

Zakah on Agriculture Reformation: An Analysis in Malaysia

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Abstract

Zakah is well known among Muslims as one of the most important “*ibadah*” (worship) in Islam. Besides its role as *ibadah*, it also provides vital benefit for ummah. Hence, the effort for the empowerment of *zakah* in Malaysia is most welcomed because it definitely ensure the economy stability for ummah. Therefore, this paperwork has been made to review and analyze throughout the process on how to empower the *zakah* institution in Malaysia by focusing the issue on *agricultural zakah*. This article was based on qualitative studies on *agricultural zakah* that have been done recently by the *fiqh* scholars around the globe. As a result, the findings of this study were seen to propose effective methods or frameworks to empower and strengthen the *zakah* institution in Malaysia. This purpose can be achieved among others through enhancing or increasing the agricultural resources that subject to *zakah*, coordinating all states’ *nisab* amount, formative assessment for every plant or crop, and last but not the least is the enforcement of *zakah* on farmers (tenant) and landlord.

Keywords: *Zakah*; *agricultural zakah*; economy; *fiqh*

Abstrak

Zakah sangat dikenali di kalangan umat Islam sebagai suatu ibadah yang sangat penting dalam agama Islam. Selain peranannya sebagai suatu ibadah, ia juga memberi kelebihan yang sangat penting kepada umat Islam. Justeru kertas kerja ini telah dibuat untuk mengkaji dan menganalisis kaedah bagaimana untuk memperkasakan institusi zakah di Malaysia dengan memfokuskan kepada isu berkaitan zakah pertanian. Artikel ini adalah berdasarkan kajian kualitatif terhadap zakah pertanian yang telah dibuat sebelum ini oleh ulama’-ulama’ Fiqh seantero dunia. Menerusi kajian ini beberapa kaedah-kaedah yang berkesan dilihat dapat dicetuskan untuk memperkasakan institusi zakah di Malaysia. Matlamat ini dapat dicapai antaranya dengan cara meningkatkan dan menambahkan sumber-sumber pertanian yang tertakluk kepada zakah, mengkoordinasikan jumlah nisab seluruh negeri, mewujudkan pemantauan dan penilaian ke atas setiap tanaman dan penguatkuasaan zakah terhadap peladang-peladang dan tuan-tuan tanah.

Kata kunci: Zakah; zakah pertanian; ekonomi; fiqh

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1.0 INTRODUCTION

Zakah is an ibadah that contains noble wisdoms and provides advantages to every single Muslims. The philosophy surrounds the zakat concept is to give and share, where the rich will give to more needed people especially to the poor one (Didin Hafidhudin, 2002). It also promotes the motive of wealthy sharing between well earned and less fortunate people besides being able to bridge the social gap between these two (Shofian A. & Amir Husin M. N., 2002). This motive is well illustrated in hadith. When Rasullullah sent Mu’az bin Jabal to Yemen, he said to him:

"Verily Allah command them to pay zakah out of their property, taken from the rich people among them and given back to the poor among them"

(Hadith narrated by Bukhari and Muslim)

Furthermore, zakah also contains great wisdom and objectives to the life of mankind. This includes:

- As an evidence of faith in Allah and being thankful to His grace and blessing, besides producing moral character with a high sense of humanity, impoverish stingy, greedy, materialistic, as well as give peaceful in life.
- Purify and expand the property. It is because Allah will grant more blessing and grace to those who are grateful. As has been mentioned by Allah in the Holy Quran:

“And [remember] when your Lord proclaimed, ‘If you are grateful, I will surely increase you [in favor]; but if you deny, indeed, My punishment is severe.’”

