

## **Analysis of the Influence of Zakat Distribution on Poverty Rates in Riau Province during the Covid-19 Pandemic**

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### **Abstract**

The Covid 19 pandemic has an impact on increasing poverty rates in countries around the world. One of the institutions that plays a role in efforts to deal with the impact of Covid 19 is the zakat institution. National Zakat Agency (BAZNAS) and Amil Zakat Institute (LAZ). The purpose of this study is to analyze the effect of zakat distribution on the poverty rate in Indonesia and Malaysia during the Covid 19 pandemic. The issue raised in this study is the Covid 19 period which in an increase in the poverty rate while the amount of zakat collection and distribution of zakat increased significantly. This condition is expected to reduce the poverty rate. So that in this study adding the dummy variable of the Covid 19 period as additional knowledge for the topic of this study. The population in this study were all zakat management institutions in Indonesia. The research sample is zakat management institutions in Riau province. This study uses secondary data through library research from various publications. Secondary data taken for this research is times series data for 21 years starting from 2000 to 2020, with the consideration that 2000-2019 is the year when the economic conditions of countries are stable and 2020 where the economic conditions during Covid 19. Data processing using multiple regressions. The results of the study show that the results of the poverty rate have no effect during covid-19 and not during covid-19. The distribution of zakat for consumption, education, health and productive is significantly different during the Covid-19 period and not during the Covid-19 period. This shows that the amount of zakat distribution increased during the Covid-19 period because it was to help people who were experiencing difficulties at that time. Zakat funds collected (Z), Zakat Distribution for Consumption (ZDC),

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Zakat Distribution for Education (ZDE), Zakat Distribution for Health (ZDH) and Productive Zakat Distribution (ZDP) affect the poverty rate. These results indicate that zakat assistance is able to increase the welfare of mustahik and reduce the poverty index of mustahik. The national zakat agency (baznas) and amil zakat institute (laz) can increase the distribution of zakat because it can increase and help the welfare of mustahik so that the poverty rate is reduced.

**Keywords:** Covid-19, Zakat, Poverty Rate and Riau

## **A. Introduction**

The Covid 19 pandemic has had a considerable impact on various fronts. According to the World Bank (2020), the economic impact of Covid-19 will halt the businesses of nearly 24 million people in East Asia and the Pacific. Under the worst-case scenario, the World Bank also predicts nearly 35 million people will remain in poverty. In fact, through a number of scenarios taking into account various poverty lines, the World Bank estimates that the number of people living in extreme poverty will increase to 922 million worldwide. A fantastic number. Based on data from the Central Statistics Agency (BPS), the number of poor people in Indonesia in March 2020 reached 26.42 million people (9.78%) or an increase of 1.63 million people (0.56%) compared to September 2019. Among the forms The efforts called for and carried out by the world in order to reduce the spread of this epidemic are social distancing. However, this movement had the effect of decreasing overall economic activity.

The impact of social distancing is that vital aspects of the economy, namely supply, demand and supply chain, have been disrupted. The impact of the crisis will be felt equally to all levels or levels of society. Since the resilience of each layer or level is different, the middle to lower economic class, especially the micro and informal people with daily income, are of course the group most vulnerable to the impact. The impact in the real sector will then have an impact on the financial sector that is under pressure (distress) because a large number of businesses will experience difficulties in paying their investors. Thus there will be an increase in the number of community poverty.

One of the measures used by the world to measure the level of poverty and welfare of a country's population is per capita income, a country's high Gross Domestic Product (GDP) is not a measure that the country has prospered. Because it is possible that the number of people who must be supported by GDP is also very large. For example, according to World Bank data (2017) Indonesia's GDP in 2017 was higher than Malaysia's, which was USD 1,015,539 billion, while Malaysia was USD 314,500 billion. However, Indonesia is not more prosperous than Malaysia, because of that GDP, Indonesia has to support 261.89 million people, while Malaysia only supports 32.02 million people.

One of the institutions that plays a role in efforts to deal with the impact of Covid 19 is the zakat institution. The National Amil Zakat Agency (BAZNAS) and the Amil Zakat Institute (LAZ) have shown their involvement in response activities to this pandemic, both in terms of health programs and socio-economic programs. Chairman of the National Amil Zakat Agency (Baznas), Bambang Sudibyo, said that during the Covid-19 pandemic the collection of zakat, infaq and alms (ZIS) had increased by 46% and the number of mustahik who received zakat increased by 87.42%.

