

## **The Utilization of Zakat, Infaq and Shadaqah for Community Empowerment (Case Study of BAZNAS West Nusa Tenggara Province)**

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**ABSTRACT:** *In recent years, it has been a lot of utilization of zakat, infaq, and shadaqah (ZIS) for productive activities. This action is expected to be able to span the social gap between the receiver and the contributor of ZIS. ZIS funds for productive activities will be more optimal if carried out by the National Alms Agency (known as BAZNAS) as a trusted institution under the auspices of the State which manages the ZIS. This study aims to determine the utilization of zakat, infaq, and shadaqah for community empowerment and constraints faced by BAZNAS West Nusa Tenggara Province in implementing community empowerment. This study implements descriptive qualitative analysis and case study approach. The results indicate that BAZNAS West Nusa Tenggara Province individually conducted community empowerment in education and health, as well as economic sector. Furthermore, the constraints faced by BAZNAS West Nusa Tenggara Province in implementing community development is the lack understanding of local community about the existence of BAZNAS in West Nusa Tenggara Province and the lack of means of transportation for the distribution of zakat, infaq and shadaqah funds.*

**Keywords:** *ZIS, the National Alms Agency, Community Empowerment*

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### **I. INTRODUCTION**

Zakat is one obligation for Muslims as the implementation of the third pillar of Islam, including infaq and shadaqah. ZIS as Islamic economic instruments needs to be managed properly, because ZIS can play a supportive national economy improvement when consumed in productive activities. Utilization of productive ZIS actually have the concept of careful planning and implementation such as reviewing the causes of poverty, the absence of working capital, and the shortage of jobs. Such problems inevitably require plans to develop the productive zakat.

The concept of zakat, infaq and sadaqah (ZIS) and waqf are some variables in Islamic economy which can be a powerful bridge for the creation of a harmonious relationship between "the have not" and "the have", between the poor and rich. ZIS, in the economic point of view, becomes a significant part of the process of creating purchasing power of the poor, with which they can absorb the goods and services produced by the real sector. ZIS can serve as a balance between supply and demand on the micro-economic sector, so that the balance of the market and the prices of products and services can be maintained. If prices can be controlled, the poor also can also maintain its purchasing power. The effective management of ZIS can help to address the problem of poverty through the creation of purchasing power, the utilization of the economic potential, the development of small entrepreneurial community, and so on (Metwally, 1995).

According to Multifiah (2007), zakat should not only meet the demands *mustahiq* (eight groups of people those are allowed to receive zakat), especially the poor who are temporary and consumptive, but also give the sufficiency and prosperity to them, in a way to eliminate or minimize the causes of their poor and suffering. In addition, infaq and shadaqah have the same functionality as zakat, yet it has broader and more flexible scope. Infaq and shadaqah are not only given to the poor Muslims but also to the poor non-Muslims. They also can be used to assist the needs of consumer goods and can be used for productive activities. If zakat is obligatory, infaq and shadaqah is *sunnah* (optional). Therefore, ZIS can be used to provide job opportunities in the form of educational assistance, working capital or equipment, health facilities, and many others which have more productive impact on the poor. If carefully managed in accordance with the values of Islamic law, ZIS will have an impact on increasing the welfare of society, ethics and work ethic, and as an institution of economic equality. As described above, in accordance with the function of ZIS, ZIS is expected to be one of the alternatives in tackling the shortcomings and limitations of government funds.

Question about the management of zakat in Indonesia which frequently arises is whether or not the ZIS which has been distributed are already meets the economic empowerment of the people in real terms. The funds which have been channeled are not necessarily able to improve the lives of receivers without the assistance of BAZNAS. Empowerment of the poor is not enough by merely giving the funds sourced from ZIS. It needs

strategic steps undertaken by BAZNAS on pre-administration and post-administration of the funds coming from the ZIS, otherwise the funds are used by the receivers for daily consumption.

