

MUI's Fatwa as Non-State Economic Regulation: *Maqāṣid al-Sharī'ah* and the Political Economy of Productive-Asset Zakat in Indonesia

Hayatul Islami,*¹ Cecep Soleh Kurniawan²

¹ UIN Sulthan Thaha Saifuddin Jambi

² Universiti Islam Sultan Sharif Ali, Brunei Darussalam

* Correspondence: hayattoel@uinjambi.ac.id

Received: January 06, 2026 | Accepted: February 24, 2026 | Published: April 21, 2026

Abstract: Contemporary zakat studies have grown considerably, yet they rarely analyze fatwas as regulatory instruments that shape economic behavior in the absence of state enforcement. This article takes up that question through a socio-legal study of the 2024 fatwa of the Indonesian Ulama Council (*Majelis Ulama Indonesia*, MUI) on productive-asset zakat (*al-mustaghallāt*), issued under No. 05/Ijtima' Ulama/VIII/2024 at the MUI Fatwa Commission's Eighth National *Ijtima'*. Two questions guide the analysis: how does the fatwa's *maqāṣid*-based reasoning distinguish productive assets from their yields, and how does that distinction reshape middle-class asset management, MSME accounting, and national zakat governance? Drawing on qualitative content analysis of the fatwa text, classical *fiqh* sources, and interviews with drafting committee members, the article reports three findings. First, by anchoring the zakat obligation to income rather than to the underlying asset, the fatwa operationalizes *ḥifẓ al-māl, al-namā', maṣlahah*, and *tadāwul al-amwāl* as a coherent economic rationale rather than as abstract objectives. Second, the ruling creates incentives for middle-class property owners and MSMEs to adopt *sharī'ah*-compliant income recording, which expands the administratively legible zakat base beyond traditionally captured wealth. Third, despite lacking statutory force, the fatwa produces fiscal effects comparable to state regulation through BAZNAS uptake and voluntary compliance among religiously motivated economic actors. These findings support a revised analytical framework in which non-state religious rulings are treated as active regulators within the political economy of Muslim-majority states, with direct implications for the design of complementary zakat policy, *sharī'ah*-based accounting standards for MSMEs, and comparative research on hybrid religious-state fiscal governance.

Keywords: MUI Fatwa, *Maqāṣid al-Sharī'ah*, Political Economy of Islamic Law, Non-State Economic Regulation, Productive Asset Zakat.



Copyright © 2026 by Author(s)

This work is licensed under a [Creative Commons Attribution-ShareAlike 4.0 International License](https://creativecommons.org/licenses/by-sa/4.0/)

Introduction

The 2024 Indonesian Ulama Council (MUI) fatwa on zakat of productive-asset income (*al-mustaghallāt*) sets out normative determinations that speak directly to questions of distributive justice in a period of shifting socio-economic conditions among Indonesian Muslims (Sholeh, 2024, pp. 89–97). By affirming that productive assets are not themselves subject to zakat while the income they generate is zakatable (Sholeh, 2024, p. 92), the fatwa explicitly recalibrates the burdens and flows of *maṣlahah* (public interest) within society. This *maṣlahah* is lodged in the dual function of zakat as a religious obligation and as a mechanism of social engineering that narrows the gap between owners of productive capital and the beneficiaries of redistribution (Widiastuti et al., 2021; Handayani et al., 2025; Gallien et al., 2024; Mawardi et al., 2023; Daud et al., 2025; Ashurov et al., 2022). The article examines this *maṣlahah* through two analytical lenses: *maqāṣid al-sharī'ah* (the objectives of Islamic law) and the political economy of Islamic law.

The first variable, *maqāṣid al-sharī'ah*, is chosen because the fatwa explicitly mobilizes the principles of wealth protection, growth, and distribution as the foundation of its legal determination. The second variable, the political economy of Islamic law, is chosen because the fatwa operates as a form of non-state regulation that shapes economic behavior and fills regulatory spaces that positive law does not reach. Reading the two together enables a more comprehensive account of how religious norms are produced, legitimized, and operationalized within the modern nation-state, and it also helps assess how the fatwa interacts with the realities of productive capitalism and the economic structure of the middle class. On that basis, the article analyzes MUI's 2024 fatwa on zakat *al-mustaghallāt* as a hybrid, non-state regulatory mechanism and examines (i) its *maqāṣid*-based reasoning for distinguishing productive assets from their yields, and (ii) the socio-economic regulatory effects of this distinction on middle-class asset management, MSMEs, and zakat governance.

