

LAW OF THE REPUBLIC OF INDONESIA  
NUMBER 23 OF 2011  
ON  
ZAKAT MANAGEMENT

BY THE BLESSINGS OF ALMIGHTY GOD

PRESIDENT OF THE REPUBLIC OF INDONESIA,

- Considering:
- a. that the state guarantees the freedom of each citizen to practice their religion and to worship in accordance with their religion and beliefs;
  - b. that the payment of zakat is an obligation for Muslims who are capable in accordance with Islamic law principles;
  - c. that zakat is a religious institution aimed at promoting justice and public welfare;
  - d. that to enhance efficiency and effectiveness, zakat must be managed institutionally in accordance with Islamic Law;
  - e. that Law Number 38 of 1999 on Zakat Management is no longer sufficient to meet the legal needs of society so that it is necessary to be replaced;
  - f. that based on the considerations as referred to in point a, point b, point c, point d, and point e, it is necessary to enact a Law on Zakat Management;

Observing: Article 20, Article 21, Article 29, and Article 34 section (1) of the 1945 Constitution of the Republic of Indonesia;

With the Joint Approval of  
THE HOUSE OF REPRESENTATIVES OF THE REPUBLIC OF INDONESIA  
and  
THE PRESIDENT OF THE REPUBLIC OF INDONESIA

HAS DECIDED:

To enact: LAW ON ZAKAT MANAGEMENT.

CHAPTER I  
GENERAL PROVISIONS

Article 1

In this Law:

1. Zakat Management means the activities of planning, implementing, and coordinating the collection, distribution, and utilization of zakat.
2. Zakat means wealth that are required to be paid by a Muslim individual or business entity to be given to those entitled to receive it in accordance with Islamic law.
3. *Infak* means wealth given by an individual or business entity, outside of zakat, for the benefit of the public.
4. *Sedekah* means wealth or non-wealth given by an individual or business entity, outside of zakat, for the benefit of the public.
5. *Muzaki* means a Muslim individual or business entity obligated to pay zakat.
6. *Mustahik* means individuals entitled to receive zakat.
7. National Board of Zakat (Badan Amil Zakat Nasional), hereinafter referred to as BAZNAS, means an institution responsible for managing zakat at the national level.
8. Amil Zakat Institution (Lembaga Amil Zakat), hereinafter abbreviated to LAZ, means a community-established institution has duty to assist the collection, distribution, and utilization of zakat.
9. Zakat Collection Unit (*Unit Pengumpul Zakat*), hereinafter abbreviated to UPZ, means an organizational unit established by BAZNAS to assist in zakat collection.

10. Any Person means an individual or legal entity.
11. Amil Right means a specific portion of zakat that may be used for operational costs in zakat management in accordance with Islamic law.
12. Minister means a minister administering government affairs in the field of religion.

## Article 2

The zakat management is based on principles of:

- a. Islamic law;
- b. trustworthiness;
- c. benefit;
- d. justice;
- e. legal certainty;
- f. integration; and
- g. accountability.

## Article 3

The objectives of zakat management are:

- a. to improve the effectiveness and efficiency of services in zakat management; and
- b. to enhance the benefits of zakat to achieve social welfare and poverty alleviation.

## Article 4

- (1) Zakat includes zakat *mal* and zakat *fitrah*.
- (2) Zakat mal as referred to in section (1) includes:
  - a. gold, silver, and other precious metals;
  - b. money and other securities;
  - c. trade;
  - d. agriculture, plantations, and forestry;
  - e. livestock and fisheries;
  - f. mining;
  - g. industry;
  - h. income and services; and
  - i. *rikaz*.

- (3) The *zakat mal* as referred to in section (2) constitutes wealth owned by *muzaki* of individual or business entity.
- (4) The conditions and procedures for calculating *zakat mal* and *zakat fitrah* are carried out in accordance with Islamic law.
- (5) Further provisions regarding the requirements and procedures for calculating *zakat mal* and *zakat fitrah* as referred to in section (4) are regulated by a Ministerial Regulation.

