

Community Perception of Banda Aceh City of Zakat as a Reduction of Income Tax Payments

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Abstract

Zakat and taxes as an important subsystem in supporting the economy. In the view of Islam, zakat is part of an important and mandatory element because it is contained in the fourth pillar of Islam. Tax is an obligation imposed on taxpayers, which must be deposited to the State in accordance with applicable provisions and regulations. Taxes as one of the state revenues have not been able to alleviate poverty and provide prosperity for its people, while zakat is an Islamic teaching with a spiritual dimension that emphasizes the importance of economic welfare (social dimension). The existence of a law regarding the payment of zakat which can be deducted from the tax burden has not been properly socialized. The purpose of this study was to determine the perception of the people of Banda Aceh City towards zakat as a deduction from income tax payments. Research with descriptive qualitative research methods tends to use analysis with a Normative Approach and a Sociological Approach. The researcher uses a normative approach because the content of the research is related to the texts of the Qur'an, and a sociological approach because the researcher interacts with the environment according to social units, individuals, groups and institutions. The research was conducted in Banda Aceh City with the determination of informants carried out purposively. The results of the research on the Banda Aceh City Community's Perception of Zakat as a Reduction in Income Tax Payments that there is a perception of the Banda Aceh City community that there are those who understand and know about forgiveness of Law Number 38 of 1999 concerning zakat management, namely zakat payments can reduce tax payments. Article 180 paragraph (1) of Law Number 11 of 2006 concerning the Government of Aceh states that zakat is used as a source of Regional Original Income (Aceh) and districts/cities whose management is carried out by Baitul Mal Aceh in order to improve the welfare of the people of Banda Aceh City.

Keywords

Zakat; tax; income



I. Introduction

Citizens in Indonesia are obliged to pay taxes to the state and a Muslim has the obligation to pay zakat. Paying taxes and zakat has the same goal, namely to increase the prosperity and welfare of the people. Islamic philosophy also has the main goal of prioritizing the interests of society over personal or group interests. Banda Aceh is a city that has a majority Muslim population because Aceh itself is the only province that implements Sharia law which is recognized by the Indonesian government. Development is a systematic and continuous effort made to realize something that is aspired. Development is a change towards improvement. Changes towards improvement require the mobilization of

all human resources and reason to realize what is aspired. In addition, development is also very dependent on the availability of natural resource wealth. The availability of natural resources is one of the keys to economic growth in an area. (Shah, M. et al. 2020)

Fulfillment of sharia law for Muslims gets many conveniences, one of which is regarding the payment of zakat, this is marked by the issuance of Law Number 38 of 1999 concerning the management of zakat and Law Number 17 of 2000 concerning the provisions of zakat as a deduction from taxable income. In article 14 point 3 of Law No. 38 of 1999 concerning the management of zakat. Zakat that has been paid to amil zakat bodies is deducted from the relevant taxable profit or residual income in accordance with the applicable laws and regulations. Article 4 paragraph 3 of Law No. 17 of 2000 concerning income tax states that donations, including zakat, are received by amil zakat bodies or amil institutions established and legalized by the government and those who are entitled to receive zakat. In Aceh Province, zakat and taxes are two obligations of every citizen to the State (Local Government) that must be fulfilled. The existence of two obligations at the same time paying taxes and zakat creates problems for Muslim taxpayers. On the one hand, Muslims are obliged to pay zakat, which is a religious commandment and one of the pillars of Islam that was ordered directly by Allah SWT through the Qur'an and Hadith and the orders of the Aceh Government Law Number 11 of 2006 and Aceh Qanun Number 10 of 2007 regarding Baitul mall. On the other hand, as a good citizen, taxpayers must fulfill the obligation to pay taxes as a form of obligation of a citizen to his country.

Zakat is an obligation on a Muslim's property as a form of gratitude for Allah's blessings and is a form and attitude to get closer to His Creator, Allah SWT and an instrument to purify oneself and one's property. Meanwhile, taxes are people's contributions to the state treasury based on the law without receiving reciprocal services (counter achievements) which are directly shown and which are used to pay for general and development expenditures. Income tax is a tax imposed by an individual, or an entity or income received or earned in a Fiscal Year. What is meant by income is any additional economic capability originating both from Indonesia and outside Indonesia which can be used for consumption or to increase wealth in any name and in any form. Thus, the income can be in the form of business profits, salaries, honoraria, gifts, and so on.