The obligation of zakat for Muslims has material and non-material benefits and is able to contribute to creating social welfare. This is also included in the context of poverty alleviation efforts. Zakat funds collected (Z), Zakat Distribution for Consumption (ZDC),

Zakat Distribution for Education (ZDE), Zakat Distribution for Health (ZDH) and Productive Zakat Distribution (ZDP) affect the poverty rate. The government has a big commitment to eradicate poverty and zakat is also increasingly showing its contribution to this effort. When all the zakat potentials such as Zakat funds collected (Z), Zakat Distribution for Consumption (ZDC), Zakat Distribution for Education (ZDE), Zakat Distribution for Health (ZDH) and Productive Zakat Distribution (ZDP) can be optimized, then the hope to bring prosperity social services for the people of Indonesia will be very easy to achieve. Therefore, the active role of the whole community, especially Muslims, is very important in realizing these ideals.

Nurfitriana (2008) states that the striking difference between Indonesia and Malaysia in the management of zakat is the zakat collection institution. In Indonesia, there are many zakat collection institutions, both formal and non-formal, and even traditional institutions such as mosques, and even individuals who directly distribute their zakat to Mustahik. While in Malaysia each country only has a Zakat Levy Center which is officially established by the government. Likewise, in the case of zakat distribution there are differences, in Indonesia the collection and distribution is carried out directly by the same organization, while in Malaysia the collecting and distributing institutions are different. However, recent evidence indicates that payment of business zakah to its institutions among eligible moslem businessmen in the country is still low (Radzuan, 2009; Halizah et.al 2011)

Most topics of Zakat Research are about poverty. This topics was written by Effendi, 2017; Thalib et al., 2017; Rohman et al., 2017; Nisthar et al., 2017; Romdhoni, 2017; Alviana, 2018; Suryanto, 2018; Ayunniyah, 2018; Furqani et al., 2018; Purwatiningsih and Yahya, 2018; Ayuniyyah et al., 2018; Bhari et al., 2018; Nisthar et al., 2018; Ahmad, 2019; Musta'anah and Imam, 2019; Aminudin et al., 2019; Gündoğdu, 2019)

Meanwhile, The results of research conducted by Beik (2011), Mintarti et al, (2012), Ahmed et al (2018), Muhamad et al (2018), Cicik and A'rasy (2019) and Afifudin et al (2020) show that the distribution zakat can help to mustahik. The problem formulation can be made in the form of several Research Questions as follows: How does the effect of collected zakat funds, consumption zakat distribution, educational zakat distribution, health zakat distribution and productive zakat distribution affect poverty in the Riau Province of Indonesia during the Covid 19 pandemic.

Zakat collection activities in Indonesia are experiencing an increasing trend recent years. Table 2 below describes the total funds collected by various zakat management organizations (OPZ) throughout Indonesia during a year. OPZs throughout Indonesia include official BAZs and LAZs that report collection to BAZNAS in accordance with the mandate of Law 23/2011. Fund type This collected includes (1) zakat funds, which are divided into zakat maal for individual income, zakat maal for agencies/companies, and zakat fitrah, (2) funds infaq/alms, which is divided into individual and corporate infaq/alms, good in the form of company infaq/alms as well as corporate social responsibility (CSR) and the Partnership and Community Development Program (PKBL), as well as (3) social funds other religious affairs (DSKL) which includes vows, trustable or entrusted assets, heirlooms that do not have heirs, sacrifices, expiation, fidyah, grants, and assets confiscations and costs of administering justice in religious courts, and (4) other funds, which in this case is bank interest receipts that become channels collection of the funds described earlier.

Based on the background above, this study aims to analyze the impact of the utilization of zakat on poverty alleviation efforts. This study is important because Indonesia is a country that is rich in resources experiencing a paradox where the problem of poverty is still an obstacle

in National development. The purpose of this study is to analyze and find the effect of zakat distribution on poverty rates in the Riau Province of Indonesia during the COVID-19 pandemic.

The issue raised in this study is the Covid 19 period which resulted in an increase in the poverty rate while the amount of zakat collection and distribution of zakat increased significantly. The condition is expected to reduce the poverty rate so that a more in-depth study is needed to answer this issue. This research adds to the dummy variable for the Covid 19 period which we consider additional knowledge for the topic of this study. Zakat funds collected (Z), Zakat Distribution for Consumption (ZDC), Zakat Distribution for Education (ZDE), and Zakat Distribution for Health (ZDH) and Productive Zakat Distribution (ZDP). The results of this study are also expected to find the effect of zakat distribution during the Covid 19 pandemic.

