

# The Administration of Zakat in Lagos and Ogun States

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## Abstract

Zakat being one of the five fundamental pillars of Islam is meant to be executed with high sense of duty and commitment. This paper examines how it is being administered in Lagos and Ogun States of the south – western Nigeria. The paper makes the activities of non-governmental organizations working on zakat collection and disbursement its basis of assessment. Simple random sampling technique was adopted to select the zakat agents under review. The paper examined the template of *Shari'ah* for zakat and thereafter assessed the current state of zakat administration. It was observed that there was no definite procedure on ground for wealth evaluation and that zakat has almost been restricted to cash payment at the expense of other zakatable items like agricultural produce and livestock. Circumvention of zakat by eligible payers and inadequate record keeping on the part of administrators are the leading challenges facing administration of zakat in south –western Nigeria. Appropriate recommendations were offered for better performance

**Keywords:** Zakat Administration, Poverty Alleviation, Zakat Agents

## 1. Introduction

The challenge of poverty is global. Its effect is mutual and universal. Almost every nation experiences the scourge of poverty only with varying degree from one place to another depending on their status. It has also been observed that the widespread existence of poverty in a large number of developed and developing countries have been a major cause of concern for governments, multilateral agencies and non-governmental organizations (NGOs) (Maidugu, 2013: 2) In fighting this common problem, people have adopted different approaches and programmes based on the resources at their disposal. However, Islam being a universal religion has recommended various measures which include both collective and individual.

Zakat is a measure recommended for combating poverty so as to remove concentration of wealth in the possession of a few members of the society. From the tone of the Glorious *Qur'an*, it has been generally perceived as a duty to be collectively administered. More often than not, this collective administration has not always been easy in a non-Islamic community the like of which reflects in Nigeria society. Hence, the institution of Zakat has not been maximally fruitful to the multitude of the poor in Nigeria especially those in the south western region.

More so, going by the history of Islam in Nigeria generally and south western region specifically, *Zakat* administration has not enjoyed any significant patronage which is commensurate to the long-age of Islam in the country. Earlier research at least confirmed that *Zakat* has been majorly practised (paid and disbursed) on individual basis (Adetona, 1999: 1-9). In recent times however, it has been noted that peoples' responsiveness to Zakat seem to have improved due to the effort being made by some organizations that are emerging for co-ordination of Zakat administration. Sequel to this assumption, there is urgent need to examine the performance of such effort and assess the position of Zakat administration. Hence, this paper seeks to dwell on the administration of Zakat in Lagos and Ogun States as a glimpse into the practice of zakat and poverty alleviation in South-western Nigeria.

Although Zakat as a pillar of Islam has been executed and practised in collectivity and monitored by the authority of Islam (the government) in the early days of the religion, the Nigerian society in the present days has not witnessed much of this mutual co-ordination of Zakat under the umbrella of the government except in the northern part where most states have department of government coordinating it using the instrumentation of the government. (Isa, 2010, 1-220) However, in the south western part of the country, state governments have not been coordinating administration of Zakat to the best of our knowledge. Recently, non-governmental organizations (NGOs) are emerging to uphold the responsibility of collecting and disbursing Zakat as a religious duty.

The focus of this paper is to assess the administration of Zakat under these organizations in relation to collection and disbursement of Zakat fund. Is there any increase in fund collection and disbursement? Does the administration of Zakat in Lagos and Ogun States have impact on the lives of the poor as intended by the shari'ah? What are the challenges facing the administration of Zakat in the focused states?

In order to have a goal oriented and purposeful research work, the following constitute the objectives of this paper:

- i. To identify the organizations that collect and disburse Zakat in Lagos and Ogun States.
- ii. To find out the strategy they employ in collecting Zakat
- iii. To determine the impact of Zakat on poverty alleviation in the two states (Lagos and Ogun)
- iv. To make necessary recommendations as to improve the performance of Zakat administration.

