

Analysis of State Civil Apparatus Understanding of Zakat as a Deduction for Taxable Income

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ABSTRACT

There are still many people who do not know the role and position of zakat in income tax, that zakat can actually reduce taxable income provided that payments are made to zakat recipient institutions that have been determined and authorized by the government as stipulated in Government Regulation Number 60 of 2010. This study aims to determine how State Civil Apparatus (ASN) lecturers in the Politeknik Negeri Padang (PNP) understand zakat as a reduction in taxable income. The research method used is a survey with a qualitative approach. The population in this study were ASN lecturers at PNP. The sampling technique was carried out using the quota sampling method with 83 respondents. The data collection in this study was to conduct open interviews directly to ASN lecturers at PNP. The data was processed with a qualitative descriptive approach. The results showed that the majority of respondents did not know and understand about zakat as a deduction for taxable income and most respondents paid zakat not to official state institutions. It is hoped that the results of this study can be used by respondents in managing their zakat and taxes, and for policy makers to consider zakat not only as a deduction from taxable income but as a deduction from gross income in the calculation of personal tax and socialize the regulations that have been set.

Keywords:

Zakat, Regulation of Zakat, Taxable Income, State Civil Apparatus

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1. Introduction

Tax and zakat are two distinct concepts, but both involve the payment of money to support the government and society. Muslim communities in Indonesia have an obligation to pay zakat, and also have an obligation to pay taxes (Panji Lestari et al., 2022; Saptono et al., 2023; Sawmar & Mohammed, 2021). Both of these are obligations that must be fulfilled by individual Muslims as citizens in Indonesia (Thamrin et al., 2023). Zakat and tax are inseparable things for Muslim communities in Indonesia (Faisal et al., 2023). Muslims as the majority of the population in Indonesia have a large contribution to zakat revenue. Zakat is more widely used to reduce social problems including poverty (Widiastuti et al., 2022).

Legally, zakat and tax are not the same (Pahala, 2016). Zakat and tax have differences in jurisdictional sources, hypothetical foundations, objectives, rates, and appropriation allocations. Nevertheless, in its function zakat is a "tax" in Islam imposed on the rich to be distributed to the

poor and the needy and other recipients based on the size according to the Qur'an. Zakat has a function to maintain the socio-economic prosperity of the poor and those in need (Nayak & Hegde, 2023).

The question arises whether Muslims should pay taxes even though they have an obligation to pay zakat. This is because zakat and taxes are both used for public purposes. In some Muslim countries, the optimization of zakat collection is supported by incentive mechanisms (Siswanto et al., 2022). By paying one of them, isn't an individual Muslim participating and fulfilling an obligation to help with economic and social issues? If an individual Muslim continues to pay both, it means there is a double burden on one individual Muslim (I. Muhammad & Nor, 2021). The gap between the low realization of zakat collection and the tax ratio has an impact on social inequality (Johan & Prasetyo, 2022).

In some countries, the government has regulated and stipulated that zakat paid can be a deduction for taxes paid. The existence of regulations including environmental factors that support zakat administration efficiency (Saad et al., 2023; Samra & Siddiqui, 2021). This is intended so that there is no longer a double burden problem for Muslim communities. The government in Indonesia itself has also regulated the position of zakat in the imposition of personal income tax. It is not limited to zakat only, but every religious expenditure that is mandatory for people of other religions also gets the same treatment. However, this rule does not support by government regulation, so that the implementation is not effective (Syahbandir et al., 2022).

In general, many people still do not know the role and position of zakat in income tax, that zakat can actually reduce taxable income (Bin-Nashwan et al., 2020). The education about the benefit of zakat is important (Martono et al., 2019). There are still many people who do not know about zakat as a deduction from taxable income. Zakat, which has a mandatory nature, can be deducted from gross income provided that payments are made to zakat recipient institutions that have been determined and authorized by the government. Facts in the field, there are still few people who include the calculation of zakat as a deduction for taxable income. This is due to the low level of public trust in zakat institutions so that zakat payments are not made through zakat institutions that have been established or authorized by the government.

The taxpayer's reluctance to include the calculation of zakat is due to the consequence of overpayment if they report the proof of deposit of zakat that has been paid in the Individual Annual Tax Return (Ben Ismail & AlSadhan, 2023). As we know that if in the Annual Tax Return reporting of taxpayers there is an overpayment of tax, the government will refund the overpayment of tax through an audit mechanism (Jacob & Todtenhaupt, 2023). This audit mechanism is one of the things that is avoided by taxpayers, thus making taxpayers not include proof of payment of zakat in the Annual Tax Return reporting.

The circumstances above show that the government is still lacking in socializing to the public about zakat as a deduction from taxable income. Some people obtain information on zakat as a deduction for taxable income from friends, workplaces, scientific discussions and consultants, but not from the tax office. Only a small number of people obtain information on the role and position of zakat in income tax from the tax office. Complex tax systems require taxpayers to obtain information from external parties in order for them to comply (Musimenta, 2020). Socialization about the regulation is critical, because regulation affects the zakat payment (Munandar et al., 2019).