## **B. Literature Review**

Al-Quran obliges every Muslim to participate in reducing poverty according to his ability. For those who do not have material abilities, the least participation is expected in the form of feeling, thinking about, and encouraging other parties to actively participate, the Qur'an explicitly labels those who are reluctant to participate (even though in a minimal form) as people who have denied religion. And days later. In accordance with the meaning of the above verse, which is also confirmed by Surah Al-Dzariyat verse 19, which states that:

وَفِي أَمْوَالِهِمْ حَقٌّ لِّلسَّائِلِ وَالْمَحْرُومِ ١٩

The meaning: And in their property there is a right for the poor who asks and the poor who does not receive a share.

Even Rasulullah SAW was very concerned about poverty, where through his prayer, he stated: "O Allah! Turn me into a poor state, and turn me off in a poor state, and gather me (on the Day of Resurrection) in the company of the poor. This hadith illustrates that the Prophet strongly emphasized that we should not leave or care for the poor.

Zakat is an effective instrument for overcoming poverty. According to Nasution and Wibisono (2005), Zakat has many advantages over conventional fiscal instruments existed. First, the use of Zakat is clearly defined in the Sharia (Q.S. At-Taubah; 60), which Zakat is only for eight groups (Asnaf). Apart from the eight Asnaf, it is forbidden to accept zakat and no party has the right to replace or change the provisions. This characteristic makes Zakat inherently pro-poor. Secondly, Zakat has a low and fixed rate and never changes because it is regulated by the Sharia. For example, trade Zakat, the tariff is only 2.5%. This rate provision may not be changed or modified by anyone. Because of this, the application of Zakat will not interfere with investment incentives and will create public policy transparency. Third, Zakat has different rates for different types of assets and provides relief for businesses that have higher levels of production difficulties. For example, Zakat for agricultural products from irrigated land costs 5%, whereas if produced from rainfed land the tariff is 10%. So, Zakat is market-friendly. Fourth, Zakat is imposed on a broad basis and covers various economic activities. Zakat is collected from agricultural products, pets, gold and silver deposits, commercial trading activities, and mining goods were taken from the bowels of the earth. Contemporary fiqh even views Zakat can also be obtained from the income generated from the assets or expertise of workers. Hence, it makes a huge potential for Zakat. This is an essential basic capital for financing poverty programs.

Various economic problems that are felt to be able to be overcome by positioning zakat as an instrument in overcoming these problems. In the macroeconomic sphere, economic problems including unemployment, poverty, inflation, and economic growth are believed to be resolved if the role of zakat is optimized. In the context of poverty, zakat is one of the additional income. This will encourage an increase in demand for goods. Whereas in the production sector, zakat causes increased productivity so that existing companies will be more advanced. In another context, zakat can also be used as a tool for community empowerment so as to be able to encourage the poor to collectively be involved in making decisions to overcome poverty that they experience themselves.

Empowerment is an activity that strengthens the empowerment of weak groups in society, including individuals who experience poverty problems. As a goal, empowerment refers to the circumstances or results to be achieved by a social or change, namely people who are empowered, have power or have knowledge and have the ability to meet their needs both physically, economically and socially. In the end the implementation of zakat which starts from the collection and distribution of zakat funds can reduce poverty and unemployment which will have a positive impact on the social life of the community.

Through the empowerment of zakat, it is hoped that it can reduce the poverty rate and even make poverty zero, indeed there are already institutions that have been formed to handle zakat, both formally and informally, as well as cooperation between government agencies and non-governmental organizations but not yet effective and efficient.

Studies conducted by Beik (2011) and Mintarti et al, (2012), attempt to observe and analyze the impact of the zakat program distributed to mustahik. Research conducted by Beik (2011) in DKI Jakarta Province, which is detailed in the 2011 Zakat and Development Report (IZDR), consisting of 879 respondents, found the same results. The presence of the zakat program is able to reduce the number of poverty by 10.79 percent. This shows consistency and success in the zakat distribution program.

Likewise, after observing 1,639 respondents from five different provinces, Mintarti et al (2012), described convincing results in poverty reduction. The zakat program carried out by various amil institutions in this country has a positive impact on poverty reduction. The number of mustahik who began to move away from the poverty line reached 21.11 percent. Mintarti et al (2012) also looked at the time it takes to move out of poverty. According to their research, without the distribution of zakat, the time needed to release the poor from the poverty line is around 7 years. Meanwhile, the existence of zakat distribution is proven to be able to shorten the time needed to 5.1 years.