There are similarities between the benefits of zakat and taxes. Taxes are people's contributions to the State treasury based on laws that can be enforced. In Indonesia, there has been a Government Regulation of the Republic of Indonesia Number 60 of 2010 concerning Zakat or Religious Contributions That Are Mandatory That Can Be Deducted From Gross Income, and also to support the implementation of this Government Regulation in the form of the National Amil Zakat Agency (BAZNAS) and the Amil Zakat Institution (LAZ). which functions to manage the results of zakat that have been collected. In its implementation, BAZNAS and LAZ are also formed in each Regency/City to assist the collection, management, and utilization of zakat so that it is right on target and able to improve the welfare of the community.

The legal basis for income tax is Law Number 7 of 1983, then underwent successive changes, starting with Law Number 7 of 1991, Law Number 10 of 1994, Law Number 17 of 2000, and finally Law Law Number 36 of 2008. Article 180 paragraph (1) of Law Number 11 of 2006 concerning the Government of Aceh states that zakat is used as a source of Regional Original Income (Aceh) and districts/cities whose management is carried out by the Aceh Baitul Mal.

Article 192 of the Law on Governing Aceh states that "the Zakat paid is a deduction factor for the amount of income tax payable from the taxpayer". Aceh Province has certain specialties in accordance with what is regulated in Law Number 11 of 2006 concerning the Government of Aceh (UUPA). 192 Law no. 11 of 2006 concerning the Aceh Government "zakat becomes a deduction from the amount of taxpayer income tax" and Zakat as PAD (article 180 (1) of the UUPA), Article 105 paragraph (1) of Qanun No. 10 of 2018 "zakat paid to Baitul Mal becomes tax deductions from taxpayers and Article 22 of Law no. 23 of 2011 concerning the Management of Zakat Nationally,

Aceh Province has received the legality of zakat as a deduction from income tax as stipulated in Article 192 of Law Number 11 of 2006 concerning the Government of Aceh (UUPA). Aceh residents who have paid (collected) zakat means that they have contributed (required to donate) 2.5% of their income for provincial PAD or district/city PAD due to special autonomy. Meanwhile, residents of Aceh who pay zakat should have the right to have their income tax deducted by 2.5% of the provisions that apply nationally, because of special autonomy. Thus providing relief or convenience to the people of Aceh, as expected by the initiators, the implementation of special autonomy in the field of zakat. However, until now it has not been implemented as well as possible since the Law on the Government of Aceh was passed in 2006. Until now, the 2.5% income zakat paid by muzakki (obligatory zakat) has not been able to reduce income tax. So the people of Aceh have to pay a double tax of 15% income tax plus 2.5% zakat.

Taxation practices in the city of Banda Aceh have placed zakat as an inseparable element in fulfilling the tax obligations of taxpayers. Zakat, along with other religious contributions that are obligatory, become a deduction from the net income of the taxpayer, this treatment has the effect of reducing the value of the tax burden that has to be paid. Taxable income deductions in the city of Banda Aceh are still not aware of and the habits of the people who are difficult to change who still hold on to zakat and taxes go hand in hand without combining them, as well as legal socialization that is less comprehensive and applicable.

Based on the background of the problem above, the authors are interested in conducting research related to zakat and tax issues entitled "Perceptions of the City of Banda Aceh towards Zakat as a Reduction in Income Tax Payments". This study is intended to answer research questions that arise according to with the background and subject matter as described above, the purpose of this study is to "know the perception of the people of Banda Aceh towards zakat as a reduction in income tax payments".

II. Review of Literature

2.1 Zakat

According to language, zakat means clean, holy, fertile, blessed, growing and increasing. In terms, it means mandatory rights on certain assets that must be given to certain circles and at certain times. Orally Al-Arabic, zakat (Al-Zakat) in terms of language is holy, growing, blessing and commendable. Zakat is the third pillar of Islam after the creed and prayer, so the importance of zakat from Allah swt in the Qur'an mentions the word zakat 30 times and 27 of them go hand in hand with the word prayer (Apriliana, 2010). Zakat has a very important position both in the context of man with Allah, with himself, with society and with his wealth. So zakat is one of the obligations of Allah swt. According to the word of Allah SWT. (Surah Al-Baqarah Surah 2 Verse 43) which means "And establish prayer, pay zakat and bowing" be with those who are in harmony." The verse shows that paying zakat is a command of Allah which means it is

mandatory to be carried out, and paying zakat means that one of the pillars of Islam has been fulfilled.