Zakat or Religious Contributions of a Compulsory Nature that can be Deducted from Gross Income also states that zakat is one of the deductible elements of taxable income, including other religious donations that are mandatory for followers of other religions, which are paid to religious institutions that have been established and authorized by the government. Proof of zakat deposit paid by muzakki to BAZNAS or LAZ can be deducted from taxable income. This shows that the government has supported the regulation of zakat and tax in order to synergize and not cause a double burden for the community. This can be seen in the Law of the Republic of Indonesia No. 36 of 2008 (as an amendment to law number 7 of 1983) which explains and stipulates zakat as an income tax deduction.

Previous research that examines State Civil Apparatus (ASN) understanding of income zakat and income tax. The result show that the ASN understand about income zakat and income tax, but

they do not understand the mechanism in implementing government regulations properly and correctly in accordance with the established rules. However, even though the respondents do not understand the details of implementing the regulation, the majority of respondents gave a positive response and supported the government policy. This support is reflected in the respondents' compliance in paying zakat income and income tax which is directly deducted every month when they receive their salary.

Politeknik Negeri Padang (PNP) is a vocational education institution which is part of a government agency. Where employees of PNP are taxpayers who annually report income tax. As one of the government agencies, of course the government has conducted socialization of the regulations made by the government regarding zakat can be a deduction for taxable income, which the regulation has been made from 1983 and the latest in 2011, of course at PNP already knows this regulation. Researchers chose ASN lecturer respondents at PNP as respondents, because as a teaching staff, of course a lecturer often participates in scientific studies and socialization that exists to add insight and learn things related to taxation.

In the discussion of this research, the author will try to discuss the understanding of the State Civil Apparatus (ASN) per Department at Politeknik Negeri Padang, especially the understanding of ASN lecturers that zakat can be a deduction from taxable income by using a survey method where interviews are conducted directly to ASN lecturers to obtain research data and using a qualitative descriptive analysis study method. This research aims to find out how the understanding of ASN lecturers at the Politeknik Negeri Padang on zakat as a deduction for taxable income and this research has benefits in increasing the knowledge of ASN, especially lecturers in the Politeknik Negeri Padang environment related to zakat as a deduction for taxable income, and this research is expected to be an invitation to the community to carry out religious obligations by making zakat as one of the tax breaks in the collection of Income Tax (PPh) in Indonesia.

Theory of Planned Behaviour (TPB)

Theory Planned Behaviour explains each person's behavior to respond to something. The theory also explains that attitudes, subjective norms, and perceptions of behavioral control together form a person's behavioral intentions (Raza et al., 2019). This behavioral intention is the main factor in each individual's behavior. Generally, the greater a person's intention to behave, the greater the likelihood that the behavior will be achieved or implemented. External environmental factors motivate individuals to behave in paying zakat through the government (Degasperri & Mainardes, 2017; Li et al., 2024).

Taxes

In the public economy, it is believed that tax behavior is shaped by the law enforcement environment (Rubolino, 2023). In general, taxes are contributions from the people to the state treasury based on law, so that they can be imposed without getting direct compensation. Taxes are collected by the authorities based on legal norms to cover the costs of producing collective goods and services to achieve public welfare. Tax regulations can occur due to several things, such as changes in margins, changes in labor effort, differences in job location (Sigaard, 2023). Tax professional behavior and subjective norms positively influence taxpayers' intention to tax compliance (Nurwanah et al., 2018). Subjective norms is significant determinant of the tax compliance behavior of individuals (Bani-Khalid et al., 2022). taxpayers operate within the boundaries of formal state institutions, such as the tax system, and social norms that exist in society (Górecki & Letki, 2021). Individuals belief that significant others, such as family, friends, or colleagues, think about paying taxes, and it influences individual behavior (Taing & Chang, 2021).

Zakat

Zakat is growth, increase, and cleansing. Zakat is part of the five pillars in Islam, meaning that all Muslims should pay zakat (Syakir et al., 2021). The wealth that is given out according to Sharia law is zakat because what we give out is the excess of our rights that belongs to others.

Meanwhile, according to Sharia, zakat is a portion of the wealth that we are obliged to spend from the wealth that Allah has given us, which has met the nisab and haul for those who are entitled to receive it. Zakat can be an instrument to reduce poverty in social life (Khasandy & Badrudin, 2019; S. A. Muhammad & Saad, 2016).

Zakat on Profession

Zakat on profession is any expertise and any halal work, either done alone or associated with other parties, such as an employee or employee, if the income and income reach the nisab, then zakat must be issued. The rate of zakat that must be issued is 2.5%, while the nishab is equated with gold, which is 85 grams or 200 dirhams of silver.

