

Analysis of the Minister of Religious Affairs Decision (KMA) No. 606 of 2020 on the 12.5% Amil Rights and Its Impact on the Effectiveness of Zakat Management in Indonesia

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ABSTRACT

Minister of Religious Affairs Decree (KMA) No. 606 of 2020, which sets the amil (administrator) rights at 12.5% of zakat funds, has had a significant impact on zakat management, particularly regarding the use and distribution of operational funds. This policy aims to enhance the accountability and efficiency of zakat management but also presents challenges, especially in areas with high community needs and limited operational resources. This study seeks to evaluate the impact of this policy on the effectiveness of zakat management, particularly in terms of distribution, efficiency, and accountability of zakat institutions at the regional level. A qualitative approach with descriptive analysis was used, drawing on field data and case studies in zakat institutions. The findings indicate that the 12.5% amil rights policy supports transparency but requires greater efficiency in operational management. As a solution, this study recommends the implementation of the SIBaz Model (Baznas Integration Standard Model), which includes typology and grading of leadership and staff based on performance.

Keywords: *KMA No. 606 of 2020, Zakat, Mmil Rights, Accountability, Efficiency, SIBaz Model, Zakat Management*

INTRODUCTION

The management of zakat in Indonesia has experienced significant development in recent decades. Zakat, as one of the pillars of Islam, plays an essential role in supporting social welfare and economic development for the Muslim community. Zakat is not only an individual obligation but also an economic system capable of reducing social inequality and empowering the needy (Arifin, 2012). At the national level, zakat management has been entrusted to officially recognized institutions, such as the National Zakat Agency (BAZNAS) and various other zakat institutions spread across Indonesia (Hafidhuddin, 2011).

The enactment of Minister of Religious Affairs Decree (KMA) No. 606 of 2020 aims to regulate the allocation of amil

(zakat management staff) rights at 12.5% of the total collected zakat to support the operational activities of zakat institutions (Ministry of Religious Affairs of the Republic of Indonesia, 2020). Amil rights are part of the eight categories of zakat recipients mentioned in Surah At-Taubah verse 60, which allows zakat funds to be allocated to zakat management staff as one of the eligible groups. Based on this provision, amil rights are an integral part of zakat management that is legally legitimate according to Islamic law.

However, the implementation of this policy faces various challenges, including the limited resources available to zakat institutions, particularly those operating in regions with high community needs. Operational funds become very constrained when zakat institutions must allocate most

of the funds received for community distribution and empowerment programs. Moreover, the characteristics and needs of zakat recipients vary across regions, necessitating adaptive and flexible management approaches (Hafi-dhuddin, 2011).

In the concept of modern zakat management, the role of amil has expanded significantly from its traditional function, which was limited to collecting and distributing zakat to recipients. Today, amil faces additional responsibilities, including office management, intensive community outreach to raise awareness, and the structured planning and implementation of zakat programs. This is particularly crucial because zakat management in many Muslim-majority countries has evolved into a social industry requiring high professionalism and skilled human resources. Consequently, the 12.5% allocation from total zakat collected, which in business terms is considered "gross revenue," is often insufficient to cover salaries, daily operations, and investments in sustainable program development (Al-Sudairy, 2021).

A study indicates that zakat management requires substantial financial support for zakat institutions to perform the diverse functions and services necessary in the modern era (Al-Khater, 2020). For instance, in Malaysia and Saudi Arabia, operational allocations for amil are more flexible to meet local needs and cover a range of activities, from promotion to the development of information technology systems for transparency and efficiency. With a structured zakat industry, zakat institutions are expected to make a more substantial impact on economic empowerment and community welfare, making zakat an effective social instrument (Ibrahim, 2019).

Adequate allocation for amil rights not only supports operational needs but also allows amil to innovate in fund management and reach target recipients more effectively. Therefore, evaluating the amil rights percentage can be a crucial step in

enhancing the effectiveness of zakat institutions amid modern demands.

