

## **CHAPTER II**

### **LITERATURE REVIEW**

#### **A. Theoretical Framework, Hypothesis Development and Research Model**

##### **1. Theory of Reasoned Action**

This theory connects belief, attitude, intention and behavior. Belief means that if we want to know what people's wants the best way is knowing the reason why they do it. However, people are allowed to make some considerations with different reasons. The most important concept in this theory is salience, which means to make considerations for something recognized as important. Intention is determined by the attitude and subjective norm (Jogiyanto, 2007).

Briefly, this theory defined that belief is determined by attitude and subjective norm, intention is determined by belief in opinion of others and motivations to do that. This theory also explained that people will do some action if they believe that those activities are positive and others want them to do it.

##### **2. Attribution Theory**

This theory defined that every single person is paying attention to the others and try to know whether their action are coming from internal or external influence (Robbins and Judge, 2008). Internal factors are factors come from their own under control or their inner voice. While external factors are affected by other factors such as situations or regulations.

### 3. Dedication Theory

Dedication theory defines that the citizens are part of the nation. So that the citizens are tied up into the nation and it is an obligation for them to pay the *zakat* and tax as a form of their dedication to Allah SWT and the government.

### 4. Knowledge on *zakat*

#### a. *Zakat* Definition

*Zakat* from its language can be defined as developing and increasing. In the other hand, it also means purify and purifying which mentioned in Holy Qur'an verse At-Taubah ayah 103 as follows:

خُذْ مِنْ أَمْوَالِهِمْ صَدَقَةً تُطَهِّرُهُمْ وَتُزَكِّيهِمْ بِهَا وَصَلِّ عَلَيْهِمْ إِنَّ صَلَاتَكَ سَكَنٌ لَهُمْ وَاللَّهُ  
سَمِيعٌ عَلِيمٌ

The meaning:

Of their goods, take alms, that so thou mightiest purify and sanctify them; and pray on their behalf. Verily thy prayers are a source of security for them: And Allah is One Who heareth and knoweth.

*Zakat* is partially removes to fulfill the *nisab* (the minimum amount that a Muslim must have before being obliged to *zakat*) provision given for those who have a right to receive. Those kind of goods should fulfill some terms such as *haul* (the completion period for a *zakat* asset) which is owned more than 1 year expect for minerals, plants and treasure findings (Imam Maliki). *Zakat* is giving

an ownership of certain goods to other people which is based on the number of wealth owned regulated by syariah because of Allah (Imam Hanafi).

Based on UU no 23 / 2011 about *Zakat* Management, the definition of *zakat* is all of the goods that should be expenditures by a moslem or institution given for those who have rights to accept based on Islamic requirement.

b. *Zakat* Regulation

Islam is perfect and comprehensive system. With Islam, Allah Almighty, Glorifying humans, in order to live comfortably and prosperously on this earth. God provides the means to lead a noble life and allows them worshipping.

Among the means for happiness of human life created by God through Islam is the provision of *zakat*, which is in order to straighten the journey of humans to be in harmony with the conditions for personal human well-being and human welfare on their social relation. So that, it is important to examine more deeply related with holy Qur'an letter An-Nahl verse 71 as follows:

وَاللَّهُ فَضَّلَ بَعْضَكُمْ عَلَى بَعْضٍ فِي الرِّزْقِ ۖ فَمَا الَّذِينَ فُضِّلُوا بِرَادِّي رِزْقِهِمْ عَلَى مَا  
مَلَكَتْ أَيْمَانُهُمْ فَهُمْ فِيهِ سَوَاءٌ ۗ أَفَبِعِزَّةِ اللَّهِ يَجْحَدُونَ

Meaning:

Allah has bestowed His gifts of sustenance more freely on some of you than on others: those more favoured are not going to throw back

their gifts to those whom their right hands possess, so as to be equal in that respect. Will they then deny the favors of Allah?

That verse has explained that Allah has given some of the people are more than the others in the cases of favor. In this case, the gap of economic sector is truly happened such as the rich and the poor. It regulated the importance of giving the goods into the one needed (*Zakat*) to purify them and giving the additional of blessing and merit.

قُلْ إِنَّ رَبِّي يَبْسُطُ الرِّزْقَ لِمَنْ يَشَاءُ مِنْ عِبَادِهِ وَيَقْدِرُ لَهُ مَا أَنْفَقْتُمْ مِنْ شَيْءٍ فَهُوَ يُخْلِفُهُ  
وَهُوَ خَيْرُ الرَّازِقِينَ

Meaning:

Verily my Lord enlarges and restricts the Sustenance to such of his servants as He pleases: and nothing do ye spend in the least (in His cause) but He replace it: for He is the Best of those who grant Sustenance.

