

## Tracing The Development And Governance Of Zakat In Jordan: A Detailed Historical And Institutional Analysis

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### ABSTRACT

*Poverty is a case that has become an unforgettable story throughout the history of human life, one that humanity continues to grapple with. The efforts to eradicate poverty have been a central theme of human development.. Methode is explore the implementation of zakat in Jordan and its impact on poverty alleviation, a comprehensive research methodology was employed. The study began with a historical analysis of zakat practices, tracing its evolution from the classical Islamic period to the present day. The findings of this study reveal a multifaceted approach to zakat implementation in Jordan. Historically, zakat has been an essential component of Jordan's social welfare system, with its roots tracing back to early Islamic governance. Over time, the system evolved, and modern legislation was introduced to formalize zakat collection and distribution. In contemporary Jordan, zakat is governed by both state-sanctioned institutions and religious organizations, working in tandem to ensure that the funds are channeled effectively to those in need. The Jordanian government has enacted laws that facilitate the collection and distribution of zakat, with the Ministry of Awqaf and Islamic Affairs playing a central role in overseeing zakat activities. This institutionalized approach has ensured that zakat reaches marginalized communities, including refugees and low-income households, helping to reduce poverty levels in these groups.*

**Keywords:** Zakat, Zakat Law, Welfare

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## Menelusuri Perkembangan dan Tata Kelola Zakat di Yordania: Analisis Historis dan Kelembagaan yang Rinci

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### ABSTRAK

Kemiskinan adalah kasus yang telah menjadi kisah yang tak terlupakan sepanjang sejarah kehidupan manusia, yang terus bergulat dengan kemanusiaan. Upaya untuk memberantas kemiskinan telah menjadi tema sentral pembangunan manusia. Metode ini mengeksplorasi implementasi zakat di Yordania dan dampaknya terhadap pengentasan kemiskinan, metodologi penelitian yang komprehensif digunakan. Penelitian ini dimulai dengan analisis historis praktik zakat, menelusuri evolusinya dari periode Islam klasik hingga saat ini. Temuan penelitian ini mengungkapkan pendekatan multifaset terhadap implementasi zakat di Yordania. Secara historis, zakat telah menjadi komponen penting dari sistem kesejahteraan sosial Yordania, dengan akarnya menelusuri kembali ke pemerintahan Islam awal. Seiring waktu, sistem berkembang, dan undang-undang modern diperkenalkan untuk memformalkan pengumpulan dan distribusi zakat. Di Yordania kontemporer, zakat diatur oleh lembaga yang disetujui negara dan organisasi keagamaan, bekerja sama untuk memastikan bahwa dana disalurkan secara efektif kepada mereka yang membutuhkan. Pemerintah Yordania telah memberlakukan undang-undang yang memfasilitasi pengumpulan dan penyaluran zakat, dengan Kementerian Wakaf dan Urusan Islam memainkan peran utama dalam mengawasi kegiatan zakat. Pendekatan yang dilembagakan ini telah memastikan bahwa zakat menjangkau masyarakat terpinggirkan, termasuk pengungsi dan rumah tangga berpenghasilan rendah, yang membantu mengurangi tingkat kemiskinan pada kelompok-kelompok ini.

**Kata Kunci:** Zakat, Undang-Undang Zakat, Kesejahteraan

## INTRODUCTION

Zakat, one of the Five Pillars of Islam, serves as a powerful tool for poverty alleviation and social justice, making it an essential component of Islamic social and economic systems. Throughout history, zakat has been implemented as a mechanism to bridge the gap between the wealthy and the poor, fostering social solidarity and equitable distribution of wealth (Ahmed, 2022). In Jordan, a nation with a deeply rooted Islamic heritage, zakat has played a central role in addressing socio-economic disparities and alleviating poverty (Al-Qudah, 2023).

The history of zakat in Jordan is rich, with its origins tracing back to the early Islamic period when it was institutionalized as part of the broader governance framework (Al-Shammari, 2021). Over the centuries, the practice has evolved, adapting to the changing socio-political landscape. Modern Jordan, with its diverse population and socio-economic challenges, continues to rely on zakat as an important social welfare tool (Al-Majali & Al-Hussein, 2023). The governance and management of zakat in Jordan have become increasingly sophisticated, with formalized institutions and state regulations ensuring its effective distribution to the needy (Ministry of Awqaf and Islamic Affairs, 2024).

This article seeks to provide a comprehensive exploration of the historical development and governance of zakat in Jordan. Through a detailed analysis of both its religious foundations and institutional framework, the paper highlights the evolution of zakat practices from classical Islamic governance to contemporary Jordanian society. By tracing the journey of zakat in Jordan, this study aims to understand the ways in which zakat has been managed to address poverty and inequality, while also identifying challenges and opportunities for its continued role in the nation's social welfare system.

## **METHOD**

This study employs a multi-faceted approach to explore the development and governance of zakat in Jordan, combining historical analysis, institutional review, and qualitative research. The primary objective is to trace the evolution of zakat from its early roots in Islamic governance to its contemporary implementation in Jordan, while examining the institutional frameworks that have shaped its role in addressing poverty and social inequality.