Research by Ahmed et al (2018) aims to determine roles the effectiveness of the zakat system as an instrument in helping the poor and who need to build community resilience to disasters in Egypt. The results showed that the disaster had huge impact on the poor and needy so that zakat becomes important resources that can be used specifically for building resilience of the poor to disasters.

The research by Muhamad et al (2018) aims to examine perceptions asnaf and the effectiveness of zakat distribution to asnaf fi sabilillah implemented by the Zakat Unit, Islamic Center, Universiti Teknologi Malaysia (UTM). The sample in this study were UTM students who had receive Zakat to ease the burden on students. Research results shows that the distribution of zakat for fi sabilillah is in position right.

Research by Cicik and A'razy (2019) shows the results that the concept of zakat utilization productive on mustahik economic empowerment is channeled into the program providing business capital assistance, providing job skills training, and providing work tools assistance.

Afifudin et al (2020) conducted a study that aims to find out how the role of the amil zakat institution in the use of zakat funds for Covid 19 in the perspective of maqashid sharia. The results showed that the use of zakat funds for handling victim of Covid-19 is in accordance with maqashid sharia because it provides benefits and benefits to the victim affected by Covid-19, especially in the economic sector.

### **C. Research Methodology**

The population in this research are all zakat management institutions in Indonesia. The research sample is zakat management institutions in Riau province This study uses secondary data through literature studies from various publications such as data from the District / City Amil Zakat Agency (Baznas) throughout Riau Province and the Amil Zakat Institute (LAZ) which are already operating in Riau Province. Zakat data collected from several Zakat Institutions, namely BAZNAS Riau Province, BAZNAS Pekanbaru City, BAZNAS Rokan Hulu Regency, BAZNAS Siak Regency, BAZNAS Dumai City, BAZNAS Kampar Regency, BAZNAS Indragiri Hulu Regency, BAZNAS Indragiri Hilir Regency, BAZNAS Rokan Hilir Regency, BAZNAS Bengkalis Regency, BAZNAS Pelalawan Regency, BAZNAS Kuantan Singingi Regency, BAZNAS Meranti Islands Regency, BAZNAS Batam City, BAZNAS Riau Islands Regency, BAZNAS Natuna Regency, BAZNAS Tanjung Pinang City, BAZNAS Karimun Regency and Amil Zakat Institutions (LAZ) which are already operating in Riau Province, including: LAZ Rumah Zakat Riau, LAZ Ibadurrahman Bengkalis, LAZ Swadaya Ummah, LAZ Madani Human Care Dumai, LAZ IZI Riau and LAZ Dompot Dhuafa Riau.

Secondary data taken for this research is times series data for 21 years starting from 2000 to 2020, with the consideration that 2000-2019 is the year when the economic conditions are stable and 2020 where the economic conditions during Covid-19 in Indonesia. Data processing uses multiple regression with the following equation:

$$K = \alpha_{1,0} + \alpha_{1,1}Z + \alpha_{1,2}ZDC + \alpha_{1,3}ZDE + \alpha_{1,4}ZDH + \alpha_{1,5}PZD + \alpha_{1,6}DCovid + \alpha_{1,6}\theta$$

Explanation:

K = Poverty Rate (Number of Poor Population)

Z = Zakat funds collected

ZDC = Zakat Distribution for Consumption

ZDE = Zakat Distribution for Education

ZDH = Zakat Distribution for Health

PZD = Productive Zakat Distribution

DCovid = Dummy Covid (1 for 2020 and 0 for the other years)

$\theta$  = Teta

### **D. Results and Discussion**

Based on the table above, it shows that the poverty rate has no effect during COVID-19 and not during COVID-19. This shows that the number of poor people has not increased significantly due to the Covid-19 pandemic. This is because during the Covid-19 period, the community received social fund assistance every month from the government due to high

layoffs. Apart from that, the community can also look for other alternative jobs that can meet their daily needs. And also the community saves on household costs by reducing the level of unnecessary spending.