Research on zakat has attracted wide scholarly attention across numerous dimensions, including zakat management (Nurhayati et al., 2023; Mohamed et al., 2025; Ridzuan et al., 2025), zakat and financial technology (Mutmainah et al., 2024; Bin Mohd Salimin & Redzuan, 2025; Al Mustofa et al., 2025), the development of digital platforms and blockchain systems for zakat collection and distribution (Khan, 2023; Haryanto et al., 2023), zakat distribution within social and cultural frameworks (Musanna et al., 2025; Sarib & Darlis, 2023), the legal complexity and compliance of zakat (Bin-Nashwan, 2025), and the efficiency and stability of zakat institutions at the regional level (Riani et al., 2024). Studies on zakat fatwas have also examined their evolution in public policy, the authority of fatwa institutions, their implementation in *amil* organizations, and methodologies of fatwa-making, along with the influence of legal schools (Kurniawan, 2026; Mufid & Muhammad, 2023; Ismail & Baharuddin, 2022; Nasution, 2025; Firmansyah et al., 2022; Kurniawan et al., 2025).

Specific studies on the MUI fatwa concerning zakat of income derived from productive assets, however, remain absent. The closest work includes the study by Asni et al. (2025) on the assessment framework for zakat on real-estate property developers in Malaysia, which examines zakat assessment for property developers, and the study by Busari et al. (2021) on the significance of intent in zakatable real estate, which highlights the role of intention in differentiating zakatable from non-zakatable assets. The work of Aḥmad (2016) on accounting challenges in determining and measuring the zakat base for *al-mustaghallāt* and *ʿurūd al-tijārah* (commercial goods) also points to the need for harmonization between *fiqh* principles and modern accounting standards. Al-Shahrī (2022), for his part, studies zakat on *al-mustaghallāt* from a *fiqhī* perspective and affirms the obligation of zakat on productive assets and their yields through a *tarjih* (evaluative preference) of classical juristic opinions. These studies remain focused on property zakat and *fiqh*–accounting approaches, while the normative dimension of the MUI fatwa, especially within Indonesia’s national policy context, its *maqāṣid*-oriented objectives, and its political–economic implications, remains underexplored.

The article addresses this gap by offering a critical analysis of the Indonesian Ulama Council (MUI) fatwa on zakat derived from productive-asset income through the lenses of *maqāṣid al-sharīʿah* and the political economy of Islamic law. It examines how the fatwa mobilizes *maqāṣid*-based reasoning to distinguish productive assets from their yields, and how this distinction produces socio-economic regulatory effects on middle-class asset management, MSMEs, and zakat governance. The original contribution lies in conceptualizing the 2024 MUI fatwa as a form of contemporary Islamic economic *ijtihād* that integrates purposive legal reasoning with political–economic analysis within a single framework. The fatwa is read not as a doctrinal *fiqh* output alone but as a hybrid legal instrument that operates at the intersection of religious texts, market discipline, and state-oriented governance. On that reading, the fatwa functions as non-state regulation that shapes zakat practices, household financial recording strategies, and middle-class economic behavior, while its *maqāṣidī* argumentative structure maps onto broader dynamics of wealth distribution. The analysis therefore deepens understanding of how Islamic law is produced, operationalized, and transformed within the institutional realities of the contemporary nation-state.

