E-Zakat: Breakthroughs and Innovations in Information Technology in Increasing Zakat Receipts in Indonesia

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ARTICLE INFO	ABSTRACT
	Zakat is one of the obligations that need to be carried out by Muslims. Baznas has made significant advancements and advances in the zakat program through the use of digital technology, such as online zakat payments. It is the goal of this research to determine whether or not the digital zakat system's installation and impact on Baznas's acceptance of zakat funds. As a result of the study, Baznas and muzakki can save time and money by digitizing zakat and using it to collect zakat funds digitally. The collecting of zakat funds should also be made more open to the public, transparent, enormous, and effective. Through bank transfers, websites, QR code scans, and social media, Baznas aims to digitize zakat. Due to lack of socialization and promotion by Baznas to the community and some people's unwillingness to pay their zakat digitally, the community hasn't felt the full impact of the digitalization system from its website and QR code.

I. Introduction

Modern science and technology's rapid advancements have ushered in a new age of cultural and civilizational growth known as the era of globalization. In this time period, new digital technologies have emerged, which have the potential to increase the distance between countries and cultures in terms of communication. Today, the globe is also a system that looks to be one and has interdependence in this age. A good example of this is the fact that even established countries will want assistance from those still in the developing stage, and the reverse is true as well [20].

A shift in the work system's functioning is taking place as a result of digital technology, which no longer requires a lot of human labor but instead favors a computerized operating system. In today's fast-paced digital world, a person can do anything he or she wants with his or her digital communication tools, from ordering food online to paying for it online to taking a ride in an online motorcycle taxi, all of which can be done without being constrained by space and time. Computer information technology (CIT) and new media (digital era) are utilised in the establishment of digital internet networks. Digital technology is commonly referred to as "new media" [12].

There has been a rapid rise in the use of digital technology in Indonesia. A report from the Indonesian Internet Service Providers Association (APJII) shows that internet users in Indonesia increased by 10.12% based on the results of the Indonesian Polling survey conducted in partnership with the APJII [8].

Henri Kasyfi, APJII's Secretary General, said that the survey had 5,900 participants and had a 1.28 percent margin of error. From March to April 14, 2019, this field data was collected. Out of Indonesia's overall population of 264 million, Henri Kasyfi estimates that 171.17 million individuals, or 64.8 percent, are online. Hootsuite, a content management business that offers online media services linked to a variety of social networking sites, has also conducted research. A new report from Hootsuite reveals that 150 million of Indonesia's 268.2 million residents utilize the internet and are active on social media sites like Facebook and Twitter. In order to study the latest trends in internet, social media, mobile, and e-commerce, this data is published annually as of the end of January 2019. [6].

With 268.2 million people, 355.5 mobile users, 150 internet customers and a total of 130 social media users, Indonesia is the most populous country in the world with a mobile population of 150 million. The country's overall population is 150 million. In light of the country's young and expanding population, it's plausible that Indonesia will become a hub for digital economic growth in the next years [18].

Because of Indonesia's population and lack of suitable employment possibilities, the Government has difficulty overcoming the problem of unemployment in Indonesia. One strategy to minimize Indonesia's unemployment rate is to look at the development of digital technology in the country today, such as the rise of online motorbike taxis that require drivers to use their smartphones to find clients [16].

As a result, a number of businesses and institutions are taking advantage of the digital age to sell themselves and increase their revenue. In this scenario, the National Amil Zakat Agency is one of the institutions/agencies taking advantage of this digital era (Baznas). Baznas, Indonesia's national zakat management institution, is tasked with collecting, distributing, utilizing, and reporting on zakat in accordance with Law No. 23 of 2011, Indonesia's Zakat Management Regulations [24].

If we go back to the period of the Prophet Muhammad SAW, we can see how the zakat was managed by the government. For Muslims today, the Prophet Muhammad SAW's decision to build Baitul Mal, an administrative center for the collection of alms during the second year of hijrah in Medina, and subsequently form the amil zakat to administer the alms can serve as a guide and lesson. They are all assigned the same duties, which include an officer who records the obligatory Zakat, another who assesses and calculating Zakat, and an officer who accepts Zakat from the Muzakki (Muslim tax collector). Khazanah is in charge of the collection and maintenance of zakat assets, while qasamah is in charge of the distribution of zakat to mustahik through its officers.

We know that zakat was managed in a timely and orderly manner during the time of the Prophet Muhammad. There is a high degree of trust, honesty, and accountability in the amil selected to carry out their tasks The first step to establishing peace to Medina's social and economic framework would be to regulate zakat in this way. Economic stability and a narrowing of the divide between rich and poor led to a decreased crime rate in Medina [19].