Empowerment is defined as the distribution of ZIS funds accompanied by the aim to change economic circumstances of *mustahiq*. In this study, *mustahiq* of zakat is focused on the poor and needy. The target of this empowerment is fairly large and not easy to achieve in a short period of time. A comprehensive understanding of the problems and the condition of the receivers is needed in the distribution of ZIS funds in the form of empowerment. Empowerment is usually identical to loan funds. There are three common forms of disbursements made in the community empowerment; *hibah* (grants), revolving funds of *qordhul hasan*, and financing.

BAZNAS West Nusa Tenggara Province as an official institution of ZISdi manager under the auspices of the state is expected to become a bridge establishing good relations between the rich and the poor in Nusa Tenggara Barat Province. To be a good bridge for the rich and the poor, BAZNAS West Nusa Tenggara Province must be able to maximally distribute the ZIS funds collected from the rich to the poor. One way in which the West Nusa Tenggara Province BAZNAS used in maximizing the utilization of ZIS funds in order to benefit the class of the poor is by conducting community empowerment.

The data of BAZNAS West Nusa Tenggara Province showed that in 2014 BAZNAS West Nusa Tenggara through the ZIS fund collection do the utilization of ZIS in the form of community development to 660 people who have small businesses in West Nusa Tenggara Province. In 2015, up to September BAZNAS West Nusa Tenggara have been doing community development in the form of funds as revolving capital of ZIS funds provided by 845 million to 1690 residents in West Nusa Tenggara Province.

## II. LITERARY REVIEW

### 2.1. Zakat, Infaq, and Shadaqah

According to Qaradawi (1978), zakat terminologically means a certain number of properties required by God to be handed over to people who are entitled to; besides, zakat is also defined as expending a certain amount of properties. Khaf (1995) stated zakat is a particular annual tax (payments) levied on someone's net assets, which must be collected by the State and used for specific purposes, especially on social Security.

There people who are entitled to receive zakat stated in the Qur'an who are called *mustahiq zakat*. *Mustahiq* can be personal or institutional (Mardani, 2016). They are:

1. The destitute
2. The needy or poor
3. The alms collectors
4. Those who have inclined towards Islam
5. People in bondage or slavery
6. People burdened with debt
7. In the path of God
8. The wayfarers

Infaq is disbursement for benefit interest. Infaq does not have *nisab* (the minimum amount for a Muslim net worth to be obligated to give zakat), (El-Bantani, 2009). Therefore, infaq can be issued by people whose income is high or low, in privilege or in adversity. Abdad (cited in Mardani, 2016) said in the Qur'an there are some conditions that must be done in giving infaq which include:

1. Prioritizing infaq to people who have the closest relation with the people who give infaq, for example parents, close relatives, and so on.
2. After that, giving the infaq to the orphans, the poor, and the wayfarers.

On the other hand, shadaqah (alms) is giving movable or immovable goods, which will soon run out whether it is used or not, to another person or legal entity, such as foundation or the like, without compensation and conditions, but simply to please God and expect his reward on the day of Judgement (A. Roihan A. Rashid, 2001). According to Shafi'i (cited in Mardani, 2016), People who are entitled to receive shadaqah are:

1. People who are pious and do goodness;
2. Relatives, it is in accordance with the hadith of the Prophet Muhammad, "Husband, your son are entitled to receive your alms unto them" (narrated by Bukhari and Muslim);
3. People who desperately need;
4. The rich, the descendants of Bani Hashim, the disbelievers and the wicked. Rich people are allowed to accept shadaqah although from his family, as well as the descendants of Bani Hashim. However, they should not accept charity.

## **2.2. The Economic Paradigm Of Zakat**

Zakat is assumed as an instrument of “anti-poverty”. According to Bastian (2009), anti poverty is an idea as to reduce poverty with a target poor people in a certain area with the potential for the development of productive economic activity, in which the anti-poverty system guarantees that individuals will be able to get basic needs. Zakat have basic differences with the other pillars of Islam, in which zakat stand alone but always goes to charity. Zakat allows segments of the poor to participate in economic activities and make them to be useful as part of the community.

