

The Influence of Macroeconomic Factors on Economic Growth on Indonesia's Receipt and Distribution of ZIS Funding

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ABSTRACT

Indonesia has significant potential for distributing zakat, which can effectively address issues such as poverty and inequality in the nation. The ratio of ZIS funds received and disbursed by BAZNAS RI serves as the dependent variable in this analysis, which utilizes secondary data from January 2017 to December 2021, illustrating the quantitative approach employed in this investigation. Macroeconomic variables that affect economic growth, such as GDP, interest rates, inflation, poverty, and total money in circulation (JUB), are the independent variables. This study utilized multiple linear regression analysis with the Least Squares (LS) methodology. The classical assumption test consists of many linear regression tests such as Multicollinearity, Autocorrelation, Heteroscedasticity, Normality, and Linearity. The amount of Money in Circulation (JUB) that decreases the poverty rate, and the effect of decreasing the unemployment rate in Indonesia are the findings of the study that will affect the feasibility of channeling ZIS funds in Indonesia. Therefore, it can be concluded that changes in the quantity of GDP, interest rates, and inflation will not affect the receipt or distribution of ZIS funds in Indonesia.

Keywords: ZIS Funds, Receipt and Distribution of ZIS Funds, Economic Growth, Macroeconomics, Poverty

ABSTRAK

Indonesia memiliki potensi besar dalam pendistribusian zakat yang dapat membantu mengatasi permasalahan seperti kemiskinan dan kesenjangan di negara ini. Rasio dana ZIS yang diterima dan disalurkan oleh BAZNAS RI menjadi variabel dependen dalam analisis ini dengan menggunakan data sekunder untuk bulan Januari 2017 hingga Desember 2021. Pendekatan kuantitatif digunakan dalam penelitian ini dengan variabel-variabel makroekonomi yang mempengaruhi pertumbuhan ekonomi seperti PDB, suku bunga, inflasi, kemiskinan, dan jumlah uang beredar (JUB) merupakan variabel independen. Metode analisis yang digunakan dalam penelitian ini adalah analisis regresi linier berganda dengan menggunakan metode Least Squares (LS). Uji asumsi klasik terdiri dari banyak uji regresi linier seperti Multikolinearitas, Autokorelasi, Heteroskedastisitas, Normalitas, dan Linieritas. Jumlah Uang Beredar (JUB) yang menurunkan tingkat kemiskinan, dan pengaruh penurunan tingkat pengangguran di Indonesia merupakan hasil temuan penelitian yang akan mempengaruhi kelayakan penyaluran dana ZIS di Indonesia. Oleh karena itu, dapat disimpulkan bahwa perubahan kuantitas PDB, suku bunga, dan inflasi tidak akan mempengaruhi penerimaan atau penyaluran dana ZIS di Indonesia.

Kata Kunci : Dana ZIS, Penerimaan dan Penyaluran Dana ZIS, Pertumbuhan Ekonomi, Ekonomi Makro, Kemiskinan

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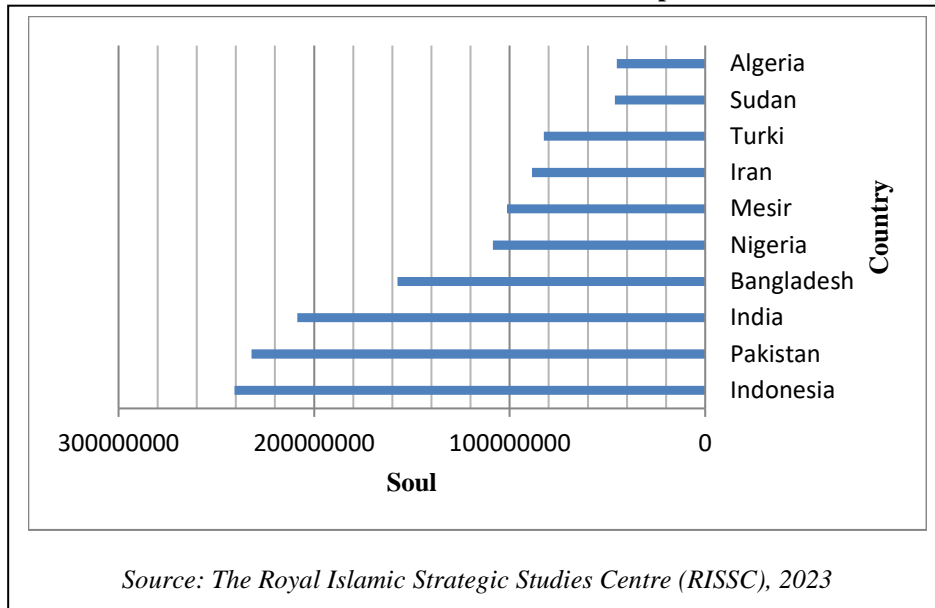
INTRODUCTION

The process of economic growth entails constant change and has certain basic components, including an effort to raise per capita income, the need for this increase to last over time, and the development of institutional systems across all domains (e.g. economic, political, legal, social, and cultural) (Mawardi et al., 2023). When per-capital income rises over a comparatively long period of time, economic development can result. One way to gauge the effectiveness of economic growth is through economic development itself (Purwanti, 2020). A nation's ability to experience economic growth and development is influenced by a number of variables, including macroeconomic indices like inflation, interest rates, and poverty (Ridwan et al., 2019). Economic development serves as one metric for assessing poverty levels.

Furthermore, a common requirement for effective economic development is economic growth. If economic growth is accelerating, a nation is considered to be in a favorable economic situation, and vice versa (Armina & A'yun, 2019). Economic development in Islamic economics may be influenced by variables including shadaqah, infaq, and the distribution of zakat monies (Widiastuti et al., 2018). These funds are a component of the Islamic economic system, which functions as a tool for income redistribution, lessens social inequalities, and enhances the welfare of individuals (Mawardi et al., 2023). In order to combat inequality brought about by unequal income distribution, Islam mandates the payment of zakat. These phenomena indicates that Indonesia has a great potential for zakat distribution of wealth, indicating that issues like poverty and inequality in this nation are likely to be adequately handled. In Islamic fiscal policy, zakat is a tool for raising state money for the purpose of advancing public welfare.

