

Payment Efficiency and Tax Compliance Issues in User Experiences with Zakat Institution's Online Services

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ABSTRACT

The Indonesian government has issued regulation of zakat as a tax deduction for taxable income to increase the nationwide zakat collection. This study is a personal reflection, explaining the author's experience in using online zakat services provided by the National Zakat Agency Republic of Indonesia (BAZNAS). The exploratory storyline employs the E-S-QUAL & E-RecS-QUAL framework, adding the dimension of compliance to the tax regulation. The findings practically imply that BAZNAS' online services well perform in all measured dimensions for zakat payment purposes. However, efforts are required to spend more time when the author tests the feature of zakat payment slips that comply with the local tax regulations. Hence, zakat institutions, e.g., BAZNAS, are advised to inform zakat as a factor in deducting income tax from their online services.

Keywords: *Zakat, E-S-QUAL & E-RecS-QUAL, Tax Compliance, Tax Deduction*

INTRODUCTION

Poverty is a worldwide complex issue that the United Nations (2022) places poverty reduction as the primary target in sustainable development goals (SDG1). In 2015–2018, global poverty fell from 10.1% to 8.6% (United Nations, 2022). However, the recent Covid-19 pandemic, global inflation, and the Russian-Ukrainian war have caused an increase in the global poverty rate (United Nations, 2022; Vitenu-Sackey & Barfi (2021)).

Efforts in poverty alleviation have been challenging, moreover, due to Covid-19 (Argento et al., 2020; De Villiers et al., 2020; Vakulenko et al., 2020). Non-government organizations have taken part in assisting governments in handling the socioeconomic issues caused by the pandemic (Parsell et al., 2021b; Parsell et al., 2021a).

Governments worldwide promote philanthropy institutions in different ways.

One approach to boost the number of charities is the government's prestigious awards (Parsell et al., 2021b), and tax reductions for charity givers (Fleischer, 2009; Parachin, 2016; Sugih, 2015). It makes sense because charity contributes significantly, e.g., in the US and the UK, it has been demonstrated to contribute at least 1% of GDP (Wright, 2001).

The motives of performing charity are different. According to Lasby, it may be due to feeling obligated to the community, meeting religious obligations, having empathy for others, assisting those in need, and tax incentives (Teah et al., 2014; Ranganathan & Henley, 2008). Giving charity in religious beliefs is typically voluntary. However, charity in Islam has a different perspective. Infaq and shadaqah are the forms of Islamic charity. In addition, zakat, an Islamic faith obligation, has the consequence of charitable acts while its fundamental being a religious obligation.

Indonesia has the biggest Muslim population in the world and research on zakat has been growing significantly (Hefner, 2018). The country's zakat potential is giant, estimated at Rp233.8 trillion (Baznas, 2019), while its GDP reached Rp15,833.9 trillion in 2019 (BPS, 2020). This means that Indonesia's zakat potential is equivalent to 1.48% of its GDP. Nevertheless, Indonesia's zakat collection in 2022 was at Rp12.5 trillion (Puskas BAZNAS, 2023), drawing a huge gap in the uncollected zakat potential.

Tax reduction is critical for philanthropy growth. The Government of Indonesia provides fiscal incentives to use charity and zakat as tax deductions without any period restrictions (Osili & Ökten, 2015). Such fiscal incentive mechanism considers zakat as a tax deduction for income tax (RI, 2021). The government has set several requirements to implement such tax incentives through a designated zakat institution (DJP, 2011). Thus, zakat institutions need to synchronize their business processes with tax provisions. Al-Mamun & Haque (2015) stated that almost all Muslim-majority countries, except Sudan, Malaysia, and Pakistan, do not collect and distribute zakat properly despite having a positive perception of tax reduction through zakat.

The government of Indonesia obliges its Muslim citizens to pay zakat through the Zakat Act No. 23 of 2011. Thus, the role of zakat institutions is critical in bureaucratizing zakat in the country. Cokrohadisumarto et al. (2020) stated critical factors in zakat administration, i.e., the credibility of zakat institutions reflected in their service quality and Muslims' knowledge of zakat (Cokrohadisumarto et al., 2020). Thus, zakat institutions must offer good community service, given that an organization's ability to provide quality

service is essential to its success (Parasuraman et al., 1985).

The validity of zakat payment slips issued by zakat institutions in Indonesia for tax deduction is different. There are 238 zakat institutions, including the National Board of Zakat Republic of Indonesia (BAZNAS), that issued zakat payment slips are valid for tax reduction (DJP, 2011).

Studies have examined the quality of services of financial institutions, but few have investigated non-profit organizations, including zakat institutions (Ghani et al., 2012). Wahab et al. (2017) sampled Malaysian zakat institutions for service quality study using the SERVQUAL + compliance model based on Islamic principles. Employing the same model, this study adds compliance with tax regulations to examine BAZNAS' online services in Indonesia. The compliance with tax regulation is embedded in an online service quality measurement tool resulting from developing the SERVQUAL model, i.e., E-S-QUAL & E-RecS-QUAL (Parasuraman et al., 2005).

In particular, this research aims to address the following research questions, i.e., 1) What are the E-S-QUAL quality and RecS-QUAL quality of BAZNAS online services? 2) Does BAZNAS' online services facilitate the process of obtaining a zakat payment slip following the tax provisions?

LITERATURE REVIEW

The concept of Zakat in Indonesia

Paying zakat is a private area as a form of worship to God. The Indonesian government has bureaucratized such Islamic faith, providing legal standing for the nationwide zakat management via Law No. 23 of 2011. In this Act, zakat refers to the obligatory levy paid by a Muslim or a business entity when reaching the *nishab* (equivalent to 85 grams of gold) and *haul* (one lunar year) (RI,

2011). The institution that manages zakat nationally is BAZNAS, the government-owned zakat institution, and *Lembaga Amil Zakat* (LAZ), a privately initiated zakat institution (RI, 2011).

The government underlines that the zakat institutions must refer to the Shari'ah. Thus, every zakat institution needs to be careful in collecting and distributing the funds. The Zakat Act explains the principles of zakat management based on Islamic law, trust, benefit, justice, legal certainty, integration, and accountability (RI, 2011).

Service Quality of Zakat Institutions

Parasuraman et al. (1988) developed SERVQUAL to assess service quality from the customer's point of view. There are five dimensions of SERVQUAL, i.e., tangibles, reliability, responsiveness, assurance, and empathy (Parasuraman et al., 1988). Improvements were made in 1991 by expanding the number of respondents and improving some questionnaire elements (Parasuraman et al., 1991). The results remain the same, SERVQUAL is reliable as a service quality measurement model (Parasuraman et al., 1991). Thus, SERVQUAL is applicable for various sectors, including the non-profit sector although there are different characteristics between customers from the commercial and non-profit sectors (Jones & Shandiz, 2015).

The term e-service quality may be developed by Santos (2003), stating that there are six active dimensions based on the degree of importance, i.e., reliability, efficiency, support, communication, security, and incentive. Parasuraman et al. (2005) developed E-S-QUAL with the following dimensions, i.e., efficiency, system availability, fulfilment, privacy, and E-RecS-QUAL with the following measures, i.e., responsiveness, compensation, and contact. The application of the SERVQUAL model specifically for

religious organizations has been done by Ghani et al. (2012), by adding another dimension, i.e., compliance-based on Islamic principles.

Zakat Mechanism as Tax Deduction

Zakat payments must comply with applicable tax regulations. However, the mechanism in Indonesia does not necessarily reduce the amount of Income Tax (RI, 2021). The implementing rules of the Income Tax Law refer to Presidential Regulation No. 60 of 2010, regulating the institution for zakat payment. If zakat is paid not through designated institutions, then the payment of zakat cannot function as a deduction from tax income (RI, 2010).

The number of appointed zakat institutions has been dynamic. In 2011, 19 zakat institutions were appointed, i.e., BAZNAS, 15 LAZs, and 3 LAZIS (DJP, 2011). In 2023, the number has increased, with the following details: a) Badan Amil Zakat Nasional (BAZNAS) at the Central, Provincial, and Regency/City levels; b) 35 *Lembaga Amil Zakat* (LAZ) National level; c) 2 *Lembaga Amil Zakat, Infaq, and Shadaqah* (LAZIS); d) 33 *Lembaga Amil Zakat* Provincial level; e) 188 *Lembaga Amil Zakat* at Municipality level.

The zakat payment slip is crucial evidence, in addition to the institution where the zakat is paid. That is, credible evidence is required for the tax authorities to deduct tax income (Kemenkeu, 2010). Additionally, according to the regulation, a zakat payment slip must at the very least include the taxpayer's name, the NPWP (Indonesian tax number), the amount paid, the date of the payment, the name of the institution, and an officer or bank officer's signature for validation (Kemenkeu, 2010).

The taxpayer must submit the zakat payment slip to the respective authority via the annual income tax return to take advantage of the tax incentive. Taxpayers

who deduct zakat must include a photocopy of their zakat payment slip with their annual income tax return for the particular fiscal year in which the deduction is made (Kemenkeu, 2010).

METHODOLOGY

This study employs the E-S-QUAL and E-RecS-QUAL frameworks developed by Parasuraman et al. (2005) to understand the author's experiences in using the online zakat payment services offered by BAZNAS during the office hours and at any times during the recent Covid-19 physical distancing. This research employs a qualitative approach, making use of screenshots of each menu browsed on a website and mobile applications offered by BAZNAS. Other secondary materials from government regulations and publications from zakat institutions are used to support the discussion.

RESULT

BAZNAS Online Services

In general, there are two payment methods, i.e., the group on the home page, on the top right with "yellow" and "red" buttons, and the group in the "service" menu. The "yellow" button is for zakat payment via transfer to BAZNAS' bank account. The "red" button provides a broader range of payment options. Meanwhile, on the "services" menu of zakat payments, there is only one "payment services" submenu, i.e., three payment service options, which are banking services, direct services, and digital

services. The digital service is further investigated.

Once the yellow button at the top is selected, the following options, i.e., zakat, infaq, and shadaqah appear for BAZNAS operations and its social programs. Users may pay for zakat via transfer to BAZNAS accounts in various ways and confirmation of payment via the web or WhatsApp. There are 24 bank accounts (conventional and Islamic banks) for zakat payments. At the bottom of the web page, a quote of zakat payment is campaigned in 3 languages, Arabic letters, Latin Arabic pronunciation letters, and the translation in Indonesian.

Further confirmation is made via the website and WhatsApp. The first trial is performed via the website and confirmation of "thank you" from the system is found at the top and prayers in Arabic words along with the Indonesian translation. A further step is filling out the form, i.e., full name, type of deposit, type of zakat, NPWZ (zakat obligation number), cellphone number, e-mail, transfer date, the bank used to transfer, BAZNAS' bank, nominal, zakat payment slip, and the CAPTCHA security code. The submission menu is activated once the required information is filled out.

Confirmation via WhatsApp is further performed. The user is directed to the BAZNAS WhatsApp customer service, i.e., 087877373555. As one of the procedures, the user is required to upload proof of transfer for confirmation. About 6 hours after sending the zakat payment slip, a message is received, containing detailed information in the form of NPWZ, nominal, date of payment, and a link to the downloadable zakat payment slip.

 BAZNAS Badan Amil Zakat Nasional	BADAN AMIL ZAKAT NASIONAL Kantor Pusat Gedung BAZNAS Jl. Matraman Raya No.134 Jakarta, Indonesia 02122897983		
		Lembar	1
Untuk Arsip Wajib Zakat			
Bukti Setoran Zakat			
Nomor : 03/07/22/km/1/0000501 Periode : Juli 2022			
Telah terima dari : XXX NPWZ : 3171100119 XXXXX NPWP : Alamat :			
Telepon/Email : 0815425 XXXXX / XXXXXXXXXXXXXXXX@gmail.com			
Objek ZIS	Uraian	Via	Jumlah (Rp)
Zakat	Maal	Midtrans	20.000
Total			20.000
Terbilang : Dua puluh ribu rupiah			
Semoga Allah SWT memberikan pahala kepada Arief Budi Wardana atas harta yang telah dikeluarkan dan menjadi berkah dan suci atas harta yang lainnya.			
Pengesahan Petugas Amil  Jakarta Tgl 03/07/2022	Penyetor / Wajib Zakat Jakarta Tgl 03/07/2022		
Petugas : Nur Visti Inayah		Nama : XXX	

Figure. 1. Zakat Payment Slip

Furthermore, the red button provides two menus to pay zakat directly (i.e., zakat fitrah and zakat maal) and zakat calculator application (i.e., for zakat maal and zakat income queries). Nominal entries are flexible as the users need to type their desired number manually with numeric characters up to 38 digits. Following this, personal data, e.g., salutation, full name, mobile number, and e-mail, is required. Then the user fills in a name at least two characters long. It does not have to be letters because entering numbers can also be processed. The mobile number must also be filled in with at least eight numeric characters. The last entry is an e-mail address, which seems to have no feature to

check the validity of the email. Valid criteria only contain the @ character, with at least one character before and after. There is no information on whether all the filling fields are required or optional. To go to the next page, we need to press the button to continue to payment.

The system further proceeds to the various payment method options. There are six payment methods, i.e., online payments, convenience stores, bill payments, virtual accounts, credit cards, and PayPal. Such various payment options allow BAZNAS services to reach a broader range of customers. There is also a slight touch that seems to follow the principles of Islamic law on the credit card payment method, i.e., the

narrative "*I am committed to paying off credit card payments before they are due and have sufficient assets to pay Zakat/Infak*". After completing the zakat payment, there is no information on how to get the payment slip.

BAZNAS offers zakat payment options with 24 banking partners, including conventional and Islamic banks, e.g., Bank Syariah Indonesia, and Bank Mandiri, among others. Taking a case of payment via mobile banking, i.e., Livin' by Mandiri, the system takes to the application. After filling out the required information and clicking on continue, payment confirmation appears. If appropriate, click pay until a payment confirmation appears. Zakat payment slips can be shared and submitted in a bank-like format. The Livin' by Mandiri mobile application provides no zakat payment slip information.

Furthermore, another payment service on the respective menu is via digital channels. There are six types of service, i.e., BAZNAS platform, commercial platform, non-commercial platform, social media platform, artificial intelligence platform, and innovative platform. The first platform is identical to the red button on the home page. In the commercial platform, 24 applications provide zakat payment services, one of them being Paxel. However, it doesn't proceed with the zakat payment during the author's trial.

Furthermore, the non-commercial platform provides options for seven crowdfunding sites, including kitabisa.com. On the kitabisa.com website, the zakat payment menu is relatively easy to find. A zakat calculator for zakat on income and zakat maal queries is available. The author uses the find feature in the browser with the keyword BAZNAS to find zakat payment to this institution faster. It identified three alternatives for zakat payment to the central BAZNAS. At the lower part of the page, it

shows details of the ongoing fundraising and other related campaigns, e.g., prayers, and updates on the projects, among others. There are various payment options available, including instant payment, virtual accounts, bank transfers, and credit cards.

A user may choose a Bank Mandiri virtual account for the payment, with zakat nominal ranging from Rp30,000, Rp50,000, Rp95,000, to Rp100,000. Users may also manually enter a nominal value of at least Rp.10,000. After choosing a nominal zakat payment, a user needs to log in to kitabisa.com for further payment. A prayer appeared in Arabic script and an Indonesian translation when the button to close the prayer display reads "Aamiin". Following the payment processes, a notification of the successful payment of zakat appears via WhatsApp. Like the previous payment, there is no information about getting a zakat payment slip.

BAZNAS opens its social media accounts on Facebook, Twitter, Instagram, LinkedIn, and TikTok. BAZNAS Facebook has around 40k followers, and at the top of the BAZNAS Facebook page, the "alms every day" banner is set. Features related to zakat payments are in the shop menu. When a user selects one of the options, the payment link appears. Personal details, e.g., the full name, telephone, and e-mail, are required for further processing. Payment options offered vary, e.g., Gopay, virtual bank accounts, credit/debit cards, and ShopeePay. The election process is given less than 24 hours by the system. The trial uses Gopay, where a QR code and the way to pay appear. The Gojek application is open for the payment. A confirmation about the total payment and recipient details appear before the payment. After the payment is successful, an e-mail is received explaining that the zakat payment transaction has been successful.

The final test is performed on BAZNAS' innovative platform, i.e., QRIS

and a digital payment application. With QRIS, a user may immediately pay zakat by scanning the QRIS code via LinkAja! platform. A description of the merchant will appear as BAZNAS zakat after successfully scanning the code. In digital platforms, fintech payment services, e.g., Gojek, Ovo, Linkaja, Linkaja Sharia, and Spin, are available. The Gojek application is further tried. In this application, the GoBill menu is used for the transaction, where a user can find the option at the bottom of the menu (donation). There are 14 choices of zakat institutions in alphabetical order, including BAZNAS. Like in the previous payment option tried, this digital option does not provide a zakat payment slip.

The E-S_QUAL

1. Efficiency

Search engine, e.g., Google, is the primary option when someone does not know the full address of a website and is used during the trial of zakat payment. Using the keyword “pay taxes” on Google search, options appear, including those related to zakat payment. The first four search results provide the website advertisement, which zakat institutions appear on the top row. After the advertisement, the BAZNAS website is on the list. BAZNAS’ website found in Google does not go to the main page, instead, it directs users to the page with a “red” button for zakat payment.

The website is effective for a simple transaction of zakat payment. In addition to the search engine results, various methods are available on BAZNAS’ website, which are found on the front page and are simple and easy to understand. These services require a relatively short time to make zakat payments. Such personal experiences indicate an effective service due to the timely access to the zakat payment information. However, it is problematic to get the zakat payment slip based on the

author’s personal experience using such online services.

2. System Availability

Zakat payment is tested at any time, i.e., at 05:29 and 23:32 (Indonesian Western Time). There are no obstacles in accessing the BAZNAS website for zakat payments. This means that such online service for zakat payment is available 24 hours a day. The author also does not find any difference in the speed of service access during rush hour or late at night. The personal experience does not encounter any system interruptions during the trial.

What slightly reduces the assessment of BAZNAS online services from the system availability dimension is that some services are unavailable, e.g., Paxel, and Artificial Intelligence Platforms, among others. In addition, the author finds that the confirmation link via the web provided in the payment guide cannot be accessed. Despite these issues, the system availability of BAZNAS online services may fulfil the system availability dimension.

3. Fulfillment

The availability of a stable payment system with a wide range of payment options is not in line with the speed of obtaining zakat payment slips. Indeed, not everyone needs a zakat payment slip due to the spiritual aspects. However, the author’s trial is to gain the zakat payment slip following the payment is done. It needs to wait for hours to receive such a payment slip. BAZNAS does not state any specific times when a muzakki is to receive a zakat payment slip. It is important to inform such a particular time and the faster the better.

The author finds the information to obtain zakat payment slips available on BAZNAS’ website. A particular page shows the steps to get BSZ as a tax deduction, including via e-mail or WhatsApp. Based on

Parasuraman et al. (2005), the fulfilment aspect related to the extent to which the online service promises about order delivery and item availability are fulfilled. As long as BAZNAS provides a payment slip, no matter how long it takes, it shows that the service may meet the fulfilment criteria.

4. Privacy

Users may not be aware of any personal data protection when such data is submitted to the BAZNAS website. Following the zakat payment, the author received several notifications that had nothing to do with these payments, either via e-mail or WhatsApp chat. The information provided is about zakat programs and invitations to pay zakat through BAZNAS regularly. In addition, the author finds that after interacting with BAZNAS online services, advertisements related to zakat appear on the browser and the author's social media accounts. According to Parasuraman et al. (2005), a high level of privacy if the service provider guarantees that customer data is stored in a safe place and used properly. Such notifications and advertisements about zakat may reduce the level of privacy in using BAZNAS services.

The E-RecS- QUAL Scale

1. Responsiveness

It becomes a challenge to provide services online if an error or failure occurs to the customer. The author thinks that it is possible for someone who has paid zakat to an institution to change his mind about moving to another institution or even to give up on the payment of zakat. If this happens, the author does not find a menu to return to the zakat payment option.

Confirmation via WhatsApp is a feature related to responsiveness. Through this feature, the author asks about the possibility of cancelling transactions. The admin replied, providing clear information

for a refund. it needs to provide data in photos/scans of ID cards, savings book covers, account mutations, proof of transfers, and chronology of events containing the nominal to be refunded. Furthermore, if the requirements are complete, the file will be forwarded to the BAZNAS finance department. The estimated refund process is a maximum of 14 days. This refund option is a benchmark that BAZNAS online services provide satisfaction for muzakki from the responsiveness dimension. As Parasuraman et al. (2005) mentioned, responsiveness is defined as the effective handling of problems and returns by service providers.

2. Compensation

This dimension does not seem very relevant to zakat institutions, considering that compensation related to problems or failures occur in providing services Parasuraman et al. (2005). BAZNAS provides services in zakat distribution where muzakki fully entrusts it. During the trial, if the user pays zakat to BAZNAS via its online services, then he does not care about the speed or accuracy of BAZNAS in distributing zakat to the rightful parties. The only compensation to zakat payers is to receive BSZ, which can have economic value when it is used as a deduction.

3. Contact

The existence of a service that connects customers and online-based service providers is practical. Based on the author's experience, several options exist for contacting BAZNAS. At the top left of the BAZNAS home page, a series of its social media accounts is informed, allowing users to interact directly, particularly via Facebook, Twitter, Instagram, LinkedIn, and YouTube. On the top right, it is disclosed a telephone number. The author further tries to see other channels by pressing the Contact

Us menu in the “About Us” submenu. On the Contact Us page, there are options to send messages via the form provided, office address, telephone, e-mail, and confirmation e-mail. Referring to Parasuraman et al. (2005), the contact dimension can be interpreted as the availability of online assistance services. That is, BAZNAS online services may achieve a reasonable mark for contact dimension.

Compliance with tax regulation

The last part of the BAZNAS’ online services trial is to obtain a zakat payment slip (BSZ). Displayed on the front page of BAZNAS is the inscription “Get Zakat Payment Receipt (BSZ) as a tax deduction

(PTKP)”. To get the BSZ, it is recommended to contact BAZNAS services in the form of e-mail and WhatsApp. Prior to contacting the two channels, there is seen a discrepancy between the narrative written by BAZNAS and the application of tax regulations in Indonesia. First, zakat in Indonesia is not a tax deduction but a deduction from net income, as stated in the Income Tax Law (RI, 2021). Although it looks similar, in calculations, it is very different. The second is to provide in brackets PTKP, stating that zakat has nothing to do with Non-Taxable Income (PTKP) because the taxpayer’s status determines the amount of PTKP (RI, 2021). To illustrate these two errors, the author calculates income tax and a deduction in the form of zakat as follows.

Table. 1. Income tax calculation with zakat as tax credit versus as tax-deductible expense

	Zakat as a Tax Credit	Zakat as Tax-Deductible Expense
Net income	1.000.000.000	1.000.000.000
Zakat	-	25.000.000
Exemption	54.000.000	54.000.000
Taxable income	921.000.000	921.000.000
Tax owed	220.300.000	220.300.000
Tax credit	100.000.000	100.000.000
Zakat as a tax credit	25.000.000	-
Final payment (refund) due	102.800.000	120.300.000
Deviation	17.500.000	

Source: Authors' own.

Moreover, we turn to the issue of conformity of BSZ with tax provisions in Indonesia. To be recognized by the tax authorities, the payment of zakat must be proven by valid evidence (Kemenkeu, 2010). Furthermore, the regulation requires a zakat payment slip containing at least the name of the taxpayer, NPWP, amount paid, date of payment, name of institution, and signature of officer or bank officer

validation (DJP, 2011). One minimum requirement is unavailable in the confirmation version of the BSZ via web or WhatsApp, in which the NPWP is blank. For this reason, the author sends queries via the BAZNAS WhatsApp chat service. Deficiencies in the NPWP column can be resolved through muzakki notifying the NPWP via WhatsApp chat so that BAZNAS will include it on the zakat payment slip. The

thing that deserves appreciation is that the BAZNAS admin no longer asks for the author's identity when requesting BSZ. In addition, the author further tries to request BSZ within one year, and the BAZNAS team manages to send all BSZ in less than an hour.

CONCLUSION

BAZNAS' online services for zakat payment offer a diverse platform for different groups of muzakki. The author's personal experience can reach almost all those service channels without installing new applications. Thus, the service quality provided by BAZNAS' online services for simple zakat payment may be seen to be reasonably satisfying.

However, it is practically problematic to receive the zakat payment slip due to the uncertainty of time to receive such a slip, causing an issue in the tested fulfilment dimension. There is also an issue with the privacy dimension, with the author's personal experience in the track record when accessing BAZNAS online services not fully maintained. Equally important is the dimension of compliance with tax regulation, which has reduced quality due to information related to the zakat payment slip is not appropriate, requiring more effort to receive the zakat payment slip.

Zakat institutions, including BAZNAS, should capture the recognition of zakat as a factor in deducting income tax. If they can show their trustworthiness and professionalism in managing zakat through high service quality, zakat may be considered as a deduction for tax payable, as practiced in other countries.

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Arief Budi Wardana

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