Zainuri (2009) stated zakat is logically impressed to have significant negative correlation level of consumption figures. This happens due the discussion on zakat merely focused on the mechanisms involved in community groups who are issuing zakat (*Muzakki*). In fact, a very dominant group in connection with the charity are the ones who receive zakat (*Mustahiq*), in which their consumption rate is dependent upon the distribution of zakat. Therefore, zakat received by *mustahiq* will always be spent on consumption and investment. In other words, zakat has a positive correlation to the number of consumption and investment which will drive the economy.

Kahf (1995) further explained that zakat has positive influence on the level of savings and investment. The increase in the saving rate due to the increase in income also increases the level of investment cause because of the opportunities that zakat is also charged on savings that reach the minimum limit exposed by zakat or *nisab*. With the aim of maintaining the value of the wealth, investment certainly becomes the solution for *muzakki*, so that it automatically increases the overall investment figure, since investment is a very vital part in the development of the economy of a nation. Furthermore, zakat also tends to lower the risk of financing/loans (non-performing financing/NPF) because one of zakat fund allocation is to help people who are burdened with debt. So in real terms, zakat will reduce the level of unemployment. Besides the implementation of the concept and system of zakat will also reduce unemployment through three mechanisms: 1) the implementation of zakat requires labor; 2) changes of *mustahiq* economy condition will certainly increase the rate of labor force participation; and 3) the emergence of the multiplier effect of business/industry support will increase employment.

## **2.3. The National Alms Agency(BAZNAS)**

The management of Zakat should be handled by a person or institution appointed by the government or community to plan, collect, and distribute zakat as well as fostering *muzakki* and *mustahiq* in a proper, planned, controlled and evaluated way in accordance with the applicable rules (Cholisoh, 2011). Based on the Act Number 23 of 2011 concerning on the management of zakat, infaq, and shadaqah (ZIS), in Indonesia the institution specifically designated to nationally carry out the management of zakat is The National Alms Agency (BAZNAS).

The management of zakat conducted by BAZNAS is based on the Islamic Sharia, trust, benefit, justice, legal certainty, integration, and accountability. It also aims to improve the effectiveness and efficiency of service in the management of zakat and shadaqah to increase the benefits for the public welfare and the poverty prevention. In performing the duties in the management of zakat, BAZNAS performs the functions of planning, implementation, and control in the collection, distribution, and utilization of zakat.

In achieving the objectives of the management of zakat, BAZNAS is not only established based in the capital city of the country, but also in provincial and district/city. In West Nusa Tenggara province, BAZNAS West Nusa Tenggara province is established to carry out the functions of management of zakat. Zakat managed by BAZNAS shall be distributed to *mustahiq* in accordance with Islamic Sharia. The distribution is based on the scale of priorities with regard to the principles of equity, justice, and cantonal. Zakat can also be utilized for productive enterprises in the handling of the poor and the increase of people quality when basic needs of *mustahiqzakat* is fulfilled. Besides receiving zakat, BAZNAS can also receive infaq and shadaqah as well as other religious social funds. Distribution and utilization of infaq, shadaqah, and other religious social funds should be conducted in accordance with Islamic law and the designation faith professed by the contributor and should keep records in bookkeeping. In performing their duties, BAZNAS West Nusa Tenggara province is funded by regional budget of West Nusa Tenggara Province and Rights of *Amil*, and can also be financed by the state budgets.

Muhammad (2006) explained that in addition to development in the broadest sense of religious purpose, the management of zakat conducted by BAZNAS is aimed to alleviate poverty and community empowerment through community economic development as follows:

- a. increasing the purchasing power of the poor that will have an impact on economic activity, productive business, and market expansion;
- b. strengthening the business capital of the poor that will impact the expansion of employment and income generation for the poor;

- c. strengthening institutions (*Amil*) which are more professional and increasing access to capital that can be transferred to the poor;
- d. strengthening the quality, capability, and independence of human resources in developing businesses managed by the poor; and
- e. the mercy Allah, because faith should keep increasing in the economic development of the people, so that windfall flows, revenue increases, and prosperity equalizes.