While the definition of zakat according to terms, fiqh experts have different opinions in defining it. These different views lead to differences in viewing the nature of zakat. Fiqh expert Sayid Sabiq (2006) says that "Zakat is the name or designation of something God's right issued by someone who has been exposed to the poor, called zakat because it contains the hope of obtaining blessings, cleansing the soul, and cultivating it with various goodness". From this opinion Sayid Sabiq is of the view that zakat is a right of Allah, with that Allah will cleanse the soul of his servant. Paying zakat means that a servant will be released from an obligation that binds him.

Jurisprudence expert Yusuf Qaradhawi in Zuhayly (2000) said that "Zakat is a certain amount of property that is required by Allah to be handed over to those who are entitled to receive it besides spending a certain amount itself". From this definition, it can be concluded that the assets issued for zakat have met a certain amount that has been agreed upon or which is called reaching the nisab Zakat is a concept of Islamic teachings that is based on the Qur'an and the Sunnah of the Prophet that wealth owned by a person is a mandate from Allah and has a social function. Zakat is the third pillar of Islam that is obligatory in Medina in the month of Shawwal in the second year of Hijriah after fasting is required for Ramadan. Regarding the basis of the obligation of zakat is contained in the Qur'an (Surah Al-Baqarah Surah 2 Verse 43) "' And establish prayer,

With regard to the obligatory conditions of zakat, there is a slight difference between one school of thought and another. According to the Hanafi School, wealth is everything that can be owned and used, according to its form, it has two main conditions, namely; 1) owned or owned and 2) can be taken advantage of. Thus, wealth is only in the form of objects, can be held and owned. In contrast to the opinion of the Shafi'i, Maliki, and Hambali schools. Besides being owned or owned by yourself, you can also use its benefits such as occupying a house, using a vehicle and others. According to Islamic jurists as explained by Yusuf Qaradhawi, there are several conditions that must be met so that the obligation of zakat can be imposed on assets owned by a Muslim, namely definite ownership / full ownership (almilkuttam), developing (an namaa), exceeds basic needs, free from debt (remaining debt), reaches nishab, valid for one year (al-haul). There are many benefits from paying zakat to the community in general, including:

1. Allah gave him long life so that he endured His favor.
2. A form of help to Muslims, both rich and poor so that they can concentrate fully on worshipping Allah Ta'ala and rejoice in all His blessings.
3. Purify wealth, bring blessings of wealth, eliminate badness of property, and strengthen property from loss and destruction.
4. Cleansing the tithe from miserliness and miserliness, from sins and mistakes.
5. Get used to giving and giving alms, people who are poor become spacious, people who have difficulties and difficulties become fulfilled their needs.
6. Strengthen the sense of mutual help, mutual love among the community
7. As a form of gratitude for a Muslim to Allah Subhanahu wata'ala for the wealth bestowed upon him, and as a form of obedience to Allah Subhanahu wata'ala by realizing His commands.
8. Zakat shows the shiddiqul faith (honesty of faith) of a Muslim. Because this is the name shadaqah, the honest search of the owner of the property for the love of Allah Almighty and His pleasure and zakat brings the pleasure of Allah Subhanahu wata'ala.

2.2 Tax

Taxes (from Latin *taxo*; "rate") is the people's contribution to the state based on the law, so that it can be forced, without receiving direct remuneration. According to Charles E. McLure, tax is a financial obligation or levy imposed on taxpayers (individuals or individuals Body) by Country or institutions whose functions are equivalent to the state that are used to finance various kinds of public expenditures. Taxes are collected based on norms law to cover the cost of producing goods and collective service to achieve the general welfare.

Many experts provide limits on tax challenges, including the definition of tax proposed by Andiani (2013) which has been translated by R. Santoso Brotodiharjo, SH. who argues "Taxes are "contributions to the State that can be enforced which are owed by being obliged to pay them according to regulations, without getting performance back, which can be directly appointed, and whose purpose is to finance general expenses in connection with the duties of the State that administers the government".

