

Poverty Alleviation of Micro-small Enterprises Recipients of Zakat through Financing of Zakat Organizer Institution in Makassar

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Abstract

This study aimed to explain the factors that affect the ability to pay zakat for micro and small entrepreneurs who receive zakat funds from BMT, a type of zakat organization. This study focuses on how to improve the status of recipients of zakat funds, meaning that Mustahiq (recipients) will become Muzakki (payers), so this study only discusses productive zakat. The results of the study using logistic regression showed that religiosity, capital, business knowledge, education, length of business, customer duration, paying zakat had a significant and simultaneous effect on the ability to pay zakat. Separately, the duration of business has the greatest effect on the dependent variable, while the payment of sedekah has no effect. Furthermore, it was found that Mustahik had not been able to change his status to Muzakki through the provision of capital funds from BMT. This fact is supported by the results of the previous regression analysis.

Keywords

zakat; micro small enterprise; poverty (Mustahiq)



I. Introduction

Islam requires zakat as obligatory for the five daily prayers and the other three pillars of Islam. This zakat is included in the fourth pillar of the 5 pillars of Islam which is obligatory for a convert, if he has fulfilled the specified conditions. Thus the importance of this command of zakat, in the Qur'an is often referred to along with the command to pray. If observed in depth, about 30 times Allah mentions Salat, 27 of which are followed by the command of zakat, showing that the position of zakat is very important in the building of Islam. For example in Surah Al-Baqarah, verse 10 is ordered to establish prayer and pay zakat. Likewise, for example in Surah Al-Bayyinah, verse 5 it is stated that they are not commanded, except to worship Allah sincerely, perform prayers and pay zakat. Furthermore, the provisions for issuing zakat, including nisab and haul, if it has been fulfilled, it is obligatory to issue 2.5 percent for zakat of certain goods, such as money and gold, to be given to people who are entitled to receive it. This means that there is a transfer of wealth or rich people or Muzakki to poor people, Mutahiq who are expected to in turn become Muzaqqi in the future. Thus poverty will gradually be overcome and zakat as social assistance and business capital is expected to provide an impetus for economic growth and equitable development so that in turn the welfare of the community is achieved or increases as a whole. One thing that distinguishes Islamic economics and conventional economics is the view of money function (Zahara, 2020).

Basically, the zakat paid can be divided into two parts, namely consumptive zakat and productive zakat. Consumptive zakat, which is short-term in nature, is intended to address urgent needs or needs for clothing and food. Other uses are for example for the treatment of the poor, especially for maintaining health, including buying medicine. While

productive zakat which is long term, managed by the Amil Zakat Institution (LAZ), is a private organization, where zakat is used for community empowerment, especially for the development of small-medium industries. Various LAZ institutions have emerged in Indonesia to accelerate the receipt and distribution of zakat funds to those who are entitled to receive them. With this productive zakat, it is hoped that it will be used for community empowerment to have a direct or indirect impact in supporting economic growth in an effort to overcome poverty.

The obligation of all Muslims to be carried out as obedient servants of Allah is to issue part of the treasures to be tithed as an expression of gratitude to Allah who has always given endless gifts, mercy and abundance of wealth. The obligation of zakat has been taught by the Prophet Muhammad (Marpaung, 2020). Zakat have role in economy in society, as it is the one function to drive economic growth. Zakat its self has meaning growing of the consumption for the weak people, and then to all of groups and finally make the growth in the nation. Zakat is one to drive the growth, and the other ones to the income distribution and welfare, so poverty can be pressured (Amuda, 2013); Kasri, 1917); Prathap, 2018 Ayuniyyah, 2018). Typically, the payment of zakat has a healthy impact on the Muzakki (givers), the Mustahiq (recipients) and the society at large or for all society generally (Ahmad and Mahmood, 1916). So Zakat is not only an obligation for the Muslim but it also has the goal of improving the economy conditions in society. There is the movement of wealth from high income society to low income society in zakat, so the income will not be concentrated in a certain society (Darsono, 2019). So Zakat is very helpful for the government in dealing with various social problems, including government education and health programs found well-implemented, while the other facets including economy and social-humanity still need more improvement within (Fikriyah, 2018).