## 2. Zakat: Significance and Administration in Islam

Literally, Zakat could mean increase, growth, blessing, purification or righteousness.(Salim, 2010: 5) Technically, Zakat refers to a specified portion from a defined wealth given to specific recipients within a particular period of time recognized by *Shari'ah*.(Salim, 2010:5) It is pertinent to note that there exist a relationship between the literal usage and the technical (religious) meaning of Zakat. By the meaning increase, it connotes that the wealth from which Zakat is paid increases and grows. By purification and blessing it cleanses the acts of the payer and causes Allah's blessing on the remaining wealth from which Zakat is paid thereby raises the status of the payer before Almighty Allah. Zakat does not only purify the property of the payer but also purifies his heart from selfishness and greed. It also purifies the heart of the recipient from envy and jealous, from hatred and uneasiness and it fosters instead good will and warm wishes for the payer.(Retrieved from [www.northumbria.ac.uk](http://www.northumbria.ac.uk)). And by righteousness Zakat is a good deed that does not only indicate spiritual submission to Allah but also implies moral commitment to the will of Allah. Hence Zakat is a righteousness demonstrated by the payer to the recipient. The meaning and implication of Zakat could be deduced from *Qur'anic* verses as instructed by Allah. Some verses in this regard are:

Take sadaqah (alms) from their wealth in order to purify them and sanctify them with it, and invoke Allah for them verily, your invocations are a source of security for them, and Allah is All Hearer, All knower

*(Qur'an chapter 9 vs 103)*

And that which you give in gift (to others), in order that it may increase (your wealth by expecting to get a better one in return) from other people's property, has no increase with Allah but that which you give in Zakat (charity), seeking Allah's countenance, then those they shall have manifold increase

*(Qur'an chapter 30 vs 39)*

By enunciation, the verses clearly depict Zakat as a tool of seeking Allah's pleasure which comes in various forms as well as fulfilling obedience to the commandment of Allah. Hadi also expresses similar view when he says that 'by paying Zakat, one is aspiring to attain blessing, purification and cultivation of good deeds.(Hadi, 2011:6)

### 2.1 Significance of zakat

Significance of zakat is basically premise on redistribution of wealth which is meant to establish economic equity and social justice. Chapter outlines some essential functions of the Islamic welfare (Chapra, 1980:149-150) with respect to the economy as follow:

1. To eradicate poverty and create conditions for full employment and a high rate of growth
2. To promote stability in the real value of money
3. To maintain law and order
4. To ensure social and economic justice
5. To arrange social security an foster equitability distribution of income and wealth
6. To harmonise international relations and ensure national defence

The basic provision of Islam to fulfill the above is the faithful execution of Zakat. This is why Allah expatiates in the Holy Qur'an thus:

Indeed, those who believe and do righteous deeds and establish prayer and give Zakat will have their reward with their Lord and there will be no fear concerning them, nor will they grieve (Q2 vs 277)

Commenting on the verse, Mawdudi emphasizes that paying Zakat is a character highly extolled by God, a character which will serve as the basis of a sound and healthy society in this world and will lead man to salvation in the Next.(Mawdudi, 1992: 140) In agreement with several authors who unanimously see Zakat as a means of cementing the cracks in the society, Adebayo also opines that "Zakat is a social insurance fund against unforeseeable calamities that can lead to unexpected and sudden poverty(Adebayo, 2011:222). The communal impact of Zakat in this sense is the transformation of the society into that of peaceful co-existence and growing

love among the members of such community. In consequence of the above, the gap between the rich and poor is gradually reduced while the bond of brotherhood becomes stronger among the adherents of faith. Zakat therefore could be said to be a tool of bringing people together as a family.

## 2.2 Conditions for Payment of Zakat

To execute Zakat, there are certain conditions identified by scholars for being eligible to pay Zakat. Muhammed BIKR ISMAIL identifies the following conditions (Ismail, 1997: 459).

- i. Islam: Zakat is paid by a Muslim, anyone who is not a Muslim is not eligible to pay Zakat. Moreover, Zakat is a pillar of Islam, it is therefore not required of someone who does not accept faith. Islamic form of worship which Zakat represent is expected and accepted from only a Muslim.
- ii. Freedom: only a freeman who is not under slavery or bondage of any form is eligible to pay Zakat. Islam regards the property of a slave as that of his Master (Sahih Bukhari Hadith 2379).
- iii. Possession of minimum amount of wealth which is known as Nisab.
- iv. Completion of a year: wealth from which Zakat will be paid is expected to be available in the required quantity or worth for one complete *hijrah* year before it is Zakatable. This condition however excludes farm produce which is due on the day of harvest and mineral which is also due immediately it is found.

## 2.3 Beneficiaries of Zakat

Those who are qualified to receive Zakat are mentioned in Qur'an chapter 9 verse 60. They are outlined as follows

1. Al – *Fuqarau* – the poor
2. Al – *Masakin* – the needy
3. Al- *amiluna 'alayha'* – the workers of zakat
4. Al-*muallafatu* Qulubuhum – those whose hearts are being reconciled
5. Ar-*Riqab* – the slave or those in bondage
6. Al- *Gharimun* – Those in debt
7. *Fisabilillah* – on the path of Allah
8. Ibn *sabil* – the wayfarer

## 3 Zakat Administration in Lagos and Ogun States Before the 21<sup>st</sup> Century

Lagos and Ogun States are located in the South –Western geopolitical zone of Nigeria. While Lagos state was politically created in 1967, Ogun State was created in 1976. They both blend together as they share border. Islam had reached the region of Lagos as far back as 1775 (Akintola, 2013:220) thereby making it a familiar terrain for the Muslim in terms of age. In this regard, what goes for Lagos is almost same for Ogun because of the proximity they enjoy.

