

## Compliance Intention to Pay Zakat on Salary: A case from East Malaysia

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### ABSTRACT

*This study examines the effects of attitude, subjective norm, perceived behavioural control, and taqwa on compliance intention to pay zakat on salary in East Malaysia. A deductive approach is employed to examine young public servants' compliance intention to contribute to zakat payment on their salary. The model is tested using survey data from 202 respondents in Kota Kinabalu, Sabah, East Malaysia. The results obtained indicate that attitude, subjective norm, and perceived behavioural control are significantly related to compliance intention. Besides these factors, taqwa is also significant. The post hoc analysis indicates that attitude can play a role as a mediating variable for the relationship between taqwa and compliance intention. This study improves the generalisation of the theory of planned behaviour (TPB) to include zakat payment, where Islamic altruism is brought into play. Our findings are of the essence to provide valuable insights for zakat authority to manage zakat payers effectively by considering new millenials as new zakat payers' base and patronage factors as captured in this study.*

*Keywords: Compliance intention, zakat payment, public servants, salary East Malaysia*

### INTRODUCTION

Can poverty lead to disbelief? Poverty is a difficult test for a person's faith. Poverty eradication is the main agenda that can improve individuals and their family members in terms of their biology conditions, ibadah, and well-being at least by meeting their basic needs like shelters, foods, clothes, access to clean water supply, and transportations, to mention some. One of the positive measures to eradicate poverty in Islam is *zakat*. *Zakat* is one of the Islamic social financial instruments that have the potential to eradicate poverty and can strengthen the economic position of the *ummah*. *Zakat* serves an important mechanism not only eradicating poverty among Muslim communities but also to disseminate the Almighty message in that one who is given wealth by Him is entitled to pay *zakat* for the benefit of recipients of

*zakat*, mainly the poor and the needy. In other words, *zakat* is not a favour from the rich to the poor in the forms of financial assistance to make the latter improved in terms of quality of life and *ibadah* to the Almighty.

In Malaysia, however, *zakat* on income can be defined as *al-mal al-mustafad*, where *zakat* can be obtained through monthly income or other professional incomes. These include salary, royalty, honorarium, pension, or any income generated from a career or profession. Though this type of *zakat* is of utmost importance, its effectiveness relies on *zakat* payers' participation and the consistency in paying *zakat* monthly. This may imply that one's income has an implication not only to himself but also to his family members and others in Islamic society. There is an issue; however, that belittles the significance of *zakat* on salary. It is

worth noting that some Muslim folks pay *zakat* directly to the recipients at the expense of the role extended by *zakat* authority. Second, there exist inconsistencies or uneven for *zakat* payment on salary among public servants in East Malaysia and contributed by their ignorance and insufficient knowledge on its significance to themselves and the *ummah* at large. These issues, if not curbed adequately, can become an evil doing that leads to the generation of more wastages of financial resources and unethical practices on a big scale.

National Fatwa Council (1999) mentioned that payment on income *zakat* is a compulsory obligation. However, small numbers of government and private sector servants are less willing to pay *zakat* even though they qualify to do so. Yet, many efforts such as promotion and the availability of various facilities provided by Pusat Pungutan Zakat (PPZ) to teach the culture of *zakat* payment on income but somewhat the magnitude of the payment falls short.

Likewise, the *zakat* rebate incentives provided by the government to the Muslims to encourage the *zakat* payment by offsetting their individual income tax but has minimal impact on the compliance intention and behaviour. Consequently, the magnitude of income *zakat* collection is still at a low volume and somewhat not convincing pertinent to the sustainability of the collection out of laymen's negative attitude towards income *zakat* payment. Can it be improved?

Against this backdrop, this study interrogates the impacts of attitude, subjective norm, perceived behavioural control, and *taqwa* on compliance intention to pay *zakat* on salary in the East Malaysia context. Studies

examining *zakat* payment on salary has been minimal and inconclusive. More attention, however, is directed by earlier works in Peninsular Malaysia (Md Idris, 2002; Bidin, 2008) out of the growing awareness on the *zakat* importance in that geography at the expense of East Malaysia. Limited evidence is found in the context of *zakat* payment on salary in East Malaysia, which warrants empirical investigations (Omar *et al.*, 2017). The present study is expected to produce new perspectives about the significance of *zakat* payment on salary among public servants and then to improve the *zakat* research trend in East Malaysia, at least.