Difference between Zakat and Tax

Zakat and Tax have several differences, including 1). The concept of zakat is the purification of soul and property, religious responsibility and worship. While the concept of tax is compulsion, charged by the government to the people. 2). If you do not pay zakat then it will be sinful. Meanwhile, if you do not pay taxes, you will be fined by the government. 3). Zakat must be paid by deserving and capable Muslims only. Whereas taxes must be paid by all decent people. 4). Zakat is collected by the government in Islamic law. Whereas taxes are collected by whoever rules the country. 5). Zakat is collected from halal goods. While taxes are sourced from anything, both halal and haram. 6). The amount of zakat is fixed at 85 grams of gold, which changes only the value of the money. While the amount of tax can change based on the rate set by the government in each year and the level of income. 7). Zakat is distributed to 8 asnaf only. While the distribution of taxes is to finance all government spending activities for the benefit of the people.

Zakat as Taxable Income Deduction

Zakat or Compulsory Religious Contributions that can be deducted from Gross Income also states that zakat is one of the elements of taxable income deduction, including other religious donations that are mandatory for followers of other religions, which are paid to religious institutions that have been established and authorized by the government. Proof of zakat deposit paid by muzakki to BAZNAS or LAZ can be deducted from taxable income. This shows that the government has supported the regulation of zakat and tax so that they can synergize and not cause a double burden for the community.

2. Methods

This type of research is descriptive qualitative research, which is a study that describes and describes the meaning of data or phenomena that can be captured by researchers. In this study, researchers used a descriptive survey approach. This research uses primary data. Data was obtained by conducting interviews directly with state civil apparatus/civil servants within the scope of the Politeknik Negeri Padang who are lecturers to obtain research data.

The population of this study includes state civil apparatus lecturers/civil servants within the scope of the Padang State Polytechnic, totaling 480 employees. As for some of the criteria that researchers determine in determining respondents for the number of samples to be studied, namely, 1) Muslim, 2) Status of State Civil Apparatus/State Employees (ASN) especially lecturers, 3) Already obliged to pay taxes, especially income tax, 4) Get income deductions from the salary received. Determination of the sample size in this study using the slovin formula obtained as many as 83 respondents.

3. Results

a. Characteristics of Respondents

1) Based on Gender

Based on the results of interviews in the PNP environment, it was found that the gender of respondents was 34 male respondents or 41% of the total respondents and the number of female respondents was 49 people or 59% of the total respondents.

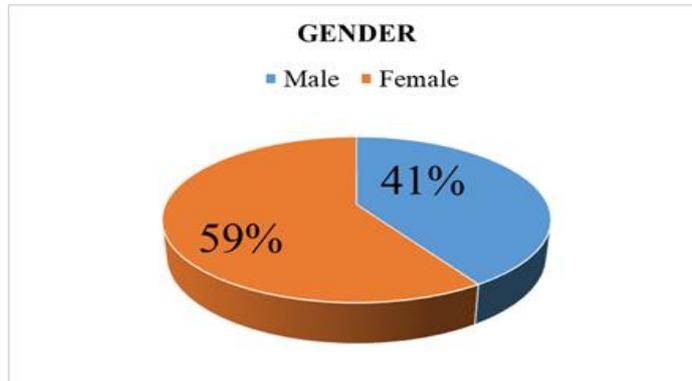


Figure 1. Percentage of Respondents' Gender Composition
Source: Processed Data (2023)

Based on Figure 1. above, it can be seen that the respondents in this study were more than half dominated by men from the total number of respondents.

2) Based on Age

The age of respondents based on the results of interviews and direct surveys found that the number of respondents aged 26 to 35 years was 22 people or 27% of the total respondents, aged 36 years to 45 years was 18 people or 22% of the total respondents, aged 46 to 55 years was 26 people or 31% of the total respondents, and aged 56 to 65 years was 17 people or 20% of the total respondents.

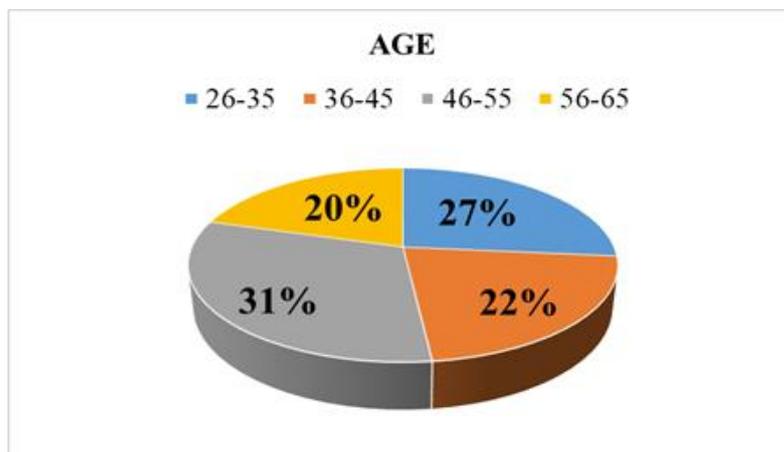


Figure 2: Percentage of Respondents' Age Composition
Source: Processed Data (2023)

Based on Figure 2. above, it can be concluded that respondents are almost equally distributed in all age ranges.

3) Based on Education Level

Based on the level of education of the respondents, from the results of direct interviews it was found that the number of respondents whose education level was at Masters level was 72 people or 87% of the total respondents and whose education level was at S-3 level was 11 people or 13% of the total respondents.