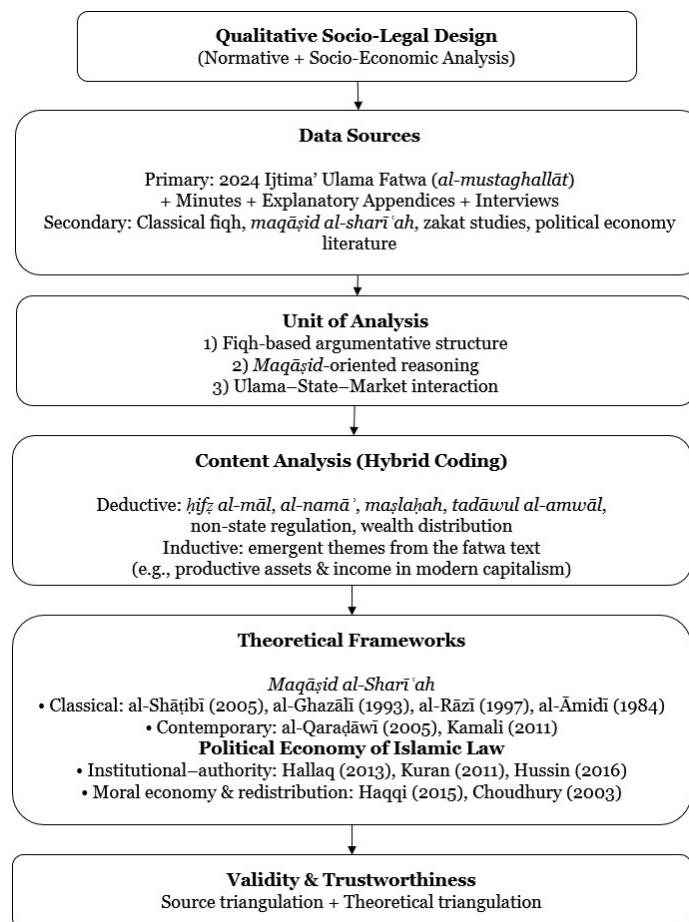
Method

The study adopts a qualitative socio-legal design that combines normative analysis of Islamic legal reasoning with inquiry into the socio-economic contexts in which the fatwa operates. This approach is appropriate because the fatwa is examined not only as a doctrinal text but also as a form of non-state regulation embedded in Indonesia’s political economy. Primary data consist of the official text of the 2024 Fatwa *Ijtima’*

Ulama of the Fatwa Commission of the Indonesian Ulama Council (*Majelis Ulama Indonesia*, MUI) on productive-asset zakat (*al-mustaghallāt*), complemented by deliberation minutes and explanatory appendices, along with semi-structured interviews with members of the drafting team. Informants were selected through purposive sampling based on their positional roles and direct involvement in formulating and justifying the fatwa, including Umar al-Haddad (Secretary of the Drafting Committee) and Arwani Faishol (Member of the Drafting Committee). With participants' consent, interviews were audio-recorded, transcribed verbatim, and compiled as transcripts for coding and analysis. Secondary sources include classical *fiqh* works, *maqāṣid al-sharī'ah* literature, and contemporary studies on zakat and the political economy of Islamic law.

The unit of analysis comprises three dimensions: (1) the *fiqh*-based argumentative structure of the fatwa, (2) the *maqāṣid*-oriented reasoning embedded within it, and (3) the patterns of socio-economic regulation that emerge from interactions among ulama, the state, and the market. Data are processed through qualitative content analysis with a hybrid deductive–inductive coding strategy. Deductive coding draws on initial categories such as *ḥifẓ al-māl*, *al-namā'*, *maṣlahah*, *tadāwul al-amwāl*, non-state regulation, and wealth distribution, while inductive coding identifies themes that emerge directly from the fatwa text, including how productive assets and income are conceptualized within modern capitalism. Coding is conducted manually through repeated reading, segment marking, and thematic grouping, and the results are organized into a thematic matrix that maps the interconnections between the normative, *maqāṣidī*, and political–economic dimensions.

Analytically, the *maqāṣid al-sharī'ah* framework is anchored in classical formulations of *maqāṣid* as the objectives of the law (al-Shāṭibī, 2005; al-Ghazālī, 1993; al-Rāzī, 1997; al-Āmidī, 1984) and is operationalized through contemporary *maqāṣid* scholarship that emphasizes purposive reasoning in modern socio-economic contexts (al-Qaraḍāwī, 2005; Kamali, 2011). The political economy framework adopts an institutional and authority-centered approach that situates Islamic legal authority within modern governance and incentive structures (Hallaq, 2013; Kuran, 2011; Hussin, 2016), complemented by perspectives on Islamic moral economy and redistribution (Haqqi, 2015; Choudhury, 2003). Validity is ensured through source triangulation and theoretical triangulation by testing the interpretive consistency of these two frameworks. The researcher is positioned as an academic analyst rather than part of the fatwa authority. The main limitation is that this document-centered study does not empirically test compliance levels or lived zakat practices; that limitation is acknowledged as an avenue for future research using surveys, interviews, or ethnography.