## LITERATURE REVIEW

### *The Theory Used*

This study considers the Theory of Planned Behavior (TPB). The TPB is a social psychological model that has frequently been used to investigate various behavioural studies. This theory is based on Theory Reasoned Action (TRA) by Fishbein and Ajzen (1975). The theory gives a full understanding of the intent and user's behaviour in a study. The theory is developed to overcome incomplete volitional control towards particular behaviour, and the TPB also can be used to analyse and explain specific human behaviour (Ajzen *et al.*, 1991). Hence, the theory looks at how behaviour is fundamentally determined by one's formation of attitude, subjective norms, and perceived behaviour control. Empirical studies related to intent behaviour in *zakat* are fallen short and are still minimal compared to the conventional fields of research that include technology, education and health (Md Idris, 2002; Bidin, 2008; Omar *et al.*, 2017). Therefore, this study

employs the TPB to determine intention behaviour or intention to pay *zakat* on salary through attitude, subjective norm, perceived behaviour control and *taqwa*.

The present study considers the TPB as a baseline model in explaining the behavioural intention to comply with the payment of *zakat*. The TPB opts because it gauges the extent of an individual's intention to engage in a particular behaviour, as in the present work we consider *zakat* payment compliance intention, where public servants are brought into play. Following Fishbein and Ajzen (1975), the TPB is suitable when the research focus is directed on the development and formation of individuals' behaviour and intention on some particular subjects, issues and any related to conative operationalisations. TPB has been used in both social psychology (e.g. Azjen & Madden, 1986) and information systems (e.g. Taylor & Todd, 1995). The TPB also has been extended in various contexts of Islamic banking disciplines like in Islamic home financing (Alam *et al.*, 2012; Amin *et al.*, 2014) and charitable behaviour (Heikal, 2014; Kashif and De Run, 2015) to mention some.

The theory provides authority to consumers when performing certain types of behaviours that can impact continuous and copy behaviour. The term "planned" indicates that one can decide what is the best and what is worst besides having influenced by the environment and his belief. The theory defined the behavioural intention as a function of attitude, subjective norm, and perceived behavioural control and, that beliefs regarding "the presence or absence of requisite resources and opportunities" are the antecedents of perceived behavioural control. Out of these considerations, one may realise

that the act of *zakat* payment is planned rather than volunteered. In Malaysia alone, one is paying *zakat* on salary monthly and such payment has been planned between the payers and the *zakat* authority. The payer decides the best.

The current study uses the TPB for three main reasons:

1. First, the theory considers attitude. Attitude is defined as the way individuals respond to and are disposed towards an object. This disposition may be negative or positive. *Zakat* compliance depends strongly on the support and attitude of individuals. Attitudes whether positive or negative, are shaped by how public servants perceive the usefulness of *zakat* payment;
2. Second, the theory considers the subjective norm. Subjective norm is also termed "people influence". Public servants perform *zakat* compliance not only to obtain some functional consequences but also to communicate the products to others. Hence, subjective norm could potentially be an important factor influencing public servants to contribute; and
3. Third, the theory considers perceived behavioural control. The current study takes perceived behavioural control into consideration in that performing *zakat* payment does require skills, opportunities and resources.

It is believed that the addition of PBC permits better prediction of behaviours not completely under the individual's complete control (Schiffman, Kanuk & Wisenblit, 2010). Previous studies have put limited attention to understand the applicability

of the TPB's variables in the context of *zakat* compliance (Amin, 2012). Likewise, the three constructs emanating from the theory, namely, attitude, subjective norm and perceived behavioural control have received minimal attention - which warrants further empirical investigations. In brief, the TPB is chosen