#### **2.4. The Concept Of Community Empowerment**

The concept of empowerment, as an alternative concept for development, is basically to put pressure on the decision-making autonomy of a community, which is based on private resources, direct (through participation), democratic, and social learning through direct experience (Friedman, 1992).

Muhammad (2006) stated that community empowerment of the poor is principally identical to the steps of community empowerment in general. They are:

1. Household model;
2. Spiral model;
3. Institution model.

Efforts for empowerment usually start with family empowerment (household) which is followed by among individual, groups, or political empowerment. The stages of empowerment is done in overlapping way, which means starting an empowerment stage does not necessarily need to wait for the completion of the empowerment process of the preceding stage.

#### **2.5. Community Empowerment In Economic Field**

According to Yatmo (2000), community empowerment in economic field in Indonesia recently is divided into five:

1. Capital Assistance

One of the problems faced by the poor is capital. Therefore, solving capital problems is highly significant in community empowerment in the economic field.

2. Infrastructure Assistance

An essential component in community development efforts in the economic field is the construction of production and marketing infrastructure. The availability of infrastructure or transportation from the production site to the market will reduce the marketing chain and ultimately increase acceptance of public and micro entrepreneurs, small businesses, and medium entrepreneurs.

3. Companion Assistance

The assistance for the poor is necessary and important. The main task of this companion is to facilitate the learning process or reflection and become a mediator for strengthening partnerships between micro business, small businesses, and medium-sized businesses to large enterprises.

4. Institutional Strengthening

Economic empowerment for the poor is initially conducted through individual approach. This approach does not provide satisfactory results, therefore, since the 80s, the approach taken is a team approach, based on the reason that the accumulation of capital will be difficult to achieve among the poor, and therefore the accumulation of capital should be done together in a group or joint venture. Similarly to the problem of distribution, the poor are impossible to individually control the distribution and inputs of production. Through a group or community, they can build the power to participate in determining the distribution.

5. Partnership Strengthening

Community empowerment in the economic field is the strengthening of joint, where the large will only flourish if there are small and medium enterprises and the small will grow if there is a large and medium.

### **III. RESEARCH METHOD**

The paper aims to reveal and determine utilization of zakat, infaq and shadaqah (ZIS) in community empowerment for the poor and destitute by the National Alms Agency (BAZNAS) West Nusa Tenggara province and the obstacles encountered in implementing community development for the poor and destitute. Therefore, in this study researchers implemented qualitative research because the problems are complex, dynamic, and full of meaning. Besides, the study is designated to be case study which intensively examines and understands thoroughly the situation and the position BAZNAS in community empowerment for the poor and destitute. In this case the data source include the chairman and managing staff of BAZNAS West Nusa Tenggara province period 2015-2020 as the caretaker who best understand the conditions and problems in the utilization BAZNAS 2015, supported by secondary data including accountability report BAZNAS 2015 and agreements contract. Observations were made through unstructured interviews and participant observation which directly observes social phenomena in the right category so that the information obtained will be more

complete and sharper to determine the level of significance of any observed behavior. To answer the two research questions regarding the utilization of ZIS in empowering communities by BAZNAS West Nusa Tenggara province and the obstacles encountered in implementing community development, the analysis in this study used data analysis of interactive model developed by Milles and Huberman. The data obtained from the field is reduced and then presented in a narrative text. The final step is the conclusion and verification.

#### IV. RESULTS AND DISCUSSIONS

##### 4.1. Zakat, Infaq, And Shadaqah (ZIS) For Community Empowerment

The utilization of ZIS in community development undertaken by BAZNAS West Nusa Tenggara Province is expected to impact directly or indirectly on the economic circumstances of the poor and the destitute. Of the eight groups entitled to receive zakat, the poor and the destitute become a priority to be empowered. To avoid the nature of *kufir* from the poor and the destitute, they should be prioritized since destitute is close to *kufir*. There are two kinds of *kufir* intended in the discussion: first, *Kufir* from abandoning religion because they think God is unfair, and the second, *Kufir* favors due to the lack of awareness that sustenance is the provision of Allah, in which each person is given based on their need.

