*Tabel 1*

**Content Aspects of Law No.23 Year 2011, Law No.36 Year 2008, and HPP Law Year 2021**

|  |  |  |  |
| --- | --- | --- | --- |
| **Aspect** | **Law No. 23 Year 2011** | **Law No. 36 Year 2008** | **HPP Law Year 2021** |
| Phylosophy | 1. Zakat is a religious obligation for Muslims to purify their wealth and soul and to get closer to Allah. 2. As an instrument for economy equality and poverty alleviation according to Pancasila values. | 1. Zakat Tax is compulsory for citizen based on the principle of justice and balance in tax burden. 2. Zakat admission as tax deduction reflects respect for religion diversity. | 1. Actualize more equitable, transparent and simpler tax system according to social justice. 2. Integrate zakat obligation with national taxation system for collective interest. |
| Sociology | 1. Regulates zakat management in order to be more transparent to prevent zakat fund manipulation. 2. Support the needy (dhuafa) empowerment trough efficient zakat distribution. | 1. Decrease tax burden for Muslims who has paid zakat to increase purchasing power and welfare. 2. Motivate community to distribute zakat trough legal institution. | 1. Simplify tax regulation to increase community compulsory. 2. Ensure zakat and tax fund is managed for effective and inclusive development. |
| Juridical | 1. Based on Article 29 of the 1945 Constitution about the guarantees freedom of religion and worship for all citizens. 2. Has a clear legal basis in the regulation of zakat collection, management, and distribution nationally. | 1. Article 4 Act (3) letter a.1 PPh Law provides legal basis which stated that zakat which is distributed trough legal institution can be considered as tax deduction. 2. Zakat payment receipt is an important element in annual tax report. | 1. Based on Article 23 A of the 1945 Constitution about compulsory tax and other levy. 2. Provide stronger legal protection for data integration between zakat management and national taxation system. |

*Source: Analysis Law No.23 Year 2011, Law No.36 Year 2008, and HPP Law Year 2021.*

**Table 2**.

**Summary of Data Collection Survey**

|  |  |  |  |
| --- | --- | --- | --- |
| **Subdistrict** | **Numbers of Respondents (People)** | **Understanding Zakat Facility (%)** | **Not Understanding Zakat Facility (%)** |
| Pakis | 45 | 30 | 70 |
| Wagir | 43 | 20 | 80 |
| Dampit | 45 | 25 | 75 |
| Jumlah | 133 | 100 | 100 |

*Source: processed from survey with religiosity, law understanding, law awareness and community perception towards zakat facility as tax deduction questionnaires.*

**Table 3**.

**Illustration of Tax Payers’ Perceptual Comparison about Zakat as Tax Deduction on Article 21 Tax Payer X, Tax Payer Y and Tax Payer Z according to Effective Tax Rate (TER) system (UU HPP 7/2021)**

|  |  |  |  |
| --- | --- | --- | --- |
| Description | Perception 1  (Tax Payer 1) | Perception 2  (Tax Payer 2) | Perception 3  (Tax Payer 3) |
| Utilizing Zakat as Tax Deduction | Does not Utilize Zakat as Tax Deduction | Does not Know the Calculation Mechanism of Zakat as Tax Deduction |
| Annual Gross Income | Rp. 180,000,000 | Rp. 180,000,000 | Rp. 180,000,000 |
| Annual BPJS | (-) Rp. 3,000,000 | (-) Rp. 3,000,000 | (-) Rp. 3,000,000 |
| Annual Insurance | (-) Rp. 2,500,000 | (-) Rp. 2,500,000 | (-) Rp. 2,500,000 |
| Zakat Payment  2.5% x Rp. 180,000,000 | (-) Rp. 4,500,000 | - | - |
| Net Income After Zakat (Taxable Income) | Rp. 170,000,000 | Rp. 174,500,000 | Rp. 174,500,000 |
| Non Taxable Income (PTKP) – (K-1) | (-) Rp. 63,000,000 | (-) Rp. 63,000,000 | (-) Rp. 63,000,000 |
| Taxable Income (Phkp) | Rp. 107,000,000 | Rp. 111,500,000 | Rp. 111,500,000 |
| Progressive Tax Rates PPh 21  5% x Rp. 60,000,000 | Rp. 3,000,000 | Rp. 3,000,000 | Rp. 3,000,000 |
| Progressive Tax Rates PPh 21  15% x (Phkp – Progressive Rates 5%) | Rp. 7,950,000 | Rp. 8,625,000 | Rp. 8,625,000 |
| PPh 21 Owed Per Year | Rp. 10,950,000 | Rp. 11,625,000 | Rp. 11,625,000 |
| Zakat Payment  2.5% x Rp. 180,000,000 | - | - | (-) Rp. 4,500,000 |
| PPh 21 – Zakat Payment | Rp. 10,950,000 | Rp. 11,625,000 | Rp. 7,125,000 |

*Source: processed from interview about tax payers’ perspective towards the practice of utilizing zakat as tax deduction.*