#### *Attitude*

Attitude is an important element of an individual's decision making (Ajzen *et al.*, 1991). An individual's attitude towards a particular issue, event and organization will influence them in the decision making the process. Positive attitudes have a positive impact on human behaviour where the tendency to do something is high. While negative attitudes reflect negative behaviours hence they tend to avoid doing something. Therefore, a decision will be made based on the positive or negative attitude of the individual until it caused a behaviour as the outcome (Amin & Hamid, 2018; Amin, 2012). Attitude can also be categorised into five components which are a positive attitude, alert attitude, conditional, general and unconditional attitude. Three out of these five attitudes have a positive and significant relationship to the income tax compliance behaviour, which is positive, cautious and conditional. While general attitudes and unconditional attitudes can positively influence the intention to pay the income *zakat* positively (Kamil & Ahmad Mahdzan, 2002). *Zakat* payers who have a positive attitude and a general attitude will develop positive intentions and can show a positive tendency towards income *zakat* payments.

In this line of thought, Wahid *et al.* (2007) found that there are seven

groups of *zakat* payers based on their level of awareness of *zakat*, among them are those who pay *zakat* based on legal obligations or the act, those who choose to pay taxes over *zakat* income, those who are ignorant about *zakat*, those who disbelieving the *zakat* institution, those who feel that *zakat* is a burden, those who only know of *zakat* as a tithe (*zakat fitrah*) and those who use *zakat* as a tax relief.

Besides, some refuse to pay *zakat* due to political differences. This clearly shows that the attitude and behaviour of *zakat* payers in the country are inspired by the belief based on the prevailing norms of the local community and their level of knowledge towards an issue. The findings of the study also show that there are a large number of individuals who pay *zakat* only because they are considered is obligatory and some of them choose not to pay *zakat* for other properties such as business *zakat*, gold *zakat* and income *zakat*. This is likely due to the low level of knowledge of the community and the lack of understanding of *zakat* payments. When the attitude towards *zakat* payment is positive then the paying of *zakat* is an ibadah (worship) rather than a burden to the *zakat* payer so the tendency to pay *zakat* is high (Hairunnizam *et al.*, 2007). This indicates that the attitude factor is very important in influencing the payment of *zakat* especially the income *zakat*. Hence, *H1* is hypothesised as:

*H<sub>1</sub>*: Attitude will positively influence compliance intention to pay *zakat* on salary

We also intend to examine the mediating role of attitude (Ab Rahim & Amin, 2011; Amin & Hamid, 2018). Hence, we propose *H5* as follows:

*H<sub>5</sub>*: Attitude will mediate the relationship between *taqwa* and compliance intention to pay zakat on salary

#### *Subjective Norm*

Subjective norms are the perceptions or views of others' beliefs that influence their willingness to do or not engage in the behaviour under consideration. Subjective norms are based on normative belief and compliance with motivation (Amin *et al.*, 2014). A normative belief can be defined as the degree to which a person or group of people have confidence in their views and behaviours in making a decision. A person has the right to disregard the views and behaviour of a reference group in deciding if the decision involves a personal interest in their lives. While motivational compliance is in line with the beliefs or motivations of the reference group in influencing someone. Motivational adherence implies that the views of people around them such as siblings, relatives, and co-workers can motivate an individual's view of decision-making or behaviour (Ajzen, 1991).

Subjective norms categorise into several specific normative structures. The different expert groups or reference groups can influence one's behaviour. Thus, the reference group can be divided into two groups; the primary normative belief group which refers to family and friends and the secondary normative belief that involves supervisors and peers. Secondary normative beliefs significantly relate to subjective norms and subjective norms positively relate to intention. The concept of subjective norms from various reference groups can have an impact on the intention of a *zakat* payer in performing a religious workshop

(Bidin *et al.*, 2009). Thus, *H<sub>2</sub>* is hypothesised as:

*H<sub>2</sub>*: Subjective norm will positively influence compliance intention to pay zakat on salary

#### *Perceive Behavioural Control*

Perceived behavioural control refers to individual perception of the ease or difficulty of performing the behaviour. Thus, if one considers that behaviour can perform easily then it will motivate oneself to perform it (Ajzen, 1991). Ram Al Jaffri *et al* (2010) explain a significant relationship between *zakat* compliance and perceived behaviour control. They explain the importance of behaviour on businessman regarding the compliance towards *zakat*. This variable becomes an important determinant of *zakat* compliance behaviour. Generally, individual Muslim who has income regardless of their income or employees they will pay for *zakat*. In additional, perceived behaviour control has a significant effect on the behaviour that compliance to pay *zakat* especially *zakat* salary. As for Muslim folks and pious, they have the willingness to pay *zakat* as they believe *zakat* is one of the five pillars of Islam and it must be followed. This behaviour of *zakat* payer shows that *zakat* significantly affects not only by knowledge or ability but it also by a willingness and Islam belief.