Indonesia is the nation with the highest Muslim population worldwide, according to the research by The Royal Islamic Strategic Studies Centre (RISSC) published *The Muslim 500: The World's 500 Most Influential Muslims 2024*. Indonesia's Muslim population reached 240.62 million in 2023, according to RISSC. This figure represents 86.7% of the 277.53 million individuals that make up the nation's population. One possible source of empowerment for Zakat, Infaq, and Shadaqah in Indonesia is the Muslim majority.

Figure 1
10 Countries with the World's Most Muslim Population 2023

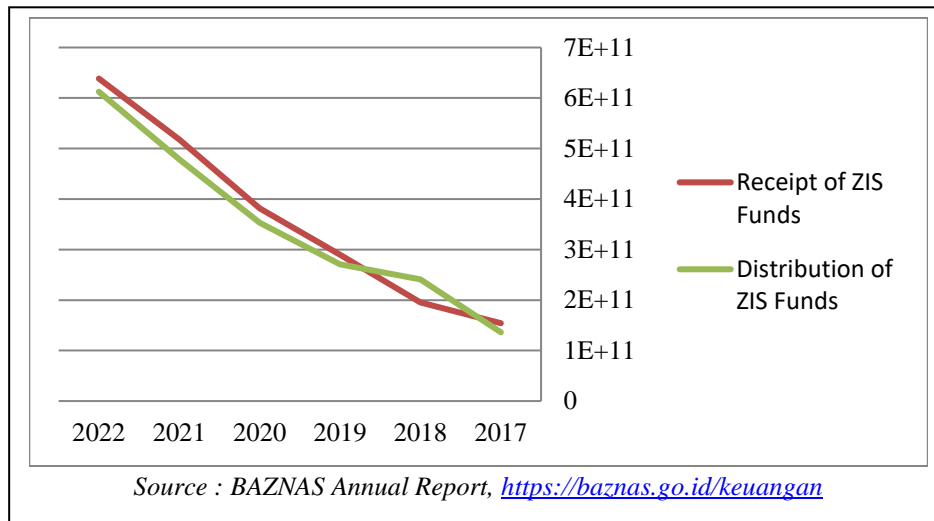


Due to the huge Muslim population dispersed throughout Indonesia, the National Amil Zakat Agency, or BAZNAS as we call it, was established as an Amil Zakat Institution to oversee the management and distribution of Zakat, Infaq, and Shadaqah at the national level. Based on the BAZNAS Republic of Indonesia (BAZNAS RI) Strategic Plan for 2020–2025, it is estimated that the total potential for zakat in Indonesia is 4,372,900,000. Given the vast number of religious people in Indonesia, this possibility naturally presents a chance to lower the country's poverty rate. Poverty in Indonesia, considering the country's sizable Muslim populace and substantial zakat potential is rather expensive.

If one's assets meet the prescribed nishab and haul, they are obligated to do the zakat. Furthermore, an additional tool known as the infaq exists. The voluntary aspect of infaq sets it apart from zakat. The word "infaq" is derived from "anfaqa," which signifies allocating money for a certain objective (Qoyyim & Widuhung, 2020). Consequently, it may be said that charity is a more general concept that encompasses voluntary contributions made in any form, but infaq is defined as generosity in the form of property (Murobbi & Usman, 2021). Among the goals of Zakat, Infaq, and Shadaqah (ZIS) is to realize the welfare of the ummah and, via the execution of ZIS distribution, to equalize the economic circumstances of the community, including the issue of poverty (Athoillah, 2014). One can provide either productive or consumptive zakat to

those in need while distributing zakat.

Figure 2
Total Revenue and Distribution of ZIS Funds in 2017-2022

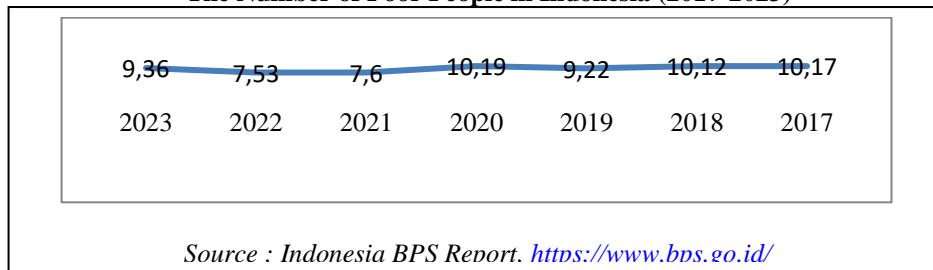


Indonesia's Zakat Infaq and Sedekah (ZIS) fund distribution and total income have been rising annually, according to the National Amil Zakat Agency's (BAZNAS RI) annual financial report. Zakat, infaq, sadaqah, and other religious social funds were collected by the National Amil Zakat Agency (BAZNAS) in 2022 for a total of IDR 21.3 trillion, an increase of 52.14% over 2021's IDR 14 trillion in collected monies. A combination of BAZNAS RI, provincial / regency / city BAZNAS, LAZ at the national, province, and regency / city levels, as well as records of zakat management by mosques and communities up to quarter 3, or January to September 2022, have led to this accomplishment. In the meantime, BAZNAS RI has gathered Rp610,134,384,057 in religious social funds, including zakat, infaq, and shadaqah, at the central level between January 2022 and December 23, 2022. By the end of 2022, it is expected that this sum would have increased to IDR 630 billion. The BAZNAS RI distribution for 2022 addresses five primary areas: dakwah (76,391 beneficiaries), economic (19,335 beneficiaries), humanitarian social services (1,602,898 beneficiaries), health (371,500 beneficiaries), and education (45,814 beneficiaries).