Figure 01. Research Design and Analytical Framework

MUI and Productive-Asset Zakat (*al-Mustaghallāt*): The Fatwa's Argumentative Structure

This section lays out the argumentative structure of the 2024 MUI Fatwa on productive-asset zakat (*al-mustaghallāt*), placing the distinction between assets and income at the center of the analysis. The fatwa's legal construction cannot be understood without first examining how MUI frames its reasoning to separate the instruments of production from the economic yields they generate. This distinction is the foundation for determining the scope of zakat obligations in a way that is consistent with contemporary economic realities. The fatwa at the same time seeks to maintain continuity with the classical *fiqh* tradition, which has long articulated principles governing the growth of wealth. Within this framework, the structure of the fatwa's argument becomes essential to unpack systematically, rather than being read merely as a stand-alone normative ruling. It is on this foundation that the fatwa's rationale, which treats productive assets as non-zakatable and their income as zakatable, finds its conceptual coherence.

Normatively, the fatwa formulates three interrelated legal determinations. First, *al-mustaghallāt* is defined as property used as a means of generating income while the

underlying asset itself remains intact. This category includes boarding houses, rental homes, hotels, homestays, and electronic systems that support transactions. Second, the fatwa affirms that *al-mustaghallāt* is not a zakatable object; instead, the zakat obligation applies to the income or returns generated from its use. Third, zakat becomes obligatory only when income from *al-mustaghallāt* reaches a *niṣāb* equivalent to the value of eighty-five grams of gold. The zakat obligation is further conditioned on the passing of one *ḥawl*, calculated from the execution of the utilization contract rather than from the receipt of the first payment. Under these conditions, the zakat rate is set at 2.5 percent according to the lunar calendar and approximately 2.57 percent when calculated using the solar calendar (Sholeh, 2024, pp. 92–96).

The distinction between assets and income is made explicit in the fatwa's wording, which draws a clear boundary between productive assets and the economic outcomes they generate. Productive assets such as boarding houses, rental homes, small hotels, or digital assets are not treated as direct zakat objects. They are understood as production instruments that facilitate income generation rather than as wealth ready for distribution. Within the *fiqh* of zakat, an object is zakatable only if it shows actual growth and has the capacity to generate tangible surplus, not merely potential value. Fixed assets do not fully meet this criterion, because their value does not increase directly without accompanying business activity. The fatwa therefore determines that the zakatable object is not the asset itself but the net income derived from its utilization (Sholeh, 2024, pp. 89–90).

The emphasis on separating productive assets from their income is not a departure from tradition but an extension of a long-standing classical *fiqh* trajectory. Scholars across various legal schools have long recognized a distinction between asset ownership and the zakat obligation on the proceeds generated from that asset. On this reasoning, zakat is understood as an obligation imposed on wealth that has genuinely undergone growth (*al-namā'*), rather than on wealth that remains static in mere ownership. The 2024 MUI Fatwa follows this principle by asserting that zakat does not apply to the physical substance of fixed assets that are not intended for trade. The position also protects the productive capacity of assets that function as the sources of their owners' livelihoods. The economic rationality of zakat law is preserved in this way, so that burdens fall not on the instruments that enable surplus but on the surplus itself (Sholeh, 2024, p. 92).

Income generated from productive assets is designated as zakatable because it meets the criterion of *namā' al-māl*, the actual growth of wealth. Income represents a form of wealth development evident in repeated and continuous economic activity. In such circumstances, the accumulated returns qualify as wealth that must be purified through zakat at the prescribed rate. This emphasis aligns with *fiqh* norms that place the zakat obligation on economic output rather than on production tools. Through this approach, the fatwa brings classical understandings of wealth growth into conversation with the contemporary needs of Muslims who increasingly possess

productive assets. The resulting legal clarity allows direct application within modern economic configurations without compromising the consistency of *fiqh* principles.