That verse, Allah ensures the more fortune will be given for those who want to lend their fortune because of Allah whether it is obligatory or *sunnah* (the body of traditional, social, and legal custom and practice of the Islamic community,<sup>[1]</sup> based on the verbally transmitted record of the teachings, deeds and sayings, silent permissions (or disapprovals) of the Islamic prophet Muhammad as well as various reports about Muhammad's companions). Hopefully by remembering those verse, as a Tax payers and *muzakki* are more actively contribute their goods both for paying the tax and *zakat*.

c. *Zakat* Objective and Wisdom

The core objective of *zakat* is an activities to increase the services effectiveness and efficient in *zakat* management, increasing the *zakat* is beneficial to increase the society welfare and poverty. The gap between human and its sustenance, pleasure and work is something comes later. Islam face that those kind of problem should be handled specifically.

Below are some specific wisdom of *zakat*:

- 1) It is a form of gratitude for enjoyment given by Allah SWT as mentioned in Holy Qur'an letter Al-An'aam verse 141
- 2) Assist the human being as mentioned in Holy Qur'an letter Adz-Zaariyat verse 19
- 3) Purifying from diseases and grips as mentioned in Holy Qur'an letter Ali-Imran verse 180
- 4) Safeguard the property of each person from any crimes as mention in The Prophet Muhammad SAW hadith; "Fortify your property from *zakat*" (H.R. Ath Thabarani & Abu Dawud)
- 5) Safeguard the society balancing as mentioned in the message from the Messenger when he was delegate Mu'adz into Yaman: "Inform for them that Allah SWT oblige them from *zakat* take from those who are rich and return into those who are poor" (H.R. Jama'ah from Ibnu Abbas R.A)

d. *Zakat* Role

*Zakat* as a social obligation which is also used as a tool to support the country development such as:

- 1) Preparing the troops
- 2) Developing infrastructure
- 3) Education interesting

Those kinds of *Zakat* could be divided into *mal zakat* (obligation upon every Muslim man and woman having certain amount of wealth kept for a (lunar) year, to pay a certain amount to deserving people) and *fitrah zakat* (one of *zakat* given to the poor at the end of the fasting in the Islamic holy month of ramadan). The *mal zakat* are coming from some assets such as gold, silver, and other precious metal; money and other securities; commerce; agriculture, plantation and forestry; livestock and fishery 'mining; industry; income and services; and inventory. While *fitrah zakat* is coming from rice or could be substituted with money.

e. *Zakat* Management Institutions recognized by the Government

Evidence of *zakat* payment through *zakat* management institution is attached when the tax payers pays the tax in the certain period of time. Below are the *zakat* management institutions recognized by the government:

- 1) National *Zakat* Foundation or Badan Amil *Zakat* Nasional (BAZNAS) based on president decree No. 8/2001 of January 1, 2001.
- 2) Amil *Zakat* Institution or Lembaga Amil *Zakat* (LAZ)
  - a) LAZ Dompot Dhuafa Republika based on Religion Ministerial Decree No. 439/2001 of October 8, 2001
  - b) LAZ Yayasan Amanah Takaful based on Religion Ministerial Decree No. 440/2001 of October 8, 2001.
  - c) LAZ Pos Keadilan Peduli Umat based on Religion Ministerial Decree No. 441/2001 of October 8, 2001
  - d) LAZ Yayasan Baitulmaal Muamalat based on Religion Ministerial Decree No. 481/2001 of November 7, 2001
  - e) LAZ Yayasan Dana Sosial Al Falah based on Religion Ministerial Decree No. 523/2001 of December 10, 2001
  - f) LAZ Baitul Maal Hidayatullah based on Religion Ministerial Decree No. 538/2001 of December 27, 2001
  - g) LAZ Persatuan Islam based on Religion Ministerial Decree No. 552/2001 of December 31, 2001
  - h) LAZ Baitul Maal Umat Islam PT Bank Negara Indonesia (Persero) Tbk. based on Religion Ministerial Decree No. 330/2002 of June 20, 2002