People whose property has reached *nisab* are not supposed to distribute zakat independently. It should be through an Alms Agency or Alms Institution, supported by At-Tawba paragraph 103:

“Take, [O, Muhammad], from their wealth a charity by which you purify them and cause them increase, and invoke [Allah's blessings] upon them. Indeed, your invocations are reassurance for them. And Allah is Hearing and Knowing.”

The word “take” is an imperative word for zakat taken from those whose property have reached the *nisab*. From the above verse, this charity is entitled to take the State. In Indonesia, an arm of the State in terms of managing the ZIS is BAZNAS.

BAZNAS West Nusa Tenggara Province is an extension of the National BAZNAS that organize, manage, and distribute zakat to *mustahiq* in West Nusa Tenggara Province. BAZNAS West Nusa Tenggara Province has made the utilization of ZIS in the form of community empowerment. The community empowerments by BAZNAS West Nusa Tenggara Province are: (1) the empowerment of education, (2) the empowerment of the economy, and (3) the empowerment of the health sector.

**Table 1** ZIS Funds for Community Empowerment Year 2014-2015

Sector	2014	2015
Education	Rp. 221.800.000,00	Rp. 537.450.000,00
Economy	Rp. 400.000.000,00	Rp. 1.020.000.000,00
Health	Rp. 150.000.000,00	Rp. 58.000.000,00

Source: Accountability Report of BAZNAS West Nusa Tenggara, 2015

##### 4.1.1. Empowerment on Education

BAZNAS West Nusa Tenggara Province has allocated Rp.221.800.000 in 2014 and Rp.537.450.000 in 2015 form education assistance given to 1.210 disadvantaged students of junior high schools and high schools in 2014 and 1.328 students in 2015. In addition, started in 2016 BAZNAS also provides assistance to students who cannot afford the cost for completion of final project (Thesis and Dissertation) for as many as 150 undergraduate students, 30 graduate students, and 30 postgraduate students. With this program, ZIS has been mandated by *muzakki* to BAZNAS NTB has been contributing to the increase of human resources in Indonesia, particularly in the area of West Nusa Tenggara province.

Community empowerment in education sector is a form of individual empowerment conducted by BAZNAS to help the needy and poor to improve the quality standard of living in the future. ZIS is supposed to be channeled towards *maqashid sharia* which is *daruriyyat* (urgent) to preserve the religion, nourish the soul, nurture science, keep the descent, and protect the property. The granting of this education assistance to the poor is to help them to implement *maqashid sharia* in the form of maintaining knowledge to improve the quality of human resources to ease them to seek jobs.

According to Muhammad (2006), if each individual of a family member is empowered, each individual in the family will build a broader network of empowerment. This broader network will then form what is called social empowerment. Empowering communities in the form of individual empowerment is essentially an attempt to create an environment that is capable to arouse confidence, provide opportunities and motivation for each individual in a family, and improve his ability to reach out and access to social and economic resources for the development and progress of life.

By allocating ZIS funds to empower the poor in education, it will affect the productivity of a person in the sense that educated people are more productive than the uneducated. As proposed by the adherents of the theory of Human Capital, they argued that education is a form of investment in human resources to the benefit of monetary or non-monetary. Monetary benefits are economic benefits in the form of additional income of a

person who has completed a certain level of education compared with the income of those who have lower level of education. On the other hand, the non-monetary benefit of education is to obtain better working conditions, job satisfaction, consumption efficiency, satisfaction of enjoying retirement, and the benefits of living longer due to improved nutrition and health (Walter W. McMahon and Terry G. Geske cited in Cholisoh 2011).

Education empowerment of the poor through zakat cannot bear a direct impact. However, investment in education is not merely to increase economic growth, but also, more broadly, to increase economic development directly. The economic development will be achieved when human resources have ethics, moral, responsibility, fairness, honesty, and realize the rights and obligations. The existence of zakat, infaq, and shadaqah can be optimized and utilized as much as possible to improve the welfare of *mustahiq*, one of which is by the utilization of ZIS funds to enable the Community as a means to open the widest access and opportunity to enjoy educational services for *mustahiq*.