(Surah Ibrahim : 7)

- Zakah is the right for those who are qualified to receive. Thus, through zakah, it can help in development especially to the poor people towards the betterment and living in more prosperous and harmonious life. So they can meet their needs, doing ibadah in peace and also can reduce the burden they bear.
- Those who refused to pay zakat are considered as stingy person, and as a result, it can create a jealousy among the poor people as well as cause them to suffer (Shofian A. & Amir Husin M. N., 2002). Besides that, Allah will punish this group of people as mentioned in al Quran:

“Those who are miserly and enjoin miserliness on other men and hide what Allah has bestowed upon them of His Bounties. And We have prepared for the disbelievers a disgraceful torment.”

(Surah an-Nisaa’ : 37)

- From the perspective of community welfare development, zakah can be considered as an income equality instrument. Through the proper management of zakah, it can enable economic growth and achieve income equality or it also known as *economic with equity* (Ahmad Muflih S., 1986).
- Zakah is vital to develop the economy of Muslims through the effective plan in using zakah fund. It also a source of income for the country (Hamizul A. H., 2012).
- Manage to empower the Muslims and the country through researches in various fields such as economy, education, health and so on by using zakah funds (Hamizul A. H., 2012; Sayed Sikandar S. H. & Mek Wok M., 2011).
- Zakah is different compared to riba. It is because zakah is able to ensure the property growth while riba only cause loss to the doer in the hereafter. Allah said in the Holy Quran:

“Allah destroys interest and gives increase for charities.”

(Surah al-Baqarah : 276)

Roughly, it clear that zakah plays an important role in Muslims economy (Dhar, P., 2013). Therefore this paperwork will highlights in providing the methodologies to empower the effort of imposing zakah on agriculture in Malaysia. Empowerment of zakah on agriculture is indirectly will cause an increment in the zakah revenue in Malaysia and also manage to balance the Muslims socio-economy rate in Malaysia.

Zakah on Agriculture

Agriculture is one of the main sources of income and economy for mankind. By having fertile land and crops, it can make people rich. Thus, zakah that made compulsory on the revenue from this land and it is known as agricultural zakah.

Generally, agricultural zakah is a right that must be performed and it amounts up to 10% or 5% (based on the methods of irrigation) from the (specific) agricultural products, at the time such crops were harvested (or after assessment has been made), accurately or more than 5 awsuq (Muhammad Ikhlas R., Luqman H. A., Mohd Anuar R., 2012). This is in line with the general meaning of zakah which “*the right that must be performed at a certain rate on a specific property, for certain groups of people at certain times* (al-Buhuti, 2003; Zaidan, A. K., 1993)”

According to Mujaini Tarimin (1990), the definition of agricultural zakah is: “*Spending part of the net income from the agricultural revenue that has been developed by the people in term of grains, fruits, and any crops that benefits the people, when all its conditions, pillars and ‘illah for zakah has been met’*”.

Agricultural zakah is also known as *al-‘usyr*, zakah *al-zuru’ wa al-thimar*, or *zakat al-mu’asyirat* (al-Qaradawi, 1994). All of these terminologies bring the same meaning i.e.: zakah. It is a must to pay zakah out of revenue of agricultural activity. Here are some evidences from Quranic text, sunnah and also ijma’ showing that paying zakah is compulsory (*wajib*):

1. Al-Quran

Allah s.w.t says in surah al-Baqarah:

O you who have believed, spend from the good things which you have earned and from that which We have produced for you from the earth

(Surah Al-Baqarah 2 : 267)

Eat of [each of] its fruit when it yields and give its due [zakah] on the day of its harvest. And be not excessive. Indeed, He does not like those who commit excess.