Another example of how the Prophet Muhammad SAW handled zakat may be found in the fact that he did not delay the distribution of zakat. The apostle has always given zakat to mustahiq when it is brought to him early in the morning before noon. If the zakat is received during the day and dispersed before sundown, it has been distributed. For the sake of transparency, this is how zakat has been handled [11].

Digital system improvements that are now being developed, such as those that allow for the presentation of transparent, rapid, and accountable data are clearly in keeping with this history of zakat administration carried out by the Prophet Muhammad. However, one of the things that will set it apart in the future is the lack of digital technology tools in use at the time of the Prophet.

New ideas can be found in the form of innovation, and the community can benefit from this. Innovation is the development or transformation of something new or significantly improved as a result of the production or transformation of new inventions, discoveries, ideas and knowledge and information. IT has the potential to improve the efficiency and efficacy of business processes, as well as the coordination of business units, at this point in time [7].

As a result, Baznas' use of a digital system to manage zakat funds shows how the company is always looking for new ways to improve zakat fund management. The Baznas Information Management System (SIMBA), a new digital technology-based zakat management program, demonstrates this trend. SIMBA records and reports zakat online in real time, making the process of managing zakat monies more open and accessible to the general population [22].

Muzakki can now make their zakat payments online with the help of another Baznas-developed digital zakat management system: digital tool-based online zakat payments. Muzziki can pay their zakat online instead than in person at the Baznas office, using digital technologies. With Baznas, many organizations and agencies that use digital technologies in the form of applications work together to create this zakat payment program with a digital component [13].

Zakat management will be made easier through the use of digital technology, as agreed upon at the World Forum Zakat Conference on November 5-6, 2019. While many countries throughout the world are embracing digital technology, Indonesia stands out for its use of zakat collecting in particular [21].

Baznas and muzakki alike are benefiting from the digitalisation of zakat transactions. Muzziki, particularly those with little free time, can use a variety of digital zakat payment programs, such as applications, websites, and barcodes, to make their customary zakat payments to Baznas. As stated in Law Number 23 of 2011 about Zakat Management Article 3: Zakat Management, zakat management tries to improve the advantages of zakat in order to achieve communal welfare and reduce poverty [1].

When it comes to the zakat collecting system, where the muzakki are responsible for performing the calculations and can seek assistance from the Baznas in both computations and payments, this is regulated in Chapter III part one of Law Number 23 of 2011 [17].

Since zakat payment and calculation has become increasingly difficult for muzakki, Baznas, the organization in charge of administering zakat, implemented a digital system in an effort to make it easier for them to do so. As part of this ground-breaking effort, Baznas cooperated with a number of Islamic financial institutions and other online venues [4].

Digital zakat payment transactions have been made easier for muzakki thanks to a number of services given by Baznas, such as bank transfers. For the past two years, this system has been running. However, Baznas has developed the usage of barcodes and websites in order to maximize the current digitizing system's reception of zakat contributions. Banzas has service capabilities that can be used to pay zakat, infaq, and alms via digital platform applications like Gopay and Ovo as well as through the Banzas website [23].

In a variety of digital payment transactions, the general public has extensively utilized these applications. A clear example of this can be found in the rise of electronic money. E-money is a non-cash payment method that utilizes electronic medium, as we know. It is certain that the inflow of zakat funds will grow with the implementation of such a digitizing scheme [10].

However, based on preliminary pre-research results, researchers show that the bank transfer system that Baznas have implemented can raise quite a large amount of funds. However, this is contrary to the receipt of zakat funds generated by barcode service programs and websites, where the amount of funds obtained is minimal [2].

So, by looking at the phenomenon of the problems above, the authors are interested in researching further the role of e-zakat as a breakthrough and innovation in increasing testicular acceptance in Indonesia

II. Methods

This research will be carried out using a qualitative approach. The method in this research is a literature study. This research will take research data from various research results and previous studies that still have relevance to this research. After the research data has been collected, the data will be processed by the researcher so that later the results of this study can be found

III. Result and Discussion

A. Increasing Zakat Fund Recipients at Baznas through the use of the Zakat Digitization Service Program

The use of digital technology in collecting zakat funds carried out by Baznas has been implemented since Baznas was established. Baznas, the zakat management institution, has implemented a zakat payment system via transfer in collaboration with several banks, including the Panin Dubai Sharia Bank, Mandiri Syariah Bank, and Muamalat Bank. However, digital service programs in websites and QR code scans have only begun to be applied in August 2019.

As time progresses, technology becomes more and more sophisticated. So that many parties feel the ease with the existence of this technology. Partnering with several banks and e-commerce is a

breakthrough for the Medan City Baznas as a zakat management institution that utilizes rapidly developing technology. This is also done to provide options for muzakki and facilitate the form of zakat payments, usually done traditionally, such as zakat pick-up services, and then transferred to digital zakat payments.