Likewise, a study by Osman *et al.* (2016) extends the applicability of the TPB to *waqf*. This study finds a significant relationship between behavioural intention and religiosity. This indicates intention and religiosity are both correlated out of the significance of Islamic worldview (i.e. *tasawur*). Earlier, Corner and Armitage (1998) have highlighted one's capacity is instrumental in determining one's willingness to perform charitable

giving. In other words, perceived behavioural control is essential for the formation of behavioural intention. In another context, perceived behavioural control has been essential in the formation of good intention to perform charitable giving. For instance, a work by Mittelman and Rojas-Mendez (2018) examines factors determining intention to donate in Canada. This study finds a significant relationship between perceived behavioural control and intention to donate. Therefore, *H3* is hypothesised as:

*H<sub>3</sub>*: Perceived behavioural control will positively influence compliance intention to pay *zakat* on salary

#### *Taqwa*

According to An-Nawawi (1994), *taqwa* means fulfilment of all the obligations and abandoning Allah's prohibitions, practising Islamic principles and preparing self for the hereafter. It also consists of Islamic worldview and religious personality that divide into general and special worship to God (An-Nawawi, 1994). This element as one of the indicators of the causes of *zakat* payment compliance that needs attention. Although it is difficult to measure and interpret, nevertheless *taqwa* is one of the motivations for a person to fulfil any Islamic law obligation including paying *zakat*. Islamic law regulates *zakat* and thus an individual who has high *taqwa* tends to pay *zakat* on salary compared to an individual who has a low level of *taqwa* (Md Hussain *et al.*, 2012). It shows that *zakat* compliance relates to *taqwa*, implying pious Muslims tend to pay *zakat* without any doubt and without explaining various reasons as an excuse.

Two works (Md Idris, 2002; Bidin, 2008) in *zakat* provide interesting explanations and assertions about the role of *taqwa* and how it can influence one's behavioural intention – so do compliance intention to pay *zakat*. Md Idris (2002) asserts that one's religiosity can play a significant role in determining his compliance to pay *zakat*. It is argued here that the higher the extent of one's religiosity – the better is the compliance and vice versa. This indicates that in many ways, one's faith or *iman* is positively correlated with his compliance with the positive measure of giving. The same outcome is also found to be supported by Bidin (2008) who developed religious measurement index to gauge individuals' intention and compliance behaviour of *zakat* on employment income, where religiosity is instrumental in determining the move. Unlike Md Idris (2002) and Bidin (2008), Md Idris *et al.* (2012) provide a new perspective of *zakat* compliance behaviour. Instead, this study is done at the institutional perspective and found that highly religious business owners are prone to comply with *zakat* payment and vice versa. Religiosity or *taqwa* has been proven significant by a work of Rizal and Amin (2017) in which one's religiosity can shape our belief and thus improving his perception of charitable giving for improved future contributions. Consequently, *H4* is hypothesised as:

*H<sub>4</sub>*: *Taqwa* will positively influence compliance intention to pay *zakat* on salary

## RESEARCH METHODOLOGY

### *Subjects*

This study conducts among staff working in Kota Kinabalu, Sabah as a

sample of the study. This study uses judgmental sampling. We opt, respondents, when they meet these criteria (a) Have you paid *zakat* before? (b) Do you intend to pay *zakat* soon? We formulate a questionnaire based on adaptation from previous studies. We distribute a total of 336 questionnaires

via respondents' personal email for quick feedback. After some follow-ups, we managed to collect 202 questionnaires and useful for further analysis of the data. The details of the respondents involved are provided in Table 1.