Additionally, the role of zakat in society has become increasingly significant as zakat serves as a driving force in the development of various sectors, including education, healthcare, and economic empowerment. Innovations in zakat programs now extend to social issues such as education, health, and environmental sustainability, demonstrating the substantial contribution of zakat to national development. By strengthening the role of zakat, society is encouraged to appreciate the power of collaboration in achieving shared prosperity. Thus, professional zakat human resources and adequate amil funds are essential for supporting honorariums, operational costs, and the sustainable development of zakat services.

Accordingly, this research is conducted due to the need for a deeper understanding of the impact of KMA No. 606 of 2020 on the effectiveness of zakat management. The 12.5% limit on amil rights, while aiming to ensure accountability and transparency, has the potential to restrict the operational flexibility of zakat institutions, especially those in regions with high operational demands. In the context of zakat management, effective management plays a vital role in achieving optimal outcomes in zakat distribution and community empowerment (Hasan, 2007).

This research also responds to the increasing number of zakat recipients in certain areas in Indonesia, highlighting the importance of effective zakat management. The policy setting a maximum amil rights percentage risks limiting zakat institutions' ability to implement sustainable empowerment programs, especially in areas far from administrative centers or public access. Therefore, this research is essential to evaluate how the amil rights proportion can positively impact the overall effectiveness of zakat management in Indonesia (Al-Qaradawi, 2000).

The primary objective of this study is to analyze the impact of Minister of Religious Affairs Decree No. 606 of 2020

on the effectiveness of zakat management in Indonesia, particularly concerning the 12.5% limit on amil rights. By evaluating this amil rights proportion, the research aims to: first, identify the effect of the amil rights limit on the operational efficiency and effectiveness of zakat institutions; second, examine the role of amil rights in supporting the sustainability of zakat distribution programs in various regions; and third, provide recommendations for future zakat policy development to better suit the operational needs of zakat institutions across Indonesia.

This study is thus expected to offer insights to policymakers and zakat institutions for enhancing the performance and quality of zakat management in Indonesia (Hafidhuddin, 2011).

Relevant articles from journals related to this research include: first, Zainal Arifin, "The Role of Zakat in Poverty Alleviation in Indonesia," *Jurnal Ekonomi dan Kebijakan Publik*, Volume 5, No. 2, 2016; second, Fatmawati, "Analyzing the Impact of Zakat Management Policies on Community Welfare," *Jurnal Manajemen Zakat dan Wakaf*, Volume 8, No. 1, 2020; third, Abdul Karim, "Regulatory Framework for Zakat Management in Indonesia: Challenges and Opportunities," *International Journal of Islamic Economics and Finance*, Volume 3, No. 2, 2019; fourth, Eko Suyanto, "Zakat as a Tool for Economic Empowerment: A Case Study of BAZNAS," *Jurnal Ekonomi Syariah*, Volume 4, No. 3, 2021; fifth, Titi Handayani, "The Effectiveness of Zakat Distribution Management: Lessons from KMA No. 606," *Jurnal Dakwah dan Komunikasi*, Volume 10, No. 1, 2022.

While these articles share some themes with this research, they differ in primary focus.

RESEARCH METHODOLOGY

This study employs a qualitative approach using a descriptive-analytical method. The qualitative approach is chosen as it allows the researcher to gain an in-depth understanding of the phenomenon being studied, particularly concerning zakat

policies and the rights of zakat administrators (amil) as stipulated in Ministerial Decree No. 606 of 2020. Data sources were obtained from literature reviews, including various academic journals, books, and official documents, as well as interviews with practitioners and experts in the field of zakat. This data collection process aims to gather relevant and up-to-date information regarding the role of amil rights in zakat management in Indonesia (Hafidhuddin, 2011).

Once the data was collected, analysis was conducted to obtain a comprehensive understanding of the impact of this policy on the effectiveness of zakat management. This study not only focuses on the context within Indonesia but also compares zakat policies in Indonesia with those in other countries. Thus, the study seeks to gain a broader perspective on the allocation of amil rights and the challenges faced by zakat institutions in carrying out their functions (Baba, 2016). This comparative approach is expected to provide valuable insights into the development of improved zakat management practices in Indonesia.