Traditional zakat payments are zakat payments made where the muzakki pays zakat to Baznas (visiting the Baznas office) or by picking up zakat directly to the muzakki. While digital zakat payments are zakat payments made using digital technology, muzakki can pay zakat through digital tools, such as websites or online payment applications.

B. Implementation of the Zakat Digitization Program at Baznas

The use of digital technology in Baznas is not new, where the transfer method via bank has been implemented since the beginning of Baznas. However, for digital technology services in the form of websites and online payment applications, which have just been applied, this system has been implemented since 2019.

In launching the Baznas program in utilizing digital technology, Baznas, in addition to issuing breakthroughs in digital zakat payments in the form of websites and scanning QR codes, Baznas also carries out socialization and collaboration with several parties, such as Islamic banks, PT. Gojek Indonesia, the Zakat Collection Unit (UPZ), and the Medan City Indonesian Ulema Council (MUI).

The forms of implementation of zakat receipts through digital technology implemented by Baznas are as follows:

1) Transfer via account

This method utilizes Baznas in collaboration with several banks. Every muzakki who wants to pay zakat can directly transfer the money to the account number provided by Baznas and the bank. The funds transferred by the muzakki will automatically enter the Baznas bank account or book.

2) Website

A website is a collection of pages we can view via mobile phones and computers that display information in the form of text, still or moving images, animations, and sounds, each of which is connected to a network of pages. Innovative features on the website built by Baznas include online zakat, zakat calculators, and others that help muzakki to pay their zakat.

3) Scan the QR Code

Scan this QR code through zakat, infaq, and alms payment methods that Baznas have provided to people who want to pay zakat or donate. This QR code scanner can be seen through the website, then Baznas social media. The funds that enter through this QR code are, for example, the entry of notification data in the form of SMS or e-mail, after that, verification from the gopay party to the bank, and the funds go into the account.

C. Increasing Zakat Funds Through Digitalization on Baznas

The collection and management of zakat funds can be made more efficient, transparent, and large-scale through the digitization of zakat, which also reduces transaction costs and saves time and energy.

For the implementation of the use of digitalization, namely transfers via bank to Baznas itself, it is very influential in increasing the receipt of zakat funds, and we can see this where for 2020, from January to November, the zakat funds generated through transfers are around 150 million. However, there is no substantial influence on zakat funds from applying the digitalization scheme via the website and QR code. This is due to several factors, including:

1) Lack of socialization

The point is that in launching the service program carried out by Baznas in the use of digital technology, not much has been introduced and promoted both the way of application and the benefits that the public will obtain, both muzakki, when using applications or digital services that Baznas have created.

2) Public awareness to pay zakat

Zakat is the obligation of every human on earth who has property when it reaches the nisab or haul. However, looking at the conditions and conditions in the field, there are still many people who do not know about the zakat obligations they must spend and the benefits of zakat.

3) Not all prospective muzakki want to pay zakat digitally

So, some people, especially the elderly, only want to pay zakat directly and are less willing to pay zakat digitally.

D. *Increasing Zakat Fund Recipients at Baznas through the use of the Zakat Digitization Service Program.*

Individual or group work can be made easier and more efficient through the use of digital services, which are viewed as an innovation process that improves productivity and saves time. It has been more than a year since Baznas was founded that has seen the implementation of digital technology for zakat, infaq, and alms payments via a bank transfer system.

The development of online payment methods for zakat, infaq, and alms began in 2019 with the use of innovative methods by Baznas. These methods included working with firms that have digital platforms. The development of digital technology is primarily the responsibility of Baznas, which has the ability to collect/collect both zakat, infaq, and alms funds.

By using the digitization system, muzakki can now more easily pay or distribute zakat, infaq, and alms funds, which is also done by Baznas. The muzzaki also saves time and energy thanks to this system. Zakat management institutions such as Baznas can benefit from this strategy since it makes it easier for them to assess, compute and accumulate public zakat revenues.

E. *5. The Implementation of the Zakat Digitization Program at Baznas*

At Baznas, the zakat digitalization system has been implemented as follows:

1) *Internal Platform (website)*

Most websites present stories that educate or inform visitors about a specific topic. We'll also be updating you on the latest developments in the world of web development. Baznas has also developed numerous elements to make it easier for muzakki to pay their zakat as a result of the advantages of this website.

a) *Zakat online*

Muzakki can pay their zakat more easily with this feature, which provides a list of prerequisites they must meet in order to do so. To pay zakat, you must first enter your name, phone number, and the amount of zakat you wish to pay, then select the method of payment from the drop-down menu and click "Pay Zakat." This tool also provides direct Q&A on zakat to reduce confusion among muzakki when paying zakat.