In developing countries such as Indonesia and other parts of the world, poverty is a perennial and complex problem (Athoillah, 2014). When a person is unable to fulfil their family's needs of clothing, shelter and food, then they are said to be poor (Ashfahany et al., 2023). In a country that is rebuilding itself from all the problems,

poverty is one of the biggest challenges and one that is considered. Many factors contribute to poverty, including high unemployment, uneven community development and distribution, a tendency toward low levels of education, the rate of population growth that is not proportionate to economic growth, and the occurrence of natural disasters that paralyze economic activity in a region (Murobbi & Usman, 2021). Furthermore, a great deal of people continue to go without food and drink, to lack access to a decent place to live, to experience premature layoffs (PHK) as workers, and to suffer from widespread socioeconomic injustices like multiple people engaging in corrupt practices (Choiriyah et al., 2020). The following is data on the poverty rate of the population in Indonesia in 2017 - 2023 with coverage of all poor people in Indonesia.

Figure 3
The Number of Poor People in Indonesia (2017-2023)



In Indonesia, the percentage of the people living in poverty is on the decline annually, according to a data released by the Central Bureau of Statistics (BPS). Compared to the previous year's 9.36%, Indonesia's poverty rate dropped to 10.17% in 2017. To be excluded from the poverty category, an individual must meet the Poverty Line (GK) minimal spending value for both food and non-food necessities. Individuals who earn less than the Poverty Line on a monthly average per capita are considered poor. In September 2022, the poverty line increased by 5.95% from 505,469 to 535,547 per capita per month, according to data from the Central Statistics Agency (BPS) for March 2022. In the past 9 years, this rise has been the largest.

Therefore, this study aims to determine the effect of the revenue and distribution of Zakat, Infaq and Shadaqah (ZIS) funds on macroeconomic factors in the form of Poverty, Inflation, Interest Rate, Gross Domestic Product (GDP), Unemployment, and Money on circulation (JUB) on economic growth. In order to maximize the potential of zakat revenue and fight poverty, it is necessary to reduce factors that can limit the potential of zakat collection in Indonesia.

METHODS

This research study takes a quantitative method, as can be seen from the approach. The ratio of ZIS funds received and distributed from BAZNAS RI is the dependent variable in this study. The independent variables are macroeconomic factors that impact economic growth, such as GDP, interest rates, poverty, inflation, and total money in circulation (JUB). Without taking into account the likelihood of choosing the data, the author used a subjective sampling approach in connection with the study that was done (nonprobability). The sample of the population data is drawn, encompassing monthly data from 2017 to 2021.

This research study uses secondary data for the period of January 2017 to December 2021. The data set includes statistics on the monthly receipt and distribution of ZIS funds, which were obtained from the official BAZNAS website, <https://baznas.go.id/keuangan>. Additionally, the Central Bureau of Statistics (BPS) provided GDP, unemployment, and poverty figures through its official website, www.bps.go.id, while Bank Indonesia (BI) provided reports on inflation, interest rates, and JUB through its official website, www.bi.go.id. The multiple linear regression analysis approach utilizing the Least Squares (LS) approach was the analytical technique employed in this study (Winarno, 2017).

The purpose of this study is to ascertain the relative impact of several independent factors on the dependent variable (Hamid et al., 2020). Perform a traditional assumption test first, then many linear regression analysis. Multiple linear regression tests (Multicollinearity, Autocorrelation, Heteroscedasticity, Normality, and Linearity) make up the classic assumption test (Mati et al., 2023). The following is the basic model in this research study:

Multiple Linear Regression Equation Model

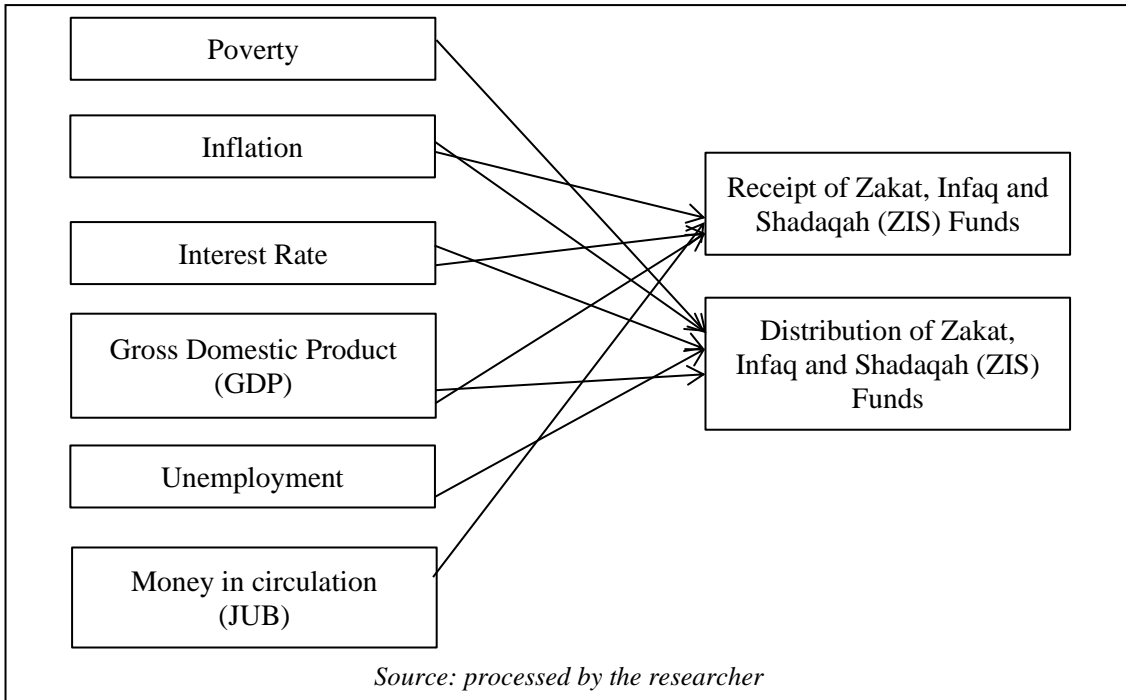
$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + \dots + b_nX_n + e$$

$$\text{Receipt of ZIS Funds} = a + b_1\text{Inflation} + b_2\text{Interest Rate} + b_3\text{Gross Domestic Product (GDP)} + b_4\text{Money in circulation (JUB)} + e$$

$$\text{Distribution of ZIS Funds} = a + b_1\text{Poverty} + b_2\text{Inflation} + b_3\text{Interest Rate} + b_4\text{Gross Domestic Product (GDP)} + b_5\text{Unemployment} + e$$