## **RESULT AND DISCUSSION**

### **Historical Background and Regulations in Jordan**

The regulation of zakat in the Hashemite Kingdom of Jordan began in 1944 with the establishment of a specific zakat collection law. Jordan became the first Islamic country to introduce a zakat law, which required the collection of zakat within the Hashemite Kingdom of Jordan. This law made zakat mandatory for all Muslims in Jordan, but its application was limited to livestock, land, and imported goods. The law, which remained in effect until 1953, was not based on the nisab (minimum threshold) and the rate set by the law was significantly lower than the zakat rate stipulated by Islamic law. The law established an organizational structure consisting of an independent institution and an administrative council appointed by the government. The distribution of zakat collected under the supervision of the Council of Ministers was to determine the poverty criteria for those eligible to receive zakat. The 1944 law did not offer tax exemptions for zakat payers, nor did it provide equivalent concessions for non-Muslims.

The 1944 zakat law was repealed in 1953 with the introduction of the Social Services Tax Law, which remained in force until 1978 when a new zakat law was issued. The 1953 law introduced a social service tax as part of the tax revenue, and the income from this tax was intended to assist the poor through cash relief and to support charitable organizations such as orphanages, refugee camps, and others.

The 1978 zakat law provided for the establishment of an autonomous zakat institution within the domain of awqaf (endowment services). This institution received zakat funds on a voluntary basis and was also authorized to receive donations in addition to zakat. The distribution of funds from this institution was primarily directed toward categories eligible to receive zakat. The 1978 law introduced tax concessions as incentives for zakat payments, allowing for a reduction in taxable income based on the zakat amount paid. This law went through two amendments, which allowed the government to receive donations and increase tax incentives. The zakat amount eligible for tax reduction was increased by more than a quarter of the total zakat paid. Unlike the 1944 law, the 1978 law explicitly regulated the distribution of funds to those classified as poor and eligible for zakat according to Islamic law.

In 1986, the National Aid Fund was established with the aim of providing emergency assistance to individuals and families in need. This fund was affiliated with social development services and financed through annual budgets and a share of tax revenue. Additionally, compared to the zakat fund, this fund was given broader authority and access to social services providing community-based assistance. The fund is managed at the national level, regardless of the religion of the beneficiaries and staff.

In 1988, a law was enacted regarding zakat management institutions, known as the Zakat Fund Law of 1988. This law granted legal authority to the institution to manage its budget independently and to enforce rules and technical guidelines for the effective implementation of zakat.

The scope and focus of the zakat law are based on five key points:

1. Increasing the participation of philanthropists and donor institutions.
2. Strengthening networks with social institutions both domestically and internationally.
3. Extending reach to all corners of Jordan, particularly to impoverished areas.
4. Ensuring transparency in all activities of the zakat fund (Shunduq).
5. Integrating and contributing other sectors to the zakat sector.

Given the high aspirations of this law, a Board of Directors for the Zakat Fund (Shunduq) was established, chaired by the Minister of Awqaf and Religious Affairs. The Board consists of 10 members, including five representatives from the government and five from the private sector. The Vice Chairperson is the Secretary General of the Ministry of Awqaf, the Grand Mufti of the Hashemite Kingdom of Jordan, the Director of the Zakat Fund, a representative from the Ministry of Finance, and a representative from the Ministry of Growth and Social Affairs.

In its operations, the Jordanian zakat fund utilizes working groups, particularly the zakat commission, which is the largest across the country. The zakat commission has five main tasks:

- a.) Monitoring and mapping poverty in the community, distributing aid based on needs assessments.
- b.) Establishing healthcare clinics and operations for zakat payers (muzaki).
- c.) Establishing education centers for the unemployed.
- d.) Creating job opportunities, such as investment projects for zakat payers.
- e.) Establishing home-based businesses and providing training programs.

### **Characteristics of Zakat Management in Jordan**

The management of zakat in Jordan has several distinctive characteristics, including:

- a.) Autonomous zakat funds managed by a small directorate within the awqaf (endowment) service.

Autonomous zakat funds in Jordan are managed by a small directorate within the **Awqaf (Endowment) Service**, which is a government agency responsible for overseeing religious endowments and charitable activities. The directorate functions independently but operates within

the framework of the Awqaf ministry, which is focused on the management of religious and social welfare funds in the country. This setup is designed to streamline the collection and distribution of zakat (alms) while maintaining a certain level of autonomy and flexibility in managing these funds.

b.) The directorate responsible for zakat management in Jordan is structured to ensure efficient collection and distribution across the country, with a system similar to that of the Awqaf (endowment) service. It operates with a central management office located in the capital, Amman, and branches in the provinces. The central office oversees the overall planning, coordination, and administration of zakat, setting policies and guidelines for its collection and distribution. Provincial branches play a critical role by handling local collection efforts and distributing zakat to vulnerable communities, ensuring that both urban and rural areas are served. The directorate's structure allows for effective zakat collection at both the central and provincial levels, where the central office handles large-scale initiatives while provincial branches focus on direct support for local recipients. This decentralized approach ensures that zakat reaches individuals in need through both nationwide programs and localized efforts. Regular communication and coordination between the central office and provincial branches help maintain consistency, transparency, and accountability in zakat management, ensuring that funds are used for their intended purposes—alleviating poverty and supporting those in need across Jordan.