However, Baznas does not yet have any money earned from this feature because the system is still in its infancy and Baznas has not actively publicized its socializing and promotions to the general population..

b) *Zakat Calculator*

Muzakki can use this service feature to quickly and easily calculate the amount of Zakat they are required to pay. Additionally, you have the option of selecting which zakat type or zakat calculation feature to employ in our zakat calculator.

c) *Confirmation of zakat*

In order to prove that a muzakki has paid his zakat through the platform, this zakat confirmation tool can be used as proof of payment (website). Only a few of the various components of BAZNAS history, organizational structure, vision/mission, legalization, work programs, and social activities are available on the internal BAZNAS platform (website).

2) *Internal Platform (Scan QR code)*

It is possible to contain data such as manufacture codes, expiration dates or identification numbers in a QR code/barcode by the use of lines of varying thicknesses of black and white. To read or scan the barcode, you'll need an optical barcode reader.

One of Baznas' service functions for scanning a QR code or barcode is for online zakat, infaq, and alms payments. A partnership with Bank Syariah Mandiri, which scans QR codes for zakat payments, and other e-commerce businesses like as GoPay, OVO and DANA is used to facilitate the platform's use by the general public.

3) *Social media*

When it comes to distributing or promoting information and activities, social media is employed by Baznas.

4) Transfer via Bank, ATM, Mobile Banking

Since the foundation of Baznas in 2016 in partnership with many Islamic banks, including, Bank Syariah Panin Dubai, Bank Syariah Mandiri, and Bank Muamalat, transfer via bank, ATM, and mobile banking has been used to collect zakat, infaq, and alms payments. If we look at the total Baznas zakat fund receipts from 2017 to 2019, this strategy can also be highly successful.

Traditional zakat collections and digital zakat collections differ in the following ways:

Table 1 The Difference Between Traditional Zakat Collection and Digital Zakat Collection

No	Offline Zakat	Online Zakat
1	In the case of offline zakat, the muzakki and the zakat authorities are brought together and payments are made in person.	There is no need for a meeting between muzakki and zakat authorities to make online zakat payments.
2	Zakat pick-up is one among the services offered.	Zakat payments can be paid using digital technology, such as bank transfers, websites, and QR codes, for the services given.
3	In accordance with Islamic law, aqad or ijab qabul between zakat officers and muzakki is the method by which zakat is confirmed directly / offline.	Zakah verification by email and SMS sent to Baznas, which serves as an electronic record of the transaction

F. Increased Baznas Zakat Funds as a Result of Digitalization

Baznas and Muzakki will greatly benefit from zakat digitization. So that zakat, infaq and alms moneys can be collected faster, less time consuming with greater transparency and accountability. There aren't a lot of administrative, consumption, or other marginal costs associated with it either.

It is obvious that when we compare the traditional zakat payment methods to a digital payment system, it is more advantageous to use the latter. As a result of the internet network being used as a liaison to connect with a larger and more rapid pool of potential muzzaki, management is being carried out using digital technologies.

Bank transfers, in collaboration with a number of banks, are the way of collecting zakat funds by Baznas since the company was created in 2016, when it was founded to use digital technology, namely Baznas. In addition to saving time, money, and energy, this is a great benefit for muzzaki who must send their zakat contributions straight to the bank account issued by the Baznas office so that they don't have to travel to the office.

Although the zakat digitization mechanism via the website and QR Code Scan is still ineffective and wasteful, there are numerous reasons behind this

a. The central Baznas has not set up a digital zakat section to receive any revenue generated by the digital platform in order to improve payment management and fund collection efficiency.

b. Advertorials by Baznas to the community are lacking in socializing and promotion.

c. This results in a lack of public awareness of this digitization scheme.

d. Then there's the lack of motivation and knowledge on the part of individuals who owe zakat but haven't yet completed the standards to do so.

IV. Conclusion

Baznas can now more easily collect zakat funds thanks to the latest method of zakat fund collection, the digitization of zakat. Aside from the fact that this strategy will save time and money for muzakki payments, it will also reduce the amount of administration, consumption and other

marginal costs. Baznas uses bank transfers to implement zakat digitalization. The second is the website's internal platform. There is also a third option, which is the use of a QR Code Scan. Using the zakat digitization system to send Baznas zakat funds has been highly effective and efficient since the organization was founded, with a relatively considerable amount of funds being transferred. However, web-based and QR code-based services are still less effective and efficient than traditional methods. The lack of a specialized section in charge of zakat digitisation is evident in the meager funds collected. Finally, the community's lack of interest and motivation to fulfill their zakat commitments is a result of Baznas' failure to educate and inform the community about the digital zakat system

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