Earlier before the current century, the non-governmental agents that are now found active in the collection and disbursement of zakat were not prominent. Individuals who were conscious of the significance of Zakat paid to religious leaders whom they directed their loyalty, although, often times, these religious leaders did not give such zakat proceeds to any indigent who may deserve it as expected. It is also on record that a few co-ordinated zakat administration existed in the later decades of the previous century. For instance, there used to be Abiola Zakat welfare fund which was singularly owned by late Alhaji Moshood Kashimawo Abiola. (Musa, 1998:63) This fund was coordinated with trusted individuals appointed in the south-western states. The management had 'General Distribution Form' which was filled by would be beneficiary before the approved fund was released. (Musa, 1998:63)

Also, there was central coordination of zakat being remitted by individual members of various Islamic organizations under the umbrella of the Nigeria Muslim Council which was co-ordinated by a General Secretary appointed for the council. Letters were sent to the wealthy Muslims through their different organizations. Each member pays into the account of the council. Response from this effort was said to be poor and the expected result was elusive. (Mustapha, 2014) The reason for the failure of the central coordination could be disloyalty of individuals to an expanded organ instead of their immediate organization which were managed by people well known to them.

It has also been noted from interaction with stakeholders that those who claim to be paying zakat either individually or even collectively through various Islamic societies were doing so without measure or recourse to the due portion of their wealth (i.e 2.5%). In our view, zakat administration in the 21<sup>st</sup> century was recognized in appellation but was practiced in close resemblance of *sadaqah* (voluntary charity).

#### **4. Administration of Zakat in Lagos and Ogun State in the 21<sup>st</sup> Century**

Sequel to the passive nature of zakat performance in the entire south-western region as evident in the above, various groups began to emerge in order to shoulder the responsibility of administering zakat institution. It could also be said that the performance of zakat through government intervention in many northern states around this period is a motivating factor. For instance, it was noticed that between 1999 and 2001 some northern states such as Zamfara, Jigawa, Kebbi, Yobe, Sokoto, Bauchi and few others officially established organs or agencies of government that managed zakat administration. (Isa, 2010) It was reported that these states had significant achievement over the years as they collected zakat of cash and farm produce and distributed accordingly to the poor and needy across the various states.

With respect to the prevailing situation and circumstance of Zakat in the South-western region, the 21<sup>st</sup> century witnesses the emergence of some non-governmental agents which include:

1. Zakat and sadaqat foundation (Z&S ) (Lagos, Ogun)
2. Ar-Rahmah Zakat Foundation (Ogun)
3. Forum for Islamic Education and welfare (Lagos)
4. Nasfat Agency for Zakat and Sadaqat (NAZAS) (Lagos)
5. Muslim welfare fund (MUWELF) (Lagos)
6. As-Salam development foundation (Ogun)
7. Al-Hayat development foundation (Ogun)

It should be noted that the organizations mentioned here and many others not listed have emerged to uphold services that help the cause of Islam including administration of Zakat. From all the identified zakat agents, due to constraint of space, four agents have been chosen as the case study in this paper using simple random sampling technique.

#### **4.1 Zakat and Sadaqat Foundation**

##### **4.1.1 Establishment**

This organization was officially established in the year 2000 with mission of helping the rich to enrich poor as well as to care and touch people's life. The organization pronounces its objectives as follow:

- i. To bridge the gap between the rich and the poor
- ii. To re-awaken the spirit of social responsibility among the Muslims
- iii. To return zakat to its right position in Islam
- iv. To create a credible channel of distribution of zakat
- v. To ensure even distribution of wealth for empowerment of the less privileged ones
- vi. To establish cordial relationship with other similar organizations both locally and internationally ([www.zakatandsadaqat.org.ng](http://www.zakatandsadaqat.org.ng)).