Research conceptual framework

Figure 4
The Research Conceptual Framework



Hypothesis Development

Table 1
Hypothesis Development

H1	The impact of inflation on Indonesia's receipt of ZIS funds.
H2	The effect of rising interest rates on Indonesia's ZIS fund receipts.
H3	Impact of the quantity of Gross Domestic Product (GDP) on receipt of ZIS funds in Indonesia.
H4	How receiving ZIS funds in Indonesia is affected by the quantity of money in circulation (JUB).
H5	The effect of distributing ZIS funds to alleviate poverty in Indonesia.
H6	The effect of inflation on ZIS funds distribution Indonesia.
H7	The effect of rising interest rates on ZIS fund distribution in Indonesia.
H8	Impact of the amount of Gross Domestic Product (GDP) on the distribution of ZIS funds in Indonesia.
H9	Impact of Indonesia's unemployment rate reduction on ZIS funds distribution.

Source: processed by the researcher

FINDINGS AND DISCUSSION

FINDINGS

Classic Assumption Test of Receipt of Zakat, Infaq and Shadaqah (ZIS) Funds

Multicollinearity Test

Finding out if a regression model has a correlation between its independent variables is the goal of the multicollinearity test. Independent intervariable correlations

are undesirable in a well-designed regressive model (Mati et al., 2023). The model does not exhibit independent multicollinearity of intervariables in a regression model if the correlation value $< 0,7$ is tolerated in a multicollinearity test.

Table 2
Correlation

	Inflation	Interest Rate	GDP	JUB
Inflation	1	0,307	0,184	-0,167
Interest Rate	0,307	1	-0,075	0,070
GDP	0,184	-0,075	1	0,052
JUB	-0,167	-0,070	0,052	1

Source: Data processed by researchers, Eviews 12, 2024

The study's findings demonstrate that the variable "tolerance" for inflation, interest rates, GDP, and JUB is less than 0,7. Thus, it is possible to draw the conclusion that regression models are appropriate for use even in the absence of an independent intervariable correlation or multicollineries in this study.

Autocorrelation Test

Table 3
Breusch-Godfrey Serial Correlation LM Test

Breusch-Godfrey Serial Correlation LM Test
Null hypothesis: No serial correlation at up to 2 lags

F-statistic	0,639	Prob. F(1,57)	0,427
Obs*R-squared	0,654	Prob. Chi-Square (1)	0,418

Source: Data processed by researchers, Eviews 12, 2024

To determine if the residues of one observation and the other data in the regression model are associated, the autocorrelation test is utilized. When successive observations are always related to one another, autocorrelation results. To determine whether auto-correlation exists, apply the Breusch-Godfrey test. There is a correlation if the probability value is less than 0,05; no auto-correlation is shown if it is more than 0,05. The prob value was $0.418 > 0,05$ in the autocorrelation test findings. It follows that this research variable does not have an autocorrelation issue.

Heteroscedasticity test

To evaluate the accuracy of the typical assumption test results, one might apply the heteroscedasticity test (Hamid et al., 2020). In this instance, the regression model requires the lack of heteroscedasticity symptoms. Test for heteroscedasticity: The Breusch-Pagan-Godfrey test can be used to ascertain the heteroscedasticity of a sample. Heteroscedasthesis symptoms will manifest if the prob value is less than 0,05; otherwise, no symptoms will show up if the issue value is higher than 0,05.

Tabel 4
Heteroskedasticity Test

Heteroskedasticity Test Breusvh-Pagan-Godfrey

Null hypothesis: Homoskedasticity

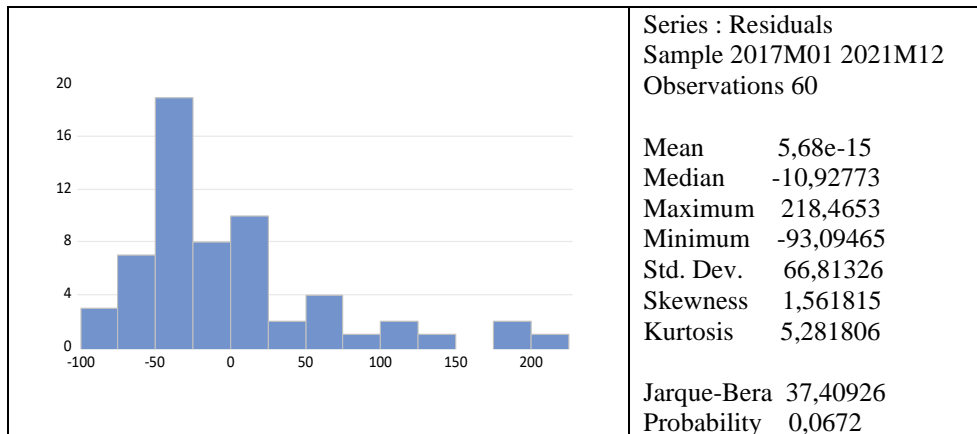
F-statistic	0,991	Prob. F(4,55)	0,420
Obs*R-squared	4,034	Prob. Chi-square (4)	0,401
Scaled explained SS	7,257	Prob. Chi-square (4)	0,122

Source: Data processed by researchers, Eviews 12, 2024

The Breusch-Pagan-Godfrey technique was used to analyze heteroscedasticity, and the prob value was $0,401 > 0,05$. Thus, it may be concluded that there is no heteroscedasticity issue with this research variable.