#### **4.1.2. Empowerment on Economy**

In economic sector, BAZNAS West Nusa Tenggara Province provides revolving funds amounting to Rp.400.000.000 to 10 groups of small business, each of which consists of 10 people in 2014 and amounting to 1.0200.000.000 to 169 groups in 2015. It means each group receives Rp.500.000. The revolving fund distributed to small business groups in almost 4 districts and 1 town in Lombok Island in 2014-2015. In 2016, BAZNAS West Nusa Tenggara Province will begin distributing the revolving fund into Sumbawa Island which is also the working area of NTB.

Utilization of ZIS in revolving capital fund assistance is a form of group community empowerment in economic sector. Distribution of revolving capital fund can be regarded as group community empowerment, for the distribution of ZIS funds is provided to groups of traders and small businesses in the area of West Nusa Tenggara province, which consists of 10 people in each group. The granting of revolving capital is a form of institutional strengthening carried out by BAZNAS. According Yatmo (2013), if the economic empowerment of the poor and destitute is through an individual approach, it will be difficult to achieve capital accumulation among the poor, and therefore the capital accumulation should be done together in a group or joint venture. Similarly, the poor and destitute are impossible to control the distribution of their production result and inputs individually. Through these groups, the poor and destitute receiving revolving capital funds can build the power to participate in determining the distribution.

Utilization of ZIS funds into revolving capital funds is a form of community funds which have been successfully collected by BAZNAS West Nusa Tenggara and is then channeled to maintain *maqhasid sharia* in the form of maintaining the property because when they are able to maintain the property, it is expected to prevent them from *Kufr* favor.

According to Cholisoh (2011), ZIS is a part of religious mechanisms with the aim of spirit of equitable distribution of income. Zakat funds are collected from the wealth of the rich and then distributed to the needy. The distribution of zakat funds cannot be conducted arbitrarily and can only be distributed to particular community groups. In addition to zakat, although infaq and shadaqah are not mandatory, they are also a highly recommended medium of income distribution for Muslims. In other words, infaq and shadaqah are media to improve their quality of life. In addition to ZIS required to the rich Muslims, ZIS can be maximally pursued for economic community empowerment.

Community empowerment assistance in the form of revolving capital funds distributed by BAZNAS West Nusa Tenggara province to the small business group is given the time management for 10 months. After 10 months post-provision of revolving capital fund groups that succeed in managing the revolving funds, the groups are required to give infaq or shadaqah to BAZNAS NTB amounting Rp.200.000. However, those failing to administer revolving capital fund are not obliged to give infak and shadaqah. This is a way to bind NTB BAZNAS *mustahiq* groups that received funding revolving capital. Zakat funds are not to be returned to BAZNAS. Giving a period of 10 months at least aims to ask for accountability to *Mustahiq* that revolving capital is "Community Funds" which should not be merely enjoyed by *mustahiq*. Therefore, if they are successful, it is expected to be returned to BAZNAS, for ZIS fund is a common interest fund.

The importance of training and understanding on ZIS to *mustahiq* and those who receive is to prevent the receivers of ZIS to not develop themselves because the received funds are not a free gift. According Mufriani (2006), one of the tasks of *amil* zakat as a manager is to conduct training in pre and post zakat-giving. Meanwhile, according to Yatmo (2013), destitute community assistance is necessary and important. The main task of zakat is to facilitate the learning process or reflection on the revolving capital fund assistance and act as a mediator for the strengthening of small businesses owned by *mustahiq*. It is also significant to think about who is the most effective to be the assistant of the poor.

From the research on *mustahiq* who receive productive ZIS for the economic community empowerment in the form of revolving capital funds, it appears that this is channeled ZIS has a different impact on the receivers. It is caused by several things, some of which are because the revolving capital funds are not

managed in the same way, even though they have income below the average and need revolving capital fund as additional funds to increase their income. Some of the receivers directly use the revolving capital fund provided as additional capital, but some are using it to meet other need that has absolutely no relation with their livelihood.