The designation of income as the zakatable object is not based solely on rational considerations of wealth growth but is also reinforced by *naqlī* evidence cited in the fatwa. Qur'ān 9:103 is used as a foundational basis, indicating that zakat functions as a means of purification, which logically applies to wealth that has genuinely expanded. Qur'ān 2:267 further obligates the giving of a portion of “the good things you have earned,” which reads as normative legitimacy for imposing zakat on the returns of productive economic activity. The *ḥadīth* on the Prophet's instruction to Mu'ādh in Yemen affirms that zakat is obligatory on wealth that meets the conditions of *niṣāb* and *ḥawl* and fulfills a distributive function. The *ḥadīth* on the absence of zakat on a Muslim's slaves and horses, for its part, provides the basis for distinguishing fixed assets not intended for trade as non-zakatable while the economic output they produce remains subject to zakat. These evidences are not merely cited but arranged to reinforce the logic that zakat follows actual *al-namā'*, which manifests in income.

Table 01. Qur'ānic and Hadith Sources of the Fatwa

| Category | Source | Quotation | Function within the Fatwa |
|----------|---|---|--|
| Qur'ān | Qur'ān 9:103 | “ <i>Khudh min amwālihim ṣadaqatan tutahhiruhum wa tuzakkīhim bihā...</i> ” | Provides the general basis for zakat as an instrument of purification, reinforcing the need to impose zakat on wealth that undergoes actual growth. |
| Qur'ān | Qur'ān 2:267 | “ <i>Anfiqū min ṭayyibāti mā kasabtum...</i> ” | Serves as evidence for the obligation to spend (including through zakat) part of one's lawful earnings; forms the basis for treating productive economic returns as zakatable. |
| Hadith | Hadith on the Prophet's instruction to Mu'ādh in Yemen (Ṣaḥīḥ al-Bukhārī) | The Prophet instructed Mu'ādh to collect zakat from the wealthy and return it to the poor among them. | Reinforces that zakat is obligatory upon Muslim wealth meeting <i>niṣāb</i> and <i>ḥawl</i> , and affirms its distributive function. |
| Hadith | Hadith on slaves and horses (Ṣaḥīḥ al-Bukhārī and Muslim) | “ <i>Laysa 'alā al-muslim fī 'abdihi wa lā farasihi ṣadaqah.</i> ” | Establishes that fixed assets (<i>amwāl al-qinyah</i>) not intended for trade are not subject to zakat; foundational for distinguishing fixed assets as non-zakatable. |

Source: Sholeh (2024, pp. 93–94).

The fatwa's argumentative structure is reinforced by references to both classical and contemporary scholars who address zakat on productive assets and trade. Muhammad Abdul Halim Umar's analysis of zakat on *al-uṣūl al-thābitah* shows that productive fixed assets possess the quality of *al-namā'* through profit generation, so that the relevant growth for zakat purposes lies in income rather than in the physical asset. This pattern of growth is understood as analogous to the profit from commercial goods (*'urūd al-tijārah*), on which there is consensus (*ijmā'*) regarding zakat. The analogy makes possible the application of *qiyās* from trade zakat to the returns of productive assets. Using this framework, the fatwa shifts the locus of zakat obligation from the substance of fixed assets to the income that is repeatedly generated from them. This move roots the fatwa firmly in the classical intellectual tradition while remaining responsive to evolving forms of productive capital in the modern economy (Sholeh, 2024, p. 90).