## CHAPTER II

### NATIONAL BOARD OF ZAKAT

#### Part One

#### General

#### Article 5

- (1) To carry out *zakat* management, the Government establishes BAZNAS.
- (2) The BAZNAS as referred to in section (1) is based in the capital city of the country.
- (3) The BAZNAS as referred to in section (1) is an independent, non-structural government institution that is accountable to the President through the Minister.

#### Article 6

BAZNAS is the institution authorized to carry out the duties of *zakat* management at the national level.

#### Article 7

- (1) In carrying out the duties as referred to in Article 6, BAZNAS performs the following functions:
  - a. planning for the collection, distribution, and utilization of *zakat*;
  - b. implementing the collection, distribution, and utilization of *zakat*;
  - c. controlling the collection, distribution, and utilization of *zakat*; and

- d. reporting and accountability for the implementation of zakat management.
- (2) In carrying out its duties and functions, BAZNAS may cooperate with relevant parties in accordance with the provisions of legislation.
- (3) BAZNAS submits a written report on the implementation of its duties to the President through the Minister and to the House of Representatives of the Republic of Indonesia at least 1 (one) time in 1 (one) year.

## Part Two Membership

### Article 8

- (1) BAZNAS consists of 11 (eleven) members.
- (2) The membership of BAZNAS as referred to in section (1), comprises 8 (eight) members from the element of community and 3 (three) members from the element of government.
- (3) The community members as referred to in section (2) consist of representatives from ulama, professionals, and Islamic community figures.
- (4) The element of government as referred to in section (2) are appointed from ministries/institutions related to zakat management.
- (5) BAZNAS is led by a chairperson and a vice chairperson.

### Article 9

The term of office for BAZNAS members is 5 (five) years and may be re-elected for 1 (one) term of office.

### Article 10

- (1) BAZNAS members are appointed and dismissed by the President upon the recommendation of the Minister.
- (2) BAZNAS members from the element of community are appointed by the President upon the recommendation of the Minister after consultation with the House of Representatives of the Republic of Indonesia.

- (3) The chairperson and vice chairperson of BAZNAS are voted by the members.

#### Article 11

The requirements to be appointed as BAZNAS member as referred to in Article 10 at least must include:

- a. being an Indonesian national;
- b. Muslim;
- c. being devout to Allah SWT;
- d. having good moral character;
- e. being at least 40 (forty) years old;
- f. being physically and mentally healthy;
- g. not being a member of a political party;
- h. having competence in zakat management; and
- i. never having been convicted of a criminal offense punishable by a minimum imprisonment of 5 (five) years.

#### Article 12

BAZNAS members are dismissed if:

- a. they passed away;
- b. their term of offices expire;
- c. they resign;
- d. they are unable to perform their duties for 3 (three) consecutive months; or
- e. they no longer meet the qualifications to serve as a member.

#### Article 13

Further provisions regarding the procedures for the appointment and dismissal of BAZNAS members as referred to in Article 10 are regulated in a Government Regulation.

#### Article 14

- (1) In performing its duties, BAZNAS is assisted by a secretariat.
- (2) Further provisions regarding the organization and work procedures of the BAZNAS secretariat as referred to in section (1) are regulated in a Government Regulation.

### Part Three

#### Provincial BAZNAS and Regency/Municipal BAZNAS

##### Article 15

- (1) For the purpose of managing zakat at the provincial and regency/municipal levels, provincial BAZNAS and regency/municipal BAZNAS are established.
- (2) Provincial BAZNAS is established by the Minister upon the recommendation of the governor after obtain consideration from BAZNAS.
- (3) Regency/municipal BAZNAS is established by the Minister or an appointed official upon the recommendation of the regent/mayor after obtain consideration from BAZNAS.
- (4) In the event that the governor or regent/mayor does not propose the establishment of provincial BAZNAS or regency/municipal BAZNAS, the Minister or an appointed official may establish provincial BAZNAS or regency/municipal BAZNAS after obtain consideration from BAZNAS.
- (5) Provincial BAZNAS and regency/municipal BAZNAS perform the duties and functions of BAZNAS within their respective provinces or regencies/ municipalities.