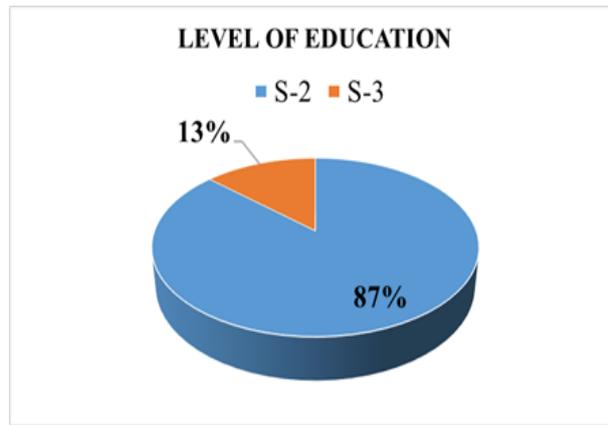


Figure 3: Percentage Composition of Respondents' Education Level
Source: Processed Data (2023)

Based on Figure 3. above, it can be seen that the respondents interviewed in this study were dominated by the S-2 education level with 72 people or 87% of the total respondents.

b. Place of Distribution of Zakat on the Income of ASN Lecturers at Politeknik Negeri Padang

The results of the interview found that respondents who channeled zakat to non-institutions were 50 respondents or 60% of the total respondents. Non-institutional here means that the distribution of zakat is made to the closest people, neighbors, and people who look really need it. Respondents who distribute zakat to official institutions are 6 respondents or 7% of the total respondents, official institutions here are BAZNAS, LAZ Rumah Zakat Indonesia, LAZ Daarut Tauhid Peduli, and LAZ Dompot Dhuafa Republika. Finally, the distribution of respondents' zakat in non-official institutions, 27 respondents or 33% of the total respondents channeled zakat in non-official institutions, such as mosques, orphanages, and LAZIS PNP. From this data it can be concluded that most of the PNP ASN lecturer respondents distribute zakat in non-institutions.

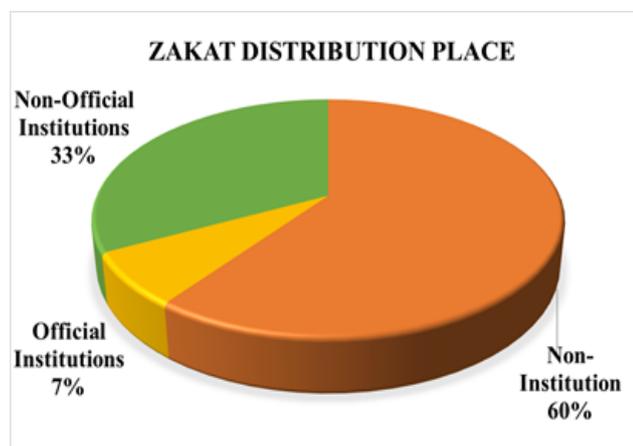


Figure 4: Composition of Zakat Distribution Places
Source: Processed Data (2023)

Based on Figure 4. above, it can be seen that respondents channel more zakat to non-institutions, which amounted to 50 respondents or 60% of the total respondents.

c. ASN Lecturers' Understanding of Zakat as a Deduction for Taxable Income in the Department of Information Technology

The results of interviews with respondents in the Information Technology Department, it is known that respondents always report income tax returns every year. In the Information Technology

Department, respondents who know that zakat can be a deduction from taxable income are 3 out of 10 respondents who know that zakat can be a deduction from taxable income. Respondents who know, only know the extent as a deduction for taxable income in the annual income tax return, but respondents do not know how the zakat procedure can be a deduction for taxable income in the annual income tax return reporting. So respondents in the Information Technology Department only know about the rules of zakat as a deduction for taxable income, but do not really understand how the contents of the regulations made by the government.

All respondents in the Information Technology Department are known that based on the results of the interview did not include zakat in their annual income tax return reporting, because they argued that they did not know that zakat could be included in the income tax return as a reduction in taxable income and they only filled in the available columns in the tax return form and entered the value data based on the details made by the finance department. Another reason why respondents do not include zakat in their income tax return is because the distribution of zakat is not through an official body, in accordance with government regulations as a condition for zakat to be recognized as a deduction from taxable income in the annual income tax return.

Based on the results of direct interviews with respondents, they agree with the government regulation that zakat can be a deduction from taxable income. Respondents think that including zakat in the tax return can reduce taxable income in the annual income tax return reporting. Respondents in the Information Technology Department, on average, all of them already know the minimum limit of the percentage that must be spent on zakat income, namely the percentage spent is 2.5% of income.

Based on the researcher's findings when conducting interviews in the Information Technology Department with the respondents above, gender, age, and educational background have no effect in measuring one's individual understanding. It can be seen from the respondents' answers that they do not know about the regulation of zakat as a deduction from taxable income.

d. ASN Lecturers' Understanding of Zakat as a Deduction for Taxable Income in the Department of Electrical Engineering

The results of interviews and direct surveys of respondents in the Electrical Engineering Department found that respondents always report income tax returns every year. Based on the results of interviews with respondents, it was found that 4 out of 10 respondents in filling out their annual income tax return did not fill in their annual income tax return themselves.