Other scholarly references strengthen the technical dimensions of the fatwa's determinations on zakat of productive-asset income. Al-Nawāwī, in *al-Majmū'*, affirms that the *niṣāb* for trade zakat is calculated based on market value at the end of the *ḥawl* and is equated with the *niṣāb* of gold, so that the zakat obligation focuses on economic value rather than physical form. Ibn 'Abd al-Barr, in *al-Kāfi*, explains that a change in the form of wealth, for example from dinars to dirhams, does not nullify the zakat obligation as long as the value reaches the *niṣāb* at the end of the year (Ibn 'Abd al-Barr, 1980, vol. 1, p. 292). Ibn 'Ābidīn, in his *Ḥāshiyah*, states that *ḥawl* for zakat follows the lunar calendar (Ibn 'Ābidīn, 1966, vol. 2, p. 294). Muṣṭafā al-Khin, Muṣṭafā al-Bughā, and 'Alī al-Sharbaḥī (1996, vol. 2, p. 31) in *al-Fiqh al-Manhajī 'alā Madhhab al-Imām al-Shāfi'ī* affirm that the full passage of one lunar *ḥawl* over wealth that has reached the *niṣāb* is a prerequisite for the zakat obligation. These works together support the fatwa's use of a *niṣāb* equivalent to eighty-five grams of gold and the requirement of one *ḥawl* for income zakat. The adjustment to a 2.57 percent rate for the solar calendar is a technical correction intended to ensure equivalent annual zakat burdens for economic actors operating on the Gregorian fiscal year (Sholeh, 2024, pp. 95–96).

Table 02. Classical and Contemporary Fiqh Sources Underpinning the Fatwa

| Category | Author | Title | Key View |
|--------------------------|---------------------------|--|--|
| Contemporary work | Muhammad Abdul Halim Umar | <i>Zakat al-Uṣūl al-Thābitah fī al-Mashrū'āt al-Iqtisādiyyah</i> | Demonstrates that productive fixed assets possess <i>namā'</i> through profit, making income (not the physical asset) the proper zakat base; used to analogize returns from <i>al-mustaghallāt</i> to profits from <i>'urūḍ al-tijārah</i> . |
| Fiqh (Shāfi'ī) | al-Nawawī | <i>al-Majmū' Sharḥ al-Muhadhdhab</i> | Affirms that <i>niṣāb</i> for trade zakat is based on market value at the end of the <i>ḥawl</i> and equated with gold; supports valuation of <i>al-mustaghallāt</i> income at year's end. |
| Fiqh (Mālikī) | Ibn 'Abd al-Barr | <i>al-Kāfī fī Fiqh Ahl al-Madīnah</i> | Explains that changes in asset form do not negate zakat if value reaches <i>niṣāb</i> at year-end; reinforces focus on economic value, not physical form. |
| Fiqh (Ḥanafī) | Ibn 'Ābidīn | <i>Ḥāshiyat Ibn 'Ābidīn</i> | States that <i>ḥawl</i> is calculated using the lunar calendar; supports normative use of the Hijri calendar for zakat computation. |
| Fiqh (Shāfi'ī) | Editorial team | <i>al-Fiqh al-Manhajī al-Madhhab al-Imām al-Shāfi'ī</i> | Emphasizes the requirement of a full lunar <i>ḥawl</i> over wealth that has reached <i>niṣāb</i> ; reinforces the <i>niṣāb-ḥawl</i> scheme for income from <i>al-mustaghallāt</i> . |

Source: Sholeh (2024, pp. 94–96).

Grounded in this reinforcement of classical foundations and their adaptation to modern assets, the fatwa's overall argumentative structure reflects the substantive logic of Islamic economic thought. It integrates the principles of justice, growth, and asset protection by designating business income as the zakatable object without imposing burdens on the instruments of production. The fatwa at the same time generates regulatory effects that shape Muslim economic behavior, especially in the management of productive assets and patterns of wealth accumulation. This regulatory pattern contributes to the formation of a moral economy that aligns with zakat's function as a social-distributive instrument within society.

The fatwa's argumentative structure therefore extends beyond a technical distinction between assets and income. It opens analytical space for understanding the value-laden logic that underpins its legal construction. The rationality guiding these

determinations can be read within the framework of *maqāṣid al-sharī'ah* (the objectives of Islamic law), which orients the protection of assets, the management of wealth growth, and the fairer distribution of resources as its normative horizon.