##### Article 16

- (1) In carrying out their duties and functions, BAZNAS, provincial BAZNAS, and regency/municipal BAZNAS may establish UPZ within government institutions, state-owned enterprises, local-owned enterprises, private companies, and Indonesian missions, as well as at the sub-district, village (or equivalent), and other locations.
- (2) Further provisions regarding the organization and working procedures of provincial BAZNAS and regency/municipal BAZNAS are regulated in a Government Regulation.

Part Four  
Amil Zakat Institution

Article 17

To assist BAZNAS in the collection, distribution, and utilization of zakat, the community may establish a LAZ.

Article 18

- (1) The establishment of a LAZ is required to obtain a license from the Minister or an official appointed by the Minister.
- (2) The license as referred to in section (1) will only be granted if meeting requirements at least:
  - a. registered as an Islamic community organization managing education, da'wah, and social activities;
  - b. established as a legal entity;
  - c. obtains a recommendation from BAZNAS;
  - d. has sharia supervisors;
  - e. possesses technical, administrative, and financial capabilities to carry out its activities;
  - f. operates as a non-profit entity;
  - g. has programs to utilize zakat for the welfare of Muslims; and
  - h. agrees to sharia and financial audits periodically.

Article 19

LAZ is obligated to submit reports on the audited collection, distribution, and utilization of zakat to BAZNAS periodically.

Article 20

Further provisions regarding organizational requirements, licensing mechanisms, establishment of representatives, reporting, and accountability of LAZ are regulated in a Government Regulation.

CHAPTER III  
COLLECTION, DISTRIBUTION, UTILIZATION, AND  
REPORTING

Part One  
Collection

Article 21

- (1) In collecting zakat, *muzaki* calculates her/his zakat obligations independently.
- (2) In the event of unable to calculate the zakat obligations independently, *muzaki* may request assistance from BAZNAS.

Article 22

Zakat paid by *muzaki* to BAZNAS or LAZ is deducted from taxable income.

Article 23

- (1) BAZNAS or LAZ is obligated to issue a zakat payment receipt to each *muzaki*.
- (2) The zakat payment receipt as referred to in section (1) serves as a deduction from taxable income.

Article 24

The scope of zakat collection authority by BAZNAS, provincial BAZNAS, and regency/municipal BAZNAS is regulated in a Government Regulation.

Part Two  
Distribution

Article 25

Zakat is required to be distributed to *mustahik* in accordance with Islamic law.

Article 26

The distribution of zakat as referred to in Article 25 is conducted based on priority scales by taking into account the principles of equity, justice, and regional balance.

Part Three  
Utilization

Article 27

- (1) Zakat may be utilized for productive endeavours to address poverty and improve the quality of Muslims.
- (2) The utilization of zakat for productive endeavours as referred to in section (1) may be implemented if the basic needs of *mustahik* have been fulfilled.
- (3) Further provisions regarding the utilization of zakat for productive endeavours as referred to in section (1) are regulated by a Ministerial Regulation.

Part Four  
Management of *Infak*, *Sedekah*, and Other Religious Social  
Funds

Article 28

- (1) In addition to receiving zakat, BAZNAS or LAZ may also receive *infak*, *sedekah*, and other religious social funds.
- (2) The distribution and utilization of *infak*, *sedekah*, and other religious social funds as referred to in section (1) is carried out in accordance with Islamic law and the purpose declared by the donor.
- (3) The management of *infak*, *sedekah*, and other religious social funds must be recorded in separate accounting records.

Part Five  
Reporting

Article 29

- (1) Regency/municipal BAZNAS is obligated to submit periodic reports on the management of zakat, *infak*, *sedekah*, and other religious social funds to the provincial BAZNAS and local government.

- (2) Provincial BAZNAS is obligated to submit periodic reports on the management of *zakat*, *infak*, *sedekah*, and other religious social funds to BAZNAS and local government.
- (3) LAZ is obligated to submit report on the management of *zakat*, *infak*, *sedekah*, and other religious social funds to BAZNAS and local government periodically.
- (4) BAZNAS is obligated to submit periodic report on the management of *zakat*, *infak*, *sedekah*, and other religious social funds to the Minister periodically.
- (5) BAZNAS publishes its annual financial statements through print or electronic media.
- (6) Further provisions regarding the reporting of regency/municipal BAZNAS, provincial BAZNAS, LAZ, and BAZNAS are regulated in a Government Regulation.