- i) LAZ Yayasan Bangun Sejahtera Mitra Umat based on Religion Ministerial Decree No. 406/2002 of September 7, 2002
  - j) LAZ Dewan Dakwah Islamiyah Indonesia based on Religion Ministerial Decree No. 407/2002 of September 17, 2002
  - k) LAZ Yayasan Baitul Maal Bank Rakyat Indonesia based on Religion Ministerial Decree No. 407/2002 of September 17, 2002
  - l) LAZ Baitul Maal wat Tamwil based on Religion Ministerial Decree No. 468/2002 of November 28, 2002
  - m) LAZ Baituzzakah Pertamina based on Religion Ministerial Decree No. 313/2004 of May 24, 2004
  - n) LAZ Dompot Peduli Umat Daarut Tauhiid (DUDT) based on Religion Ministerial Decree No. 410/2004 of October 13, 2004
  - o) LAZ Yayasan Rumah *Zakat* Indonesia based on Religion Ministerial Decree No. 42/2007 of May 7, 2007
- 3) Amil *Zakat*, Infaq and Sadaqah Institution or Lembaga Amil *Zakat*, Infaq dan Shadaqah (LAZIS)
- a) LAZIS Muhammadiyah based on Religion Ministerial Decree No. 457/2002 of November 21, 2002
  - b) LAZIS Nahdatul Ulama based on Religion Ministerial Decree No. 65/2005 of February 16, 2005



- c) LAZIS Ikhsan Persaudaraan Haji Indonesia (LAZIS IPHI)  
based on Religion Ministerial Decree No. 498/2006 of  
November 21, 2006
- 4) Indonesian Christian Religion Management Institution or  
Lembaga Sumbangan Agama Kristen Indonesia (LEMSAKTI)  
based on the Decision of Director General Public Guidance  
Christian Religion Ministerial Decree No. 498/2006 of November  
21, 2006
- 5) National Fund Dharma Agency of the Adikara Dharma Parisad  
Foundation or Badan Dharma Dana Nasional Yayasan Adikara  
Dharma Parisad (BDDN YADP) based on the Decision of  
Director General Public Guidance Hinduism Religion Ministerial  
Decree No. 43/2012 of March 15, 2012

## 5. Profession *Zakat*

### a. Profession *Zakat* Definition

Profession *zakat* means spending part of the wealth from the salaries, commission or payment cause of profession for the employee, doctor, consultant, lawyer, tailor, contractor, teacher or other professions who work both in public and private.

Below are the list of jobs charged of profession *Zakat*:

- 1) The medical profession
- 2) The engineering profession
- 3) The teaching profession

4) Advocate, consultant, journalist and so on.

b. Profession *Zakat* Regulations

The regulation of profession *Zakat* contains in Holy Qur'an in some letter as follows:

1) Al-Baqarah verse 267

يَا أَيُّهَا الَّذِينَ آمَنُوا أَنْفِقُوا مِنْ طَيِّبَاتِ مَا كَسَبْتُمْ وَمِمَّا أَخْرَجْنَا لَكُمْ مِنَ الْأَرْضِ وَلَا تَيَمَّمُوا  
الْخَبِيثَ مِنْهُ تُنْفِقُونَ وَلَسْتُمْ بِآخِذِيهِ إِلَّا أَنْ تُغْمِضُوا فِيهِ ۗ وَاعْلَمُوا أَنَّ اللَّهَ عَنِّي حَمِيدٌ

The meaning:

O ye who believe! Spend of the good things which ye have earned, and of that which We bring forth from the earth for you, and seek not the bad (with intent) to spend thereof (in *Zakat*) when ye would not take it for yourselves save with disdain; and know that Allah is Absolute, Owner of Praise

2) Adz-Dzariyat verse 19

وَفِي أَمْوَالِهِمْ حَقٌّ لِّلسَّائِلِ وَالْمَحْرُومِ

The meaning:

And from their properties was (given) the right of the (needy) petitioner and the deprived.

## 3) Al-Hadid verse 7

أَمِنُوا بِاللَّهِ وَرَسُولِهِ وَأَنْفَقُوا مِمَّا جَعَلَكُمْ مُسْتَحْلِفِينَ فِيهِ ۖ فَالَّذِينَ آمَنُوا مِنْكُمْ وَأَنْفَقُوا لَهُمْ  
أَجْرٌ كَبِيرٌ

The meaning:

Believe in God and His Apostle, and spend on others out of that of which He has made you trustees: for, those of you who have attained to faith and who spend freely (in God's cause) shall have a great reward.

c. Nisab and Rate of Profession *Zakat*

Islamic people spend their *zakat* based on the nisab, it includes the revenue from the high salaries and honorarium got by the employees also the big payment of some profession group. Below are some arguments related with the minimum payment of profession *zakat* :

- 1) Analogize the profession *zakat* into farmer income, both in the terms of nisab and rate of the *zakat*. The nisab is 250 kilograms of rice with the rate is 5% or 10% which is paid every time, not in certain time of a period.
- 2) Analogize the profession *zakat* with the trading *zakat* or gold with the rate of 2.5% and paid every time of accumulated income calculation in the end of the year

- 3) Analogize the profession *zakat* with the farmer income with the nisab is 520 kilograms of rice with the rate of 2.5%.