In the Electrical Engineering Department, it turns out that none of the respondents know about the Government Regulation that zakat can be a deduction from taxable income based on the results of the interviews that have been conducted. All respondents in the Electrical Engineering Department based on the survey and interview results, did not include zakat in their annual income tax return reporting, because they argued that they did not know that zakat could be included in the income tax return as a reduction in taxable income and they only filled in the columns in the tax return form based on the details made by the finance department. Then the respondents in distributing zakat do not go through an official body according to the provisions of the government as a requirement for zakat to be recognized as a deduction from taxable income in the annual income tax return.

Based on the interview results, respondents agree with the government regulation that zakat can be a deduction from taxable income. Respondents assume that it can reduce taxable income in annual income tax return reporting. Respondents in the Electrical Engineering Department, on average, all of them already know how much the minimum percentage of zakat that must be issued from monthly income, namely the percentage issued is 2.5% of income.

Based on the researcher's findings when conducting interviews in the Electrical Engineering Department with the above respondents, gender, age, and educational background have no effect in measuring one's individual understanding. It can be seen from the respondents' answers that they did not know about the regulation of zakat as a deduction from taxable income. However, respondents understand their obligations as Muslims in distributing their zakat and respondents understand their obligations as citizens in reporting annual tax returns every year in obeying tax regulations.

e. ASN Lecturers' Understanding of Zakat as a Deduction for Taxable Income in the Department of Mechanical Engineering

Based on the results of interviews with respondents in the Mechanical Engineering Department, it is known that respondents always report income tax returns every year. The results of the interview show that the respondents in the Mechanical Engineering Department found that 4 out of 10 respondents in filling out their annual income tax return did not fill in their annual income tax return themselves.

Respondents in the Mechanical Engineering Department after being interviewed, showed the results that many did not know the government regulations zakat can be a deduction for taxable income, there were 9 out of 10 respondents who did not know about these regulations. Respondents' ignorance of zakat as a deduction for taxable income in the annual income tax return, due to the absence of information on zakat as a deduction for taxable income.

In the Mechanical Engineering Department all respondents stated that they did not include zakat in their annual income tax return reporting, because they argued that they did not know that zakat could be included in the income tax return as a reduction in taxable income and they only filled in the columns in the tax return form based on the details made by the finance department. Then the respondents in distributing zakat do not go through an official body according to the provisions of the government as a condition for zakat to be recognized as a deduction from taxable income in the annual income tax return.

Based on the results of interviews with respondents from the Mechanical Engineering Department, there are some who disagree with the government's regulation that zakat can be a deduction from taxable income. Respondents assume that there can be misappropriation of zakat funds channeled to official bodies determined by the government. Another respondent's opinion said that this zakat distribution does not have to be known by others. Respondents in the Mechanical Engineering Department on average all know how much the minimum percentage that must be spent on zakat income from their monthly income, namely the percentage spent is 2.5% of income in accordance with religious provisions.

Based on the results of interviews with respondents in the Mechanical Engineering Department, gender, age, and educational background have no effect in measuring a person's individual understanding. The interview results show that the lecturer respondents do not understand related to zakat as a deduction for taxable income, this is because the respondents have just heard information about the existence of government regulations on zakat as a deduction for taxable income.

f. ASN Lecturers' Understanding of Zakat as a Deduction for Taxable Income in the Civil Engineering Department

Surveys and direct interviews conducted at the Civil Engineering Department found that respondents always report income tax returns every year. The results of interviews with respondents in the Civil Engineering Department found that 8 out of 10 respondents filled out their annual income tax return themselves.

In the Civil Engineering Department, respondents who know about zakat as a deduction from taxable income are 1 out of 10 respondents who know. Respondents only know the extent as a deduction for taxable income in the annual income tax return, but respondents do not know how the procedure for zakat can be a deduction for taxable income in the annual income tax return reporting. So, respondents only know about the rules related to zakat as a deduction from taxable income, but do not really understand how the contents of the regulations made by the government. One respondent knew that zakat can be a deduction from taxable income from the Dompot Dhuafa Institution where the respondent distributes his zakat.

Similar to the answers of respondents in other departments, respondents in the Civil Engineering Department also did not include zakat in their annual income tax return reporting, because they argued that they did not know that zakat could be included in the income tax return as a deduction from taxable income. Then the respondents in distributing zakat do not go through

an official body according to the provisions of the government as a condition for zakat to be recognized as a deduction from taxable income in the annual income tax return.

Based on the results of respondent interviews, the average respondent supports the government regulation that zakat can be a deduction from taxable income. Respondents think it can reduce taxable income in annual income tax return reporting. On average, the answers of respondents in the Civil Engineering Department all know how much percentage must be spent on zakat income, namely the percentage spent is 2.5% of income each month.