c.) In addition to the zakat directorate, there are 43 voluntary zakat committees covering various parts of the country. Each committee manages its own independent fund, separate from the central fund.

d.) The zakat distribution model is quite innovative. For example, a zakat payer (muzaki) can designate specific recipients (mustahik), and after evaluation by the directorate, the directorate may approve the transfer of funds or direct them to the designated recipients. In this way, zakat payers can receive tax concessions.

e.) A reserve fund is created, with approximately 100% of the zakat funds being transferred annually for the purpose of infrastructure development.

f.) Islamic scholars ensure the integrity of the zakat fund through collaboration with the awqaf service, as outlined by the Zakat Directorate. This allows the government to benefit from additional support in both service and religious expertise. In its operations, the government requires the Zakat Fund to follow official procedures and regulations.

g.) Zakat recipients are required to complete an application and attend an interview, and sometimes, an officer is sent to verify the applicant's residence. Before a decision is made, investigations are conducted to identify other available sources of aid, especially from nationally established relief funds.

h.) The Zakat Directorate prepares an annual plan for activities. However, due to the small size of the directorate and limited resources, the targets set are not overly ambitious, and achieving these targets can be challenging.

In conclusion, the zakat system in Jordan demonstrates a comprehensive and innovative approach to poverty alleviation. In addition to the central Zakat Directorate, there are 43 voluntary zakat committees that independently manage their funds, ensuring broader community involvement and local impact. The zakat distribution model allows for flexibility, where zakat payers (muzaki) can designate specific recipients (mustahik), with funds being transferred after directorate evaluation, offering tax incentives to the payers. A reserve fund is created annually to support infrastructure development, further enhancing the sustainability of the zakat program. Islamic scholars collaborate with the awqaf service to ensure the integrity of the fund, while government oversight ensures compliance with official procedures. Zakat recipients undergo a thorough application and verification process to ensure that aid reaches the most deserving individuals. Despite the directorate's limited resources, it continues to develop and implement annual plans aimed at addressing poverty, though challenges remain in achieving ambitious goals. Overall, the zakat management system in Jordan strives to balance innovation, transparency, and accountability in addressing the needs of the poor.

### **Zakat Distribution Model in Jordan**

The zakat distribution model in Jordan is categorized into three main types: monthly assistance and one-time aid, assistance for orphaned children, and human resource empowerment programs for productive activities. The empowerment programs are quite varied, and some of the unique ones include:

**Agriculture and Livestock Empowerment Programs in Rural Areas**, which focus on providing sustainable livelihood opportunities for families in rural regions. These programs include dairy cattle farming, goat farming under specific conditions, dairy-based product production, beekeeping, poultry farming, rabbit farming, agricultural product production, and local vegetable planting programs. Each of these initiatives is designed to provide families with the resources and knowledge needed to improve their agricultural and livestock operations, ensuring both food security and income generation.

In addition to agricultural support, the zakat distribution model also includes **Small Industry and Handicraft Programs**, which aim to enhance the capabilities and skills of poor families, enabling them to create marketable products. These programs cover a wide range of activities, such as traditional clothing weaving, embroidery crafts, local cultural crafts, sand-based crafts, glass calligraphy art, flower arrangement art, ceramic handicrafts, prayer mats, Arabian carpets, and decorative plates. By developing

these skills, families can create high-quality products that reflect local traditions and culture, opening new avenues for economic growth and cultural preservation.

Furthermore, **Skills Training Programs** are offered to help individuals acquire practical skills in demand in the labor market. Programs in electrical work, household appliance repair, and hospitality services provide individuals with the expertise needed to pursue stable employment or establish their own businesses. These training initiatives not only enhance personal livelihoods but also contribute to the local economy by addressing critical labor shortages in these sectors.

The model also includes **Women Empowerment Programs**, which focus on providing women with the skills and opportunities needed to become financially independent and actively participate in community development. These programs offer training in various fields, including sewing, small business management, and leadership, empowering women to contribute to their families and communities.

Finally, the zakat model includes **Healthcare Services for the Poor**, delivered in collaboration with hospitals and pharmacies. These services aim to provide healthcare at reduced costs or free of charge, ensuring that vulnerable populations receive essential medical attention. This initiative helps improve the overall well-being of the community, ensuring that the most vulnerable individuals are not excluded from necessary healthcare due to financial constraints.

Through these diverse and comprehensive programs, zakat in Jordan plays a critical role in alleviating poverty, promoting sustainable development, and empowering individuals to become self-reliant. The combination of financial assistance, skills development, healthcare access, and social empowerment serves to uplift communities and create lasting positive change.

## CONCLUSION

Zakat, as one of the key instruments of Islamic finance, plays a significant role in poverty alleviation. Each country has its own unique approach to zakat management, as seen in the cases of Indonesia and Jordan. These differences are reflected in various aspects, including regulations, managing institutions, supervisory bodies, zakat collection and distribution models, as well as the management of zakat funds.

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