The major area of concentration focused by this organization is to relieve the poor and the needy in different dimensions which include:

- i. Economic empowerment
- ii. Community project
- iii. Medical support
- iv. Accommodation support
- v. Welfare support
- vi. Educational support
- vii. Debt relief

##### **4.1.2 Mode of collection of Zakat**

This organization identifies zakat payers through personal contact by their field workers and recommendation by individuals. After the consent and concession of the would be payer to pay the zakat through them, cheque is issued by the payer in the name of the organization. Others do adopt online transfer of fund into the organisation's account while some still pay cash through the field workers who mostly interface between the payers and the organization. It is important to mention that, the foundation uses evaluation forms filled by an intending zakat payer to determine if the assets possessed has reached *Nisab* (minimum wealth on which zakat could be paid) and the amount to be paid.

### 4.1.3 Mode of Disbursement

Zakat recipient submits application letter along with recommendation letter from a mosque Imam or the leader of an Islamic organization who attests to the genuity of the applicant's claim. Thereafter, the applicant is screened by the management of the foundation who approves what is given as zakat benefit based on the claim documented in the application, and thereafter pronounced in an oral interview. Urgent health matters are however treated immediately if fund is available as at when requested.(Maruf interview)

Between the year 2000 when the organization was registered and now (year 2014) it has collected Zakat from people and disbursed to eligible recipients in several major and mini distribution ceremonies. These exercises are the occasions where relief resources are handed over to accredited zakat recipients. It is an exercise that climaxes the processes of selecting presumed poor and needy who have applied to be assisted through the fund.

Zakat distribution ceremony is organized to give cheques and various relief and empowerment resources such as deep freezers, generator, tricycles, printers, shoe making machines, embroidering machines, sewing machines, whipping machines, computer set, laptop, stabilizers, photo-printers, photocopies machines and wheel chair(report Z & S 2014: 13). These various tools are given to qualified professionals who are incapacitated to carry out their jobs for inadequate provisions. In the last one decade when the foundation has been administering zakat, many beneficiaries have been relieved of depression of varying degrees and magnitude. Imam Abdullahi Shuaib (2014) confidently affirms that:

Our record speaks volume about our services to all and Sundry without any bias or prejudice. We have wiped away the tears of many, put food on the tables of thousands of families that were hungry, assisted others to break the circle of poverty, saved lives and supported the educational needs of indigent students(Z & S report, 12).

Apart from direct empowerment through provision of working tools for professionals, there are other means of disbursement which could be termed indirect empowerment such as educational support for students most especially those in higher institutions of learning, students who could have dropped out of school due to lack of fund are supported with fund. Also, under educational support, schools are also allowed to benefit through provision of needed facilities, most recent is provision of computer sets to enhance the capacity of two schools in Ogun state. The schools are: Al-Mubashir school, Ijebu Ode and Muslim model school, Itunmetalala Ijebu Ode.(Maruf, 2014) Moreso, medical supports are given to the sick who are unable to pay or finance their bill. Huge finances amounting to N1,250,000, N1,300,000, N4,630,000 etc. are given to individual and respective recipients (Z & S report, 12). According to records, Zakat and Sadaqat Foundation has recorded annual increment in zakat collection and disbursement in the last ten years. The table below summarizes total amount disbursed annually in respective years. (see appendix for the breakdown).

#### **Zakat And Sadaqat Foundation Ten Years Disbursement**

Year	Amount disbursed
2005	N500,000
2006	N1.500,000
2007	N3,000,000
2008	N12.500,000
2009	N15.800,000
2010	N21.800.000
2011	N30,010,815
2012	N35,461,661
2013	N41,168,930
2014	N63,060,355

Source: [www.zakatandsadaqat.org.ng](http://www.zakatandsadaqat.org.ng)

#### 4.1.4 Oversight Procedure

Zakat and Sadaqat foundation also undergoes series of checks through some professional practices employed within and outside its structures. One of it is the annual audit which ensures probity in its operation. There is also board of trustees that consists of experts and experienced individuals who are people of proven characters. These people constitute the advisory team that guide the organization. Among them is Dr. Umar Abdul Mutallab, who is an expert in Islamic financing. There is also a Sharia panel that sees to the level of compliance with Islamic principles of zakat management. With all these in place, Zakat and Sadaqat Foundation has continued to improve in performance over the years.(Maruf, 2014)

#### 4.1.5 Challenges facing Zakat and Sadaqat Foundation

Zakat and Sadaqat Foundation acknowledges the fact that performance is still very low considering the huge population and level of poverty in the society. Hence, the following are identified as challenges hindering the organization:

- i. Many Zakatable individuals are reluctant to disclose their real asset thereby making it difficult to determine their zakat due.
- ii. Inadequate manpower to reach the vast areas to be covered is also a challenge