In response to that case, revolving capital fund should be granted with production and marketing infrastructure. According Yatmo (2013), to boost productivity and encourage the growth of the business, it will have no significance for the community if their products cannot be marketed or, if they can be sold, they are at a very low price. Therefore, the construction of production and marketing infrastructure is a very important component in community development efforts in the field of economics. The availability of marketing infrastructure and/or transportation from the production site to the market will reduce the marketing chain and ultimately increase the revenues of *mustahiq*. This means that in terms of economic empowerment, the supporting infrastructure assistance is urgently needed.

With the distribution of zakat in the form of revolving capital fund is an Islamic concern which can be felt by the poor and needy although basically zakat fund is capital assistance which is then used to buy basic necessities. According Choliso (2011), in this regard the poor and destitute require the state to provide basic needs and income level which is sufficient for everyone. The need for social justice requires the states to do utility equalization policy among individuals. Due to this fact, decreasing level of upper class income substantially should be done to raise the income of lower class that requires not only the income equalization but also consumption equalization.

*Mustahiq*, who successfully manage ZIS in the form of community development after 10 months of revolving capital fund management given to their group, have been able to empower their group and can add new members into their group as much as one person with a total group savings amounting Rp.2.000.000. The group saving funds obtained from the daily savings of group members amounting Rp.1000 to the treasurer of the group. *Mustahiq's* success in managing revolving capital fund assistance cannot be separated from their experience in managing their goods.

There are three significant aspects in relation to the influential causes of revolving capital funds toward *mustahiq* that need to be analyzed:

**First**, *mustahiq* groups who receive revolving capital fund have to understand how to manage finances. From the sale of each day they set aside 5% to 10% profits they get for savings and daily need. Every individual in the group members also deposits daily deposits to the treasurer of the group amounted to Rp.1000, as a form of savings to their group which could later be distributed to members who need capital funding. In terms of social, they also set aside for infaq to BAZNAS for the blessing of their income.

**Second**, they are more fluent in doing business. As the consequence, no significant obstacles are found in the operations because they have run the business for years. ZIS funds in the form of revolving capital fund assistance given to them are additional capital which could increase their income. The additional capital can be used to develop the business that they are running with the hope to increase their income, for example by adding the type of products or making a stall selling place. In this way, the results are not directly enjoyed by the *mustahiq*. It takes several months or even years to learn that this effort has begun to develop, depending on how *mustahiq* manage the business.

**Third**, distribution of ZIS funds in the form of revolving capital fund assistance towards this *mustahiq* group could influence the opening of new opportunities for *mustahiq* to conduct their business in order to increase their income as well as add new members empowered from member savings deposited Rp.1000 per day so that the goal of this program is achieved by increasing the welfare of *mustahiq*.

Seen from the nature of zakat, infaq, and shadaqah (ZIS) which is multiplier effect, Islam teaches that the income distribution mechanism is an attempt to avoid any form of social injustice and distribution of wealth. The multiplier effects are:

- a. ZIS serves to reduce the level of income that is ready to be consumed by the wealthy segments. Therefore, ZIS implementation is expected to be able to put the brakes on the level of consumption of the rich so that the demand curve segment of the rich does not rise too sharply. This in turn will have an impact on rising commodity prices.
- b. ZIS functions as revenue transfer media to increase purchasing power of the poor. By receiving ZIS, the poor segments will increase their purchasing power so that they can interact with rich segment.
- c. If ZIS is utilized properly to empower the poor segment, it serves as a tool to change the status of *mustahiq* to be *muzakki*.

#### **4.1.3. Empowerment on Health**

The utilization of ZIS for community empowerment in health sector by BAZNAS West Nusa Tenggara Province in 2014 is amounting Rp.150.000.000 while in 2015 it is amounting Rp.58.000.000 which are used for:

**a. The Development of Rumah Sehat Insani (RSI)**

Rumah Sehat Insani is built to help the disadvantaged family to get medical treatment. In addition, this program is also aimed to serve the needy people to improve the quality of public health relating to medical treatment, childbirth, circumcision, and supplementary food either in normal situations and in case disaster.