Imposition Zakat for WPOP as a deduction from taxable income, this is in accordance with Law no. 36 of 2008 concerning Income Tax and Law no. 38 of 1999 concerning Tax Management. Formal imposition of zakat used for WPOP if it is deducted from PKP detailed in the table:

Table 1. Formal Imposition of Taxes and Zakat for Individual Taxpayers

One month's salary	Wife/child allowance	Rp. XXX	
Housing allowance		XXX	
Child education allowance	Position	XXX	
allowance	Transport allowance	XXX	
accident insurance	Death guarantee	XXX	
Health care guarantee		<u>XXX</u>	
			Rp. XXX
Gross Income (PB) Deduction		<u>Rp. XXX</u>	
Position Fee (5% x PB)	Pension Contribution	XXX	
ENT Contribution		XXX	
			<u>Rp. XXX</u>
Net income a month	Net income a year		Rp. XXX
(-) Zakat Ph (2.5% x PB a year)	(-) PTKP		Rp. XXX
			<u>Rp. (XXX)</u>
			<u>Rp. (XXX)</u>
pkp			Rp. XXX
PPh 21 payable a year (PKP x tariff article 17)			Rp. XXX

Source: Apriliana, 2010

Table 1 above illustrates how to calculate taxation and zakat WPOP to obtain evidence or results of the application of zakat as a deduction from Taxable Income after deducting Non-Taxable Income. The imposition of Zakat for Individual Taxpayers (WPOP) is deducted from Taxable Income, this is in accordance with Law no. 36 of 2008 concerning Income Tax and Law no. 36 of 1999 concerning the Management of Zakat. For non-taxable income (PTKP) per year in accordance with article 7 of Law no. 36 of 2008 concerning Income Tax are:

Table 2. Non-Taxable Income (PTKP) Amount of Non-Taxable Income

Rp. 15,840,000	For Individual Taxpayers (WPOP)
Rp. 1.320.000	Additional for married taxpayers
Rp. 15,840,000	Supplement for a wife whose income is join the husband's income
	In addition to each blood family member and family by marriage in a straight line and adopted children, who are fully dependent, at most three people for each family.

Source: Law Number 38 of 2008

Table 2.3 above contains the amount of non-taxable income (PTKP) and its aspects. In addition to non-taxable income, tax rates also affect the calculation of zakat as a deduction from taxable income, so it is necessary to describe the tax rates applied to taxable income (PKP) for individual taxpayers (WPOP). The details can be seen in the following table:

Table 3. Article 17 Tax Rates

pkp layer	Tax Rate
Up to Rp. 50,000,000	5%
Above Rp. 50,000,000 to Rp. 250,000,000	15%
Above Rp. 250,000,000 to Rp. 500,000,000	25%
Above Rp. 500,000,000	30%

Source: Law Number 36 Year 2008

In the view of Islam, tax According to Ilfi quoted by Sri Andriani and Fatha Fathya in their journal that in Islamic civilization, there are two institutions that are known as pillars of community welfare and state prosperity, namely the Zakat Institution and the Tax Institute because their nature is mandatory. In principle, zakat and taxes are two obligations that have different foundations. Zakat refers to the provisions of Islamic law, while taxes are based on the laws and regulations determined by Ulil Amri (government) regarding its collection and use. Muslims since the first century Hijri have known taxes as kharaj (tax on crops/plants), while taxes in a general sense are called dharibah. In Islam, taxes consist of Kharaj (earth/plant tax), Usyur (trade tax/customs tax).

2.3 The Relationship between Zakat and Tax

Zakat and tax are correlated with each other, but they differ in several ways. Among the similarities between zakat and taxes are that they are both coercive, involving managers and the goal of mutual welfare. A Muslim who is able is obliged to distribute his wealth through the distribution of zakat, which is explained in (Surah At-Taubah Surah 9 Verse 103) which translates: Take zakat from some of their wealth, with that zakat you clean and purify them and pray for them. Verily, your prayer (becomes) peace of soul for them. and Allah is All-Hearing, All-Knowing. Zakat can clean and purify people who pay zakat. This obligation of zakat is also stated in a hadith narrated by Abu Dawud that when many people denied the obligation of zakat in the time of Abu Bakr As-Siddiq, he said: By Allah, I will fight those who separate the obligation of prayer from the obligation of zakat. Indeed, zakat is a right related to property. By Allah, if they refuse to pay the camel zakat which they used to pay to the Messenger of Allah, I will certainly fight them, because of that refusal.

According to Sjechul (1988) the purpose of zakat and taxes is to suppress socio-economic inequalities in society and to distribute ownership assets for mutual welfare. Zakat and Tax both contain several different aspects, namely in terms of naming, legal basis and nature of obligations. In terms of naming, zakat means clean, holy, blessing, growing, benefiting, and developing. Meanwhile, tax comes from the word dharibah which etymologically means burden and sometimes it is also interpreted as jizyah which means land tax (tribute) submitted by zimimah experts (people who remain in disbelief but are subject to Islamic government rules).