Indonesian Ulama Council or *Majelis Ulama Indonesia* (MUI) has regulated that the *nisab* of profession income is similar with 85 grams of gold. The rate of those nisab is 2.5% on payment is when they receive their income fulfilling the nisab.

## 6. Income Tax

### a. Tax Definition

Based on UU no 28 / 2007, tax is mandatory contribution into the government by individual or institution which is regulated in the law, cannot get the direct interpretation and use for public interest in case of increasing the public welfare.

Tax is an obligation to give a part of people's wealth into the nation based on the condition, event and action which giving a certain position which is not as a punishment, but as an obligation according to the Law Regulation regulated by the government can be forced. The objective is maintaining the society' welfare (Djajaningrat, 2016).

Tax aims is actually to finance the state expenditures especially for society's welfare. Even though the tax payers cannot get the direct contract, but actually the usage are building the public facilities such as highway, hospitals, schools and another governmental program.

b. Income Tax Definition

Based on UU no 36 / 2008 income tax is the additional of economic value received by the Tax payers both from Indonesia and overseas used to consume or get more wealth of those certain tax payers with the other name and kind.

c. The Rights of Tax Payers

Tax is obligated to those who are capable with the regulation regulated by the nation as a way to dedicate to the nation. So that it is important to know the rights of the tax payer which is regulated in the UU no 16 / 2003 which generally the rights of Tax payers are; protection of their secret, get the guidance and direction from the third party, repair their information letter (SPT), request of time longer at delivering information letter (SPT) and request for heaviness and appeal.

More specific rights that could get by the Tax payers are as follows:

1) The right of postponing the payment

This right is used for those who have certain reason why they are allowed to postpone the payment of tax. It is already regulated in UU no 16 / 2009 about general provisions and taxation procedures law number 25.

2) The right of income tax article 25 deduction

Tax payers are allowed to deduct the tax article 25 to their income tax payment in certain condition regulated by the government.

3) The right of land taxes deduction

Tax payers who are in certain condition such as got an accident, or they are part of veteran fighters and defenders on independence are having right to get the deduction on land tax.

4) The right of covered the Tax by government

This could be happened in certain condition, such as project implementation which its funding coming from overseas sources, so that the related income tax is free from tax payment.

5) The right of tax overpayment restitution

Restitution happened when the tax payment in certain period is less than its credit tax. The maximum period of restitution is 12 months after they receive the acceptance report. One month time period of restitution is subjected to those who are paying tax obedient which its criteria is regulated in Financial Ministry Decision of 235/KMK.03/2003 in the date of June 3, 2003.

6) The right of preliminary restitution of tax overpayment

The terms of preliminary restitution of tax overpayment is one month for Value-Added Tax and three months for Income Tax.

7) The right to get Tax incentives

This is subjected for some tax objects such as train ticket, flight ticket, boat ticket, books, TNI/POLRI staff in which the tax is taken or submit by the customs area.

8) The right of tax exemption

Based on those kinds of rights, the one being a highlight is the right of tax exemption. Actually it can be seen that today the role of tax isn't something that should be forced. Tax planning are actually implemented in the company and individually because they want to pay the Tax minimally. In another hand, the expenditures are needed include increasing the economic welfare. That's why it needs the other sources of receipt for the government to fulfill the economic welfare so that the harmony of sharing the wealth is truly implement. One of those action is contributing the *Zakat* and another religious endowment.

d. Subject of Income Tax

The subject of Tax Income based on UU No 36 / 2008 article 2 section (1) are:

1) Individual

Individual is they are who are residing both in Indonesia and overseas.

2) Inheritance divided into a group of unity

Inheritance that has not been divided as a whole is a Tax Subject substitute, replacing those who are entitled, namely heirs. Appointment the undivided inheritance as a Substitute Tax Subject is intended so that the imposition of Tax on income derive from the inheritance can still be implemented.

3) Institution

Institution is a group of people and / or capital which is a unit, whether it conducts a business or not includes limited liability company (PT), limited company (CV), other company, Agency State Owned Enterprises (BUMN), or Regional Owned Enterprises (BUMD) with other name and form, partnership, cooperative, pension fund, fellowship, gathering, foundations, mass organizations, social organizations politics or similar organizations, institutions, permanent forms, and forms other agencies include mutual funds.