This research was conducted in Makassar, the capital city of South Sulawesi Province, which is one of the regions in Eastern Indonesia, where the majority of the population is Muslim. As the nation of the majority of Islam, Indonesia have big potensial zakat, so the receiving must be increasing because it is viewed as very small can be received nowadays, although it grow positively. Not like the minority if Islam which have a little potensial of development to nations like in Philippinem where the management of zakat has failed to eliminate or reduce the poverty (Alizaman D., 2018). In Indonesia, efforts still need to be made to develop the effectiveness of zakat management, especially in terms of cooperation between the government and private zakat managers, which are still classified as low by the rules set unilaterally by the government (Halimatusa'diyah, 2015). In Malaysia, the administration of Islamic alms (zakat) funds in Malaysia underwent spectacular transformations since the 1990s, shaped by the appropriation of marketized forms of management and a skyrocketing growth of collection and distribution rates. Simultaneously, local zakat funds are increasingly used to pursue targets of sustainable poverty reduction, such as the empowerment of micro-entrepreneurship (Muller, 2016).

The receipt of the zakat in Indonesia was increased from year to year. This fact can be showed, by 2015 number of receiving of zakat was 4.3 trillion rupiah. This value was increasing in 2016, it was 5.73 trillion rupiah. Furthermore in 2017, the zakat received became 6.2 trillion rupiah and by 2018 can be realized 8.1 trillion rupiah, or increasing 32.12 % from the previous year, and in this year zakat predicted about 9 trillion rupiah (Baznas, 2018; Baznas, 2019). Besides Baznas which is managed by the government, there is also the Amil Zakat Institution (LAZ) which is managed by religious organizations using social media. In this case, zakat is easily given directly by Muzakki through social media such as organizations carried out by Sedekah Rombongan and Dompot Duafa. This

indicates an acceleration of the receipt and distribution of funds, especially for the poor who really need help, such as suffering from illness and requiring moral assistance (Kailani, 2019). Apart from that traditionally, there are still many Muslims who pay zakat in cash not to the Amil, but directly to the individuals who are entitled. This kind of zakat is far more effective in addressing poverty and empowering the poor than the status quo (Hussain, 2021).

Development of micro and middle enterprises is the one way that can be done by government and stake holder to drive growth and alleviate the poverty (Tambunan, 2011); Geremewe, 2018); Taiwo, 2013). As known that this enterprises can offer employment and it is not must have big capital and high skill. So it is better to be an instrument to alleviate the poverty.

Indonesian government poverty alleviation program could not give a significant change to reduce poverty, it needed a support from other sub-system, such as zakat (Al Arif, 2013). But it is contradiction to some results of the studies. The study carry out Embong 2013) explain, if zakat managed effectively and efficiently, should be able to reduce the gap between the rich and the poor. But the fact showed that zakat has failed to reduce poverty due to various including inaccurate database asnaf (the eight groups of zakat recipient), attitude of amil and geographic distance to asnaf (Othman and Mohd Noor, 2012 in Embong 2013). However, if zakat is managed with a good program with the right approach, it can reduce poverty (Ariyani, 2016).

Zakat through Islamic micro-finance institutions (MFis) can be used as the one of alternative approach to alleviate poverty problems. Zakat, the charity form will be continuous because of brotherhood, local beneficiaries (decentralization) and volunteer service. Zakat paying by MFis will not also increasing consumption but productivity as well so will give the wide chance to gain social needs and economic benefit for the poor. It can help to minimize the loan and reduce income distribution so the poor can be more productive in order to be not dependent to the richer people (Ismail, 2013). In Banglades, ther was microcredit aim to reduce proverty and In Malaysia, there is Amanah Ikhtiar Malaysia's (AIM) microcredit programme on low-income households' income, poverty rate, and vulnerability in Peninsular Malaysia, it has participation in AIM's microcredit program leads to an increase in household income and reduces both the poverty rate and level of economic vulnerability (Roodman, 2013; Mazumder, 2015).

Management of zakat can be form of giving the fund to the micro and small enterprises (MSEs) to begin or develop the business because of the weakness in the capital and knowledge. The one way to help the businessman is using the zakat as the fund for them which is so called productive zakat. This system has been practiced at some of locations in muslim populated countries, for example Nigeria and Indonesia. To help the enterprise in this nation by using mudarabah, musyarakah, murabahah dan muzarahah systems. This mudarabah system is one of instrument used and intended to alleviate the poverty (Amuda, 2013). So In addition to religious value, zakat funds can help to decrease poverty within a community (Tariq, 2017).