(Surah Al-An’am 6 : 141)

2. Al-Sunnah

Rasulullah s.a.w has said:

العُشْرُ نِصْفُ بِالنَّضْحِ مَا سَقِيَ الْعُشْرُ عَرَبِيًّا أَوْ كَانَ وَالْعَيْونَ السَّمَاءُ سَقَتْ فِيهَا

"At any irrigated (watered) with rain water, spring water or groundwater (reservoir) is to be imposed (zakah) of 10%, whereas at any irrigated with energy is to be imposed (zakah) of 5%"

(Hadith narrated by Al-Bukhari)

Rasulullah s.a.w. said:

العُشْرُ بِالسَّائِبَةِ نِصْفُ سَقَى وَفِيهَا الْعُشْرُ وَالْعَيْمُ الْأَنْهَارُ سَقَتْ فِيهَا

Which means: *"In any irrigated by rivers and rain is to be imposed (zakah) of 10%, whereas in any irrigated with irrigation is to be imposed (zakah) of 5%"*

(Hadith narrated by Ahmad and Muslim)

Besides the stated hadiths, there are many other hadiths telling us that paying zakah out of crops is a compulsory.

3. Muslims Scholars Consensus

All Muslims scholars are unanimously in opinion that zakat must be paid out of produce of the earth, however, they differed in the aspect of its implementation (al-Kasani, 2003).

Implementation of Agricultural Zakah's Collection in Malaysia

Agricultural zakah is among the important zakah resources in Malaysia, it is due to the fact that agricultural sector is the main sector and considered as a backbone for the economy of Malaysia, together with services and manufacturing sectors (Mohd Faisal I. & Suhana M., 2010; Aziz A. M., Ab. Latif I. & Norizan M. N., 2003). Besides that, socio-economic of the Malaysians also based on agricultural activity. Zakah collectors institutions in Malaysia also have imposed zakah collections on crops in realizing the shari'a needs. This sub-topic will briefly and generally discuss the implementation of zakah collection in Malaysia.

An agricultural proceeds that subject to zakah is staple food (*qut al-balad*) which is capable of satiate for a state. This definition has been clearly explained by most of states' zakah collection centres in Malaysia such as Selangor (Lembaga Zakat Selangor), Malacca (Pusat Zakat Melaka), Pahang (Pusat Kutipan Zakat Pahang), and others. In Malaysian context, it is well known that the staple food for Malaysian is rice or paddy. Therefore, agricultural zakat will be imposed on rice if all the requirements have been fulfilled (JAWHAR, 2009).

The followings are the requirements that must be fulfilled for agricultural zakah, crops or more specifically rice (Jawhar, 2009):

- i. Muslim
- ii. Complete possession
- iii. Free person (not a slave)
- iv. Attain Nisab rate
- v. Grains and fruits planted by the people.

Nisab for agricultural zakat in Malaysia are different between one states to another: See Table 1 below:

State	Nisab Rate (kg)
Johor	816.75
Kedah	1300.49
Kelantan	875
Malacca	1300
Negeri Sembilan	1306
Pahang	1000
Perak	363 bushel
Perlis	986.7
Penang	1300
Sabah	-
Sarawak	1080
Selangor	1306
Terengganu	937.5
Federal Territory	363 bushel

(Sources: MAJ:Jabatan Zakat Negeri Kedah; MAIK; Pusat Zakat Melaka; Pusat Zakat Negeri Sembilan; Pusat Kutipan Zakat Pahang; Hasan Bahrom & Ezani Yaakub, 2006; Nuruul Hidayah Mansor, 2012; Zakat Pulau Pinang; Tabung Baitulmal Sarawak; MAIDA; PPZ MAIWP)

The different of nisab may caused by;

- 1) Traditional measurement usage such as "pasuk", "kunca" and "naleh" in nisab (or bushel) calculation,
- 2) Fatwa institutions stated the methods of calculating nisab/awsuq which is differ against another state. (Muhamad Firdaus A. R., Hussein 'Azeemi A. T. & Azman A. R., 2013)

The rate of zakah that must be paid when agricultural produce has attained or exceed the nisab is amount to 5% if irrigated by the aids of machinery and so on. If the crops irrigated by rain water or in other words by nature, then the zakah rate is 10% (Mohd Liki H., 2006). However, some of the states in Malaysia impose the rate 7.5% if both irrigation method is used (Abu al-Nasr, 2010), for example, is the state of Malacca (Pusat Zakat Melaka), Sarawak (Tabung Baitulmal Sarawak), the Federal Territory (PPZ MAIWP) and others.