**b. Free Ambulance**

The program is a solution to problems faced by every poor family, when the cost of hospital treatment has been quite burdensome, furthermore the cost of renting an ambulance is expensive. This program is also a mobility health support services for those who live in the rural area.

Community empowerment in the health sector is one form of community development undertaken by BAZNAS West Nusa Tenggara to the poor and needy individually to meet their primary needs in the form of access to maintain and improve the quality of healthcare. According Cholishoh (2011), health is a prosperous state of body, soul, and social to enable more people to live more productive socially and economically. Health as one of the factors that affect a person's work productivity. The economic consequence when disease in a family member occurs is cost recovery which requires selling their assets or owing. Therefore, Rumah Sehat Insani built by from ZIS funds serves as a business to ease the burden of *mustahiq* due to medical treatment payment.

Atmawirakarta (2002) revealed that some of the reasons for increase of disease on the poor are:

*First*, poor people are more vulnerable to disease because of limited access to clean water and sanitation and adequate nutrition.

*Second*, poor people tend to be reluctant to seek treatment although in fact they highly need it. It is because there is a big gap with health care, limited resources to meet basic needs, and limited knowledge to face the disease

Rumah Sehat Insani and free ambulance provided for the needy are expected to give significant impact on the health of *mustahiq*. The distribution of ZIS funds to empower the health of *mustahiq* is a form of economic consequence reduction in case of disease to family members and to financing. As the result, they do not need to sell their assets or owe.

**4.2. Constrains Faced By Baznas West Nusa Tenggara Province In Community Empowerment Through The Utilization Of ZIS**

BAZNAS West Nusa Tenggara Province has faced a number of constrains in the implementation of community empowerment program. They are:

**a. Social factors**

Occasionally, society does not understand the function of BAZNAS. Most of *muzakki*, *munfiq*, and *mustashaddiq* consider ZIS given to BAZNAS are not distributed to the parties entitled to receive the ZIS funds. This is because *muzakki*, *munfiq*, and *mustashaddiq* less believe in the institution (BAZNAS) due to human resources management in BAZNAS that are considered inadequate in accordance with the demands of *muzakki*. It has an impact on the low amount of ZIS funds collected by BAZNAS. Consequently, ZIS used to empower people is still very minimal.

**b. The lack of transportation means of BAZNAS**

Another Obstacle faced by staffs in conducting utilization of ZIS is the lack of transportation means. In the process of distribution of productive ZIS, BAZNAS directly goes down to the locations of distribution which different in distance. Transportation means in BAZNAS is very limited, so that in the process of distribution requires long period of time.

**V. CONCLUSION**

The forms of community empowerment through the utilization of ZIS conducted by BAZNAS West Nusa Tenggara Province are: (1) Empowerment for individuals in the field of education to help the needy and poor to improve the quality standard of living in the future, in which it influences the productivity of a person in the sense that educated people are more productive than the uneducated; (2) Empowerment for groups in the fields of economy to maintain *maqhasid sharia* in the form of maintaining the property because when they are able to maintain the property, which is expected to prevent them from *Kufr* favor, to improve their quality of life financially, and make the beneficiaries of empowerment becomes more economically productive and independent; and (3) Empowerment for individuals in the health sector to meet the primary needs of poor and needy in the form of access to maintain and improve the quality of health care, because health is a state of being of body and soul which enables the poor and destitute to live socially and economically productive. The constrains faced by BAZNAS West Nusa Tenggara Province are the social factor and the lack of transportation means. Society are mostly lack of understanding about the function of BAZNAS which influences the less

optimal of ZIS fund collection. In addition, BAZNAS west Nusa Tenggara Province does not have sufficient transportation means to distribute productive ZIS funds to the areas in West Nusa Tenggara Province.

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