The zakat mall can be form of productive or consumptive zakat which is enjoyed Mustahiq generally. However making continuity of benefit of productive zakat is most important for the people, especially for the poor, so it can be the one way to increase the economy of them. So Mustahiq will have to upgrade living of social to get welfare (Nasution and Prayogy, 2018). In this way, syariah financing institution have the obligatory to do the economic activity based on Al-Quran and Al-Hadis, the opposite side with conventional financing. One of syariah institutions is Baitul Maal wat Tamwil (BMT), one of the zakat organizer or syariat micro-financing institution. There are many

principles or systems that can be done to accommodate the need of the costumer (Nasabah), for example profit sharing and hering, so the appropriate principle for micro financing is profit sharing. Mudarabah (profit sharing) is seen as an alternative mechanism in financing techniques that differentiate it from the conventional financing that consist interest mechanism (Sapuna, 2016). In the syariah financing institution for example BMT, the akad used can be mudarabah, musyarakah and murabahah and the system which can be applied are profit sharing and loss-profit sharing. This method for Islamic transaction can be use to the MSEs, so the nasabah can use the fund from the zakat which is managed BMT. By utilizing productive zakat, Mustahiq (recipient of zakat) is expected to be Muzakki (payer of zakat) in the future, managed by LAZ (including BMT), so the alleviation of poverty can be realized in the society.

II. Review of Literature

2.1 Zakat

In Islam there are three terms for charity, namely zakat, infaq and sadaqa. Zakat is the portion of property that must be paid by a Muslim with cetain rules, for example the nisab of 2.5%. While infaq is property issued for the benefit of Islam in general. Then sadaqa is the giving of wealth to a Muslim without limits on time, place and quantity. The difference is that zakat is included in the pillars of Islam, so the law is mandatory. While infaq and sadaqa are not included in the pillars, so the law is sunah. Furthermore, in the Qur'an, Surah Attaubah verse 60, it is explained that there are 8 groups of recipients of sadaqa. So actually zakat is the minimum size of sadaqa of assets that must be issued by a Muslim who has met certain rules.

There are same of verse in Al-Quran show the obligatory of zakat for example Al-Baqarah, verse 2 and 43 and at last Allah SWT state 32 times, so the Muslims who do not perform the obligatory will have punishment, as mention in Q.S Attaubah (34-35). Reality, zakat have two dimension, the one is vertical relation to Allah SWT and the other is horizontal relation to human being, so Zakat have 3 dimension i.e.; morality, social and economy. These three dimensions are society-building, whereas the Prophet (SAW) emphasized business as a form of economic transaction with deep social and spiritual dimensions (Mohiuddin, 2017).

Zakat can defined in fiqh (Islamic jurisprudence) is the number of certain heritage which Allah make compulsory to give people who have right to receive (Al-Qardawi 2000). Then, The people who have right zakat, Asnaf are needy, poor, amil, Mualaf, Ar-Rikab, Ghaarimin, and Ibnu Sabil (Qur'an: 9;60). This need for explanation, specifically for the difference between needy and poor. Zakat specifies various important aspects related to implementation such as the zakah payers (Muzakki), the requirement of zakat (including the types of zakatable assets, rates of zakah, time to pay the zakat obligations, the minimum requirement to pay zakah or nisab of zakah, etc.) and the zakah recipients (Kasri, 2017).

2.2 Productive Zakat and Empowerment of Mustahiq

Generally, zakat can be divided into zakat fitrah, as so called zakat nafs (soul) and Zakat Maal (wealth). Furthermore zakat maal can be form of consumptive or productive expenditure. Consumptive zakat is for short run for the recipient whereas productive zakat aimed to aid recipient so he/she can able to pay zakat in the future, so the zakat can be benefit to all people in society. So Muslims men or women should work to increase family income to consume, savings and zakat because in Indonesia there are no more obstacles if

women want to work, or become entrepreneurs as long as their husband's permission because of working Muslim women are playing a key role in moderating Islamic theological interpretations and perceptions of Islamic womanhood in contemporary Indonesia (Fauzia, 2016). Then the productive zakat concept appears as a solution to the inability of the concept of conservative zakat in reducing poverty and minimizing economic disparities (Indra, 2020). Furthermore there is a positive and significant influence between productive zakat and Mustahik welfare, there is a relationship between micro-business growth and mustahik welfare and also simultaneously (Nasution, 2019).