4) Permanent Establishment (BUT)

Permanent Establishment is a form of business used by a person who does not reside in Indonesia is not more than 183 (one hundred eighty three) days within 12 (twelve) months, or bodies which is not established and not domiciled in Indonesia, for run a business or do activities in Indonesia.



e. Exception of Income Tax Subject

Based on the UU no 36 / 2008, party exception of tax income includes:

- 1) Representative office of a foreign country.
- 2) Diplomatic, consular, and other officials from foreign countries and people who are representative of them, on condition not Indonesian citizens, and in Indonesia do not accept or get other income outside the position or job, as well as the country concerned gives reciprocal treatment.
- 3) International organizations defined by decisions Minister of Finance, with the following conditions:
  - a) Indonesia is a member of the organization
  - b) Do not run other businesses or activities to obtain income from Indonesia in addition to lend the government whose funds come from members' contributions.
- 4) Representative officials of international organizations established by Decree of the Minister of Finance with conditions that are not Indonesian citizens and do not run a business or other activity or work.

f. Object of Income Tax

Article 4 paragraph (1) of UU No.36 / 2008 about Income Tax, the subject of Tax income are as follows:

- 1) Reimbursement or compensation with respect to work or services received or obtained including salary, wages, benefits, honorarium, commissions, bonuses, gratuities, pensions, or other forms of compensation, except other stipulated in this UU.
- 2) Prizes from sweepstakes or work or activities, and awards;
- 3) Net income
- 4) Profit due to sales or due to transfer of property, including:
  - a) Profit due to transfer of assets to the company, partnership, and other entities as replacement of shares or capital investments;
  - b) Profit due to the transfer of property to shareholders, allies, or members obtained by the company, alliances and other institution;
  - c) Profit due to liquidation, merging, consolidation, expansion, company separation, taking business, or reorganizing by name and in any form;
  - d) Profit because of the transfer of assets in the form of grants, assistance, or donations, except those given to deep blood families straight line age one degree and religious body, educational institution, social institutions including

foundations, cooperatives, or individuals who run micro and small businesses, which are the truth conditions further are regulated by the Minister of Finance Regulation, as long as there is no relationship with business, work, ownership, or mastery between the parties concerned; and

- e) Profit due to sale or transfer in part or in whole mining rights, sign of participating in financing, or capital in mining companies;
- 5) Re-payment of tax payments that have been charged as a fee and additional tax refund payments;
- 6) Interest includes premiums, discounts and rewards due to guarantees debt repayment;
- 7) Dividends, by name and in any form, including dividends from insurance company to policy holders, and distribution of the remaining business results cooperative;
- 8) Royalties or compensation for the use of rights;
- 9) Rent and other income in connection with the use of property;
- 10) Receipt or acquisition of periodic payments;
- 11) Profit due to debt relief, except up to a certain amount determined by Government Regulation;
- 12) Foreign exchange rate difference;
- 13) More difference due to asset revaluation;
- 14) Insurance premium;

- 15) Dues received or obtained by associations from its members consisting from a Taxpayer who runs a business or free work

g. Exception of Income Tax Object

Based on Article 4 paragraph (1) of UU No.36 / 2008 about Income Tax, the exception of income Tax object are:

- 1) Both of assistance or donations and hybrid property.
  - (a) Assistance or donations, including *zakat* received by the amil *zakat* organization or the institution of amil *zakat* which is formed or authorized by the government and received by *zakat* recipients who have the right or religious donations which are compulsory for adherents of recognized religions in Indonesia, which accepted by religious institutions that are formed or authorized by government and received by the recipient of the rightful donation the provisions are governed by or based on Government Regulations.
  - (b) Hybrid property received by blood relatives in a straight line one degree, religious body, education body, social body including foundations, cooperatives, or individuals who run micro businesses and small, whose provisions are governed by or based on Ministerial Regulations Finance, as long as there is no relationship with business, work, ownership, or control of the parties concerned.

- 2) Inheritance

- 3) Assets including cash deposits received by the agency as intended in Article 2 paragraph (1) letter b as a substitute for shares or as a substitute equity capital;
- 4) Reimbursement or compensation in respect of work or services received or obtained in the form of nature and / or enjoyment from the Taxpayer or Government, except those provided by non-taxpayers, taxpayers subject to final tax or taxpayers who use the norm special calculation (deemed profit) as referred to in Article 15;
- 5) Payment from an insurance company to an individual in connection with health insurance, accident insurance, life insurance, dual-purpose insurance, and scholarship insurance;
- 6) Dividends or part of profits received or obtained by a limited liability company as domestic taxpayers, cooperatives, state-owned enterprises, or business entities regional ownership, from capital participation in established business entities and domiciled in Indonesia with the following conditions:
  - (a) Dividends are derived from retained earnings; and
  - (b) For limited liability companies, state-owned enterprises and regional-owned enterprises who receive dividends, share ownership in the entity that provides dividends are at least 25% (twenty five percent) of the total capital deposited;