Normality Test

Tabel 5
Normal Probability Plot



Source: Data processed by researchers, Eviews 12, 2024

Finding out whether or not the regression model's standard residual values are normally distributed is the goal of the normality test. The findings of the normality test conducted in this study using the Normal Probability Plot graphical analysis technique show that the jarque-bera probability value is $0,0672 > 0,05$, indicating that the residual data in this study is distributed normally.

Linearity Test

A linearity test is used to ascertain if the relationship between the independent and dependent variables is linear (Mati et al., 2023). An independent variable's linear relationship with a dependent variable can be ascertained using the Ramsey RESET Test. The relationship between the independent and dependent variables is not linear if the prob value is less than 0,05; if it is larger than 0,05, then it is.

**Tabel 5
Ramsey RESET Test**

Ramsey RESET Test
Equation: UNTITLED
Omitted Variables: Squares of fitted values
Specification: Receipt of ZIS Funds C Inflation Interest rate GDP JUB

	Value	Df	Probability
t-statistic	0,136	54	0,891
F-statistic	0,018	(1,54)	0,891
Likelihood ratio	0,020	1	0,885

Source: Data processed by researchers, Eviews 12, 2024

Because the p value on the probability column of the F-statistical line is 0,891 > 0,05, which is greater than the alpha level of 0,05, it can be concluded from the results of the linearity test of this study, which was conducted using the Ramsey RESET Test analysis approach, that the free variable is linear with the binding variable.

Double Linear Regression

**Tabel 6.
Least Square**

Dependent Variable: Receipt of ZIS Funds
Method: Least Squares
Date: 03/01/24 Time: 22:58
Sample: 2017M01 2021M12
Included observations: 60

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	22,31543	70,62081	0,315989	0,7532
Inflation	3,630872	13,49903	0,268973	0,7890
Interest rate	-3,666428	14,31472	-0,256130	0,7988
GDP	-242,9095	414,3050	-0,586306	0,5601
JUB	10,39492	6,049603	1,718281	0,0414
R-squared		0,055485	Mean dependent var	19,45417
Adjusted R-squared		-0,013207	S.D. dependent var	68,74772
S.E. of regression		69,20019	Akaike in fo criterion	11,39154
Sum squared resid		263376,7	Schwarz criterion	11,56607
Log likelihood		-336,7462	Hannan-Quinn criter	11,45981
F-statistic		2,807742	Durbin-Watson stat	1,438664
Prob (F-statistic)		0,042558		

Source: Data processed by researchers, Eviews 12, 2024

Double Linear Regression Equation Model

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + \dots + b_nX_n + e$$

$$\text{Receipt of ZIS Funds} = a + b_1\text{Inflation} + b_2\text{Interest rate} + b_3\text{GDP} + b_4\text{JUB} + e$$

$$\text{Receipt of ZIS Funds} = 22,31543 + 3,630872X_1 - 3,666428X_2 - 242,9095X_3 + 10,39492X_4 + e$$

Determination Coefficient

The capacity of multiple regression equations to provide the degree of model

explanation of dependent variables is indicated by the R Squared (Mati et al., 2023). According to the data processing results, the independent variables Inflation, Interest rate, GDP, and JUB can account for a sizeable portion of the determination coefficient (R Square) of 0,055485, or 5,55%, of the dependent variables. The remaining 94,45% of the variables are explained by other variables that were not examined.

Partial Test (T Test)

These concepts serve as the foundation for the conclusion of the hypothesis's partial test: It is reasonable to infer that H_0 is accepted if the significance rate is more than 5%.

- The t-statistic computations yielded a t-table of $1,673 < 0,268$. Thus, it can be said that from 2017 to 2021, Indonesia's ZIS fund receipts will not be impacted by an increase in inflation.
- The results of the t-statistic computations indicate that the t table is $1,673 < -0,256$. Thus, it can be said that from 2017 to 2021, interest rate rises had no effect on Indonesia's ability to receive ZIS funds.
- The t table of 1,673 is $-0,586 < t$ based on t-statistic computations. Thus, it follows that, for the years 2017–2021, Indonesia's GDP has no bearing on the country's receipt of ZIS funds.
- A t-statistic of $1,718 > t$ table of 1,673 is established based on computations. Therefore, throughout the years 2017–2021, the amount of money in circulation (JUB) has an impact on Indonesia's receipt of ZIS funds.

Simultaneous Testing (F Test)

To find out if all of the independent variables have a combined (simultaneous) influence on the dependent variable, apply the F test (Winarno, 2017). All independent variables concurrently have a substantial impact on that dependent if the sig value is less than 0,05. The simultaneous effect of inflation indicators, interest rates, GDP, and JUB on Indonesia's receipt of ZIS funds is evident from the data processing findings. A F value of 2,807 with a significance rate of 0,042 was derived from the simultaneous test data. It may be concluded, based on a significant value significantly less than 0,05, that from 2017 to 2021, Indonesia's receipt of ZIS funds is influenced simultaneously by

GDP, inflation, interest rates, and JUB.

Classic Assumption Test of Distribution of Zakat, Infaq and Shadaqah (ZIS)

Funds

Multicollinearity Test

The multicollinearity test aims to determine whether a regression model has a correlation between its independent variables (Hamid et al., 2020). In a well-constructed regressive model, independent intervariable correlations are desired. If the correlation value is less than 0,7 in a multicollinear test, the model does not show independent multicollinearity of intervariables in a regressional model.

Table 7
Correlation

	Poverty	Inflation	Interest Rate	GDP	Unemployment
Poverty	1	0,670	0,526	0,270	-0,324
Inflation	0,670	1	0,262	0,181	-0,253
Interest Rate	0,526	0,262	1	-0,085	-0,113
GDP	0,270	0,181	-0,085	1	-0,095
Unemployment	-0,324	-0,253	-0,113	-0,095	1

Source: Data processed by researchers, Eviews 12, 2024

According to the study's conclusions, there is less than a 0,7 value for the variable "tolerance" for GDP, unemployment, inflation, interest rate, and poverty. It is therefore feasible to conclude that regression models are suitable for application even in cases where our investigation did not find multicollineries or an independent intervariable correlation.