Qardhawi (2000) explained that productive zakat is the effort to increase the economy of the poor by focusing to empowerment of the resources by training which upgrading skill so the recipients become self-supporting. This means that helping Mustahiq to be Muzakki in the future. Generally there are two some schematic forms of productive zakat, Al-qard Al-hasan and mudarabah. The first is not obligatory if the enterprise is fail or bankrupt. So the giver must be careful to give the zakat. Productive zakat is the kind of maximum utilizing of zakat by using some programs which have positive impact to the people, specifically to the muslim society (Khasanah, 2010).

Zakat, as a tool for economic empowerment can play a significant role in building microenterprises owned by the financially disfranchised in developing countries (Anis and Kassim, 2016). Generally community empowerment is a solution to suppress the poverty rate and possible for reducing inequality and ending it in Indonesia (Rani, 2021). Furthermore Ismail (2013) explain that zakat through Islamic micro-finance institutions (MFIs) can be used as the one of alternative approach to alleviate poverty problems. Zakat, the charity form will be continuous because of brotherhood, local beneficiaries (decentralization) and volunteer service. Zakat paying by MFIs will not also increasing consumption but productivity as well so will give the wide chance to gain social needs and economic benefit for the poor. It can help to minimize the loan and reduce income distribution so the poor can be more productive in order to be not dependent to the richer people. Empowering Mustahiq have indikator: Increasing income, self-supporting, work ethos and spiritual (Siswanto and Kasim, 2014; Mahmud, 2015). Mustahiq after receive zakat fund is expected to have income larger than before. Not income only must be larger but also the ethos and spiritual as well.

III. Research Methods

3.1 Population and Sample

The Population of the research was all of customer of BMT in Makassar city and there were 720 entrepreneurs. Sampling was carryout in two stages. The first is to pay attention the characteristics of population, so population target can be determined. The second stage was to take sample from the groups selected. In this study 3 groups or organization were taken, i.e.: Sinar Surya BMT cooperation, Al Markas BMT and BMT Al Amin. There were 246 Nasabah (enterprises, costumers) in these three groups. Using Slovin's formula, the resulting sample size was 152 respondents. The sampling technique in this research was two stage simple random sampling. The margin of error used in this technique was $\alpha = 0,05$.

3.2 Analysis Data

This study have two aims, the one is to explain descriptively how Mustahiq can be Muzakki The descriptive analysis using to explain characteristics of responden, especially

how Mustahiq to be Muzakki after receiving zakat fund from the BMT. The one is to study the factors affecting the zakat paying ability.

If p is the probability that x for cases equals 1, p (y=1, ability to pay zakat), and (1-p) is the probability for the case equal 0, 1-p(y=1, unable to pay zakat). Ratio p/(1-p(y)) named the odd and $\ln(p/(1-p(y)))$ named logit, mathematically it is expressed as follow:

$$\left(\frac{p}{1-p}\right) = e^{\beta_0 + \beta_1 x}, \quad i = 1, 2, 3 \dots n$$

.....(1), e, the base of the natural log, 2.71828...

Equation (1) can be expanded to k variables, so for 8 independent variables, equation (1) can be expressed

$$\left(\frac{p}{1-p}\right) = e^{\beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 + \beta_5 x_5 + \beta_6 x_6 + \beta_7 x_7 + e_i}, \dots\dots\dots(2)$$

And from equation (2), if β_i is solved, p can be determine as

$$p = \frac{e^{\beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 + \beta_5 x_5 + \beta_6 x_6 + \beta_7 x_7 + e_i}}{1 + e^{\beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 + \beta_5 x_5 + \beta_6 x_6 + \beta_7 x_7 + e_i}}, \dots\dots\dots(3)$$

Odds ratios > 1 indicate a positive relationship between independent variable and dependent variable (event likely to occur), Odds ratios < 1 indicate a negative relationship, the beta in equation (3) is (coefficient values of the model is the odd ratio equal e^β . So equation 2, the binary logistic regression, is expressed as follow:

$$y_i = \ln\left(\frac{p}{1-p}\right) = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 + \beta_5 x_5 + \beta_6 x_6 + \beta_7 x_7 + e_i \quad \dots\dots(3)$$

Whereas, y_i is ability of paying zakat, have property which fulfill nisab¹, X_1 is religiosity, X_2 is capital, X_3 is business knowledge, X_4 is education X_5 is duration of enterprise X_6 is duration of nasabah (costumer, Mustahiq), X_7 is paying sadaqah (1,0) and e_i is the error terms.