- 7) Contributions received or obtained by pension funds whose establishment has been ratified Minister of Finance, both paid by employers and employees;
- 8) Income from capital invested by pension funds as well referred to in letter in certain fields determined by Decree of the Minister of Finance;
- 9) The share of profits received or obtained by members of the limited partnership company the capital is not divided into stocks, alliances, associations, firms, and partners, including unit holders for collective investment contracts;
- 10) Income received or obtained by venture capital companies in the form of parts profit from a business partner that is established and runs a business or activities in Indonesia, provided that the business partner's institution:
  - (a) A micro, small, medium, or running company activities in business sectors that are regulated by or based on Minister of Finance Regulation.
  - (b) Shares are not traded on stock exchanges in Indonesia.
- 11) Scholarships that meet certain requirements, the conditions of which is regulated based on the Minister of Finance Regulation;
- 12) Remaining received or obtained by a non-profit institution in the education and / or research and development fields registered with the agency in charge, which is re-invested in the form of

facilities and infrastructure of educational and / or research activities and development, within a maximum period of 4 (four) years obtain the remaining excess, the provisions of which are further regulated with or based on the Minister of Finance Regulation.

13) Assistance or compensation paid by the Social Security Organizing Body to certain Taxpayers, whose provisions are further regulated by or feel

#### h. Tax Tariff for Individual

Tax tariff is percentage to calculate the amount of Income Tax Payment in certain period. It is regulated in income tax article 17 related with Income Tax which are the terms are as follows:

Table 2.1  
Tax tariff for Individual

Amount of Taxable Income	Tax Tariff
0 – 50.000.000	5%
50.000.000 – 250.000.000	15%
250.000.000 – 500.000.000	25%
>500.000.000	30%

#### i. Taxable Income

Taxable income comes from net income deducted with non-Taxable income. UU no 36 / 2008 defined that taxable income for Indonesian Taxpayers and Standing Committee (BUT) is gross income deducted by expenses for getting, collecting and maintaining include of:

- (1) Cost which is directly and indirectly related with business process, including:
  - (a) Material purchases cost
  - (b) Cost related to work or services include of wages, salaries, honorariums, bonus, gratification, and another allowances given in terms of money
  - (c) Interest, rent and royalty
  - (d) Office travel expenses
  - (e) Waste processing fees;
  - (f) Insurance premiums;
  - (g) Promotional and sales fees that are regulated by or based on the Regulations Minister of Finance;
  - (h) Administration fees; and
  - (i) Taxes except Income Tax;
- (2) Depreciation of expenses to obtain tangible assets and amortization for expenses to obtain rights and other costs that have benefit period of more than 1 (one) year as referred to in Article 11 and Article 11A;
- (3) Contributions to pension funds which establishment has been approved by the Minister Finance;
- (4) Loss due to sale or transfer of assets owned and used in the company or owned to get, collect, and maintain income;
- (5) Foreign exchange rate loss;



- (6) Company research and development costs carried out in Indonesia;
- (7) Scholarship fees, internships, and training;
- (8) Receivables that are clearly not collectible with the following conditions:
  - (a) Taxpayers have been charged as a cost in the commercial income statement;
  - (b) Taxpayers must submit a list of receivables that cannot be collected to the Directorate General of Taxes; and
  - (c) Taxpayers have submitted the case of billing to the district court or government agencies that handle state receivables; or an agreement written about the removal of accounts receivable / debt relief between creditors and the debtor in question; or has been published in public publishing or specifically; or an acknowledgment from the debt collector that the debt has been abolished for a certain amount of debt
  - (d) The conditions referred to in number 3 do not apply to deletion uncollectible debts of small debtors as referred to in Article 4 paragraph (1) letter k; whose implementation is further regulated by or based on Minister of Finance Regulation
- (9) Donations in the context of national disaster management by Government Regulation;

(10) Donations in the framework of research and development carried out at Indonesia whose provisions are regulated by Government Regulation;

(11) The cost of building social infrastructure whose provisions are regulated by Government regulations;

(12) Donation of educational facilities whose provisions are regulated by Regulation Government; and donations in the context of sports coaching the provisions governed by Government Regulations.

j. Non-Taxable Income

Based on UU no 36 / 2008, the Non-Taxable Income terms are as follows:

Table 2.2  
Non-Taxable Income Tariff

Explanation	NTI
Tax Payers	54.000.000
Marry Statue	4.500.000
Dependents (maximum 3)	4.500.000
Wife, with income are combined with the husband	4.500.000

k. The Similarities and Differences between *Zakat* and Taxation

The similarities both *Zakat* and Taxation are:

- 1) Both are mandatory obligation, so that there is a sanction for those who violate it
- 2) Both are paid into official institution to get the maximum distribution and usage

- 3) Both are economic development future oriented
- 4) Both are not getting the direct interpretation
- 5) Both are managed by the government

The difference both *Zakat* and Taxation are:

- 1) *Zakat* is a proof of the obedience to Allah SWT and also the Prophet Muhammad SAW, while tax is a proof of compliance to the head of the nation
- 2) *Zakat* has regulated in the holy Qur'an and Hadith of Rasul, while the tax is written in nation law
- 3) *Zakat* is given to the moslem, while tax is given to all of the nation
- 4) *Zakat* is paid by moslem in all of the countries, while tax is paid in the certain society
- 5) *Zakat* given to the certain receiver regulated by the Holy Qur'an and Hadith, while tax is given to all aspects of society.