Reformation on Agricultural Zakah

Reformation of zakah is important in balancing and improving the Muslims economy. This is considered as one of the efforts to strenghten the community. It is because zakah is a global economic mechanism and in line with human needs (Zarina K., Sanep A. & Mohd Ali M. N., 2012). Thus, if zakah system is managed to be strengthened, Muslims's standard of living also will improve and balance. However, this paperwork is merely performing a highlight on the sub-field of zakah which is zakah on agriculture and it's reformation in Malaysia.

Agricultural zakah is seen to have a bright future and being able to be empowered in Malaysia. It is because Malaysia is actively working in the agricultural sector as well as other sectors. Agricultural sector is also a primary economic sector that is a source of national income (Mohd Faisal I. & Suhana M., 2010). Here are some suggestions or proposals to empower the agricultural zakah in Malaysia:

1- Increase Agricultural Resources that Subject to Zakah

Fiqh scholars have different opinions on the type of agricultural resources that must be counted. Basically there are 4 different opinions on this issue;

- i) Agricultural zakah is limited to only four crops (wheat, barley, dates and raisins). It is the opinion of Ibn 'Umar, and some Salaf scholars (Ibn Qudamah, 1992).
- ii) All crops that been planted with the aims to enrich the soil (earned revenue) are subject to zakah (al-Qaradawi, 1994). This opinion was presented by Imam Abu Hanifah (al-Mirghinani, n.d., Ibn al-Humam, 2003) as well as 'Umar' Abdul 'Aziz, Mujahid, Al-Nakha'I (Ibn al-Humam, 2003) and Hammad.
- iii) There is other opinion saying that the agricultural yield that subject to zakah must be a staple food that can be stored longer. This is the opinion of Imam Malik and Imam al Shafi'i (al-Syafi'i, 2002; al-Qurtubi, 2006; Ibn al-'Arabi, 2003).
- iv) Only agricultural yield that can be measured, durable and can be dried only is subject to zakah. This opinion is supported by Imam Ahmad (Ibn Qudamah, 1992).

The view of Imam Abu Hanifa is relevant today. This is because of the wealth of natural resources is not limited to certain types of plants only. In Malaysia crops and agricultural activities are also growing rapidly and the revenue should also be subjected to zakah such as sugar cane, pineapples, oranges and so on. This also can directly increase agricultural zakah collection in Malaysia and will improve our economy and relieve the needy Muslims from affliction. Al-Qaradawi (1994) in his book *Fiqh al-Zakah* agrees with Imam Abu Hanifa. He says:

"This is in line with the Quranic text and the Sunnah, and it is also coincide with the wisdom behind zakah legislation, and it is not a wisdom if Allah commands that zakah is mandatory upon farmers who grow barley and wheat, and exempt (from paying zakat) on the owners of citrus orchards, mango or apple"

There are Qur'anic texts which state that the obligation of agricultural zakah is one of general nature and not determining and specifying types of agricultural resources that subject to zakah. These can be found in surah al-Baqarah 2: 267, and surah al-An'am 6: 141. Similarly, in the hadith, Prophet s.a.w said that (al-Sarakhsi, 1978):

"At any irrigated (watered) with rain water, spring water or groundwater (reservoir) is to be imposed (zakat) of 10%, whereas at any irrigated with the help of energy is to be imposed (zakat) of 5%"

(Hadith narrated by Al-Bukhari)