IV. Results and Discussion

4.1 Profiles of the Respondents

Table 1 summarizes profiles and characteristics of zakat recipient were consist of micro-small entrepreneurs. It is revealed that most of the respondents are male and there are more of them are able to pay zakat than those who cannot after receiving the fund. Business knowledge was relatively moderate and education was relatively uneducated (level up to junior high school). The table also shows that indicator 3 of religiosity is the highest. It means that respondents pray diligently but not yet pay zakat generally.

It was very interesting because of the person do not pointless work, he will many time to do something, better work. So he/she can earn more money in the way to pay zakat. The person have high religiosity can be living saver so the wealth maintained and the latest can managed it, so he/she have chance to do the work better because of fear to Allah. So the income and zakat can be increased. Allah SWT said: ...and whoever fears Allah he will make for him a way out and he provide for him where does not expect (Qur'an: 66; 2-3).

Refunding mean that respondents can be able to pay back the fund, because the fund is rolling of. The tabel show there are 77.47 % respondent can be able to pay back the fund on time and the reminders 22.53% is unable to pay back on time. The are many reason why

they can not pay zakat on time, the one is that their business does not run as expected, for example selling loss. It's a sign that they have not been able to become Muzakki.

Religiosity includes experimental ritualistic, ideological, doctrinal and so on. In this operational variable, it is defined as follows: 1) Praying some times and do not pay zakat 2) Praying every 5 times a day and do not go to mosque and not pay zakat. 3) Praying every the five times at mosque and pay zakat 4) Praying and every 5 times at mosque and pay zakat but the pillar of Islam are not done perfectly. 5) The pillars of Islam are done perfectly.

Table 1. Descriptive of the Respondents

Variables	Indikator	Frequency	Percentage
Gender	1	85	55.92
	0	67	44.08
	Total	152	100.00
Zakat ability	0	111	73.03
	1	41	26.97
	Total	152	100.00
Religiosity	1	9	5.60
	2	32	21.10
	3	45	29.60
	4	36	23.90
	5	30	19.70
	Total	152	100.00
Capital (Milion Rp)	<=30	47	31.00
	31-40	68	45.10
	50-70	28	18.30
	>70	9	5.60
	Total	152	100.00
Business knowledge	1	15	9.90
	2	36	23.90
	3	75	49.30
	4	19	12.70
	5	7	4.20
	Total	152	100.00
Education	not elementary school	4	2.80
	Elementary school	28	18.30
	Junior high school	73	47.90
	Senior high school	41	26.80
	College/University	6	4.20
	Total	152	100.00
Paying sadaqah	0	111	66.45
	1	51	33.55
	Total	152	100.00
Duration of Enterprise	<=1	58	38.03
	2-5	68	45.07
	>6	26	16.90
	Total	152	100.00
Refunding	0	34	22.53
	1	118	77.47
	Total	152	100.00

4.2 Factor Influencing the Ability of Paying Zakat

The result of processing data by using SPSS Packet are as in Tabel 2 and Tabel 3.

Tabel 2. Hosmer and Lemeshow Test and R²

	Chi-square	df	Sig.	Nagelkerke R Square
1	7.271	8	0.508	0.871

Tabel 3. Variables in the Equation

	B	S.E.	Wald	Df	Sig.	Exp(B)
Religiosity	1.074	0.606	3.137	1	0.077	2.927
Capital	0.154	0.088	3.052	1	0.081	1.166
BusinessKnowledge	1.305	0.725	3.239	1	0.072	3.686
Education	1.528	0.763	4.006	1	0.045	4.608
EnterpriseDuration	1.217	0.553	4.837	1	0.028	3.376
CustomerDuration	1.572	1.154	1.855	1	0.173	4.818
PayingSadaqah	1.21	1.406	0.74	1	0.39	3.352
Constant	-30.022	12.603	5.674	1	0.017	0

Variable(s) entered on step 1: Religiosity, Capital, BusinessKnowledge, Education, EnterpriseDuration, CustomerDuration, Paying Zakat.