DISCUSSION

Definition and Legal Basis of Amil Rights

Amil rights refer to funds allocated to meet the operational needs of zakat institutions. This funding is essential to support the management, distribution, and oversight of zakat funds to ensure their effective and efficient implementation. In the context of Sharia, amil rights are recognized as part of legitimate zakat funds, as stated in Surah At-Taubah, verse 60, where Allah SWT establishes eight categories of people entitled to receive zakat, including amil. The verse states: "Indeed, zakat is only for the poor, the needy, those who collect zakat, those whose hearts are to be reconciled, to free the captives, to relieve the debts, for the cause of Allah, and for the wayfarer." This indicates that amil plays a crucial role in the zakat management system, acting as a

bridge between muzakki (zakat payers) and mustahik (zakat recipients) (Baba, 2016).

The policy regarding amil rights is regulated in the Minister of Religious Affairs Decree (KMA) No. 606 of 2020. This decree sets the maximum amount for amil rights at 12.5% of the total zakat collected. The establishment of this limit is expected to encourage zakat institutions to manage funds more professionally and accountably. With legal certainty regarding the allocation of amil rights, zakat institutions are expected to focus more on their tasks, which include distributing zakat to mustahik fairly and appropriately (Kementerian Agama RI, 2020).

In practice, good zakat management relies not only on the amount of zakat collected but also on the zakat institutions' ability to utilize amil rights efficiently. Proper allocation of amil rights ensures that zakat institutions can carry out their operations, including developing community empowerment programs, training, and other social activities. This aligns with the very purpose of zakat, which is to empower the less fortunate and reduce social disparities in society (Hafidhuddin, 2011).

However, it is important to remember that the use of amil rights must still comply with Sharia principles, where every expenditure must be transparent and accountable. Zakat institutions need to ensure that the funds obtained from amil rights are not misused and are utilized for purposes aligned with the goals of zakat. This presents a unique challenge for zakat institutions in Indonesia, especially amid diverse operational needs across various regions (Hasan, 2007).

Overall, amil rights play a significant role in zakat management in Indonesia. With a clear legal foundation, zakat institutions are expected to perform their functions better, allowing the collected zakat funds to have a substantial impact on society. The establishment of KMA No. 606 of 2020 as regulation regarding amil rights is hoped to address challenges in zakat management and encourage zakat institutions to be more

professional in managing and distributing zakat.

Implications of the Minister of Religious Affairs Decree No. 606 of 2020 on Zakat Management Effectiveness

The limit on amil rights of 12.5% in KMA No. 606 of 2020 directly impacts several aspects of zakat management. This policy is designed to enhance the effectiveness of zakat management in Indonesia by encouraging zakat institutions to operate more efficiently and transparently. Here are some significant implications of this policy:

First, **Operational Efficiency**: This policy encourages zakat institutions to enhance efficiency in the use of operational funds. With a maximum limit of 12.5%, zakat institutions are required to optimize their existing budget without compromising the quality of services provided to mustahik. This means zakat institutions must seek innovative ways to implement their programs, reduce waste, and increase productivity (Ahmad & Sabri, 2016). This approach not only helps zakat institutions manage funds better but also ensures that zakat funds are used for the greater good.

Second, **Transparency and Accountability**: With this limitation, zakat institutions are mandated to operate with transparent governance. The accountability of the management process becomes crucial, as zakat institutions must report every allocation of amil funds to the public. This requires zakat institutions to provide clear and accessible reports to the community regarding the use of zakat funds and amil rights (Hasan, 2027). Greater transparency can enhance public trust in zakat institutions, which in turn can increase the amount of zakat collected.

Third, **Resource Limitations**: Zakat institutions operating in areas with limited infrastructure and resources often face challenges in conducting their operations. The restricted amil rights compel zakat institutions to be more selective in budget allocation (Hafidhuddin, 2011). In such

situations, zakat institutions must prioritize and choose the most effective programs to positively impact mustahik. This may potentially hinder zakat institutions from achieving larger program objectives, especially if the allocation of amil rights is insufficient to support their operational needs.