**Table 1.** Demographic items

Demographic	Frequency	N	Percent
Gender	Male	87	43.1
	Female	115	56.9
Marital status	Single	137	67.8
	Married	65	32.2
Age	<25	37	18.3
	25-35	118	58.4
	> 35	47	23.3

#### Data analysis

Following Ringle *et al.* (2005), we employ SmartPLS2.0 M3 to examine the research data and for that, the inferences are drawn. In this software, we conduct two-stage analyses beginning from a low of the measurement model to a high of structural analysis. The former confirms the validity and reliability of the measurement items whilst the latter confirms the structural hypotheses as provided earlier. We employ SmartPLS2.0 M3 is owing to these reasons:

- When the context is new and because of the theory development, the use of the software is of utmost importance and relevant;
- In our work, we enhance the battery items in reflecting the original constructs of the TPB and such enhancement requires SmartPLS2.0 M3 for parsimony and applicability; and
- We propose new dimension, *taqwa*, integrate it with the TPB and for this purpose, it is theory

extension, where SmartPLS2.0 M3 offers a solution to test the applicability and generalisability of the construct in *zakat* context and the TPB's applicability.

## RESULTS & DISCUSSIONS

#### Empirical findings

##### Measurement model

We use Chin's (2010) two-stage approach. This includes two stages namely (THE FIRST STAGE) measurement model and (THE SECOND STAGE) structural analysis. Table 2 shows that all factor loadings for the dimensions are greater than the recommended value of 0.7, implying their acceptability and confirmation on discriminant validity. As learned from Table 2, all items exhibit high loadings on their constructs (**bold values**) and no items are loaded higher on constructs they are not intended to measure. This indicates the appropriateness of the battery items to represent the constructs under contemplation.

**Table 2.** Factor Analysis

Items	ATT	CINT	PBC	SN	TW
<i>ATT1</i>	<b>0.981</b>	0.624	0.454	0.472	0.515
<i>ATT2</i>	<b>0.959</b>	0.681	0.480	0.491	0.592
<i>ATT3</i>	<b>0.810</b>	0.394	0.251	0.323	0.254
<i>CINT1</i>	0.623	<b>0.901</b>	0.616	0.546	0.605
<i>CINT2</i>	0.465	<b>0.735</b>	0.305	0.386	0.407
<i>CINT3</i>	0.501	<b>0.865</b>	0.607	0.550	0.487
<i>PBC1</i>	0.201	0.438	<b>0.703</b>	0.461	0.145
<i>PBC2</i>	0.465	0.540	<b>0.906</b>	0.384	0.469
<i>PBC3</i>	0.425	0.586	<b>0.877</b>	0.435	0.410
<i>SN1</i>	0.261	0.454	0.405	<b>0.816</b>	0.309
<i>SN2</i>	0.569	0.599	0.511	<b>0.956</b>	0.333
<i>SN3</i>	0.398	0.541	0.435	<b>0.913</b>	0.241
<i>TW1</i>	0.466	0.532	0.359	0.288	<b>0.968</b>
<i>TW2</i>	0.544	0.651	0.437	0.351	<b>0.980</b>
<i>TW3</i>	0.500	0.567	0.431	0.304	<b>0.955</b>

**Notes:** ATT= attitude, INT=Compliance intention, PBC=Perceived behavioural control, SN=Subjective norm, and TW=*Taqwa*

Table 3 reports the outcomes for AVE, composite reliability and Cronbach's alpha. The reported CR exceeds the suggested value of 0.7 (Lee and Kozar, 2008). The AVE values for all constructs are greater than the threshold value of 0.5, hence validating

convergent validity (e.g. Fornell and Larcker, 1981). The Cronbach alpha for all indicators exceed the suggested value of 0.6, deducing that the battery items representing the constructs possessing a high internal consistency.