### 4.2 Ar-Rahmah Zakat Foundation

#### 4.2.1 Establishment

Ar-Rahmah zakat foundation was founded in 2009 in Ijebu Ode Ogun State. The organization was formed with the mission of facilitating effective collection, distribution and utilization of zakat funds for the development of Islam and promote sustainable development for Muslim populace(Ar-Rahmah handbook). The objectives of the organization are spelt out in their constitution as follow:

- i. To set up the institution of Zakat as entrenched in the *Qur'ān* and Sunnah of the Prophet (S.A.W).
- ii. To co-ordinate the collection of zakat in a manner that will make the payment rewardable.
- iii. To distribute zakat to identified beneficiaries as stated in the *Qur'ān* and the Sunnah of the Prophet (S.A.W)
- iv. To educate the Muslim populace on the veracity and ability of zakat in eradicating poverty among Muslims in particular and the public in general.
- v. To assist indigent Muslims, especially students, widows, orphans, refugees; pay hospital bills of poor Muslims, especially those afflicted with ailments, which treatment are financially demanding.
- vi. To get involved in other projects that are in compliance with zakat principals.

#### 4.2.2 Mode of collection of Zakat

As at present, the administration of zakat under Ar-Rahmah involves collection of zakat from the wealthy ones who pay to the organization's account directly. The organization has a policy of receiving zakat through bank payment only.

#### 4.2.3 Mode of Disbursement to beneficiaries

Disbursement is channeled to three major schemes which are economic empowerment, education scheme and health service scheme.(Mayaleeke, 2014) The major area of focus is economic empowerment. The approach is to empower petty traders who can begin a small business with capital base of fund ranging between ten and twenty thousand naira(Mayaleeke, 2014). Zakat recipients fill zakat form and undergo an interview conducted by the organization to determine who is to be considered. As at January, 2014, the organization has disbursed five hundred and ten thousand naira (N510,000) for 25 traders(Mayaleeke, 2014). Under the education scheme, the organization utilizes zakat fund to provide school materials ranging from school uniform, books, etc for less privileged children within the state.

According to records, two hundred and ten thousand naira was expended in the latest distribution while under the health scheme, the target of the organization was to equip schools with medical facilities to take care of health challenges and first aid needs of children from poor homes. One hundred and sixty thousand naira zakat fund has been expended in a school as at the end of year 2013. Moslem Primary School Isoku, Ijebu-Ode was the beneficiary of the latest disbursement(Mayaleeke 2014).

#### 4.2.4 Challenges facing Ar-Rahmah Zakat Foundation

- i. The major problem facing Ar-Rahmah Zakat is unavailability of workers to uphold the assignment. Unlike some other zakat agents, Ar-Rahmah has no paid staff, hence, the work is only attended to at their leisure.
- ii. Lack of trust by would-be payer also inhibits the motivation and performance of the organization.
- iii. There is no format or procedure to measure what is to be paid. Individuals only pay whatever he/she deems

to pay.

### 4.3 Forum for Islamic Education and Welfare

#### 4.3.1 Establishment

This organization which is popularly called “Islamic Forum” was established in 1995 by a committee of 16 Muslim friends working around Victoria Island in Lagos, Nigeria. The main mission is to contribute to the development of education and welfare of the Muslim *ummah* in order to earn the favour of Almighty Allah.([www.islamicforum.ng.org](http://www.islamicforum.ng.org)) The objectives of the organization include among others:

- To establish, assist and promote the teachings of Arabic and Islamic Schools as well as Public Schools.
- To establish and or support an Islamic Financial Institution
- To establish a Trust fund and National Zakat fund
- To provide for the relief of the underprivileged, the poor, the needy and the physically and financially disabled Muslims.

Looking at the objectives and the activities of Islamic Forum, it would be observed that educational support has been the priority of the organization which could be categorized under the “fi sabilillah” (on the path of Allah) among the beneficiaries of zakat, even though it is mostly the needy ones who benefit this offer.

#### 4.3.2 Mode of collection of Zakat

This organization operates what could be described as elite style of administration. Letters are written to individuals requesting them to pay zakat and if consented an account number of the organization is made available for the payment.