Fourth, Increased Professionalism: The restriction on amil rights can encourage zakat institutions to enhance professionalism in their management and operations. They will be motivated to adopt better management practices, including training and developing human resources (HR), as well as implementing information technology in zakat management. This can help zakat institutions become more responsive to community needs and improve the effectiveness of the programs they run.

Fifth, Challenges in Implementation: Despite the benefits of limiting amil rights, zakat institutions also face challenges in its implementation. Particularly in remote areas with inadequate infrastructure, zakat institutions may struggle to meet their operational needs with a limited budget. Therefore, support from the government and other stakeholders is essential to ensure that zakat institutions can function effectively (Hafidhuddin, 2011).

Overall, the KMA No. 606 of 2020 decision regarding amil rights of 12.5% has significant implications for the effectiveness of zakat management in Indonesia. This policy encourages zakat institutions to be more efficient, transparent, and professional in managing zakat funds, although it also introduces new challenges that need to be addressed to achieve optimal zakat management goals.

Impact of the Policy on Zakat Institutions' Performance in Regions

Zakat institutions operating in remote areas often bear higher operational costs due to accessibility and infrastructure limitations. With the amil rights limit of 12.5%, zakat institutions in these regions must seek creative solutions to remain effective in

zakat distribution and daily operational management. For example, they can leverage information technology to improve operational efficiency, such as using zakat management applications to facilitate fund collection and distribution (Salleh, 2013).

On one hand, this policy aids zakat institutions in being more transparent in fund management. With clear limitations, zakat institutions are required to account for each allocation of amil funds to the public, thereby enhancing accountability and public trust in zakat institutions. However, on the other hand, these limitations also create a heavier operational burden for zakat institutions. Funding constraints for operations can hinder zakat institutions' ability to provide optimal services to mustahik.

In hard-to-reach areas, zakat institutions often encounter challenges related to transportation, communication, and access to information necessary for implementing their programs. Therefore, zakat institutions must formulate appropriate strategies to adapt to local conditions, such as collaborating with local organizations or other stakeholders who have a better understanding of community needs. Additionally, efforts to enhance training and human resource development within zakat institutions should also be intensified to better prepare them to face operational challenges.

Despite the challenges faced, this policy also provides opportunities for zakat institutions to strengthen collaborative networks with various parties, including the government and non-governmental organizations, to create synergies in zakat management. This is important for zakat institutions to improve the effectiveness and efficiency of zakat distribution to eligible recipients, thus better achieving the goals of zakat management.

In conclusion, while KMA No. 606 of 2020 presents challenges and new burdens for zakat institutions in remote areas, it can also drive them to innovate and enhance professionalism in zakat management. Therefore, it is essential for all parties to

continue supporting zakat institutions to perform their duties better, especially in the context of serving the needs of the community.

Comparative Study with Other Countries

Some other countries, such as Malaysia and Sudan, implement more flexible amil rights policies compared to Indonesia. In Malaysia, for instance, the amil rights can reach 15% of total zakat collections. This policy gives zakat institutions in Malaysia greater operational capacity, allowing them to manage and distribute zakat funds more effectively (Salleh, 2013). In this context, zakat institutions in Malaysia have more freedom to allocate the necessary funds for their operations, including collection and oversight costs, as well as community empowerment programs.

In Sudan, amil rights are set at 10%, with adjustments based on the operational needs of zakat institutions and the level of community needs. This policy enables zakat institutions in Sudan to be more flexible in allocating their operational budgets without reducing allocations to mustahik. This is particularly important, especially in areas with high poverty levels and urgent social service needs (Taha, 2009). In this system, zakat institutions can make adjustments based on ongoing evaluations of community conditions and the effectiveness of implemented programs.

Flexible policies like those implemented in Malaysia and Sudan show that by allowing a higher proportion of amil rights, zakat institutions can respond better to community needs. They can enhance operations focused on zakat collection and effective distribution while ensuring that the funds allocated to mustahik remain unaffected. In this context, flexibility in zakat management is key to improving zakat management effectiveness in various countries.