#### CHAPTER IV FINANCING

##### Article 30

To carry out its duties, BAZNAS is financed by the State Budget and Amil Right.

##### Article 31

- (1) In carrying out their duties, provincial BAZNAS and regency/municipal BAZNAS as referred to in Article 16 section (1) are financed by the Local Budget and Amil Right.
- (2) In addition to the financing as referred to in section (1), provincial BAZNAS and regency/municipal BAZNAS may also be financed by the State Budget.

##### Article 32

LAZ may use Amil Right to finance operational activities.

##### Article 33

- (1) The financing of BAZNAS and the use of Amil Right as referred to in Article 30, Article 31 section (1), and Article 32 are further regulated in a Government Regulation.

- (2) The reporting as referred to in Article 7 section (3) and the financing as referred to in Article 30 and Article 31 comply with the provisions of legislation.

## CHAPTER V GUIDANCE AND SUPERVISION

### Article 34

- (1) The Minister carries out guidance and supervision over BAZNAS, provincial BAZNAS, regency/municipal BAZNAS, and LAZ.
- (2) Governors and regents/mayors carry out guidance and supervision over provincial BAZNAS, regency/municipal BAZNAS, and LAZ in accordance with their respective authority.
- (3) The guidance as referred to in section (1) and section (2) includes facilitation, dissemination, and education.

## CHAPTER VI COMMUNITY PARTICIPATION

### Article 35

- (1) The community may participate in the guidance and supervision of BAZNAS and LAZ.
- (2) The guidance as referred to in section (1) is carried out to:
  - a. increase community awareness to pay zakat through BAZNAS and LAZ; and
  - b. provide suggestions for improving the performance of BAZNAS and LAZ.
- (3) The supervision as referred to in section (1) is carried out in the forms of:
  - a. access to information on zakat management conducted by BAZNAS and LAZ; and
  - b. reporting of any irregularities in zakat management conducted by BAZNAS and LAZ.

## CHAPTER VII ADMINISTRATIVE SANCTIONS

### Article 36

- (1) Violations of the provisions as referred to in Article 19, Article 23 section (1), Article 28 section (2) and section (3), and Article 29 section (3) are subject to administrative sanctions in the forms of:
  - a. written warning;
  - b. temporary suspension of activities; and/or
  - c. revocation of the license.
- (2) Further provisions regarding administrative sanctions as referred to in section (1) are regulated in a Government Regulation.

## CHAPTER VIII PROHIBITIONS

### Article 37

Any person is prohibited from committing actions of possessing, pledging, donating, selling, and/or transferring zakat, *infak*, *sedekah*, and/or other religious social funds under their management.

### Article 38

Any person is prohibited from acting as an amil zakat by collecting, distributing, or utilizing zakat without license from the competent official.

## CHAPTER IX CRIMINAL PROVISIONS

### Article 39

Any person who intentionally and unlawfully fails to distribute zakat in accordance with the provisions of Article 25 is sentenced to imprisonment for a maximum of 5 (five) years and/or a for a maximum of Rp500,000,000.00 (five hundred million rupiah).

#### Article 40

Any person who intentionally and unlawfully violates the provisions of Article 37 is sentenced to imprisonment for a maximum of 5 (five) years and/or a fine for a maximum of Rp500,000,000.00 (five hundred million rupiah).

#### Article 41

Any person who intentionally and unlawfully violates the provisions of Article 38 is sentenced to imprisonment for a maximum of 1 (one) year and/or a fine for a maximum of Rp50,000,000.00 (fifty million rupiah).

#### Article 42

- (1) The criminal acts as referred to in Article 39 and Article 40 constitute felonies.
- (2) The criminal act as referred to in Article 41 constitutes a misdemeanour.

### CHAPTER X

#### TRANSITIONAL PROVISION

#### Article 43

- (1) The National Board of Zakat that existed before this Law comes into force continues to perform its duties and functions as BAZNAS under this Law until a new BAZNAS is established in accordance with this Law.
- (2) The Provincial Board of Zakat and regency/municipal Board of Zakat that existed before this Law comes into force continue to perform their duties and functions as provincial BAZNAS and regency/municipal BAZNAS until new management is formed under this Law.
- (3) LAZ that has been legalized by the Minister before this Law comes into force is recognized as LAZ under this Law.
- (4) The LAZ as referred to in section (3) is obligated to comply with the provisions of this Law not later than 5 (five) years as of the date of the promulgation of this Law.