In the Civil Engineering Department based on the findings of the interviews conducted. It can be seen from the respondents' answers that they do not know about the regulation of zakat as a deduction from taxable income. A person's gender, age and level of education cannot measure how a person's level of understanding is. This can be seen in the findings in the Civil Engineering Department, where respondents do not understand zakat as a deduction from taxable income.

g. ASN Lecturers' Understanding of Zakat as a Taxable Income Deduction in the English Department

Surveys and direct interviews conducted at the English Department found that respondents always report income tax returns every year. The results of interviews in the English Department found that 3 out of 10 respondents in filling out their annual income tax return did not fill in their annual income tax return themselves.

Based on direct interviews and surveys, it shows that in the English Department no one knows about zakat as a deduction from taxable income. All respondents in the English Department based on the survey results and direct interviews answered that they did not include zakat in their annual income tax return reporting, because they argued that they did not know that zakat could be included in the income tax return as a reduction in taxable income and they only filled in the columns in the tax return form based on the details made by the finance department.

Based on the results of interviews with respondents in the English Department, related to government regulations zakat can be a deduction from taxable income, some agree and some disagree. The reason the respondents disagree is because they think the mechanism is complicated and the distribution of zakat must be at BAZNAS. While there are also respondents who think that the rule of zakat can be a deduction for taxable income is good, the reason is that it can relieve taxpayers.

On average, all answers based on surveys and direct interviews in the English Department all already know how much percentage must be spent on zakat income, namely the percentage spent is 2.5% of income. Interviews and surveys conducted directly show in the English Department. Gender, age and education level do not affect the level of understanding. Based on the findings above, the respondents were not aware of the regulations made by the government on zakat as a deduction from taxable income.

h. ASN Lecturers' Understanding of Zakat as a Taxable Income Deduction in the Department of Commercial Administration

Interviews conducted directly at the Commercial Administration Department found that respondents always report income tax returns every year. And in terms of filling out the annual income tax return, it was found that 4 out of 10 respondents in filling out their annual income tax return did not fill in their annual income tax return themselves.

In the Commercial Administration Department, respondents who know about zakat as a deduction from taxable income are 3 out of 10 respondents who know. Respondents only know the extent as a deduction for taxable income in the annual income tax return, but respondents do not know how the procedure for zakat can be a deduction for taxable income in the annual income tax return reporting. So, respondents only know about the rules related to zakat as a deduction from taxable income, but do not really understand how the contents of the regulations made by the government.

All respondents in the Commercial Administration Department based on the results of direct interviews did not include zakat in their annual income tax return reporting, because they argued that they did not know that zakat could be included in the income tax return as a reduction in

taxable income and they only filled in the columns in the tax return form based on the details made by the finance department. Then the respondents in distributing zakat do not go through an official body according to the provisions of the government as a condition for zakat to be recognized as a deduction from taxable income in the annual income tax return.

Based on the results of interviews and direct surveys with respondents, some of them agree and some disagree with the government's regulation that zakat can be a deduction from taxable income. Respondents think it can reduce taxable income in annual income tax return reporting and respondents who disagree think it is not clear where the management of zakat funds.

Respondents in the Department of Commercial Administration on average all already know how much percentage must be spent for income zakat from monthly income, namely the percentage spent is 2.5% of income. The direct survey results in the Department of Commerce Administration show that gender, age, and education level have no influence in determining a person's level of understanding. The results of the respondents' answers reveal that not many lecturers know about zakat as a deduction for taxable income, although there are some who know about this, but only just know for the procedure of how zakat can be recognized as a deduction for taxable income, the respondents answered that they did not know.

i. ASN Lecturers' Understanding of Zakat as a Deduction for Taxable Income in the Accounting Department

From the results of interviews and direct surveys with respondents in the Accounting Department, it shows that all respondents report their annual tax return. In terms of filling out the annual tax return, on average, the respondents fill in the annual tax return themselves, but there are also some respondents who are assisted in filling out their annual tax return.

Based on survey and direct interview in Accounting Department, there are 16 out of 23 respondents who know about zakat as taxable income deduction. Conceptually and procedurally, respondents already know when zakat is recognized as a deduction from taxable income in the annual tax return. Zakat is recognized as a deduction from taxable income if the distribution of zakat is through an official body established and formalized by the government such as the National Amil Zakat Agency and others, provided that proof of zakat payment is attached. At least the proof of zakat payment contains the name of the zakat distributor, NPWP, the amount of zakat payment, and is signed by the party where the zakat is distributed.

All respondents in the Accounting Department did not include zakat in their annual income tax return reporting, because they argued that they did not know that zakat could be included in the income tax return as a reduction in taxable income and they only filled in the columns in the tax return form based on the details made by the finance department. Then the respondents in distributing zakat do not go through an official body according to the provisions of the government as a condition for zakat to be recognized as a deduction from taxable income in the annual income tax return.

Based on the results of interviews and surveys of respondents in the Accounting Department, the average respondent agrees with government regulations that zakat can be a deduction from taxable income. Respondents assume that it can reduce taxable income in annual income tax return reporting. Respondents in the Accounting Department on average all know how much percentage must be spent each month for zakat income, namely the percentage spent is 2.5% of income each month. Based on the results of surveys and direct interviews in the Accounting Department, it shows that respondents know and understand how the procedure for zakat as a deduction from taxable income when included in the annual income tax return. A person's understanding cannot be sorted by gender, age, and education level. The results of interviews in the Accounting Department show that there is no difference in understanding based on gender, age and education level.