Thus, the comparison with policies in other countries indicates that adjustments in the amount of amil rights can significantly impact the effectiveness of zakat

management. More flexible policies allow zakat institutions to adapt to local needs and improve service delivery to the community, ultimately contributing to poverty alleviation and social welfare enhancement. This is a crucial lesson for zakat institutions in Indonesia, which can learn from the experiences of these countries to improve zakat management strategies.

Based on the description, amil rights are an essential aspect of zakat management in Indonesia, with significant implications for the effectiveness of zakat institutions. The implementation of KMA No. 606 of 2020, which limits amil rights to a maximum of 12.5%, poses both challenges and opportunities for zakat institutions. On one hand, this policy encourages operational efficiency, transparency, and accountability in zakat management. On the other hand, it introduces constraints that may hinder the performance of zakat institutions, particularly in regions with limited resources.

It is essential for zakat institutions to adopt innovative solutions, enhance professionalism, and strengthen collaborative networks with various stakeholders to address these challenges. Additionally, lessons learned from other countries with more flexible amil rights policies should be considered to improve zakat management strategies in Indonesia.

The ultimate goal remains to optimize the use of zakat funds to empower mustahik and achieve the social welfare objectives mandated by Sharia. As zakat institutions adapt to these new regulations, their ability to effectively manage and distribute zakat will determine their success in alleviating poverty and promoting social justice in Indonesian society.

ANALYSIS AND SOLUTIONS

Positive Impact of the 12.5% Amil Rights Policy on Accountability and Transparency

The establishment of a 12.5% limit on amil rights in KMA No. 606 of 2020 has a significant positive impact on the

accountability and transparency of zakat management. With this limitation, zakat institutions are expected to prioritize the funds collected to be channeled to the mustahik. As a crucial pillar in zakat management, accountability is key to building public trust in zakat institutions (al-Qaradawi, 2020). This policy encourages zakat institutions to enhance their governance quality. With a clear proportion allocated for amil rights, zakat institutions are required to prepare transparent and accountable financial reports. This provides assurance to the community that the zakat funds they donate are not only used for institutional operations but also to assist those in need.

Furthermore, the implementation of this limitation encourages zakat institutions to innovate in managing and utilizing existing resources. Zakat institutions are expected to achieve efficiency and effectiveness in their operational budget usage, thereby making a more significant impact in distributing zakat to mustahik. Consequently, zakat institutions are not only collectors of zakat but also active agents of change in empowering communities.

Transparency in zakat management also becomes easier to achieve. With this policy, zakat institutions are required to inform the public about the detailed use of amil funds. This includes reports on how much is allocated for operational costs and how much is distributed to mustahik. In today's digital era, zakat institutions can also leverage technology to publish financial reports online, allowing the public to easily access this information (Hafidhuddin, 2011).

Thus, the positive impact of the 12.5% amil rights policy is not only limited to financial aspects but also influences the improved image of zakat institutions in the eyes of the public. With better and more transparent management, zakat institutions can build public trust, which in turn can increase community participation in zakat. Maintaining accountability and transparency will strengthen the legitimacy of zakat institutions, enabling them to operate more

effectively in carrying out their social missions.

Challenges in Implementing the 12.5% Amil Rights Policy in Regions

However, the implementation of the 12.5% amil rights limit also presents operational challenges, particularly in areas with high community needs. Zakat institutions operating in remote regions often face the reality that their operational costs are higher compared to those operating in more developed areas. Limited infrastructure, accessibility, and human resources can pose significant obstacles in providing adequate services to mustahik (Salleh, 2013).

To address these challenges, zakat institutions in these areas need to achieve high efficiency in managing their operational funds. They are required to optimize their existing budgets without compromising the quality of services provided to mustahik. In this context, the use of technology becomes a potential solution. Digital zakat applications, for example, can help zakat institutions reduce operational costs. Through this technology, zakat institutions can manage the collection, distribution, and reporting of zakat more efficiently (Hafidhuddin, 2011).