#### 4.3.3 Mode of Disbursement to beneficiaries

The Islamic Forum adopts individual approach of disbursement, each recipient applies by writing a letter stating the request. Applicant thereafter meets the management for an interview for approval of the application which is treated immediately if granted. The Forum also awards scholarship to the best students of Arabic and Islamic studies of higher institutions of learning. At present many students from the University of Ibadan and Al-Hikmah University, Ilorin have benefited from the scheme. Each of the students earn Twenty-five thousand naira per session. Also, on the education grants, Crescent University, Ogun State has received donation of Computer sets from the forum while Sadiyyah Model Secondary School, Akute, Ogun State got library furniture in the year 2013.(Adebayo, 2014)

Other areas of focus by the Islamic Forum include orphanages and charity homes, medical grants, widows and da’wah activities. In all, a total of ₦10,269,737 has been disbursed between 2010 and 2014. (see the appendix for breakdown).

#### 4.3.4 Challenges

The following are the challenges identified with Islamic Forum zakat management(Adebayo, 2014):

- Low patronage: The response of Zakat payers is low. The Forum only receive from the regular payers often.
- There is no zakat worker except the executive secretary who also works as part-time staff.
- Lack of awareness: Very few people are aware of Islamic Forum. The organisation has a few members and only get zakat from few individuals.
- There are more recipients than the available zakat proceed, hence, many applicants for zakat are turned down for lack of resources.

### 4.4 As-Salam Development Foundation

#### 4.4.1 Establishment:

This organization was established in 1999 basically for the sole aim of creating economic empowerment for the poor and less privileged Muslims. It was founded by the trio of Alhaji Monsur Lawal, Dr. Owoyemi Jimoh and Brother Ibrahim Mayaleeke. As soon as it was established, the founders made it clear that members and well wishers would be paying their zakat to the Foundation for the purpose mentioned earlier.(Mayaleeke, 2014) The Foundation now has five branches where the aim is being pursued and actualized, They are: 1 Makalewo 2. Ayogo 3. Bonojo 4. New Road and 5. Paramount Cinema which are all in Ogun State.(Mayaleeke, 2014)

#### 4.4.2 Mode of Collection of Zakat

As-Salam Foundation has received contribution from members of the foundation alone. Money is paid into the account of the organization by members once in a year as the zakat due.

#### 4.4.3 Mode of disbursement

The organization has only given out financial assistance to some members who are in need at specific periods for social engagements like naming ceremony and few health cases. No specific procedure has been adopted due to poor patronage. It was said that since inception, about One hundred and fifty thousand naira (N150,000) has been given out for the earlier mentioned activities (Mayaleeke, 2014).

#### 4.4.4 Challenges facing As-Salam Development Foundation

- i. Poor response from prospective zakat payers who are members of the foundation
- ii. Lack of adequate record of what has been disbursed so far.

### 5 Findings and Discussion

It has been stated earlier in this paper, that before the present time, administration of zakat has not been well coordinated and as such could not be traced to any format nor success. Adetona established in his work that some Islamic organizations and mosques claimed to be coordinating zakat but could not be substantiated, with the passage of time, the present research has discovered certain facts and development about zakat administration especially in Lagos and Ogun States. Issues unravel by this work include the fact that zakat administration can easily be assessed under the management of formal organizations that are well known in the society where people can put their zakat due and remain unperturbed. Earlier before the emergence of the zakat organizations under review, individuals have been paying zakat to religious leaders and scholars whom they trusted and deemed faithful for receiving the charity. However, it was haphazard and not significant to be noticed and assessed. Most of the research works that have successfully evaluated administration of zakat were able to do such under organized systems where zakat is centrally coordinated. It is important to note that Lagos and Ogun States are not shariah based where Muslims hold the principles of Islam like zakat with tenacity. In effect therefore, individual execution of monetary policy of religion may not be easily recognized. Most local and international works on zakat administration have assessed both government and non-government institutions in-charge of zakat as their basis and tool. For instance, Aliyu cites how Kano State Islamic council for zakah commenced that:

It was the effort of concerned Muslim brothers in the state. At the end of a conference held at the Bayero University in Rabiul Awwal 1402 A.H equivalent to January 1982, the council was formed. The state government gave a cash donation of one million Naira (N1 million or \$11764.71) and plot of land for the construction of a secretariat building. (Aliyu, 2002: 77-78)

With this, eligible payers can easily use the platform for zakat payment while recipients can also get zakat fund and administration of zakat thereby becomes assessable. So with the emergence of all the aforementioned non-governmental organizations, there is high optimism that zakat administration will perform better in no distant future.

Unlike the early days of Islam, zakat administration is focused and restricted to cash collection at the expense of other items that are zakatable in line with Shari'ah provision (Gawatta, 2002: 77-78), While it may not be deliberate, effort might have also been geared towards collection of zakat due from farmers who have agricultural produce, and livestock mostly in the rural areas of the regions under study. This type of items can easily be benefitted by the poor who lack basic means of sustenance. This research also discovered that zakat administrators who employ field officers that are saddled with the responsibility of scouting eligible payers and mobilizing zakat fund get more patronage and secure more fund and resources. This practice is in consonance with the view of the Qur'an while it states the beneficiaries of zakat (Qur'an 9:60) among which it says "...and for those employed to collect (zakat)...".