**Table 3.** AVE, Composite reliability, Cronbach's alpha

	AVE	CR	R Square	Cronbachs Alpha
<i>CINT</i>	0.700	0.874	0.651	0.786
<i>ATT</i>	0.847	0.943	0.000	0.910
<i>PBC</i>	0.695	0.871	0.000	0.775
<i>SN</i>	0.806	0.925	0.000	0.879
<i>TW</i>	0.937	0.978	0.000	0.966

**Notes:** ATT= attitude, INT=Compliance intention, PBC=Perceived behavioural control, SN=Subjective norm, and TW=*Taqwa*



**Table 4.** Discriminant validity

	<b>CINT</b>	<b>ATT</b>	<b>PBC</b>	<b>SN</b>	<b>TW</b>
<b>CINT</b>	<b>0.836</b>				
<b>ATT</b>	0.636	<b>0.920</b>			
<b>PBC</b>	0.631	0.447	<b>0.834</b>		
<b>SN</b>	0.597	0.468	0.505	<b>0.898</b>	
<b>TW</b>	0.607	0.521	0.425	0.327	<b>0.968</b>

**Notes:** ATT= attitude, INT=Compliance intention, PBC=Perceived behavioural control, SN=Subjective norm, and TW=*Taqwa*

Given a Fornell and Larcker's (1981) recommendation, we conduct a discriminant validity test. It fulfils when the square root of the AVE from the construct is greater than the correlation shared between that constructs and others in the model. Table 4 presents the outcome of discriminant validity in which as discovered the values for the square root of the AVE of the constructs under examinations are beyond the recommended value of 0.7, meeting discriminant validity.

#### *Structural model analysis and discussion*

To fulfil the research objective, the impacts of the factors under contemplation on compliance intention

of *zakat* payment on salary are analysed using PLS. Following Hulland (1999), the explanatory power of the relationships involved between attitude perceived behavioural control, subjective norm, *taqwa* with compliance intention is reported through  $R^2$  value. The variance explained for compliance intention is 65.1 per cent, implying attitude, perceived behavioural control, subjective norm, *taqwa* are significant in the formation of one's compliance intention to pay *zakat* on salary. This outcome is greater than the threshold value of 20 per cent, claiming the model examined is valid statistically.

**Table 5.** Structural analysis

<b>Pathway</b>	<b>Beta(<math>\beta</math>)</b>	<b>t-value</b>	<b>Supported</b>
ATT→CINT (H1)	0.252	3.998	Yes
PBC→CINT (H2)	0.274	4.034	Yes
SN→CINT (H3)	0.250	4.877	Yes
TW→CINT (H4)	0.277	4.148	Yes

**Notes:** ATT= attitude, INT=Compliance intention, PBC=Perceived behavioural control, SN=Subjective norm, and TW=*Taqwa*

As presented in Table 5, one's attitude determines *zakat* compliance intention and the outcome is significant ( $\beta=.252$ ,  $p<0.01$ ). This finding lends support to works of Amin and Hamid

(2018) and Amin (2014) in that attitude determines one's behavioural intention. One of the reasons why the result is significant is because one has a positive belief in *zakat* that is drawn from

experience and literacy. On the same note, perceived behavioural control significantly relates to the compliance intention ( $\beta=.274$ ,  $p<0.01$ ). The outcome obtained aligns with the findings of Amin and Hamid (2018), where perceived behavioural control can impact one's behavioural intention. The outcome is important because the zakat payment requires knowledge and skill to make it happen. Furthermore, the subjective norm affects zakat compliance intention at 5% ( $\beta=.250$ ,  $p<0.01$ ). This finding is in line with the findings of Amin (2012) who discovers a significant relationship between people influence and the formation of one's compliance or behavioural intentions. This factor is important out of the fact that collective decision and other previous decisions are better in determining one good feeling to perform the compliance intention. One's *taqwa* or religiosity also explicates *zakat* compliance intention to pay zakat on income ( $\beta=.277$ ,  $p<0.01$ ). These results suggest that one's *taqwa* essential that determines the compliance intention, followed by perceived behavioural control, attitude and lastly subjective norm. We extend the generalisation of Amin (2010) who finds one's religiosity can impact his

behavioural intentions. It is significant since in Islam one's behaviour is not separated from his faith at the expense of secularisation. Our findings indicate that the proposed framework is, to a certain extent, found to be valid, extending its applicability to the current context.