4. Discussion

a. Compliance of ASN Lecturers at PNP in reporting the Annual Income Tax Return

The results of surveys and direct interviews that have been conducted, results are obtained regarding the compliance of ASN lecturers in reporting annual income tax returns. All respondents

have complied and are always on time in reporting the annual income tax return, because the respondents already know their obligations in reporting income tax which has become a routine every month, because it is directly deducted from the salary received and the deductions are in accordance with the applicable provisions every year. Respondents further stated that if they did not report the annual income tax return, they would get a warning notice to immediately report their annual income tax return, where the warning could be in the form of a warning via e-mail and direct information from the finance department at Politeknik Negeri Padang.

b. Understanding of ASN Lecturers at PNP on Zakat as a Deduction for Taxable Income

Understanding is a form of a person's ability to be able to understand or interpret something. A person can be said to understand if he can provide an explanation of the information obtained in detail using his own words in accordance with existing concepts. From the results of surveys and direct interviews that have been conducted, the results obtained regarding ASN's understanding of zakat as a deduction for taxable income. The majority who know zakat as a deduction for taxable income are in the Accounting Department at 67% or equal to 16 respondents, the Commercial Administration Department and the Information Technology Department at 13% or equal to 3 respondents in each department, the Civil Engineering Department and the Mechanical Engineering Department both have a percentage of 4% or equal to 1 respondent in each department, and for the Electrical Engineering Department and the English Department no one knows zakat as a deduction for taxable income.

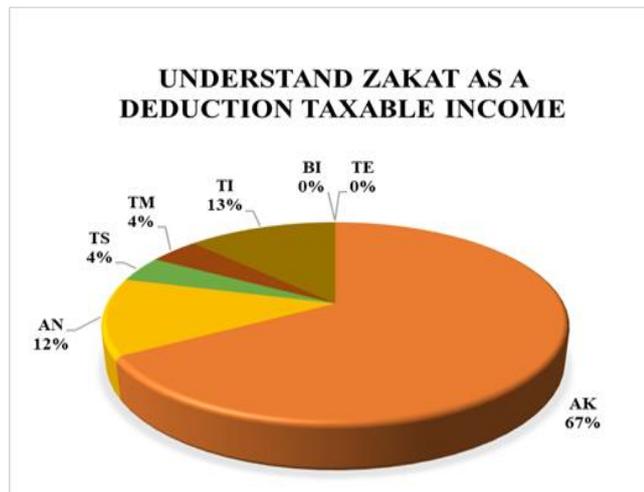


Figure 5. Composition of ASN Lecturers' Understanding in Each Department
Source: Processed Data (2023)

Respondents who know zakat as a taxable income deduction generally get information through the internet and existing social media, but still lack in-depth understanding of these rules, especially in implementing the rules directly properly and correctly according to the provisions of the rules that have been set. Article 22 on zakat management states that zakat paid by muzakki to BAZNAS or LAZ is deducted from taxable income. According to some respondents, there has been no direct socialization from the relevant officers who make these rules, namely zakat as a deduction for income tax, especially in the Padang State Polytechnic environment.

Half of the respondents at Politeknik Negeri Padang did not know about the rules of zakat as a deduction from taxable income. Respondents have never heard and have never received direct socialization about government regulations on zakat as a deduction for taxable income either from the government, especially the Directorate General of Taxes (DGT) as the agency that manages taxation and there has been no socialization from the National Amil Zakat Agency (BAZNAS) as the agency that manages zakat in Indonesia.

c. ASN Lecturer's View on Zakat Regulation as a Deduction for Taxable Income

The results of surveys and direct interviews that have been conducted, the results regarding ASN's views on zakat as a deduction for taxable income are obtained. The majority of all respondents 81% or equal to 67 respondents agree and support the government in implementing regulations on income zakat that can be a deduction against taxable income. Furthermore, some respondents said that the regulation on zakat as a deduction from taxable income was very good in its implementation. As long as the National Amil Zakat Agency (BAZNAS) and the Directorate General of Taxes (DGT) must be better at socializing to the Indonesian people, at the same time the government can also be more assertive in implementing the application of regulations on zakat as a deduction from taxable income. Respondents also do not mind if they have to pay zakat and income tax, because they do not consider it as a double burden that must be paid.