Autocorrelation Test

The autocorrelation test is used to see if there is a relationship between the residues of one observation and the other data in the regression model. The results of the autocorrelation test showed a prob value of $0,666 > 0,05$. Thus, there is no problem with autocorrelation for this research variable.

Table 8

Breusch-Godfrey Serial Correlation LM Test

Breusch-GodfevSerial Correlation LM Test

Null hypothesis: No serial correlation atup to 2 lags

F-statistic	0,180	Prob. F(1,56)	0,672
Obs*R-squared	0,186	Prob. Chi-Square (1)	0,666

Source: Data processed by researchers, Eviews 12, 2024

Heteroscedasticity test

One might use the heteroscedasticity test to assess how accurate the results of the usual assumption test are. In this case, the absence of heteroscedasticity symptoms is required by the regression model. Heteroscedasticity test: The heteroscedasticity of a sample may be determined using the Breusch-Pagan-Godfrey test. If the prob value is less than 0,05, heteroscedasthesis symptoms will appear; if the problem value is greater than 0,05, no symptoms will appear (Mati et al., 2023).

Tabel 9
Heteroskedasticity Test

Heteroskedasticity Test Breusvh-Pagan-Godfrey

Null hypothesis: Homoskedasticity

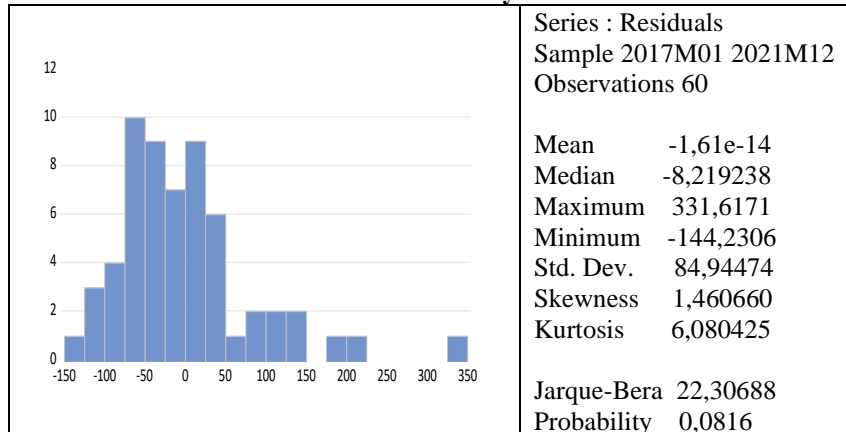
F-statistic	0,821	Prob. F(5,53)	0,540
Obs*R-squared	4,242	Prob. Chi-square (5)	0,515
Scaled explained SS	8,696	Prob. Chi-square (5)	0,121

Source: Data processed by researchers, Eviews 12, 2024

Heteroscedasthenicity was examined using the Breusch-Pagan-Godfrey method; the prob value was $0,515 > 0,05$. Therefore, it may be said that this study variable does not have a heteroscedasticity problem.

Normality Test

Tabel 10
Normal Probability Plot



Source: Data processed by researchers, Eviews 12, 2024

The normality test aims to determine if the standard residual values of the regression model are regularly distributed or not (Hamid et al., 2020). The regularity of the residual data in this study is demonstrated by the Jarque-Bera probability value of $0,0816 > 0,05$, which is the result of the normality test carried out using the Normal Probability Plot graphical analysis approach.

Linearity Test

If there is a linear relationship between the independent and dependent variables, it may be determined using a linearity test (Hamid et al., 2020). With the use of the Ramsey RESET Test, one may determine the linear connection between an independent and dependent variable. If the prob value is less than 0,05, there is no linear link between the independent and dependent variables; if it is greater than 0,05, there is a linear relationship.

Tabel 11
Ramsey RESET Test

Ramsey RESET Test
Equation: UNTITLED
Omitted Variables: Squares of fitted values
Specification: Distribution of ZIS Funds C Poverty Inflation Interest rate GDP
Unemployment

	Value	Df	Probability
t-statistic	0,469	52	0,640
F-statistic	0,220	(1,52)	0,640
Likelihood ratio	0,249	1	0,617

Source: Data processed by researchers, Eviews 12, 2024

According to the findings of the linearity test of this study, which was carried out using the Ramsey RESET Test analysis approach, the free variable and the binding variable are linear because the p value on the probability column of the F-statistical line is $0,640 > 0,05$, which is greater than the alpha level of 0,05.

Double Linear Regression

Tabel 12
Least Square

Dependent Variable: Distribution of ZIS Funds
Method: Least Squares
Date: 03/01/24 Time: 22:37
Sample: 2017M01 2021M12
Included observations: 59 after adjustments

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-14,25910	186,7936	-0,076336	0,9394
Poverty	3,667763	22,03052	3,030311	0,0459
Inflation	5,409671	22,44292	0,241041	0,8105
Interest rate	-12,75767	22,07195	-0,578004	0,5657
GDP	-654,8008	558,,5475	-1,172328	0,2463
Unemployment	16,51794	15,75874	4,048177	0,0299
R-squared		0,057246	Mean dependent var	27,49881
Adjusted R-squared		-0,031694	S.D. dependent var	87,48573
S.E. of regression		88,86128	Akaike in fo criterion	11,90817
Sum squared resid		418505,3	Schwarz criterion	12,11945
Log likelihood		-345,2911	Hannan-Quinn criter	11,99065
F-statistic		2,643649	Durbin-Watson stat	1,831186
Prob(F-statistic)		0,046678		

Source: Data processed by researchers, Eviews 12, 2024

Double Linear Regression Equation Model

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + \dots + b_nX_n + e$$
$$\text{Distribution of ZIS Funds} = a + b_1\text{Poverty} + b_2\text{Inflation} + b_3\text{Interest rate} + b_4\text{GDP} + b_5\text{Unemployment} + e$$
$$\text{Distribution of ZIS Funds} = -14,25910 + 3,667763X_1 + 5,409671X_2 - 12,75767X_3 - 654,8008X_4 + 16,51794X_5 + e$$

Determination Coefficient

The R Squared indicates the degree to which multiple regression equations may explain dependent variables. As per the data processing outcomes, a considerable proportion of the dependent variables' determination coefficient (R Square) of 0,057246, or 5,57%, may be attributed to the independent variables of poverty, inflation, interest rate, GDP, and unemployment. Some factors not investigated account for 94,43% of the remaining variables.