## CHAPTER XI CLOSING PROVISIONS

### Article 44

At the time this Law comes into force, all Legislation related to Zakat Management and implementing regulations of Law Number 38 of 1999 on Zakat Management (State Gazette of the Republic of Indonesia of 1999 Number 164; Supplement to the State Gazette of the Republic of Indonesia Number 3885) remain in effect as long as they do not conflict with the provisions of this Law.

### Article 45

At the time this Law comes into force, Law Number 38 of 1999 on Zakat Management (State Gazette of the Republic of Indonesia of 1999 Number 164; Supplement to the State Gazette of the Republic of Indonesia Number 3885) is repealed and declared ineffective.

### Article 46

The implementing regulations of this Law must be issued no later than 1 (one) year as of the date of the promulgation of this Law.

### Article 47

This Law comes into force on the date of its promulgation.

In order that every person may know hereof, it is ordered to promulgate this Law by its placement in the State Gazette of the Republic of Indonesia.

Enacted in Jakarta  
on 25 November 2011

PRESIDENT OF THE REPUBLIC OF  
INDONESIA,

signed

DR. H. SUSILO BAMBANG  
YUDHOYONO

Promulgated in Jakarta  
on 25 November 2011

MINISTER OF LAW AND HUMAN RIGHTS  
OF THE REPUBLIC OF INDONESIA,

signed

AMIR SYAMSUDIN  
STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2011 NUMBER 115

Jakarta, 10 March 2025

Has been translated as an Official Translation  
on behalf of the Minister of Law  
of the Republic of Indonesia

DIRECTOR GENERAL OF LEGISLATION,



DHAHANA PUTRA

ELUCIDATION OF  
LAW OF THE REPUBLIC OF INDONESIA  
NUMBER 23 OF 2011

ON

ZAKAT MANAGEMENT

I. GENERAL

The state guarantees the freedom of each citizen to embrace their own religion and to worship according to their religion and belief. The payment of zakat is an obligation for Muslims who are able to do so in accordance with Islamic law. Zakat is a religious institution aimed at promoting justice, community welfare, and poverty alleviation.

To enhance the efficiency and effectiveness of zakat, its management must be institutionalized in accordance with Islamic law, and must adhere to the principles of trustworthiness, benefit, justice, legal certainty, integration, and accountability to improve the effectiveness and efficiency of services in zakat management.

Thus far, the zakat management under Law Number 38 of 1999 on Zakat Management is deemed no longer adequate to meet the evolving legal needs of society, so it is necessary to be replaced. The zakat management addressed in this Law includes activities such as planning, collection, distribution, and utilization.

To achieve the objectives of zakat management, the National Board of Zakat (BAZNAS) is established, headquartered in the national capital, with provincial and regency/municipal BAZNAS offices. BAZNAS is an independent, non-structural government institution accountable to the President through the Minister. BAZNAS is the

authorized institution to carry out zakat management duties at the national level.

To assist BAZNAS in the collection, distribution, and utilization of zakat, the community may establish Amil Zakat Institution (LAZ). The establishment of LAZ is required to obtain license from the Minister or an official appointed by the Minister. LAZ is required to submit periodic reports to BAZNAS on the implementation of zakat collection, distribution, and utilization, which have been audited for compliance with sharia and financial standards.

Zakat is required to be distributed to *mustahik* in accordance with Islamic law. Distribution is carried out based on priority scales, taking into account the principles of equity, justice, and regional balance. Zakat may also be utilized for productive activities to address poverty and improve the quality of Muslims, provided that the basic needs of the *mustahik* have already been fulfilled.

In addition to receiving zakat, BAZNAS or LAZ may also receive *infak*, *sedekah*, and other religious social funds. The distribution and utilization of *infak*, *sedekah*, and other religious social funds is carried out in accordance with Islamic law and the purposes declared by the donors, and these activities must be recorded in separate accounting records.