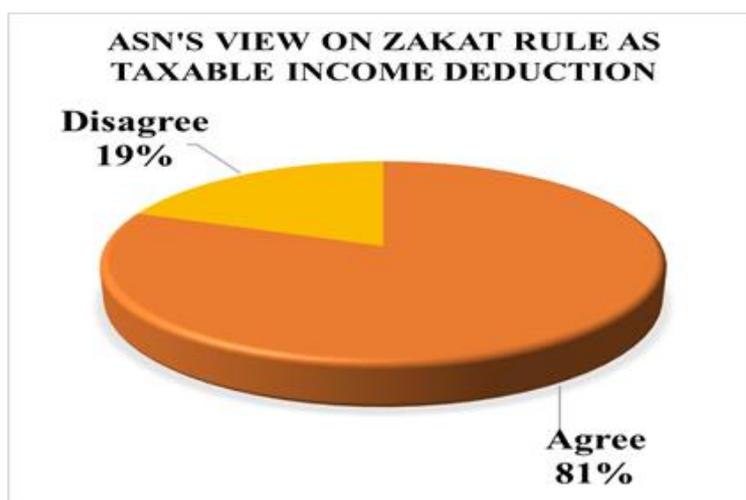


Figure 6. Composition of ASN Lecturer's View on Zakat as Taxable Income Deduction
Source: Processed Data (2023)

As much as 19% or equal to 16 respondents disagreed about the rules of zakat as a deduction from taxable income. They argue that they still lack trust if zakat funds are managed by the state, because zakat that is recognized as a deduction from taxable income is zakat that must be channeled to official institutions such as the National Amil Zakat Agency (BAZNAS). On average, respondents who disagree with this rule think that if zakat is channeled to BAZNAS, they cannot see how the reporting of zakat is distributed. Respondents are afraid that zakat funds that should benefit people in need will instead be used for other purposes or not on target. The purpose of giving zakat is to purify the wealth obtained as a form of obligation to Allah. Where the zakat must be distributed to those closest to us first who are in need, this is one of the reasons respondents do not channel zakat through BAZNAS, respondents are afraid that their closest people will not get help from the zakat funds.

d. Obstacles and Settlement of Zakat Regulation as Taxable Income Deduction

There are various factors inhibiting the government in implementing the regulation of zakat as a deduction from taxable income in Indonesia. First is, Public Trust in Zakat Institution is Still Lacking. There are still many people who channel zakat funds directly to people in need around the house or the closest people, this is because the community considers zakat institutions to lack transparency in the distribution of zakat, where many zakat institutions do not disclose zakat distribution reports to the public. This is also exacerbated because there are still many people who do not know that zakat can be a deduction for taxable income. In respond to that, the government should make zakat not only a deduction from taxable income on income tax, but also can make zakat as a direct deduction from gross income in the calculation of individual income tax. So that

it does not cause overpayment at the end of the year, and there is no audit procedure caused by overpayment.

People are Still Reluctant to Submit Proof of Zakat Deposit. In general, many people think that paying zakat does not need to be known by others, because the act of paying zakat is only a private matter for each person to God. So that if they report proof of paying zakat in the tax return, they are afraid of being considered doing something *riya*. While proof of zakat deposit is mandatory in annual income tax reporting, if the community does not include proof of zakat deposit, then the zakat cannot be used as a deduction for taxable income in income tax. To solve the problem, the government should also simplify the system of proof of zakat payment that is recognized as a deduction from income taxable income. Then zakat that is not distributed or paid through BAZNAS/LAZ established and authorized by the government can also be used as a deduction from taxable income. Because zakat is mandatory for Muslims. So that the Muslim community is interested in making zakat a deduction from taxable income on income tax.

Socialization of Zakat as a deduction for taxable income on income tax is still minimal. To increase public awareness, there should be a special socialization that discusses and explains how the system and procedure of zakat as a deduction for taxable income in income tax. Thus, the government as the one who makes the regulation, should emphasize the certainty of legal provisions on zakat as a deduction from taxable income, by issuing a regulation that what is meant by zakat is all types of zakat mal, so that it does not cause multiple interpretations. The government also needs to conduct socialization specifically discussing zakat as a deduction from taxable income on income tax during tax return counseling conducted by tax office officers.

The government as the one who makes the regulation, should emphasize the certainty of legal provisions on zakat as a deduction from taxable income, by issuing a regulation that what is meant by zakat is all types of zakat mal, so that it does not cause multiple interpretations. The government also needs to conduct socialization specifically discussing zakat as a deduction from taxable income on income tax during tax return counseling conducted by tax office officers.

5. Conclusion

The results showed that the majority of respondents were compliant and always on time in reporting annual income tax returns, because respondents already knew their obligations in reporting income tax which had become a routine every month, because it was directly deducted from the salary received and the deductions were in accordance with the applicable provisions every year. The majority of respondents do not know and understand about zakat as a deduction from taxable income, although respondents also still do not know and understand the mechanism for implementing the government regulation on zakat as a deduction from taxable income properly and correctly in accordance with the established rules. Although respondents do not understand the details of implementing the regulation, the majority of respondents gave a positive response and supported the government policy which is expected to provide relief to muzakki in paying income tax. Based on the researcher's findings when conducting interviews in the Electrical Engineering Department with the above respondents, gender, age, and educational background have no effect in measuring one's individual understanding. It can be seen from the respondents' answers that they did not know about the regulation of zakat as a deduction from taxable income. However, respondents understand their obligations as Muslims in distributing their zakat and respondents understand their obligations as citizens in reporting annual tax returns every year in obeying tax regulations. For further research, it can use cluster random sampling based on the research area or region in withdrawing the composition of the research sample.

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