Based on this opinion, all crops that were planted for the purpose of earning the revenue must be imposed zakat on it including green plants, such as vegetables and fruits which are not as durable and become rotten in a short time. This is because agricultural zakah will be imposed on every plant that has produce results, for example dried plants subject to zakah when it already dry, and wet plants subject to zakat when it is ripe (al-Qaradawi, 1994). zakah of greenery is to be taken based on its value and not by its physical appearance as a green plant quickly damaged and become rotten. Among those scholars were al-Zuhri, Maimun bin Mihran, al-Auza'I (Abu 'Ubaid, 1989), Ata 'Al-Khurasani, al-Sya'bi (al-Qarasyi, 1384H) and others. In addition, crops other than rice (especially in Malaysia) is seen more productive and bring wealth to entrepreneurs (Asmak A. R. & Joni Tamkin B., 2005). That is why it is appropriate that other agricultural products such as potatoes, bananas, palm and so on are subject to zakah.

Even so, there are things that need to be given an attention, namely in distinguishing forms of crops that subject to business zakah (ie crops grown intended for trading) and crops that subject to agricultural zakah. Therefore, it is suggested that a more detailed study is to be done to classify the types of crops in an effort to impose agricultural zakah on crops other than rice in Malaysia. Furthermore there is a willingness of people to pay zakah on agricultural products which were not in consensus (Sanep A., Hairunnizam W. & Wiyadi, 2006). This will allow the realisation of the addition of agricultural resources that are subject to zakah.

2- Coordinate Nisab for Each State

The differences in nisab rate for crops between states in Malaysia need to be coordinated. It is intended to ensure the socio-economic balance and stability of Muslims in Malaysia and meet the principles of justice in collection of zakat revenue. Nisab for agricultural zakah 5 *awsuq* and agricultural products that are less than the nisab is not subject to zakah, as the Prophet says,

"Anything less than 5 awsuq is not subject to zakah" (Hadith Muttafaq 'alaih)

In order to coordinate nisab for every state in Malaysia, we have to know how much is 5 *awsuq*. According to al-Qaradawi 5 is as much as 300 sa (bushels). This is based on a weak hadith¹ and the consensus by Ibn Munzir and others (al-Nawawi, n.d.). There was a question arise in determining the magnitude of a sa' (bushel). Scholars agree that the measure of sa' used is same as sa' that have been used in Medina, but they differ in identifying the magnitude of a sa'. There are two popular opinions regarding this issue. The first opinion is one sa' is equivalent to 5 1/3 pound of Baghdad, that is the opinion of fiqh scholars of Hijaz (al-Dasuqi, 1980; al-Nawawi, 2003; al-Khatib al-Syarbini, 2004). The second opinion is one sa' is equivalent to 8 pounds of Baghdad and that is the opinion offiqh scholars of Iraq (Ibn al-Humam, 2003; al-Qaradawi, 1994).

The selected opinion is one sa' is equivalent to 5 1/3 pound of Baghdad. Al-Qaradawi also has the same opinion (al-Qaradawi, 1994). This opinion is based on some evidences, among them is Imam Malik himself has measured in sa' the people of Medina who still remain until his time (al-Baihaqi, 2003). Abu Yusuf also has measured in sa' the population of Medina after he finished the pilgrimage, until he changed his opinion to accept the opinion of the people of Medina (al-Baihaqi, 2003).

¹Rasulullah s.a.w said: "wasq is equal to 60 sa'" (Narrated by Ibn Majah)

However, there was another problem arise which is regarding the current calculation (kg) for 1 pound of Baghdad. Therefore it is necessary to get an accurate count of 1 pound of Baghdad based on Malaysian's measure. However, there are two alternatives to coordinate the nisab of agricultural zakah;

- 1) Al-Qaradawi has done the nisab calculation of 5 *awsuq* based on current calculation. He found that 5 *awsuq* is equivalent to 653 kg of grain. This weight rate can be used (made an analogy) in calculation of nisab for rice (Sayed Sikandar S. H. Mek Wok M., 2011).
- 2) Choosing a rate which was determined by each state to be made as an appropriate nisab applied in Malaysia. The most suitable nisab rate is 363 bushels of rice which is equivalent with 1300 kg of rice. These are the scales that need to be coordinated for every state in Malaysia.