#### 7. The Flow of *Zakat* and Another Religion Obligation Deduction to Taxable Income

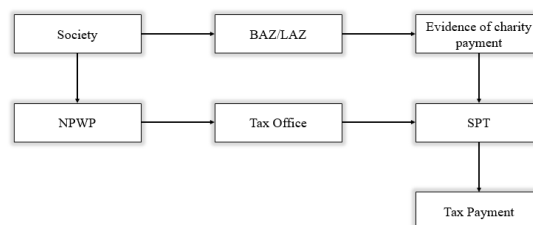


Figure 2.1  
Flow of *Zakat* and Another Religion Obligation Deduction to Taxable Income

- a. Firstly, it is important to the Tax payers to have Tax ID Number (NPWP)
  - b. How to make NPWP is, the Tax payers should come and register into tax office
  - c. When they already have an NPWP, they can choose one of any BAZ/LAZs which had already explained in the previous pages listed by the governments
  - d. The tax payers will get the evidence of *zakat* payment by those BAZ/LAZ and it will reduce the amount of tax payment reported in notification letter (SPT).
  - e. In every time of period (monthly or yearly) the Tax payers should fulfill the Surat Pemberitahuan (SPT) both by manual SPT or e-SPT provided by tax office nearby. The evidence contains information about:
    - (1) Full name of NPWP and NPWP payer
    - (2) Amount of *Zakat* or another religion obligatory contribution
    - (3) Date of payment
    - (4) Name of BAZ, LAZ or another religion institution and the staff signature
    - (5) Validation of bank staff in the transfer evidence
  - f. The tax payment in the certain period should be paid in the maximal date of 10 in the next month
8. Calculation and Comparison of *Zakat* Deduction of Taxable Income

In the Section two of Government Regulation of the Republic of Indonesia number 60 year 2010, one of the evidence can deduct the taxable income is payment of *zakat* in *zakat* management institution regulated by the government. Below is the example of *zakat* payment deduction calculation in taxable income and without *zakat* payment in paying the tax payment:

Gross Income		Rp	100,000,000
Position Allowance Expense (5% maximum payment Rp 500.000 monthly)		Rp	500,000
Pension Contribution Fee (maximum payment Rp 500.000 monthly)		Rp	500,000
<i>Zakat</i> Payment		Rp	2.500,000
Non-Taxable Income (TK/0)		Rp	54,000,000
Tax payers	Rp		54,000,000
Married	Rp		4,500,000
Wife's Income is combined	Rp		54,000,000
Dependents of semenda's blood relatives (every single person, maximum 3 persons).	Rp		4,500,000

Table 2.3  
Tax Tariff based on PPh chapter 17

5%	0 – 50.000.000
15%	50.000.000 - 250.000.000
25%	250.000.000 - 500.000.000
30%	more than 500.000.000

Tax Payer who pays *zakat* calculation

Gross Income	Rp 100,000,000
Position Allowance	Rp 500,000
Pension Contribution Fee	Rp 500,000
<i>Zakat</i> Payment	<u>Rp 2.500,000</u>
Net Income annual	Rp 96,500,000
Non-Taxable Income (not married yet)	<u>Rp 54,000,000</u>
Taxable Income	Rp 42,500,000
Tax article 21 is owed	<u><u>Rp 2,125,000</u></u>

Tax payer who does not pay *zakat* calculation

Gross Income	Rp 100,000,000
Position Allowance	Rp 500,000
Pension Contribution Fee	<u>Rp 500,000</u>
Net Income annual	Rp 99,000,000
Non-Taxable Income (not married yet)	<u>Rp 54,000,000</u>
Taxable Income	<u><u>Rp 45,000,000</u></u>
Tax article 21 is owed	<u><u>Rp 2,250,000</u></u>

## B. HYPOTHESIS DEVELOPMENT

## 1. Hypothesis 1

*Zakat* is one of obligations pay periodically for moslem to purifying their assets. One kind of *Zakat* is profession *Zakat* which should be paid by anyone who gets salary and capable to pay. The tariff is 2.5% of their salaries they get in certain period of time. It actually has been regulated by the holy Qur'an Surah Al-Baqarah verse 267.