It is also a replicate of the practice of Prophet Muhammad's administration of zakat and his rightly guided companions. One major findings of this work is that no tangible procedure has been established to value the real worth of peoples' wealth so as to determine actual due or what is close to it.

The common practice is for the zakat payer to pay according to desire which in most cases does represent the corresponding due on the available wealth (Ismail, 2014). If zakat due is 2½% according to the dictate of Islam, then payment should always take cognizance of this provision for proper administration. A significant development in the administration of zakat is the creation of job for many idle and unemployed individuals who



now run personal businesses as a result of zakat empowerment scheme created by various zakat administrators in both Lagos and Ogun States (Mayaleeke, 2014). Apart from this, many students have also enjoyed scholarship grant from zakat while others are still benefitting annual scholarship grants in various higher institutions of learning in the country (Adebayo, 2013).

Some of the challenges facing administration of zakat uncovered through this work include; circumvention of zakat by eligible payers, lack of trust on the path of eligible payers, inadequate knowledge about zakat and inadequate or lack of proper record keeping on the path of some zakat administrators.

## 6 Conclusion

In this paper, it has been established that earlier before the 21<sup>st</sup> century, zakat institution did not gain prominence in terms of collective or organizational administration viz a viz collection and disbursement. With the emergence of non-governmental agencies in this present dispensation, the institution of zakat gradually becomes active and continues to reflect on the life of the poor who are privileged to enjoy the available offer on ground. Although zakat is due on various items such as agricultural produce and livestock, among others, these have not been extensively exploited. The concept of “*amilun*” (workers) who go out to collect zakat as identified by the Glorious Qur’an and practiced during the early days of Islam is significant in relation to the result on the field.

From the foregoing, it could be said that zakat administration in Lagos and Ogun states can improve, if well managed and administered with concerted effort. In follow-up to this optimism, more coordinating organizations should evolve and uphold the responsibility of administering zakat as this will guarantee effective resuscitation of the institution of zakat in the region.

Moreso, administrators of zakat should employ and train field workers who will mobilize for fund and other resources that are zakatable from eligible payers. This will facilitate easy access to more zakat payers and enhance available zakat fund for better performance. Government in the region should emulate their counterparts in the Northern states by creating agencies of government that can perform the function of zakat administration. For example, Ministry of Home Affairs which sees to religious activities in Lagos State can as well create a department under Islamic unit to organize or co-ordinate zakat issues. Potential Zakat that are deposited in the rural areas should also be explored. Livestock and agricultural produce could be available in zakatable quantity in neglected remote areas. Hence, focus should not be restricted to cash or money only.

On a final note, Sensitization programmes should be intensified. Various platforms of enlightening the Muslim community about the institution of zakat should not be abated.

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Interview with Alhaji Ibrahim Mayaleeke on Friday 13<sup>th</sup> June, 2014

Interview with Alhaji Ibrahim Mayaleeke, secretary General, Ar-Rahmah Zakat Foundation, Ogun State at Muslim Girls High School Ijebu-Ode, 08/1/2014, 11:00am

Interview with Dr. Tajudeen Adebayo, The Executive Secretary of the Islamic Forum, Ikoyi 20/7/2014

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See the report of the 9<sup>th</sup> zakat distribution ceremony of zakat and sadaqat foundation held in Lagos on 11<sup>th</sup> January, 2014.

See the report of the 9<sup>th</sup> zakat distribution ceremony of Zakat and Sadaqat Foundation

Some zakat administrators do not have documentation of their activities including financial record. This affect the confidence of prospective zakat payers.

Zakat and Sadaqah foundation is prominent in South-Western States of Lagos, Ogun, Oyo, Osun than any other states for now.

Zakat and sadaqat foundation employs field officers in Lagos and Ogun States who mobilize zakat payers in large number. While Ar-Rahmah zakat foundation in Ogun State does not have such worker (for now) but only rely on zakat payers who deem to pay after their contact. NASFAT is also beginning the process of recruiting zakat workers.