The implementation of digital zakat applications allows zakat institutions to accelerate the fundraising process and minimize administrative costs. With a more integrated system, data on mustahik and zakat recipients can be managed more effectively, leading to more targeted zakat allocation. Moreover, transparency and accountability can also improve since information regarding the allocation and use of zakat funds can be accessed by the public in real-time.

However, the implementation of this technology also requires training and capacity building for human resources in zakat institutions so they can optimally utilize the technology. With the right support, zakat institutions in remote areas can enhance their operational efficiency and continue to provide quality services to

mustahik, despite the existing limitations (Hasan, 2007). Therefore, while KMA No. 606 of 2020 aims to improve accountability and transparency, it must also consider the local context and challenges faced by zakat institutions in its implementation.

Lessons from Other Countries

Learning from zakat policies in other countries shows that more flexible policies can help zakat institutions better meet their operational needs. For example, in Malaysia, the amil rights can reach 15% of total zakat collection, giving zakat institutions there greater capacity to operate and provide services to the community (Salleh, 2013). With this higher proportion, zakat institutions in Malaysia can adjust their budgets to meet local needs without sacrificing the quality of services provided to mustahik.

Similarly, in Sudan, the amil rights are set at 10% with adjustments based on operational needs and the level of community requirements (Taha, 2009). This policy provides flexibility for zakat institutions to allocate their operational budgets more adaptively. Here, zakat institutions can adjust their budgets according to the dynamics and challenges faced in the field, particularly in addressing diverse community needs.

In Saudi Arabia, zakat policies also set amil rights with a more flexible approach. The amil rights range from 8% to 12%, with budget adjustments for zakat institutions responsible for collection, distribution, and zakat operations across the regions. Saudi Arabia systematically manages zakat funds, including utilizing advanced technology in zakat management and distribution. This allows for high levels of transparency and efficiency, enabling zakat institutions to distribute zakat quickly and accurately, especially to mustahik who are genuinely in need (Al-Sudairy, 2021).

This more adaptive approach could serve as a valuable evaluation point for Indonesia, especially in areas with high community needs. By considering the local

context, Indonesia could formulate policies that allow zakat institutions to operate more efficiently and responsively. For instance, it might be worthwhile to adopt more flexible policies in determining amil rights limits, particularly in regions with underdeveloped infrastructure where operational costs are higher.

Furthermore, lessons from other countries also highlight the importance of strengthening the capacity of zakat institutions in managing funds. In Malaysia, zakat institutions are encouraged to adopt technology in zakat management and distribution, which has proven to enhance efficiency and transparency (Salleh, 2013). Adopting best practices from other countries can help zakat institutions in Indonesia improve their fund management and increase public trust in zakat institutions.

By studying the zakat policies and practices of other countries, Indonesia can draw valuable lessons to address existing challenges and formulate more effective and responsive zakat policies. Such efforts will not only enhance zakat management effectiveness in Indonesia but also strengthen the social impact of zakat as an instrument for community empowerment.

Applying Typology and Grading Mechanisms to the Number of Zakat Institution Leaders and Amil

Based on the above presentation, the researcher proposes a solution in the form of a model named SIBaz (Standar Integrasi BAZNAS Model), which serves as an innovation in the grading concept for Zakat Management Institutions. This model refers to the performance in collecting zakat, infaq, and sedekah (ZIS) as well as local humanitarian social funds (DSKL) to determine parameters such as the number of leaders, grant funds from regional budgets (APBD), leader honoraria, and the number and honoraria of employees (amil) (Ridwan, 2024).

Some important notes from this modeling include: 1) The main performance of Zakat Management Institutions is their

ability to collect ZIS funds. 2) The government provides appreciation in the form of operational assistance funds for Zakat Management Institutions (LPZ), especially for well-performing Regional BAZNAS in annual collections. 3) The number of leaders and employees is determined based on the performance of each Zakat Management Institution. 4) Honoraria for leaders and employees are set based on the performance of the Zakat Management Institution.