Attribution theory defines that every single person pays attention to the others and try to know whether their action are coming from internal or external influence (Robbins and Judge, 2008). Internal factors are

factors coming from their own under control or coming from their inner voice. While external factors means affecting by another factors such as situations or regulations. This theory is suitable to measure about the attitude to pay *Zakat* for *muzakki*.

Wahid, Haerunnizam, et al (2005) state that the society have less self-consciousness of paying the *Zakat* because most of them only know *fitriah zakat*, which is paid every Syawal in Islamic Calendar. Even they know other *zakat* should they paid, the self-consciousness of paying *zakat* is still low because they need some knowledge from *zakat* management institution to inform about the importance of paying *zakat*. The other way could do by the *zakat* management institutions to increase the self-consciousness of *muzakki* is integrating its management such as in Pusat *Zakat* Selangor (PSZ) and Pusat Pungutan *Zakat* (PPZ) in Malaysia.

Based on those problems, this research wants to examine whether the internal or external factors influence the *muzakki* to pay *zakat*. So that the hypothesis of this research is:

**H1: *Zakat* Knowledge has positive significant influence towards *Muzakki* and Tax Payer's Attitude in Paying *Zakat* and Income Tax.**

## 2. Hypothesis 2

Tax is an obligation regulated by the government which objective for budgeting the financial expense for the nation. One of the taxes should be paid by a tax payer is income tax (PPH article 21). This tax should be paid

by every single person and for their companies who are fulfill the subjective and objective terms regulated by the law.

Dedication theory defines that the citizens are part of the nation. So that, the citizens are tied up into the nation and it becomes an obligation for them to pay the tax as a form of their dedication. As we can see that the tax are regulated by the government so that it has a sanction for those who violate it.

Attribution theory defines that every single persons pays attention to the others and tries to know whether his/her action are coming from internal or external influence (Robbins and Judge, 2008). Both of dedication and attribution theories are suitable to measure the attitude of tax payers to pay their income tax,

Setyowati (2014) defines that tax knowledge has positive influence towards tax payer compliance on paying land tax. She also states that it is important to have routine reminds for the tax payers to their self-conscious in paying the tax by themselves.

Based on the above explanations, this research wants to examine whether the tax payers are paying the tax from their internal or external factors and how big their contribution to the nation are. So that the second hypothesis of this research is:

**H2: Tax Knowledge has positive significant influence towards *Muzakki* and Tax Payer's Attitude in Paying *Zakat* and Income Tax.**



### 3. Hypothesis 3

As we can see that both *zakat* and tax are obligations in every single person. *Zakat* is an obligation as a moslem, while tax is an obligation as a citizen. The deduction of *zakat* in Taxable income is a new implementation regulation in Indonesia. That regulation is reduced the burden of liability in every single person, minimally it can reduce the amount of tax payment.

Theory of reasoned action is a theory which is connecting among belief, attitude, intention and behavior. Belief means, if we want to know what people want, the best way is knowing the reason why they do it. But people are allowed to make some considerations with different reason. The most important concept in this theory is salience, means making considerations for something recognized as important. Intention is determined by the attitude and subjective norm (Jogiyanto, 2007).

Muktiyanto (2008) defines that more than 52% citizens in Indonesia do not know about the implementation of *zakat* as tax expense and they don't pay *zakat* both in LAZ and BAZ. It also indicate that most of them are misinterpretation about the *zakat* accounting treatment as a tax expense, not deductible income.

Research defines by Wahid et al in 2005 had explained in the previous hypothesis development prove that it is important for the *muzakki* and tax payers to get the knowledge of both paying *zakat* and tax so that they can increasing their self-consciousness. Wahid (2005) also

states that the perception of *muzakki* also could be give the trust by proofing the good governance of managing the *zakat*. He also defines that this way could give the ability of managing *zakat*, and increase the list of *zakat* payment, so they have impact on good management of *zakat* bill.

This research want to know more whether with the new implementation of UU no 36 / 2011 about *zakat* and tax integration, the tax payers attitude, especially the civil servants, is good and want to give more dedication to pay both *zakat* and tax to the nation or not. In the other hand, this research also wants to examine their attitude regarding with facing the new implementation of *zakat* and tax integration with their benefit of reasoned actions, so that, the hypothesis of this research is:

**H3 : Integration of *Zakat* and Tax Knowledge has positive significant influence towards *Muzakki* and Tax Payer's Attitude in Paying *Zakat* and Income Tax.**

### C. RESEARCH MODEL

The research model can be draw as follows:

