

## BEHAVIORAL INTENTION TO PAY ZAKAH ON EMPLOYMENT INCOME AMONG ACADEMICIANS IN KANO STATE, NIGERIA

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### Abstract

The institution of zakah is the cornerstone of the Islamic economic system and the disbursement of the zakah fund in line with the Qur'anic injunction ensures equitable distribution and transfer of wealth from the rich to the poor. However, zakah practice in many Muslim countries left wide gap especially in realizing the goal of zakah in poverty reduction. For instance, zakah on employment income is largely neglected despite its juristic backing and changing economic structure that creates high professional income earners that form either upper middle class or lower middle class of the society. The objective of this paper is to explore the intention of income earners to pay zakah on their employment income in Kano State as this will add to the zakatable sources of the State Zakah commission. The paper employed Theory of Reasoned Action to examine the behavioral intention of 300 academics across Kano state government owned tertiary educational institutions to pay zakah on their income. Structural equation modeling was used to analyze the data collected. The overall result shows that the respondents have favorable behavioral intention towards payment of zakah on employment income. Specifically, the positive effect of both attitudinal beliefs and subjective norm on the behavioral intention is revealed. Hence, the need to come up with a comprehensive policy that will boost zakah collection, consequently its distribution to reduce extreme poverty in the state.

*Keywords: Zakah, Employment Income, Attitudes, Subjective Norm, Behavioral Intention*

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## I. INTRODUCTION

The institution of zakah is the cornerstone of the Islamic economic system and the disbursement of the zakah fund in line with the Qur'anic injunction ensures equitable distribution and transfer of wealth from the rich to the poor. Apart from it being one of the five pillars of faith, zakah is a unique, spiritually charged filtering device, primarily designed to cleanse one's possession or wealth necessary to protect the owners of wealth against spiritual poverty, while protecting the rights of "the haves" and "have not". Its main objectives include: (a) promotion and stabilization of economic growth through investments, employment and balance consumption; and (b) leading to the achievement of greater income equality through an equitable distribution of wealth, thereby eliminating poverty and extreme disparities of wealth between the rich and the poor.

Zakah is charged different kinds of wealth once it meets the conditions required. Such conditions include among others: reaching the minimum requirement (Nisab), passage of a year, freedom from debt, Halal wealth and properties as well as a growing wealth (Al-Qardawy, 1999). It is also a very strong social security instrument, which if properly collected and distributed reduces poverty to the barest minimum as 50% of its recipients are among those that that can be considered poor (QS. 9:60).

Zakah on employment income has been termed by Al-Qaradawy and Shahatah as 'Zakah Al-mal, Al Mustafad' meaning zakah from the source of salary and professional income (Al-Qardawy, 1999). It consists of all types of remuneration for service rendered or works done and any income as professionals earned during a lifetime, retirement or death. Income is perceived as the flow of new wealth from a constant and permanent source (Qardawy, 1999). The most common source of income based on this definition in modern times is employment income which is so constant that one is entitled to some benefits on and after retirement.

Studies conducted on the compliance of income earners to pay zakah on employment income revealed that zakah from employment income significantly add to the zakah sources since

income earners earn salaries and other remunerations in multiples of what the farmers, traders and other zakah payers are earning per annum. Income levels are said to significantly affect zakah payment, the higher the income, the higher the probability of an individual to pay zakah.

The most supporting view that buttress the payment of zakah on employment income could be read from the words of Mannan (1986) where he said "All original sources of wealth the sun, the moon, the stars the earth, the clouds that bring rain, the winds that drive the clouds and carry the pollen, all phenomena of nature are the gifts of Allah to the whole of mankind. Wealth is produced by the application of man's skill and labor to the resources which Allah has provided for man's subsistence and comfort and over part of which man enjoys property rights to the extent recognized by Islam. In the wealth that is produced, therefore, three parties are entitled to share: the workman, whether skilled or unskilled; the person who supplies the capital; and the community as representing mankind. The community's share in produced wealth is called zakah. After this has been set aside for the benefit of the community, the rest is 'purified' and may be divided between the remaining parties that are entitled to share in it".

From the economic point of view, zakah is regarded as a reliable means of eradicating poverty in a way which pleases Allah and spreads love among Muslims as well as a means of resolving incidence of poverty. Dogarawa (2008) asserts that zakah system provides permanent mechanism from within the economy to continuously transfer income from the rich to the poor and that once correctly assessed, promptly collected and properly disbursed, it plays the role of solving dangerous problems such as poverty, unemployment, catastrophe, indebtedness and ensures equitable income distribution in a Muslim society.

Studies in Islamic states of Malaysia, like in the Wilaya, Selangor, Sarawak, etc, the Kingdom of Saudi Arabia and Sudan have shown that employment income is zakatable if it satisfies the conditions that all other incomes in form of profit, agricultural produce as well as capital gain and returns on mineral resources (RIKAZ) and so many more satisfy. In countries like Sudan and Saudi Arabia, zakah is charged from the source. In Malaysia for instance,

Zakah on employment income contributes the highest percentage in the overall zakah collected in most of the practicing states, in these states the zakah payers enjoy tax relief; that is where the dues are less than the tax income earners are expected to pay, the zakah is deducted and the remaining is taken to the tax authority (Wahid & Kader, 2010). However, eligible citizens of the same country find it difficult to adapt to the issues that revolve around paying zakah on employment income even though it has been made compulsory to pay zakah on employment income in some of these states.

This paper therefore attempts to see the possibility of applying the Theory of Reasoned Action in predicting the behavioral intention of income earners of Kano state to pay zakah on their employment income. In view of the above problem, the study poses to test the following hypotheses:

- i) H1- The attitudinal beliefs of income earners in Kano state Nigeria towards zakah on employment income is positive.
- ii) H2- Social pressures and impact of reference groups influence income earners' behavioral intention to pay zakah on their employment income in Kano state Nigeria.
- iii) H3- Both attitudinal beliefs and subjective norms greatly influence intention of income earners to pay zakah on employment income in Kano state, Nigeria.

The justification for this write up owe to the fact that; almost all the juristic views and resolutions by Islamic fiqh academies of Jeddah and Egypt have resolved that zakah is payable from employment income and real life experiences have shown that funds raised from such zakah sources have made various zakah commissions liquid and hence able to curb the menace of poverty. The income earners in such jurisdictions are motivated by relieving them from taxes as well as abled to discharge their religious obligations.

Kano state is blessed with a large number of income earners whose income have met the requirements and is zakatable but do not do so, thereby keeping idle cash balances and have contributed greatly to the rise in income disparity and hence inequality in the state. To the best of our knowledge, researches covering this area

of zakah in Kano state have not touched the area of this study that is attempt to predict compliance behavior of income earners to pay zakah on employment income. This is the primary significance of the study.

## **II. LITERATURE REVIEW**

This section covers literature on zakah on employment income, nisab for earned income, zakah rates on professional income, empirical studies on compliance to pay zakah and theoretical framework used to conduct the study.

### **2.1 The Nisab for Earned Income**

The Nisab for earned income is equivalent to the Nisab of gold or money i.e. the equivalent of 200 silver and 20 dinars of gold or simply put: the monetary value of 85 grams of gold. Scholars also differ on the time period for estimating the Nisab. Monthly salaries, if they reach Nisab or more are charged zakah and income of short intervals are not zakatable even if the sum adds up to Nisab. Second view expressed by az-Zuhri and al-Awza'i proposes that; receipts of both short and long intervals of the same fiscal year must be added and pay their due if they reach the Nisab as in the case of several crops of the harvest of the same year (Al-Qardawy, 1999).

### **2.2 Zakah Rates on Earned Income**

Rate of zakah on earned income is determined in consideration of the effort spent in earning the income as is the case with agricultural produce. Thus, earned income from both labor and capital, as in the case of business proceeds etc, one tenth of the net income after deducting all debts and necessary expenses on basic needs of life is payable. While one fortieth is paid on earnings from labor alone. This rate covers earnings from such sources as salaries, wages and professional fees after allowances have been made for all deductions of debts and expenses on the basic needs (Ibn Abi Shayba cited in Al-Qardawy, 1999). The rates, therefore,

are proportional to efforts spent and are analogized on the basis of zakah on gold and silver or simply put money. Kahf determined the zakah rate for an individual who finds difficulty in identifying the lunar month he acquired the Nisab and uses the solar month to use zakah rate of 2.5776% instead of 2.5% (Kahf, 1991).

### 2.3 Compliance to Pay Zakah

Review of related literature reveals that, a number of scholars in the field of Islamic finance have written on the applicability of the theory of Reasoned Action (TRA) on zakah on employment income, though using varying methods of analysis. These researches were either conducted in the Asian Peninsula or Arabian Peninsula. For instance Bidin, Idris, and Shamsudin (2009) applied the theory of reasoned action to investigate the impact of subjective norms and attitudes toward behavioral intention towards payment of zakah on employment income in the state of Kedah, Malaysia. Their findings reveal that both subjective norms and attitudes are sound and very influential independent variables that influence compliance behavior of zakah on employment income. The population for this research is the state of Kedah which is the first state to make Zakah on employment income mandatory, and cluster sampling technique was employed to select at least 200 employees who are subject to a tax deduction. The respondents were asked to indicate their agreement or disagreement with the proposal on a five point likert scale and data was analyzed using structural equation modeling (SEM) and the findings of the results shows that subjective norms and attitude are highly influential in determining compliance behavior of paying zakah on employment income.

Ja'afar, Affif, Amri, & Sahezan (2011) examined the factors that attribute to non-compliance as well as non-participation of Muslim community in paying zakah on employment income. The research was conducted as a result of failure of some income earners to pay zakah on their earned income due to their belief that there is no divinely prescribed rule regarding payment of zakah on employment income. The researchers distributed questionnaire to 100 respondents randomly selected from the five

big cities of Selangor. The research uses logit binomial model to test the variable (non-participation of zakah on income) against independent, controlled and focused variables in form of factors such as demographic (like marital status, income level, attitudes and educational status). The results revealed that educational - religious knowledge *per-se* is most significant factor that influence payment of zakah on income while the demographic factors negatively affect the payment of zakah on employment income.

Bidin and Idris (2007) examined the impact of Ajzen and Fishbein's Theory of Reasoned Action using structural equation modeling (SEM) on zakah compliance intention towards employment income. Confirmatory factor analysis (CFA) was used as the measuring yard-stick and SEM was used in measuring the validity of the independent variables of attitude, subjective norm and intention as outlined in the theory in influencing compliance of zakah on employment income. Data were gathered from Muslim employees of public and private organizations subjected to scheduled tax deduction in Kedah, Malaysia. The results from CFA revealed that attitudes and subjective norms towards zakah on employment income among Muslim employees were multidimensional in that: zakah collection authorities need to understand carefully the intention to pay zakah on employment income firstly as the most influential factor towards attitude and behavior. Similarly demographic factors significantly affect the intention to comply with Zakah payment on employment income. Therefore the zakah collection authorities are provided with useful information to improve their collection techniques having in mind the most influential factors that significantly determine compliance behaviors.

The fact that zakah is payable on employment income and there are a number of Islamic states where the system is fully practiced prevailed the gap existing between these countries and Nigeria which share to some extent similar jurisdictions in terms of sharia law application in some of its states but yet lagging behind in implementing the policy of charging zakah on employment income, and a few attempts to impose some charitable dues on employment income as a starter seem to have fall abortive. It is on the basis of this that this study attempts to examine the impact of the application of the theory of reasoned action to expose the

determining factors that may influence income earners' intention to pay zakah on their employment income in Kano State, Nigeria.

## 2.4 Theoretical Framework

Theory of Reasoned Action (TRA) was first developed by Fishbein and Ajzen (1975) and Ajzen and Fishbein (1980). The theory emphasizes the role of attitude, subjective norm, intentions and behavior directed to a specific focus. According to TRA behavior of a person is predicted by two components i.e. attitude toward the behavior and subjective norm. The first predictor measures the extent to which an individual has favorable or unfavorable evaluations and beliefs of the behavior in question. The second predictor however, measures the impact of other people/reference or pressure groups in respect of that behavior (Ajzen & Fishbein, 1980). With regard to the other possibly influencing factors such as past experience, demographic variables, Ajzen and Fishbein (1980) argue that they are mediated through beliefs and evaluation.

TRA attempts to explain people's behavior and considers behavioral intention a suitable stimulant and determinant of the actual behavior. According to this theory, intention is a key element that exists within an individual before he/she acts on it. In other words, factors that influence one's behavior such as subjective norms and attitudes, work through intention to affect whether one would actually act on the intention or not. Bidin *et al.* (2009) explained that; the theory essentially postulates that one's decision to actually (voluntarily) act (or not to act) is determined by ones intention to act (or not to act). TRA is widely used as a theoretical model to study human behavior with regard to underlying factors that influence one's behavior to engage or not to engage in a particular cause of action, such as buying new products or consumers acceptance to use a specific instruments in health, education, technology etc. In fact Technology Acceptance Model was evolved from Theory of Reasoned action (Haneef & Muhammed, 2013).

Apparently psychologist opined that the degree of these variables are not constant but varies between population and individuals. In other words a relationship between two or more



variables may be quite strong in some individuals while it is weak or does not exist for others. The relationships could vary not only between groups of individuals but for individuals themselves. In fact, Theory of Reasoned Action is developed to capture these variations and differences (Hartwick & Barki, 1994).

TRA argue that the only immediate cause for any behavior is an individual's intention to actualize it or not which in turn is influenced by two Major components: attitude of the individual toward the behavior and individual perceptions of the social pressure and influence of reference groups termed as subjective norm. People are more likely to engage in the behavior when they hold positive attitude toward an action and perceived social pressure in favour of the action. According to Septimus (2011) the size of the intention-behavior relationship will impact the ability that attitudes and subjective norms have in predicting behavior, since intention is the mediator between overt behavior and the constructs attitudes and subjective norms in the theory. The predictive power of TRA not only makes it elegant theory in psychology but also increase its relevance in social sciences in general (Hartwick & Barki, 1994).

TRA is a series of linked concepts and hypotheses developed to understand and predict human behavior which regarded as the most influential theories about voluntary human behavior According to Ajzen and Fishbein (1980) and Fishbein and Ajzen (1975) applying TRA for a certain behavior was meant to predict and intervene in changing the behaviors where needed. Intention is viewed as the extent to which an individual is willing to act and hence, intention is an antecedent of behavior (Fishbein & Ajzen, 1975). The main assumption of the theory is that attitudes are believed to have direct effect on behavioral intention. Attitudes have been defined by Ajzen and Fishbein (1980) as cited in Bidin *et al.* (2009) as the degree to which an individual has a good or poor evaluation on a particular behavior. One important factor according to them that determines attitudes is behavioral belief which involves evaluation of the consequences or outcomes of a particular behavior. This theory, though never applied to the attitudes of Zakah payers towards compliance to Zakah payment, but has been reported by Hanno and Violette (1996) that attitudes have a significant influence on tax compliance intention.

### III. METHODOLOGY

The population constitute all the academic staff of all Kano state government owned tertiary educational institutions which include all the following: Kano State University of Science and Technology Wudil, Northwest University, Kano State Polytechnic - which comprises five schools, School of Hygiene, School of Health Technology, College of Nursing and Midwifery, Sa'adatu Rimi College of Education, Aminu Kano College of Islamic and Legal Studies, Audu Bako College of Agricultural Studies, Danbatta and College of Arts Science and Remedial studies.

Five of these schools were selected at random and the desired respondents were drafted from the sampled institutions. The sample therefore is made up of 300 academic staff between the rank of senior lecturer and above from Kano state University of Science and Technology, Wudil, all the five schools under Kano state polytechnic comprising of: School of Management Studies, School of General Studies, School of Technology, School of Rural and Community Development Rano and School of Environmental Studies Gwarzo, Aminu Kano College of Islamic Legal Studies, Sa'adatu Rimi College of education, Kumbotso, Kano State and North-West University Kano.

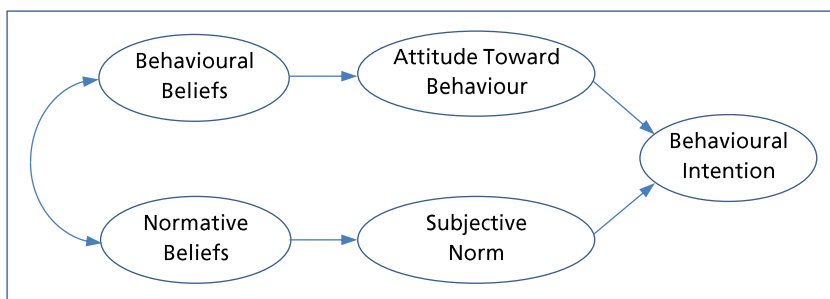
The copies of the questionnaires were distributed in pro-rata basis such that; 70 copies were distributed in Sa'adatu Rimi college of Education. 50 copies were each given to Kano state University of Science and Technology and Aminu Kano College of Legal and Islamic studies, 46, 17, 20, 15 and 12 copies were distributed to school of management studies, school of general studies, school of technology, School of rural and community development Rano and School of environmental studies Gwarzo respectively and 20 were administered in NorthWest University. Out of the 300 copies of the questionnaire distributed 245 usable ones were returned, representing 81.7% response.

The questionnaire is made up of 4 sections, Section A is about the respondents' profile, and Section B is concerned with the respondents' attitude to pay zakah, questions in section C ask the respondents about their subjective norms in paying zakah on their income and finally the last section requires them to answer

questions relating to their intention in paying zakah. Five-point Likert scale is employed to assist respondents in answering the questions ranging from '1' "strongly disagree" to 5 "Strongly agree."

Descriptive statistics, using charts and tables, was employed to analyze the demographic information and the information from the three segments was analyzed using AMOS IV statistical program that involves Structural Equation Modeling (SEM).

In relation to this study; the paper uses three category indices to test models' goodness of fit, incremental fit and parsimony fit. To determine whether the model has an absolute fit, chi square ( $\chi^2$ ) and root mean square error of approximation (RMSEA) are used. Tucker Lewis Index (TLI) and Normed Fit Index (NFI) are used to measure incremental fit. Reliability and construct validity tests are carried out. Construct reliability was determined based on composite reliability. To verify the construct, both convergent validity and discriminate validity is used as recommended by Churchill (1979) cited in Bidin *et al.* (2009).



**Figure 1.**  
**Theory of Reasoned Action**

Source: Ajzen and Fishbein (1974)

Where:

Behavioural beliefs refer to the factors that influence the respondents' attitudes on zakah on employment income

Normative belief refers to the factors that induce the respondents' subjective beliefs and perceptions.

Attitudinal beliefs refer to the respondent's beliefs and perception on zakah on employment income.

Subjective norm refers to the respondents' perception of whether or not other people think that he/she should pay zakah on income,

Behavioral intention measures the strength of the respondents' intention to pay zakah on their income as determined by attitudes, subjective norm or both.

NB: For the purpose of this study however, only attitudinal beliefs and subjective norms are considered and involved in the questionnaire as well as in the discussion as they are considered sufficient predictors of intention and a number of factors are considered as mediating factors that influence beliefs and perceptions.

#### **IV. RESULTS AND DISCUSSION OF FINDINGS**

The paper aims at assessing the factors that influence behavioral intention and this necessitate the need to involve verification of latent variables like attitude and subjective norm. Hence the need to measure all items in the questionnaire, this makes the SEM more complex as each response in the questionnaire is considered as a single variable that either significantly or insignificantly influence the variation in the latent factor.

The distribution of respondents by gender shows that out of 245 respondents 203 representing 82.9% are males while 42 of them which stand for about 17% are females. This indicates a dominance of male academic staff in the sampled rank (see appendix I).

The marital status of the sampled respondents indicate that out of the 245 respondents only 7 (2.9%) were single and 238 (97.1%) were made up of married respondents. This indicates that majority of the respondents have family responsibilities. The family characteristics of the respondents also shows that, 37.6% are nuclear meaning the dependency ratio of the household is limited to the family members alone and 62% of the respondents are

extended indicating that, the heads of the families have additional responsibilities beside their primary responsibilities i.e. their dependency ratio extends to other members of the family and is beyond a husband – wife and children care.

The modal age of the respondents are between the ages of 41-50 which constitute half of the respondents (i.e. 50.6%) while those between the ages of 30-40 and 51 and above constitute 21% and 28% respectively, indicating predominance of the middle aged in the respondents profile.

Most of the respondents have higher degrees with about 61% (151 respondents) attaining second degree and 25% Ph.D holders and only 12.7% of the respondents are Bachelor degree holders. This has great implication on the monthly income level as well as a positive and progressive income tax deduction and hence the desire and strong intention to pay zakah from income with tax relief as incentive as portrayed in related studies (Sapingi, Ahmad, & Mohamad, 2011).

The statistics shows that on average, both income earners between the income ranges from N 150,000 – N 250,000 constitute about 55% of the respondents and those between the income range of N251, 000 and above N 301,000 constitute about 45%. This indicates that the % of the respondents with higher take home pay is also high and shows that; they are more willing to pay zakah from their income especially since it is a religious obligation, and cheaper than tax.

#### **4.1 Evaluating the Goodness of Fit and Hypothesis Testing**

The data was analyzed using SEM with AMOS IV through data coding via SPSS version 11. The model of the study fit the data as the result of all the parameters are within the acceptable values indicating model's good fit. The results as indicated by the chi-square=313.25 at 123 degree of freedom and the other fit indices like Normed chi-square i.e. CMIN/DF=2.55, P=.000, GFI=.871, AGFI=.821, NFI=.805, TLI=.837, CFI=.869 and RMSEA=.080. Hoyle and Panter (1995) suggest that the value of CFI to be 0.9. Thus, the value of 0.86 can be considered due to other supportive evidences in the result such as RMSEA and Normed chi-square. Based on this

finding, individual parameters were further evaluated and specific hypothesis were tested supports H2 and H3 which posit that attitudes of income earners towards zakah on employment income is positive and that behavioral intention towards zakah on employment income is influenced by subjective norm and attitudinal beliefs of the payers (see Appendix II).

**Table 1.**  
**Estimate of the Result and Hypotheses Testing**

			Estimate	S.E.	C.R.	P	Label
ATT	<-->	SN_>BI	.822	.055	4.004	***	
Subjective_Norm	<-->	Behavioural_Intention	.098	.037	2.675	***	
Attitudinal_Believes	<-->	Behavioural_Intention	.731	.059	2.906	***	

*p* value < 0.01

The result reveals that H1 states that; attitudes of income earners towards zakah on employment income are positive meaning that if attitude goes up by 1 behavioral intention goes up by .731. Thus, the result is statistically significant, practically reasonable and the direction is meaningful (Haneef & Muhammed, 2013). Thus, H1 is accepted.

H2 states that; Subjective norm influences behavioral intention to pay zakah on employment income implies that if subjective norm increases by 1, behavioral intention increases by .098. The results show some significant impact of subjective norm on behavioral intention to pay zakah on employment income, and this indicates little influence of peers the intentional behavior to pay zakah on employment and that they are willing to perform the act. The result therefore is statistically significant, practically relevant and logically attainable. Hence H2 is accepted.

H3 states that; the behavioral intention of income earners towards Zakah on employment income is influenced by subjective norms and attitudinal beliefs of the payers. The result shows that if both attitudinal beliefs and subjective norm increase by 1, behavioral intention increases by .822. Hence both ATT & SN are statistically significant and therefore H3 is accepted.

## 4.2 Discussion of Findings

The study, found that the attitudes of income earners towards zakah on employment income is strongly supported by the SEM results as it have shown that about 63% variation in the observed variable Behavioral Intention is explained by the exogenous variable: attitudinal beliefs. This finding corroborates with previous studies

Similarly, the study found subjective norms to relate to intentional behavior to pay zakah on employment income with about 24% variation in BI been explained by SN. The findings imply that social pressures and influence of referent groups have direct impact on the behavioral intention of the income earners. However, a sizeable number of the respondents do not see influence of others as determinant of their intentional behavior to pay zakah on employment income. This finding corroborates with Bobek's view that opinions of a certain referent group could motivate them in adjusting themselves to the norm of the group or not (Bobek, 1997).

Finally, the joint effect of both subjective norm and behavioral intention to pay zakah on employment income is supported by this study and suggests that zakah collection authorities need to consider these two important variables in designing a policy framework for the takeoff and proper implementation of the policy. This conforms to the findings of Bidin *et al.* (2009), Husna (2009), Sapingi *et al.* (2011), and Ja'afar *et al.* (2011).

As mentioned earlier SEM attempts to test a set of data that must have strong theoretical background. The results of this study have confirmed the adaptability and applicability of the Theory of Reasoned Action (TRA) in the context of zakah on employment income in Kano state, Nigeria for the first time. Hence the TRA can be considered to be such a giant and rigorous theory that could be used in any research on compliance behavior.

## V. CONCLUSION AND RECOMMENDATIONS

### 5.1 Conclusion

The study utilizes data collected from a sample of 300 academic staff of Kano state government owned tertiary educational institutions spread across the state with a view to ascertain the factors that are responsible in influencing the behavioural intention of income earners to pay zakah on employment income in Kano state, Nigeria applying the theory of reasoned action. The results from this study generally confirmed the potential for income earners in Kano state, Nigeria, especially the academics, to pay zakah on their employment income. The supporting factors stressed are the need to acquire the religious backing for the act, having tax relief serving as stimulant and the desire to have a transparent and trustworthy collection authority. Based on the literature reviewed, zakah on employment income is mandatory in countries like Saudi Arabia and Sudan, and voluntarily in countries like Malaysia, Pakistan and Indonesia. The funds generated complement zakah from other sources which together help to achieve the Islamic goal of providing social security and ensure wealth distribution as well as reduce income inequality.

The findings of this study constitute a significant contribution to the existing body of knowledge in the field of zakah, and have provided a plus to the sources of zakah fund as well as introduced to those concerned, additional factors that influence income earners to pay zakah from their salary.

The study has evaluated the TRA in predicting compliance behavior to pay zakah on employment income. The findings have shown that the theory is applicable to zakah since both variables/constructs of the model: attitudes and subjective norm have positive and significant influence on behavioral intention. In the area of academic contribution, a model of factors that serve as inducement to behavioral intention to pay zakah on employment income with three components was developed. Although, most of the factors linked to other mediating variables, these variables are not included due to their inconsistencies. The model developed was found to be valid and reliable and the sample significantly



adequate. Besides, it provides useful foundation on which further theoretical and empirical studies in the field could be carried out.

## 5.2 Recommendations

Based on the findings from both empirical and theoretical/conceptual literature and the results from the data and the conclusions therefore, the following recommendations are made in order to provide measures to make a case for the applicability of zakah on employment income and provide a leveled playing ground for the take-off of the idea in Kano state, Nigeria:

- i. Since it is evident from our findings that, social pressures serve as motivating factors for people to comply with zakah on employment income, Kano state zakah collection authority should target a specific reference group, and offer them proper and relevant training and awareness so as to cajole them to pay zakah from their personal earnings themselves.
- ii. As confirmed by the findings of the study that; significant percent of the respondents are willing to pay zakah on employment income if personal income tax is waved, there is therefore the need for the Kano state zakah collection authority to collaborate with the Kano State Board of Internal Revenue, in order to reach a stance that will ensure the attainment of this broad objective.
- iii. Kano state government should initiate a pilot test among willing respondents and study the impact of such project on supplementing zakah sources and in delivering the objective of the law Giver for imposing zakah which is poverty reduction and income redistribution.
- iv. In order to actualize the noble intention inherent among income earners, Paying zakah on employment income in Kano state, Nigeria should begin as a voluntary act as practiced in Malaysia, Indonesia etc. or can begin at organizational level so that members who agree to pay can pay directly to the organization.
- v. There is the need for the state government to equip the government based zakah collection authority with honest

administrators to enable zakah collection and disbursement in a just manner and provide them with necessary infrastructure to enhance efficiency and ease both collection and disbursement in line with the principles of economy and convenience.

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## APPENDIX I

### Demographic Characteristics of the Respondents

Categories	Frequency	Percent
<b>GENDER</b>		
Male	203	82.9
Female	42	17.1
<b>MARITAL STATUS</b>		
Single	7	2.9%
Married	238	97.1%
<b>FAMILY TYPE</b>		
Nuclear family	92	37.6%
Extended Family	153	62.4%
<b>AGE-RANGE</b>		
30 – 40	52	21.2%
41 – 50	124	50.6%
Above 51	69	28.2%
<b>EDUCATIONAL STATUS</b>		
Bachelor Degree	31	12.7
Master Degree	151	61.6%
PhD Degree	63	25.7%
<b>MONTHLY INCOME</b>		
N 150,000 – N 200,000	68	27.8%
N29,000 – N 250,000	67	27.3%
N 251,000 – N 300,000	54	22.0%
Above N 301,000	56	22.9%

## APPENDIX II

**Findings from the Fit Measures**

<b>Fit Indices</b>	<b>Parameters</b>
Chi-square	313.25
Degree of Freedom	123
CMIN/DF	2.547
P-value	.000
GFI	.871
AGFI	.821
NFI	.805
TLI	.837
CFI	.869
RMSEA	.080

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