The application of this model also requires several recommendations and notes to improve its effectiveness: First, the House of Representatives (DPR) needs to revise Law No. 23 of 2011, not only for zakat management but also to regulate the zakat obligation for every qualifying Muslim officially recognized by the government. Second, the Ministry of Religion, as the main regulator of zakat in Indonesia, is expected to issue a Minister of Religion Decree (KMA) on sharia audits and procedures for zakat for qualifying Muslims, as well as ensure budgetary support from the state budget (APBN) for BAZNAS operations. Third, the Ministry of Home Affairs needs to support Law No. 23 of 2011 with regulations regarding operational assistance for BAZNAS from the state and regional budgets, as well as provide instructions to regional heads regarding zakat deductions from ASN to be deposited to BAZNAS. Fourth, regional governments are expected to issue regulations related to zakat deductions for ASN, as well as provide adequate facilities for BAZNAS, including buildings, leader honoraria, and support in oversight functions. Fifth, Zakat Management Institutions such as BAZNAS and LAZ must show a commitment to implementing a grading and typology system to ensure that operational fund allocation is carried out fairly and efficiently. This can also address the issue of amil fund shortages and improve overall operational performance. Sixth, Amil Zakat must possess professional competence to support operational success. With the implementation of a grading system, fund

allocation can be more efficient, improving the performance of BAZNAS or LAZ and strengthening public trust in zakat management.

CONCLUSION

The implementation of KMA No. 606 of 2020 regarding the 12.5% share for amil provides a clear legal foundation for the management of zakat funds in Indonesia. This policy supports zakat institutions in maintaining accountability and transparency in fund management, which are crucial aspects in building public trust in these organizations. With this limitation, zakat institutions are required to be more responsible in managing and distributing zakat funds to the mustahik, allowing the community to monitor and evaluate their performance more objectively.

However, on the other hand, this policy also demands an increase in efficiency in the use of operational budgets. The maximum limit of 12.5% can pose a challenge for zakat institutions, particularly those operating in areas with high community needs. In such regions, zakat institutions often incur higher operational costs due to limited infrastructure and accessibility. Therefore, zakat institutions must seek innovative solutions to remain effective in zakat distribution and daily operational management without reducing services for the mustahik.

To address these challenges, evaluation and flexibility in policies tailored to local needs are essential. This may include adjusting the amil rights limit based on specific regional conditions, where zakat institutions need to align their budgets with local needs and existing challenges. Such an approach can prevent additional burdens that zakat institutions may face in more remote or underdeveloped areas.

Additionally, lessons from other countries such as Malaysia, Sudan, and Saudi Arabia can serve as references for improving zakat management effectiveness in Indonesia. For example, Malaysia implements a higher amil rights limit,

reaching 12.5%–15%, which provides zakat institutions with greater capacity to carry out operations and deliver services to the community. Similar policies in Sudan, which set the amil rights at 10% with adjustments based on needs, demonstrate that flexibility in policy can provide greater benefits for zakat management.

Another solution is the implementation of the SIBaz Model (Baznas Integration Standard Model), which includes typologies and grading of leadership and staff (amil) according to their performance.

RECOMMENDATIONS

Based on the research findings regarding the impact of the Minister of Religious Affairs Decision (KMA) No. 606 of 2020 on the allocation of 12.5% amil rights on the effectiveness of zakat management, the following recommendations are proposed to improve zakat management in Indonesia:

1. Zakat institutions, such as BAZNAS, are expected to optimize the use of amil funds through effective planning, prioritizing the enhancement of human resources, technology, and transparency.
2. The importance of accountability and transparency should be emphasized through regular reporting to foster greater public trust in zakat institutions.
3. This allocation of amil funds can also be used for training human resources in the fields of Islamic finance and information technology, to ensure better professionalism.
4. The development of information technology is essential to facilitate muzakki in digitally channeling zakat. Moreover, regular evaluations of the amil rights policy can help determine the adequacy of this percentage. Educating the public on the importance of amil funds and collaborating with the government and financial institutions are also recommended to expand the reach of zakat distribution.

With these recommendations, it is hoped that zakat institutions can empower

the community and more effectively reduce poverty.

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