**Table 1.** Comparisons of mean of selected variables between different Zakat Distribution

<b>Ratios</b>	<b>Means all bank (%)</b>	<b>p-Value (2 tailed)</b>
Poverty Rate (K)		
During Covid-19	13.10	.112 ns
Not during Covid-19	13.28	
Zakat funds collected (Z)		
During Covid-19	25.33	0.013**
Not during Covid-19	23.82	
Zakat Distribution for Consumption (ZDC)		
During Covid-19	23.99	0.004***
Not during Covid-19	22.69	
Zakat Distribution for Education (ZDE)		
During Covid-19	24.14	0.027**
Not during Covid-19	22.30	
Zakat Distribution for Health (ZDH)		
During Covid-19	22.05	0.005***
Not during Covid-19	21.31	
Productive Zakat Distribution (PZD)		
During Covid-19	24.28	0.034**
Not during Covid-19	22.34	

\*\* And \*\*\* significant at the 5% and 1% level or ns (not significant), p-value in parentheses

There is a significant difference in the amount of zakat collection during Covid-19 and not during covid. This condition shows that there is public awareness to maximize zakat payments to help people who are experiencing financial difficulties. So that the amount of zakat received during Covid-19 is more than not during Covid-19.

The distribution of zakat for consumption, education, health and productive is significantly different during the Covid-19 period and not during the Covid-19 period. This shows that the amount of zakat distribution increased during the Covid-19 period because it was to help people who were experiencing difficulties at that time. It is hoped that this will help reduce difficulties for food needs, education costs, medical treatment and business capital.

The various impacts of Covid-19 apparently require serious handling, therefore the existence of Baznas is very important and is one of the solutions that can overcome these impacts. Even the MUI has issued a fatwa regarding the use of zakat, infaq and shodakoh to overcome the COVID-19 pandemic. Zakat paid by muzakki and distributed by amil will encourage production because it is mustahik who spends Baznas funds to meet their needs in the form of goods and services. The existence of zakat can improve the welfare of the people in improving consumption, production and distribution patterns. Zakat distributed can increase production because of the demand for goods (Nugraha, 2021).

The collection of zakat during the Covid-19 pandemic certainly has differences from the previous situation. Such as the existence of social distancing and the amil zakat officers pay attention to their health so as not to contract the Covid-19 virus. During the Covid-19

pandemic, zakat collection can be carried out through campaign strategies or massive zakat invitations, payment services and opening donation channels. Baznas carried out various innovations in collecting zakat during the Covid-19 pandemic. This innovation is realized by various strategic steps as a form of adaptation to accommodate the needs of the community in distributing Zakat, Infaq, and Alms (ZIS) during a pandemic. The strategy developed at Baznas as well as other zakat institutions during the Covid-19 crisis is that they develop good communication, namely by utilizing online media platforms, be it Whatsapp, Facebook, Twitter, and so on containing posters of invitations and Baznas assistance programs during the pandemic. For satisfactory service, one of them is a zakat pick-up service.

Increased public trust in Baznas in the Covid-19 pandemic situation, supported by Baznas' rapid movement in responding and assisting communities affected by the Covid-19 crisis through assistance programs. In addition, the credibility of Baznas as a state institution in distributing humanitarian aid is also felt by the public, thus making several media give their appreciation for several aid distribution activities carried out by Baznas. With this innovation, it is hoped that the distribution of zakat can be accelerated and the distribution of zakat is expected to help overcome the impacts that may occur due to the Covid-19 outbreak, including food shortages and difficulties for the poor to obtain food and other basic needs.

**Table 2.** *Multiple Regression Result*

Hypothesis	Independent Variable	Beta	T-Statistics	P-Values	R Square
H1	Z	-0.147	-6.554	0.000***	0.861
H2	ZDC	-0.184	-5.776	0.000***	0.803
H3	ZDE	-0.109	-6.536	0.000***	0.660
H4	ZDH	-0.214	-2.886	0.009***	0.275
H5	ZDP	-0.101	-6.762	0.000***	0.675
H6	Dcovid	-0.182	-1.657	0.112 <sup>ns</sup>	0.111

\*\*\* Significant at 1% level or ns (not significant), p-value in parentheses

The results of data processing show that Zakat funds collected (Z) has a negative effect on the poverty rate. Research conducted by Mubarakah et al. (2017) also shows that zakat can increase mustahik's household income. With the help of zakat, it can increase mustahik's welfare and reduce the mustahik's material poverty index. With the help of zakat also happens changes to the spiritual mustahik. Research conducted by Akram & Afzal, (2014) also has results which show that the role of zakat distribution at the level of government is able to reduce chronic poverty in Pakistan in the short term as well as the long term. Many current studies show that Islam through Zakat has provided a comprehensive solution to reduce poverty. If this system is implemented with full sincerity and totality, it certainly has the potential not only to reduce poverty but also to increase the level of the economy, reduce unemployment, reduce poverty and improve the standard of human life (Akram & Afzal, 2014). In addition, the results of this study are also the same as those conducted by Beik (2011), Mintarti et al, (2012), Ahmed et al. (2018), Muhamad et al (2018), Cicik and A'rasy (2019) and Afifudin et al. (2020) show that the distribution of zakat can help to mustahik