Based on the explanation above, the similarities between zakat and tax The elements of coercion and obligation which are a way to generate taxes are also contained in zakat. If taxes must be paid to the state, central or local, then zakat is the same. Because basically zakat must be submitted to the government as an agency called LAZ or BAZ. In the tax provisions there are no specific benefits. Taxpayers submit their taxes as members of the community. He only gets various facilities to be able to carry out his business activities. According to Apriliana (2013), taxes in modern times have goals to society, economy and politics in addition to financial goals, so zakat has a goal that is further and broader in scope than these aspects. The difference between zakat and tax according to some experts. In terms of the name and etiquette, the difference between zakat and tax can be seen from the etiquette, both meaning and figuratively. In terms of its essence, Zakat is worship and is a pillar of Islam so that the payment is not valid if it is not followed by intention. In terms of limits and conditions

2.4 Thinking Framework

A good framework will explain theoretically the relationship between the variables to be studied. According to Uma Sekaran (in Sugiyono, 2017:60), suggests that the thinking framework is a conceptual model of how theory relates to various factors that have been defined as important problems. Meanwhile, according to Suriasumantri (in Sugiyono, 2017:60), this framework is a temporary explanation of the symptoms that are the object of the problem.

Based on the discussion, it can be concluded that the frame of mind is a conceptual temporary explanation of the relationship between each object of the problem based on theory. So the framework of thought in this study will explain the Banda Aceh City Community Perception of Zakat as a Reduction in Income Tax Payments.

The formulation of the framework of thought as a basic assumption is not only useful for other people to know the researcher's direct views, but also serves as a work base that

is directly used in approaching research problems, namely as an elaboration to arrive at the formulation of a working hypothesis. Because the framework is closely related to the research problem, the formulation of the main ideas in this framework is adapted to the problem topics formulated in advance, namely the Banda Aceh City Community Perception of Zakat as a Reduction in Income Tax Payments. This needs to be done because considering the perceptions held by the community can also affect the results of tax and asset income in an area. While a person's perception can arise through a process of knowledge that he has. Thus, before the public has a perception, they must first have knowledge of the object in question, so that the public's perception will be.

The lack of public understanding and knowledge about zakat as a reduction in tax payments results in fewer community members willing to pay both obligations. From this statement, actually the understanding of zakat as a tax payer has been explained in Law No. 17 of 2000 regarding the third amendment to Law No. 7 of 1983 on income tax. Affirming that zakat on income paid to amil zakat institutions or amil zakat institutions authorized by the government can be deducted from taxable income in the calculation of individual and corporate income taxes.

The purpose of this study was to determine the Banda Aceh City Community Perception of Zakat as a Reduction in Income Tax Payments. This is because the perception of zakat deduction from tax payments needs to be supported by public knowledge about taxes. This is of course very important because the community is the expected party for these activities. People in Banda Aceh City will certainly find it difficult to carry out this activity if the knowledge supported by their perception of tax deductible zakat is very low. So in this study, the emphasis will be on the level of public perception. Community perception of Banda Aceh City.

III. Research Method

The use of the method is a step that must be taken, so that problems can be answered objectively. Considering the method is a procedure or method used to find out something by using systematic steps, in this case the researcher uses qualitative methods. Qualitative is a method used to obtain information about the symptoms and to determine the nature of a situation at the time the research is conducted, the aim is to describe a condition as it is in the current situation. Garna (2009) said "Qualitative methods are useful for describing a reality in society".

The researcher uses a qualitative approach, namely by focusing on the general principles that underlie the manifestation of symptom units in human life to find out the Banda Aceh City Community Perception of Zakat as a Reduction in Income Tax Payments. This qualitative approach is used because it is quite representative in describing the phenomenon in a comprehensive and in-depth manner.

Research with qualitative research methods that are Descriptive Process and meaning (subject perspective) is more highlighted. The nature of this type of research is that open ended research and colonization is carried out in relatively small groups of in-depth interviewees. Informants were asked to answer general questions and determine perceptions, opinions and feelings about the ideas or topics discussed and to determine the direction of the research.

IV. Results and Discussion

4.1. Public Perception of Zakat as a Tax Reduction

Perception starting with the observation through the relationship process of seeing, hearing, touching, feeling, and receiving something which then someone selects, organizes, and interprets the information he receives into a meaningful picture. The occurrence of this observation is influenced by past experiences and one's attitude from the individual. And usually this perception only applies to himself and not to others. In addition, this perception does not last a lifetime and can change according to the development of experience, changing needs, and attitudes of a person, both male and female.