Partial Test (T Test)

These concepts serve as the foundation for the conclusion of the hypothesis's partial test: It is reasonable to infer that Ho is accepted if the significance rate is more than 5%.

- 3,030 > t table of 1,673 is the result of t-statistic computations. Thus, there is an impact Poverty on how ZIS funds are distributed in Indonesia between 2017 and 2021.
- 0,241 < t table of 1,673 is the result of t-statistic computations. Therefore, it can be said that from 2017 to 2021, the distribution of ZIS funds in Indonesia will not be impacted by an increase in inflation.
- -0,578 < t table of 1,673 is the result of t-statistic computations. Thus, it can be said that from 2017 to 2021, interest rate rises had no effect on how ZIS funds were distributed in Indonesia.
- -1,172 < t table of 1,673 is the result of t-statistic computations. Therefore, the allocation of ZIS funds in Indonesia over the 2017–2021 period cannot be influenced by GDP.

- $4,048 > t$ table of 1,673 is the result of t-statistic computations. The allocation of ZIS funds in Indonesia from 2017 to 2021 is therefore influenced by the country's unemployment rate.

Simultaneous Testing (F Test)

Use the F test to determine if all of the independent factors have an aggregate (simultaneous) impact on the dependent variable (Mati et al., 2023). If the sig value is less than 0.05, then every independent variable concurrently affects that dependent in a significant way. The results of the data processing show that the distribution of ZIS funds in Indonesia is influenced simultaneously by measures of poverty, inflation, interest rates, GDP, and unemployment. From the simultaneous test results, a F value of 2,643 and a significance rate of 0,0466 were obtained. A significant number substantially smaller than 0.05 leads one to the conclusion that, from 2017 to 2021, indices of poverty, inflation, interest rates, GDP, and unemployment will all have an impact on Indonesia's allocation of ZIS funds at the same time.

DISCUSSIONS

The Impact of Inflation on Indonesia's Receipt and Distribution of ZIS Funds

The computed t-statistic yields a t-table of $1.673 < 0.268$. Therefore, it may be concluded that the increase in inflation would not have an impact on Indonesia's ZIS fund revenues between 2017 and 2021. The conclusion of t-statistic calculations is a t table of $1,673 < 0,241$. So, it can be concluded that an increase in inflation will not have an effect on the distribution of ZIS funds in Indonesia between 2017 and 2021.

According to the computed t-statistic, Indonesia's economic development is unaffected by inflation between 2015 and 2019 (Qoyyim & Widuhung, 2020). Consumers' purchasing power decreases when inflation rises. A rise in the cost of commodities may make public money for Shadaqah, Infaq, and Zakat unavailable (Irawan, 2022). In an effort to lower the quantity of money raised for ZIS finances. In addition, people's purchasing habits tend to shift to just meet their most basic demands when inflation rises, according to the notion of public consumption patterns. Contributions to ZIS are not always a top priority for some individuals since spending priorities are limited to the necessities of life, such as food and education. Curiously, though, Indonesia frequently experiences the phenomena whereby a high incidence of

unemployment is accompanied by a high rate of inflation.

The Effect of Rising Interest Rates on Indonesia's ZIS Fund Receipts and Distribution

The t-statistic is $1.673 < -0.256$, according to the findings of the t-statistic computation. Therefore, it can be concluded that Indonesia's eligibility to receive ZIS funding is unaffected by interest rate increases between 2017 and 2021. The t-statistic calculations provide a t table of $1,673 < -0,578 <$. Therefore, interest rate increases had no impact on the distribution of ZIS funds in Indonesia between 2017 and 2021. BI Rate has an indirect effect on ZIS of -0.261. The effect is negative. This shows that indirectly BI Rate has a negative influence on ZIS by 26.1%. The positive effect is because when interest rates increase, Muslims are still active in spending their wealth for good because of the prohibition of usury in Islam (Halimatussa'idah & Prasetyo, 2021).

Real sector entrepreneurs will be encouraged to seek for loans in order to grow their businesses when interest rates are low (Roisyatin & Jamaludin, 2020). As a result of these business initiatives, entrepreneurs will grow their companies and pay less in monthly installments due to decreased loan interest rates, which will essentially boost revenues (Irawan, 2022). If the business's earnings has increased to the nisab limit for zakat, zakat needs to be distributed. The income from zakat in Indonesia can naturally rise as more business owners become aware of the need to pay zakat on their earnings. However, in practice, a large number of people still do maal zakat if it reaches the nisab for certain reasons, which also affects the receiving of ZIS funds.

Impact of the Quantity of Gross Domestic Product (GDP) on Receipt and Distribution of ZIS Funds in Indonesia

Based on the t-statistic computation, the computed t value of 1.673 is $-0.586 < t$ table. Thus, it may be said that Indonesia's GDP has no bearing on whether Indonesia receives ZIS money for the years 2017–2021. Based on t-statistic calculations, the conclusion is $-1,172 < t$ table of 1,673. Therefore, GDP will not have any bearing on Indonesia's allocation of ZIS funding during the 2017–2021 period. The results showed that GDP has no significant effect on public consumption either directly or indirectly through ZIS collection (Setyawan & Sujianto, 2023). GDP has not significantly affected public consumption through ZIS collecting, either directly or indirectly. It is expected that the government would promptly improve in order to hasten economic progress,

particularly in the 3T areas—that is, the most distant, disadvantaged, and foremost places (Roisyatin & Jamaludin, 2020). This is done to guarantee that the rise of the economy benefits the middle classes, higher and lower. Thus, the economy will expand even faster in order to positively impact public consumption both directly and through ZIS collection.