The results of data processing show that the Zakat Distribution for Consumption (ZDC) has a negative effect on the poverty rate. The results of this study indicate that the community gets assistance in meeting their basic daily needs. Fulfillment of basic needs will reduce the level of poverty because the community has been able to meet basic needs so that it does not include poor families. With the consumption zakat, the level of community welfare increases so that the poverty level can be reduced.

The results of data processing show that the Zakat Distribution for Education (ZDE) has a negative effect on the poverty rate. The results of this study indicate that through a good education, a person will acquire skills and knowledge that will make them more competitive in the world of work, thus obtaining a higher income. Earning a higher income will certainly reduce the level of poverty. The results of this study are the same as those conducted by Darma (2012), Soleh and Rahayu (2018), Kuncoro (2014) and Muhaddisin and Sartiyah (2019). In addition, the research results are also the same as the results of research with Beik (2009), Patmawati (2006) and Amalia (2012) where all of these studies explain that zakat is able to reduce the number and percentage of poor families.

The results of data processing show that Zakat Distribution for Health (ZDH) has a negative effect on the poverty rate. The results of the study indicate that with the existence of health zakat, it is expected that the community will experience physical health. People who are sick get free treatment. Thus the level of community welfare increases and reduces the level of poverty.

The results of data processing show that Productive Zakat Distribution (PZD) has a negative effect on the poverty rate. The results of the study show that the use of zakat is productive, so that it is able to help zakat recipients who need it more optimally than only providing consumptive assistance because it is only temporary. By utilizing zakat to provide business capital, or other productive businesses, it will automatically help the community to be more productive and have activities that generate income to meet basic needs every month.

In Indonesia, the issue of zakat is already regulated in Law No. 23 of 2011 concerning the management of zakat. Baznas as an independent institution in the management of zakat nationally which is responsible to the President and the Ministry has shown that the government takes part in the management of zakat in Indonesia. If you want to maximize the function of zakat as a tool that really is a medium to reduce poverty and improve the economic level of the community, the way is to maximize productive zakat. As we know, the distribution and utilization of zakat in Indonesia is still far from being productive, only reaching a figure of approximately 20% of the total zakat. Meanwhile, the distribution of zakat funds in a productive direction is able to rotate. Research conducted by Nadzri et al, (2012) explains that zakat institutions in Malaysia have now advanced to become providers of capital for productive asnaf. This can certainly be emulated because indeed with the use of productive zakat if the business developed is able to develop it will open up employment opportunities, not only zakat as a poverty alleviation. As research conducted by Wulansari, (2013) about the role of productive zakat, that there is an influence between the provision of capital assistance on capital development, turnover and business profits before and after receiving business capital assistance.

## **E. Conclusion**

Based on the results of data processing, it shows that the poverty rate has no effect during Covid-19 and not during Covid-19. This shows that the number of poor people has not increased significantly due to the Covid-19 pandemic. There is a significant difference in the amount of zakat collection during Covid-19 and not during covid. This condition shows that there is public awareness to maximize zakat payments to help people who are experiencing financial difficulties. So that the amount of zakat received during Covid-19 is more than not during Covid-19. The distribution of zakat for consumption, education, health and productive is significantly different during the Covid-19 period and not during the Covid-19 period. This

shows that the amount of zakat distribution increased during the Covid-19 period because it was to help people who were experiencing difficulties at that time. It is hoped that this will help reduce the poverty rate. There is a significant difference in the amount of zakat collection during Covid-19 and not during covid. This condition shows that there is public awareness to maximize zakat payments to help people who are experiencing financial difficulties. So that the amount of zakat received during Covid-19 is more than not during Covid-19. Zakat funds collected (Z), Zakat Distribution for Consumption (ZDC), Zakat Distribution for Education (ZDE), Zakat Distribution for Health (ZDH) and Productive Zakat Distribution (ZDP) affect the poverty rate. These results indicate that zakat assistance is able to increase mustahik's welfare and reduce the mustahik's material poverty index. Further research it is expected to add research locations/objects such as in other regions in Indonesia or add research objects in other countries such as Malaysia.

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