Perception is an activity integrated, then all what is in the individual such as feelings, experiences, thinking abilities, frames of reference and other aspects that exist in the individual community will play a role in these perceptions. Based on this, it can be argued that in the perception that even though the stimulus is the same but because the experience is not the same, the ability to think is not the same, the frame of reference is not the same, it is possible that the perception results between individuals and other individuals are not the same.

Factors that influence perception are internal factors namely feelings, experiences, thinking skills, motivations and frames of reference. While external factors are the stimulus itself and the environmental conditions in which the perception takes place. The clarity of the stimulus will have a lot of effect on perception. If the stimulus is in the form of non-human objects, then the accuracy of perception lies more in the individual who holds the perception because the objects that are perceived make no attempt to influence the perceiver.

About In the English dictionary, society is called society, from the origin of the word *socius* which means friend. A more specific meaning, that society is a social unit that has a life of soul such as the expressions of the people's soul, the will of the people, public awareness and so on. While the soul of this community is a potential that comes from elements of society including institutions, status and social roles.

Understanding public perception can be concluded is a response or environmental knowledge from a collection of individuals who interact with each other because they have values, norms, ways and procedures are a common need in the form of a system of customs that is continuous and bound by a common identity obtained through data interpretation. sense.

While what is meant by society is a group of people human beings who live in one unit in the social order of society. Factors that influence public perception according to Robbins suggests that there are 3 factors that can influence public perception, namely: Perception actors, when someone looks at an object and tries to interpret what he sees and that interpretation is strongly influenced by the personal characteristics of the individual perceptual actor.

The target or object, the characteristics and targets that are observed can affect what is perceived. The target is not seen in isolation, the relationship of a target with its background affects perceptions such as our tendency to group objects that are close together or similar. Situation, in this case it is important to look at the context of the object or event because elements of the surrounding environment affect our perception. So it can be concluded from the understanding above that the public perception of each individual is different. Apart from the controversy over the treatment of PPH on zakat, it seems that there is still a need for firmness regarding its implementation instructions because this

understanding has not been fully understood by the public. That way confusion and possible deviations that occur in practice can be minimized. The last thing to realize is that taxes and zakat are two systems with different substances, authorities and mechanisms. Both will still run in parallel, not to eliminate each other.

4.2. Community Expectations of the City of Banda Aceh Regarding Zakat Management

The position of zakat whose accountability is directly to Allah swt. making Muzakki continue to pay zakat even though he has a double burden, namely the obligation to pay taxes (5 percent of gross income) and the obligation to pay zakat (2.5 percent of gross income). However, if there is a way to make it easier for people to pay zakat and taxes, it will be very effective. Zakat as a deduction from taxable income is still considered to impose a burden on taxpayers who are Muslim because they still have double obligations. Therefore, the people of Banda Aceh City hope that the management of zakat in the future can further ease the burden on the Muslim community

V. Conclusion

Based on the results of research and discussion regarding the Banda Aceh City Community Perception of Zakat as a Reduction in Income Tax Payments, it was concluded that there was a perception of the Banda Aceh City community who had understood and knew about the forgiveness of Law Number 38 of 1999 concerning the management of zakat, namely payment Zakat can reduce tax payments. Article 180 paragraph (1) of Law Number 11 of 2006 concerning the Government of Aceh states that zakat is used as a source of Regional Original Income (Aceh) and districts/cities whose management is carried out by Baitul Mal Aceh in order to improve the welfare of the people of Banda Aceh City.

Article 192 of the Law on Governing Aceh states that "the Zakat paid is a deduction factor for the amount of income tax payable from the taxpayer". The policies that the Aceh Province has have certain specificities in accordance with those regulated in Law Number 11 of 2006 concerning the Government of Aceh (UUPA), in this Law regulated various kinds of specialties that are not found in other provinces, one of which is regarding zakat which as mentioned in Article 192 of Law no. 11 of 2006 concerning the Aceh Government "zakat becomes a deduction from the amount of taxpayer income tax" and Zakat as PAD (article 180 (1) of the UUPA), Article 105 paragraph (1) of Qanun No. 10 of 2018 "zakat paid to Baitul Mal becomes tax deductions from taxpayers and Article 22 of Law no.

Zakat as a deduction from Taxable Income providing relief to the Muslim community in Aceh City Agency in paying zakat and taxes also increasing awareness and honesty in the community to pay zakat, with public awareness of paying zakat and taxes it will increase muzakki and of course will increase state revenue and PAD Banda City Aceh.

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