How Receiving ZIS Funds in Indonesia is Affected by the Quantity of Money in Circulation (JUB)

Calculations lead to the establishment of a t-statistic of $1,718 > t$ table of 1,673. As a result, Indonesia's receipt of ZIS payments will be influenced by the quantity of money in circulation (JUB) between 2017 and 2021. As per the study's findings, the amount of zakat revenue in Indonesia is influenced by many factors at the same time, including inflation, BI-Rate, profit sharing ratio, exchange rate, and money in circulation (M2) (Ridlo & Sari, 2017). Reductions in interest rates might result from an increase in the money supply (Setyawan & Sujianto, 2023). An increase in investment activity by entrepreneurs is anticipated as interest rates drop. Raising labor demand will lower the community's unemployment rate since more labor will be needed to satisfy the growing volume of output from higher investment activities (Almeyda & Rusgianto, 2023). People's capacity to pay their zakat will be affected by the rise in labor demand as it will boost their income and enable them to live wealthy lives. Money generated in the real sector will ultimately spur economic growth, raise national income, and improve zakat receipts. Money saved in the meantime will be immediately subject to zakat. The amount of ZIS funds received in Indonesia will thus rise in response to an increase in the money supply.

The Effect of Distributing ZIS Funds to Alleviate Poverty in Indonesia

The final outcome of t-statistic calculations is a $3,030 > t$ table of 1,673. Poverty therefore affects the distribution of ZIS funding in Indonesia from 2017 to 2021. By directing part of the riches of the affluent toward the less fortunate, ZISWAF serves to lessen economic inequality and poverty. Despite the large number of affluent elite members within the Muslim community, the prevalence of poverty remains higher among the majority of Muslims. In order to eradicate poverty among Nigeria's Muslim population, it is imperative that robust and efficient Zakat institutions be established (Abdullahi, 2022). One of zakat's functions in development is to reduce poverty; it also

plays at least four (four) other roles, such as reducing social inequality, boosting the people's economy, fostering the creation of ground-breaking models for reducing poverty, and creating financing sources for the advancement of welfare outside of the APBN and APBD (Athoillah, 2014). The potential of zakat funding, if it can be fully utilized, can work in tandem with ongoing government initiatives to further the goal of reducing poverty (Choiriyah et al., 2020). The research results align with the function of zakat in enhancing human capital and elevating the standard of living for the underprivileged and marginalized (Choiriyah et al., 2020). Programs for zakat empowerment and business assistantships have a good effect on the expansion of *mustahik* enterprises, which is advantageous to their welfare. However, the macroeconomy's proxy has little effect on their well-being (Mawardi et al., 2023).

An economy may be strengthened and poverty levels can be decreased through the distribution of ZIS money. Due to the fact that ZIS is an Islamic charity founded on Muslims' knowledge of the need to follow sunnah like *Infaq* and almsgiving, as well as the need to pay Zakat, in order to flourish both here on Earth and in the hereafter (halal). Effective Zakat use influences *mustahik* income growth, which in turn can gradually promote a reduction in the rate of poverty.

Impact of Indonesia's Unemployment Rate Reduction on ZIS Funds Distribution

Calculations using the t-statistic get a result of $4,048 > t$ table of 1,673. Thus, the unemployment rate in Indonesia will have an impact on the distribution of ZIS money from 2017 to 2021. According to several research findings, ZIS significantly and favorably affects unemployment in the short run. ZIS, on the other hand, has a negative and substantial impact on unemployment over the long run (Zahra & Auwalin, 2020). In order to ensure that the benefits of economic progress are really experienced by all societal levels, promoting the development of zakat, *infaq*, and waqf (ZISWAF) is fundamentally an endeavor to redistribute assets and wealth (Ridlo & Sari, 2017). Furthermore, ZISWAF's development is an attempt to address any unfairness that could surface throughout the pre- and post-production stages. The zakat money that *mustahik* receives will often boost their purchasing power. A rise in the production of products and services will be encouraged by this growth (Alifia, 2020). This rise will stimulate increased manufacturing capacity, which ultimately will support overall economic growth in the country (Zahra & Auwalin, 2020).

In this instance, zakat has the potential to boost the economy, lessen poverty, and end unemployment. Getting an education is crucial for boosting productivity and creativity. The availability of finances might also have an impact on investment. One will be able to insure more impoverished individuals and contribute more to zakat if they are wealthy. Zakat will be able to be used by competent, responsible, and professional distributors, who will also have a significant multiplier impact on the economy (Qoyyim & Widuhung, 2020). Zakat supplied as production assistance ought to have an even bigger effect on the economy if it has such a big effect as consumption aid.

CONCLUSION

According to the study and discussion in the preceding chapter, the amount of money in circulation (JUB), which reduces poverty, and the effect of Indonesia's declining unemployment rate would all have an impact on the country's ability to receive ZIS payments. Consequently, it may be said that Indonesia's ZIS fund income and distribution would be unaffected by increases in inflation, interest rates, or GDP quantity. In Indonesia, there is a common occurrence of a high unemployment rate coupled with a high inflation rate. As more company owners become aware of the necessity of paying zakat, the amount of money received from zakat in Indonesia may naturally increase. To directly and indirectly increase public consumption through ZIS collection, the economy will thus grow even quicker. Increases in the money supply will thus result in an increase in the quantity of ZIS funds received in Indonesia. The disbursement of ZIS money has the potential to improve an economy and lower poverty rates. The rate of poverty can be gradually reduced by promoting effective Zakat utilization, which in turn promotes the rise of *mustahik* income. Zakat has the ability to reduce poverty, increase economic growth, and eliminate joblessness in this particular situation.

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