The nisab rate of 5 *awsuq* is suitable for agricultural produce which can be measured. For agricultural produce that cannot be measured by using the sa', they should be counted using the currency value of 5 *awsuq* of the medium value of grain. The value of the goods is different in each country, so the determination shall be under the responsibility of every scholar in that particular country (al-Qaradawi, 1994). For example, nisab rate for sugar cane is base on the value of 5 *awsuq* of rice, or it is about 653 kilograms (kg) of rice with a modest price. Modest price is used as a measure in order to preserve the two interests, namely the interests of the poor and the rich (al-Qaradawi, 1994).

3- Assessment on Crops

Assessment is done on the crops to determine the amount that have to be paid as zakah by the farmers earlier (Mahmood Zuhdi A. M., 2003). Assessment on crops is necessary, and even recommended to be performed according to Muslims jurists, therefore the government should establish the officer or employee to do the assessment work (Ibn Qudamah, 1997; al-Nawawi, n.d.). The main objective in doing the assessment is to give freedom to the owner to do any business on their agricultural products (Mahmood Zuhdi, 2003).

However, in this issue there are two distinct opinions, namely those who say that it is valid to use such assessment methods while the other group says it is void. These groups are:

- 1 - Majority of scholars'. According to the majority of scholars' the use of assessment methods are valid, and they argue based on hadith of the Prophet saw (Ibn Qudamah, 1992).
- 2 - Imam Abu Hanifa's view was different from the majority of scholars. He disagree with the opinion that the assessment method is not valid. He contended that the assessment method is a form of estimation and guesswork and these cannot be used as a source of law (al-Qaradawi, 1994; al-Syaukani, 2005).

The accepted opinion is the opinion of the majority of scholars because there are clear texts to support this opinion (al-Syaukani, 2005). But it should be emphasized that this assessment is not binding. The owner of the crops may reject it (assessment amount) if it is not accurate compared to the actual amount after been measured. Al-Shirazi states that if the errors (assessment) claimed was too much until it reaches one third or one fourth then the claims should be rejected. If the alleged error is in a reasonable rate, the claim should be accepted accompanied with oath (al-Syirazi, 1995).

Initially this assessment is done upon dates and grapes only. Regarding agricultural products other than dates and grapes, majority of the scholars are against the opinion that they cannot be assessed, while al-Zuhri, al-Laith and al-Auza'i opine that assessment methods can be made upon them (Ibn Qudamah, 1992). Imam Yahya also said that assessment is allowed (harus) on crops (other than fruits) for an assessment done on the crop (other than fruits) because of maslahah (al-Syaukani, 2005).

It is proposed that assessments are to perform on all types of agricultural resources that are eligible for zakah. It can smoothen the zakah agricultural accounts, ensure the conformity of the farmers to pay zakah, make it easier for farmers to do business on their agricultural products as well as it can facilitate the responsible bodies (zakah collectors) in the implementation of agricultural zakah.

4- Zakah on Landlord and Tenant

In Malaysia, the practice of renting a land has been practiced since long time ago, and this includes renting an agricultural land. The question arise as to who are the party that is responsible to pay the zakah. Whether it is on the landlord due to his possession on that land and he obtained benefit from the tenancy or on the tenant because apparently it was he who worked the land until he gets the profit from his activity on particular land.