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## Appendix

**Table 1: 2009 zakat distribution table (15.87million)**

Areas of disbursement	Economic empowerment	Education support	Administration zakat	Debt relief	Welfare support	Medical support	Mosque suppose
%	25.73	23.21	10.12	1.70	13.12	24.05	2.07
Total Amount (N)	4,083,000	3,684,481	1,606,478.76	274,000	2,081,900	3,816,500	328,800

Source: [www.zakatandsadaqat.org.ng](http://www.zakatandsadaqat.org.ng)

**Table 2: 2010 zakat distribution table (N21.8million)**

Areas of disbursement	Economic empowerment	Education support	Administration zakat	Debt relief	Welfare support	Medical support	Mosque suppose
%	39.3	10.2	12.4	8.0	10.69	17.3	2.2
Total Amount (N)	8,564,000	2,225,000	2,676,900	1,734,000	2,329,000	3,765,000	490,000

Source: [www.zakatandsadaqat.org.ng](http://www.zakatandsadaqat.org.ng)

**Table 3: 2011 Zakat Distribution table (N30.0) million**

Areas of disbursement	Economic empowerment	Education support	Administration zakat	Debt relief	Welfare support	Medical support	Mosque suppose
%	30	23	20	12	8	4	3
Total Amount (N)	9,006,053	6,901,547	6,001,368	3,600,821	2,400,274	1,200,274	900,205

Source: [www.zakatandsadaqat.org.ng](http://www.zakatandsadaqat.org.ng)

**Table 4: 2012 Zakat Distribution Table (N35.4 million)**

Ares of Disburseme nt	Economics empowerment	Communit y support	Medica l support	Accommodatio n support	Edu. Suppor t	Welfar e suppos e	Admin . Of zakat	Debt relei f	Free captive s	Rever e	In The Way Of Allah
%	23.36	4.26	14.45	5.44	10.18	16.28	11.65	1.98	3.16	0.14	8.85
Total Amount (N)	8.283m	1.510m	5.12m	1.929m	3.609 m	5.766 m	4.131 m	702 k	1.120m	145k	3.138 m

Source: [www.zakatandsadaqat.org.ng](http://www.zakatandsadaqat.org.ng)

**Table 5: 2013 Zakat Disbursement Table**

Ares of Disbursement	Economics empowerment	Community support	Medical support	Accommodation support	Edu. Support	Welfare support	Admin. Of zakat	Debt relief	In the way of Allah
%	39.25	1.12	36.67	7.95	6.65	0.69	3.81	3.36	0.44
Total Amount (N)	25.735m	733.8k	24.042m	5.209m	4.362m	450k	2.500m	2.206m	320k

Source: Report of the 9<sup>th</sup> Zakat and sadaqat foundation distribution

**Table 6: zakat disbursement of Ar-Rahmah Zakat Foundation**

Area of disbursement	Amount
Economic empowerment	N510,000
Education scheme	N210,000
Health scheme	N160,000

**Table 7: Summary of 1431 Collection & Distribution**

	N	N
Opening Balance	85,407	
Cash Collection	3,442,879	
Total		3,528,286
Disbursement		
Education Grants	1,130,000	
Orphanages & Charity Homes	465,000	
Medical Grants	550,000	
Da'wah, Specialized Da'wah & Da'wah workers	730,800	
Widows & Orphans	425,000	
Adminstrative expenses	56,551	
Bank Charges	25,007	
	3,382,358	
Net Balance		145,928

Non-cash collections: received and distributed include the following:		
5 bags of Sugar		
10 packs of Spaghetti		
10 packs of Macaroni		
5 cartons of Noodles		
5 Cartons of Mega packs Noodles		

Source: Islamic forum 2010 end of the year report

**Table 8: SUMMARY OF 1432 COLLECTION & DISTRIBUTION**

	N	N
Opening Balance	145,929	
Collections	33,422,093	
Total		3,568,022
Disbursement		
Education Grants	1,460,000	
Orphanages and Charity Homes	475,000	
Medical Grants	420,000	
Da'wah Activities	685,800	
Widows and Orphans	275,000	
Relief for people in debt	100,000	
Administrative expenses	109,023	
Total Disbursement		3,524,823
Net Balance		43,199

Source: Islamic forum 2011 end of the year report

**Table 9: SUMMARY OF 1433 COLLECTION & DISTRIBUTION**

	N	N
Opening Balance	43,399	
Collections	3,333,264	
Total		3,376,663
Disbursement		
Education Grants	1,480,000	
Orphanages and Charity Homes	500,000	
Medical Grants	350,000	
Da'wah Activities	685,000	
Widows and Orphans	250,000	
Zakat workers and Admin Charges	50,000	
Bank Charges	47,556	
Total Disbursement		3,362,556
Net Balance		14,107

Source: Islamic forum 2012 end of the year report

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