#### *Post hoc analysis*

We also examine the mediating effect of attitude for the relationship between *taqwa* and compliance intention. The indirect effect of  $\beta=0.133$  is significant with a *t*-value of 3.645. Since zero is not included, thus, it can be concluded that mediation effect exists in this hypothesis. In other words, attitude mediates the relationship between *taqwa* and compliance intention. Thus, *H5* is supported. The result lends support to the works of M-Yasin *et al* (2009) and Amin *et al* (2013) that confirm the vital role of attitude as a mediator in consumer research. Attitude generally is shaped by one's *taqwa*, denoting the higher the extent of *taqwa*, the better is the attitude. Considering attitude as a point of departure by *zakat* authority is of importance to improve the collection and thus improving the effectiveness of *zakat* re-distribution.

**Table 6.** Hypothesis testing for mediation effects (*taqwa* → attitude → compliance intention)

Hypothesis	Pathway	Indirect Effect ( $\beta$ )	Confidence interval		<i>t</i> -value	Supported
			Lower	Upper		
<i>H5</i>	TW → ATT → CINT	0.133	0.062	0.206	3.645	Yes

## CONCLUSION

This study concludes that there are at least four factors that can determine compliance intention to pay *zakat* on salary by Muslims. The first factor is the subjective norm, followed by *taqwa*, perceived behavioural control and attitude. This interesting result provides clarification in that the environment that *zakat* payers live in can determine how they are performing *zakat* obligation like in the case of *zakat* on salary. One can influence to pay *zakat* on salary if all people around him put the *zakat* obligation as priority beyond their needs. On the same note, he tends to reject *zakat* obligation if all people around him, jointly to refuse to pay *zakat* on salary. On the same note, the results obtained indicate that *taqwa* is a contributing factor that can determine one's compliance towards *zakat* payment on salary, implying the higher the extent of one's *taqwa*, the better is the formation of *zakat* compliance on salary and vice versa. Likewise, one's self-control can also explain his ability to comply to pay *zakat* on salary. When one has a greater amount of knowledge and skill on *zakat*, his ability to comply tends to be greater, implying the higher the extent of perceived behavioural control, the better is the willingness to pay *zakat*. Similarly, attitude, though significant, but has less impact compared with other said three variables. Attitude can shape one's intention through a piece of improved knowledge and belief in the system.

The results obtained to bring a new research implication of *zakat* compliance intention on salary. The details are provided as follows:

- As for subjective norm, *zakat* authority may learn on how to establish *zakat* norm among laymen and potential payers

through establishing a culture of *zakat* among individuals by organising seminar, talk and bulletin about *zakat*. Importantly, such programmes can be strengthened by the help of social platforms both offline and online;

- As for *taqwa*, *zakat* authority may develop a perception among Muslims in that the act of paying *zakat* can raise one's reward in the hereafter. To accelerate, Islamic exhibitions on *zakat* can be conducted among millennials to improve their understanding, and perhaps the door to door visit (*dakwah*) can be initiated to breed awareness for *zakat* compliance;
- Concerning perceived behavioural control, *zakat* authority may establish a "co-knowledge potentials" between the officers of the authority and potential *zakat* payers or the existing ones, by leveraging on social media platforms that will help to improve skill and knowledge, which in turn, can improve compliance; and
- In terms of attitude, *zakat* authority can improve one's attitude towards *zakat* payment via developing kiosks offline in their premises and push-advertisements via the Internet to make people aware that *zakat* is an obligation to perform for *mardhatillah*.

Like many studies related, we acknowledge at least two limitations to drive future works in this area of research. First, this study considers only specific geography as a research location in collecting data for research accomplishment. Second, we only examine the effects of attitude, subjective norm, perceived behavioural control and *taqwa* in understanding

one's compliance intention to pay *zakat* on salary. To address, future studies may extend the same work to include other areas in Sabah like Tawau and Sandakan to extend the findings. Future studies may include new variables like the level of income and family dependents to contrast the findings. Despite our limitations, we at least provide new perspectives of *zakat* compliance intention where *zakat* on salary is brought into play in East Malaysia, at least.

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