Fiqh scholars also have different views pertaining to this issue. Basically, there are two main views:

- i) View of Imam Abu Hanifa: Imam Abu Hanifa said that zakah is only to be imposed on landlord (al-Kasani, 2003; Ibn al-Humam, 2003). The reason behind this view is that agricultural zakah (*'usyr*) was compulsory on productive lands, not on grains or crops themselves (al-Sarakhsi, 1978; Ibn Qudamah, 1992; al-Mawardi; 1999), another reason is that *'usyr* is imposed on the benefits of the land, and such benefits are actually handed over to the landlord in the form of rental payments, and tenancy is a substitute to the benefit that obtained from the land. Therefore, zakah is imposed on the landlord based on "*the law of based method that can replaced the law*" to take legal matters replaced (al-Sarakhsi, 1978).
- ii) View of majority (jumhur): majority of Muslims scholars are in the opinion that zakah is only to be imposed on the tenant. It is because zakah is made compulsory to be imposed on crops and not on that particular productive land (Ibn Rusyd, 2009; al-Nawawi, n.d.; al-Mawardi, 1999; Ibnu Qudamah, 1992; al-Qaradawi, 1994).

Ibnu Rusyd has made an explanation as to the different basis of these two views. He said that the different views of this issue are due to whether the zakah is the right of the land or the right of the crops or both. None of these scholars viewed that zakah is the right of both, while it is actually the right of both (the land and the crops). They are in the opinion that zakah must be right of one between the two, and the issue arose was that which one of these two things must be given a priority to be imposed zakah on it. Hence, the majority of the Muslims scholars opine that zakah is to be imposed on the crops while Imam Abu Hanifa's view is that it is to be imposed on the origin of the seed i.e.: the land (Ibn Rusyd, 2009).

After some examination, it is found that the explanation presented by Ibn Rushd has it's own merit. Therefore, it is wise and proper if zakah is to be imposed on landlord and tenant. Through this method, it is able to increase the revenue of zakah in Malaysia and at the same time able to improve the Muslims economy. This opinion has been supported by the prominent contemporary Muslim scholar, Dr. Yusuf Al-Qaradawi, where zakah should be imposed on land and crops and not only on one of them. It means both landlord and tenant are responsible to pay agricultural zakah (al-Qaradawi, 1994).

However, there is another question arise on how both landlord and tenant are supposed to pay the zakah together. The followings are the calculation methods proposed by al-Qaradawi:

Initially, rent imposed on the tenant must be deducted and considered as a debt beared by the zakah payer. It means all kinds of debt and management funding must be deducted first from the agricultural proceeds, only then zakah will be calculated on that balance if it attains nisab. And the rate of zakah would be either 10% or 5%.

For example, a man is renting a piece of paddy field for planting paddy at the amount of 20 junaih. The proceeds obtained from the plantation are 100 irdab which is for every irdab it amounts to 4 junaih. Thus, the tenant must deduct 50 irdab from that proceeds for the purpose of paying the rental ($50 \text{ irdab} \times 4 \text{ junaih} = 200 \text{ junaih}$) for ten months (10 months \times 20 junaih = 200 junaih). For instance, if the tenant had used 40 junaih (equal to 10 irdab) for the purpose of management, this amount also must be deducted. Hence, after all required deduction have been done, and as for the amount left in the hand of tenant which is 40 irdab (attain nisab), he must pay off 5% (or 10% according to irrigation method) from that 40 irdab as zakah which is amounting to 2 irdab.

Whereas the landlord must pay zakah from the rental payment that he obtained i.e.: 200 junaih. For example, the landlord must pay tax or also known as kharaj amounting to 40 junaih, therefore 40 junaih must be deducted from 200 junaih. Thus, as to the balance of 160 junaih (attain nisab), it is a must for him to pay off 5% from 160 junaih, i.e.: 8 junaih (al-Qaradawi, 1994). However, if after rental payment and all management fees has been deducted but still the balance from that proceeds has not attain the nisab, thus he is not required to pay the zakah.

In this issue, it can be seen that the landlord is not required to pay zakah out of agricultural produce, but he must pay zakah out of rental payments received from tenants who worked on that particular land. When the rental payment obtained attained nisab rate (ie:RM 1470.15) then he is obliged to pay the zakat of 10% or 5% out of that money. If there is a debt incurred, tax (kharaj), or living cost, the landlord shall deduct all of these amounts first before zakat is calculated on him (al-Qaradawi, 1994).