The result of data processing showed that test of fit model used Hosmer and Lomeshow test expressed by value of Chi-square (Tabel 2). The value is 7.271 with probability 0.508 greater than $\alpha=0.05$. This has meaning that data or observation was suitable with the model so the model can be used to predict values of observation. Furthermore in same table, we can see that value of coefficient of determination by using Nagelkerke $R^2 = 0,871$, meaning that independent variables are capable to determine increasing or decreasing the value of dependent variable, ability of paying zakat or influence of all the independent variable on the dependent variable is 87.1% and the reminders 12.9 % were the another variabel which is out of the model. Furthermore, from the tabel 3, the model can be expressed as

$$\ln\left(\frac{P}{1-P}\right) = -30,02 + 1.07X_1 + 0,15X_2 + 1,31X_3 + 1,53X_4 + 1,22X_5 + 1,57X_6 + 1,21X_7 \quad \text{.....(5)}$$

Table 3 show that all the variabel in the model have a positive relationship to the dependent variable. Capital and religiosity influenced on ability paying zakat in confidence level $\alpha=0,10$. The coefficient logistic 0.15 of capital meaning that every increasing capital one percent will cause increasing the dependent variable is at amount of 0.15 -1= -0.85, which is $0.43 = e^{-0,85}$ while $e = 2.7183$ (see the latest column of tabel 2). The meaning is that increasing the capital one % caused ability to pay zakat 0.43%, if the other variables constant. It can be meaning if the capital increased one time fold, the ability to pay zakat increase 0.43 time folds. Then Religiosity as well as capital has a positive influence on the ability to pay zakat, so it can be said that the higher the capital and religiosity, the higher the ability to pay zakat. Religiosity includes attitudes and values so that this fact is supported by research which states that the attitudes and values of a society play a significant role in entrepreneurship development as they influence and shape the environment within which entrepreneurial activity takes place (Elfakhani, 2013).

Education affected the ability to pay zakat positively and significantly at the level of confidence $\alpha = 0.05$. This is similar to the research conducted by Jamil Sayyed (2016) in Bangladesh which started that education has a considerable impact on poverty conditions, including the shortcomings and weaknesses of Mustahiq). Business duration has an odd coefficient of 3.38 which is the most powerful variable of all variables. This variable affects the ability to pay zakat at the level of confidence = 0.05. The effect of education on the dependent variable is significant. This is in accordance with the results of economic research in general (positive economic activities, such as production and consumption. However, this fact contradicts research findings which show that there is a negative effect on Mustahiq's business growth (Widiastuti, 2021) with the assumption that business ability to pay zakat also increased.

Business knowledge and length of business affect the ability to pay zakat significantly at the level of confidence $\alpha = 0.10$, while paying shadaqah has no effect on the dependent variable.

4.3 Increasing status of Mustahiq

The result of data processing descriptively in table 1 shows that the number of responden have been able to pay zakat after receiving financing from BMT was only 41 persons, so it was showed that there were only 26.97 percent were able to pay zakat. This means that the number of responden who were increasing the status from Mustahiq to Muzakki, although in the same table it is also seen that respondents who have been returning funds are far more than those who have not returned funds and the others have not returned them at all. But it was also shown that there are 7 respondents or 4.60 percent to be decreasing status from Muzakki to be Mustahiq or to be back to original status. Therefore there were 94 persons or 61.84 percent of respondents have no change in the status. This fact showed the status of increasing from Mustahiq to be Muzakki is less then unchanged Mustahiq status.

This fact was appropriate with the analysis by using binary logistic model regression which was shown that influence of paying zakat to ability of paying zakat is not significant. Qualitative research of Zulkarnain, (2021) shows that the LAZ Program, Lazismu Solo has not been able ideally to hange the status of Mustahiq to Muzakki, although the implementation of the program can be seen as successful in terms of efficiency and effectiveness.

V. Conclusion

Based on the on the descriptive analysis, the funding to Mustahiq from BMT can not yet be able to change the status of Mustahiq to Muzakki generally, because of percentage to being Muzakki, less than statuesque plus decreasing of the status in Makasar. Furthermore, the research result show that religiosity, capital, business knowledge, education, duration of enterprise, duration of costumer, paying zakat influence on zakat ability significantly and simultaneously. Furthermore separately, enterprise duration was the most big influence of all the independen variable on ability to pay. Customer duration and paying zakat were not influencing on zakat ability and the last The result also showed that being Mustahiq to Muzakki is not significant statistically, mean that financing of BMT not yet had capability to change status Mustahiq to Muzakki.

In the term of policy implication and base on the result of study, it is recommended to the BMT in Makassar make sure management and beside that to increase the soul entrepreneurship and make business of costumer grow through by training. To take care

business development continuously, by giving information and knowledge of business to the micro scale enterprise. Furthermore, this scientific activity is expected to provide further wider and deeper research, especially the addition of gender and COVID-19 as one of the variables determining the ability to pay zakat by recipients of the funds.

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