakat dan Wakaf di Indonesia. *Jurnal Ilmiah Ekonomi Islam*, 8(02), 2076–2082.
- Hafidhuddin, D. (2002). *Zakat dalam Perekonomian Modern* (I. Kelana & Tim GIP (eds.); I. Gema Insani.
- Hardi, E. A. (2020). Daya Tahan Baitul Mal Wat Tamwil Dalam Arus Revolusi Industri 4.0. *Ekono Insentif*, 14(2), 77–90.
<https://doi.org/10.36787/jei.v14i2.218>
- Kailani, N., & Slama, M. (2020). Accelerating Islamic charities in Indonesia: zakat, sedekah and the immediacy of social media. *South East Asia Research*, 28(1), 70–86.
<https://doi.org/10.1080/0967828X.2019.1691939>
- Mikail, S. A., Ahmad, M. A. J., & Adekunle, S. S. (2017). Utilisation of zakāh and waqf fund in micro-takāful models in Malaysia: an exploratory study. *ISRA International Journal of Islamic Finance*, 9(1), 100–105.
<https://doi.org/10.1108/IJIF-07-2017-010>
- Moleong, L. J. (2015). *Metodologi Penelitian Kualitatif*. PT Remaja Rosda Karya.
- Mukhlisin, M., Mujahidin, E., & Indupurnahayu, I. (2019). Filantropi Islam sebagai Strategi Manajemen Keuangan Lembaga Pendidikan. *Idarah Tarbawiyah: Journal of Management in Islamic Education*, 1(1), 27.
<https://doi.org/10.32832/itjmie.v1i1.2702>
- Munandar, A. N., Pakkana, M., & Amrizal. (2022). Waqf Forest Development Strategy in Cibunian Bogor. *Journal of Islamic Economics*, 14(2), 327–342.
<http://journal.uinjkt.ac.id/index.php/iqti>
 shadDOI:<https://doi.org/10.15408/aiq.v14i2.28119>
- Ninglasari, S. Y., & Muhammad, M. (2021). Zakat Digitalization: Effectiveness of Zakat Management During Covid-19 Pandemic. *Journal of Islamic Economic Laws*, 4(1), 26–44.
- Nurhidayat. (2020). Strategi Fundraising Zakat Pasca Pandemi Covid-19. *SALAM: Jurnal Sosial Dan Budaya Syar-I*, 7(8), 737–748.
<https://doi.org/10.15408/sjsbs.v7i8.16553>
- Pramestuty, D. K., & Suryaningsih, S. A. (2022). Pendayagunaan Zakat Untuk Pemberdayaan Pendidikan Melalui Program Genpres Pada Laz Nurul Hayat Gresik. *Jurnal Ekonomika Dan Bisnis Islam*, 5(1), 130–145.
<https://doi.org/10.26740/jekobi.v5n1.p130-145>
- Raies, A. (2020). Islamic versus Conventional Fiscal policy: The effect of zakat on education and employment. *Academic Journal of Interdisciplinary Studies*, 9(1), 27–33.
<https://doi.org/10.36941/ajis-2020-0003>
- Ramadhanti, F., & Riyadi, H. F. (2020). Peran Lembaga Amil Zakat dalam Meningkatkan Kesejahteraan Keluarga Janda Miskin Melalui Program Kampung Mandiri di Laznas Yatim Mandiri Kudus. *Management of Zakat and Waqf Journal (MAZAWA)*, 2(1), 62–77.
<https://doi.org/10.15642/mzw.2020.2.1.62-77>
- Sa'adah, M., & Hasanah, U. (2021). The Common Goals of BAZNAS' Zakat and Sustainable Development Goals (SDGs) according to Maqasid Al-Sharia Perspective. *Al-Ihkam: Jurnal Hukum Dan Pranata Sosial*, 16(2), 302–326.
<https://doi.org/10.19105/AL-LHKAM.V16I2.4990>
- Solikhan, M. (2020). Analisis Perkembangan Manajemen Zakat untuk Pemberdayaan Masyarakat di Indonesia. *Jurnal Ilmiah Syi'ar*, 20(1), 46.
<https://doi.org/10.29300/syr.v20i1.3019>
- Sugiyono. (2012). *Metode Penelitian Kombinasi (Mix Methods)*. Alfabeta.
- Sutantri. (2020). Analisa Pengelolaan Zakat di Badan Amil Zakat Nasional Kota Kediri. *Jurnal At-Tamwil*, 2(1), 66–83.
- Suwandi, A., & Samri, Y. (2022). Peran LAZISMU (Lembaga Amil Zakat , Infaq dan Sadaqah Muhammadiyah) dalam Mengentaskan Kemiskinan Masyarakat Kota Medan. *Management of Zakat and Waqf Journal (MAZAWA)*,

- 3(2), 15–30.
- Triatmo, A. W., Karsidi, R., Kartono, D. T., & Suwarto. (2020). A political ideology of the Indonesian Islamic philanthropy: a case study of Suryakarta Berama foundation. *Indonesian Journal of Islam and Muslim Societies*, 10(2), 353–380. <https://doi.org/10.18326/IJIMS.V10I2.353-380>
- Ummah, K. A., RIYADI, A., & HERIANINGRUM, S. (2018). Pola Implementasi Alokasi Ziswaf Dalam Penyediaan Akses Pendidikan Bagi Kaum Dhuafa. *JEBI (Jurnal Ekonomi Dan Bisnis Islam)*, 3(2), 247. <https://doi.org/10.15548/jebi.v3i2.183>
- Widiastuti, T., Mawardi, I., Zulaikha, S., Herianingrum, S., Robani, A., Al Mustofa, M. U., & Atiya, N. (2022). The nexus between Islamic social finance, quality of human resource, governance, and poverty. *Heliyon*, 8(12), e11885. <https://doi.org/10.1016/j.heliyon.2022.e11885>
- Widiastuti, T., & Rani, L. N. (2020). Evaluating the Impact of Zakat on Asnaf's Welfare. In *Global Journal Al-Thaqafah* (Issue SpecialIssue, pp. 91–99).
- Zuchroh, I. (2022). Zakat Produktif: Kebijakan Pengelolaan Keuangan Publik sebagai Instrumen Pengentasan Kemiskinan di Indonesia. *Jurnal Ilmiah Ekonomi Islam*, 8(03), 3067–3073.