Another example is that² a tenant has rented a piece of land with a rental price of RM 200. He has been working on paddy field on that land. Revenue earned is 600 bushels of rice. He also made use of RM 300 to finance the management of that plantation.

Nisab for agricultural zakah is 5 awsuq and in Malaysia it equals to 363 bushels (PPZMAIWP) which is equivalent with 1300 kg (e-fatwa), so 600 bushels \times 3.58 kg = 2148 kg. 1 kg of rice = RM 1.80, so 2148 kg \times RM 1.80 = RM 3866.40. Then, from this amount of RM 3866.40, the rental price of land and management financing incurred by the tenant (farmer) which is amounting to RM 500 must be deducted first. So the net income left in the hands of tenants is RM 3366.40. Nisab rate for agricultural zakat in Malaysian ringgit is RM 2340 (363 bushels = 1300 kg \times RM 1.80 = RM 2340), so the amount of RM 3366.40 earned by the tenant beforehand is more than nisab, therefore, he must pay zakat up to 10% or 5% from that RM 3366.40. See table 2 below for further clarification;

Table 2 Zakah calculation imposed on the tenant³

Calculation :		
	RM 3866.40	(Agricultural proceeds obtained by the tenant)
	- RM 300.00	(Land rental)
	- RM 200.00	(Management)

	RM 3366.40	(Net proceeds and exceed the nisab [RM 2340])

Thus, 5% or 10% from RM 3366.40 must be paid as zakah.		

If after rental and management financing has been deducted, and the remaining balance does not reach nisab, then zakah is no longer required on the tenant. On the other hand the landlord is not obliged to pay zakah out of agricultural produce, but he must pay it out of the rents that he received from tenants who worked on that land. When the rental payments that he obtained reach the nisab (ie of RM 2340.00) then he is obliged to pay zakat of 10% or 5%. If there is a debt incurred, he must deduct that debt first, pay tax (kharaj), and also deduct the living cost before zakat is to be imposed on the balance (al-Qaradawi, 1994)

This opinion is seen to be in line with the principles of justice and tolerance. Tenants pay zakat out of crops and fruits which God bestowed upon him after deducting rent, debt and other management financing, while the landlord shall pay zakat out of profits that he obtained through the renting of the land after deduction of debt, kharaj and so on. With the consideration of the fair duties between the two, what is best from the opinion of Abu Hanifa and the opinion of majorities is to be taken. Zakah is imposed based on their respective ownership, therefore, there is no issue of paying two zakah on the same source (al-Qaradawi, 1994). In conclusion, this method should be applied in Malaysia to increase the collection of zakat and to empower zakah on agriculture.

■ 2.0 CONCLUSION

Zakah has important role in Islam and this can be seen when it is one of the five pillars of Islam. It is not merely an ibadah as an evidence of faith to Allah, but more than that it brings betterment for the life of Muslims. Empowering zakah means empowering the Muslims. Through

²Based on Malaysia calculation.

³From researcher analysis.

the effort of empowerment of zakah, it provides many benefits to the community, among others it can improve the standard of socio-economy of the Muslims, ensure the rounding wealth among the people, assist the needed persons especially those who live in poverty and etc.

For these reasons, the various fields which are responsible for the management of zakah need for some reform and must be empowered especially from the aspect of zakah resources, collection methods, and zakah distribution as well as to improve the productivity of zakah property. This paperwork provides some suggestions and proposals that worth to be given attention in order to strengthen and empower zakah on agriculture in Malaysia. It is because zakah institution in Malaysia likely not emphasize on *agricultural zakah* innovation while the scope in *fiqh* is much wider. Therefore, there should be further research conducted for the realization and execution of proposals and ideas that have been submitted.

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