To carry out its duties, BAZNAS is financed by the State Budget and Amil Right. Meanwhile, provincial BAZNAS and regency/municipal BAZNAS are financed by the Local Budget and Amil Right, and they may also receive financing from the State Budget.

## II. ARTICLE BY ARTICLE

### Article 1

Sufficiently clear.

### Article 2

#### Point a

Sufficiently clear.

#### Point b

The term of principle of “trustworthiness” means zakat management is reliable and trusted.

Point c

The term of principle of “benefit” means zakat management being conducted to provide the greatest possible benefit for the *mustahik*.

Point d

The term of principle of “justice” means zakat management being carried out fairly in its distribution.

Point e

The term of principle of “legal certainty” means guaranteeing legal assurance for *mustahik* and *muzaki* in zakat management.

Point f

The term of principle of “integration” means zakat management being conducted hierarchically to improve the collection, distribution, and utilization of zakat.

Point g

The term of principle of “accountability” means zakat management is transparent, accountable, and accessible to the public.

Article 3

Sufficiently clear.

Article 4

Section (1)

Sufficiently clear.

Section (2)

Point a

Sufficiently clear.

Point b

Sufficiently clear.

Point c

Sufficiently clear.

Point d

Sufficiently clear.

Point e

Sufficiently clear.

Point f

Sufficiently clear.

Point g

Sufficiently clear.

Point h

Sufficiently clear.

Point i

The term “rikaz” means treasure or valuable items found buried or hidden.

Section (3)

The term “business entity” means Muslim-owned entities, including unincorporated entities such as firms, and incorporated entities such as limited liability companies.

Section (4)

Sufficiently clear.

Section (5)

Sufficiently clear.

Article 5

Sufficiently clear.

Article 6

Sufficiently clear.

Article 7

Section (1)

Sufficiently clear.

Section (2)

The term “relevant parties” includes ministries, State-Owned Enterprises (SOEs), or foreign institutions.

Section (3)

Sufficiently clear.

Article 8

Sufficiently clear.

Article 9

Sufficiently clear.

Article 10

Sufficiently clear.

Article 11

Sufficiently clear.

Article 12

Sufficiently clear.

Article 13

Sufficiently clear.

Article 14

Sufficiently clear.

Article 15

Section (1)

In Aceh Province, provincial BAZNAS or regency/municipal BAZNAS may use the term *baitul mal*.

Section (2)

Sufficiently clear.

Section (3)

Sufficiently clear.

Section (4)

Sufficiently clear.

Section (5)

Sufficiently clear.

Article 16

Section (1)

The term “other locations” includes mosques and Islamic study assemblies (*majelis taklim*).

Section (2)

Sufficiently clear.

Article 17

Sufficiently clear.

Article 18

Sufficiently clear.

Article 19

Sufficiently clear.

Article 20

Sufficiently clear.

Article 21

Sufficiently clear.

Article 22

Sufficiently clear.

Article 23

Sufficiently clear.

Article 24

Sufficiently clear.

Article 25

Sufficiently clear.

Article 26

Sufficiently clear.

Article 27

Section (1)

The term “productive endeavours” means business that is able to increase people’s income, living standard, and welfare.

The term “quality of the community” means the development of human resources.

Section (2)

Basic needs of *mustahik* cover food, clothing, shelter, education, and health.

Section (3)

Sufficiently clear.

Article 28

Sufficiently clear.

Article 29

Sufficiently clear.

Article 30

Sufficiently clear.

Article 31

Sufficiently clear.

Article 32

Sufficiently clear.

Article 33

Sufficiently clear.

Article 34

Sufficiently clear.

Article 35

Sufficiently clear.

Article 36

Sufficiently clear.

Article 37

Sufficiently clear.

Article 38

Sufficiently clear.

Article 39

Sufficiently clear.

Article 40

Sufficiently clear.

Article 41

Sufficiently clear.

Article 42

Sufficiently clear.

Article 43

Sufficiently clear.

Article 44

Sufficiently clear.

Article 45

Sufficiently clear.

Article 46

Sufficiently clear.

Article 47

Sufficiently clear.

SUPPLEMENT TO THE STATE GAZETTE OF THE REPUBLIC OF  
INDONESIA NUMBER 5255