The *Maqāṣid*-Based Rationality Behind the Distinction Between Assets and Income

With the fatwa's argumentative structure mapped out, which positions assets as instruments of production and income as the proper object of zakat, the discussion turns now to a deeper analytical level that examines the underlying values shaping that construction. This distinction does not arise merely from textual *fiqh* reasoning but is reinforced by the framework of *maqāṣid al-sharī'ah* (the objectives of Islamic law), which guides the law's response to contemporary economic dynamics. Through the lens of *maqāṣid*, the prioritization of income, the protection of productive assets, and the reconfiguration of wealth distribution can be explained more systematically. This subsection unpacks how principles such as *ḥifẓ al-māl* (protection of wealth), *al-namā'* (growth), *maṣlahah* (public interest), and *tadāwul al-amwāl* (circulation of wealth) operate within the logic of the fatwa, and shows that its legal determinations represent a reconciliation between Islamic normative values and modern economic needs.

Within this framework, the 2024 MUI Fatwa on productive-asset zakat (*al-mustaghallāt*) explicitly distinguishes between productive assets and the income they generate. Productive assets such as boarding houses, rental units, small hotels, and other business facilities are not treated as direct zakat objects; instead, the zakat obligation falls on the income or net returns produced from their use (Sholeh, 2024, p. 92). This formulation establishes a normative structure that prioritizes wealth that genuinely moves, circulates, and enhances the owner's economic capacity. From a *maqāṣid al-sharī'ah* perspective, the approach systematizes the relationship between production instruments and the surplus they produce, and it functions as a conceptual response to the growing reliance of Muslim communities on productive assets for their livelihoods.

Interestingly, the same pattern appears in the fatwa of Egypt's Dār al-Iftā', which treats leased property as non-zakatable in itself while directing zakat assessment to its rental proceeds (Dār al-Iftā' al-Miṣriyyah, 2021). Comparable positions are articulated by other fatwa institutions. The International Islamic Fiqh Academy (OIC) differentiates the underlying real-estate asset from its yield in its resolution on leased lands (International Islamic Fiqh Academy, 1985). The Commission of Fatwa and Sharia Affairs likewise rules that zakah is due on rental income rather than on the rented property itself (Commission of Fatwa and Sharia Affairs, 2026). A similar approach appears in AMJA's fatwa on rental-property zakat, which focuses zakat liability on the accumulated proceeds under the relevant conditions (Assembly of Muslim Jurists of America, 2008). In Southeast Asia, *Mufti Wilayah Persekutuan* of

Malaysia (Federal Territories Mufti of Malaysia) frames *al-mustaghallāt* in a way that links the zakat obligation to the returns generated by durable assets once the relevant conditions are met (Jabatan Mufti Wilayah Persekutuan, 2015).

The normative distinction between assets and income reflected across these fatwas is closely aligned with the *maqāṣid* principle of *ḥifẓ al-māl* (protection of wealth), understood here as preserving productive capital from both functional and structural erosion. From this vantage point, productive assets require a legal framing that allows them to operate continuously without recurring fiscal impositions that could weaken their productive capacity. If the physical asset were subjected to annual zakat, the sustainability of the enterprise, especially among small and medium-scale actors, could be adversely affected through asset depletion or reduced reinvestment. These rulings therefore place zakat liability on the income generated rather than on the asset itself, which allows economic actors to maintain and consolidate their productive instruments while still fulfilling distributive responsibility through zakat.

Within the same *maqāṣid*-based perspective, *ḥifẓ al-māl* is not limited to safeguarding an asset as private property. It also entails preserving the wider productive ecosystem through which the asset generates value, including the continuity of business operations and the livelihoods connected to it. On this basis, assigning zakat to the income produced by productive assets can be read as a protective mechanism that sustains productivity while maintaining distributive obligations. This orientation resonates with recent *maqāṣid* developments in Islamic finance that emphasize business sustainability, proportional partnerships, and more inclusive profit distribution (As-Salafiyah, Ali, & Rusydiana, 2025). It also aligns with socio-legal accounts of how *fiqh*-based interventions can strengthen the capacity of small economic actors by expanding their access not only to assets but to productive structures that enable broader social transformation (Fanani & Pohl, 2024).

Complementing *ḥifẓ al-māl*, the fatwa also emphasizes the principle of *al-namā'* (wealth growth) as a key condition for zakat liability. Income derived from productive assets, on this framing, represents a concrete and recurring manifestation of growth because it reflects newly generated value rather than merely retained capital. Once such growth produces a surplus beyond basic needs, zakat attaches to the income stream, while the productive instrument itself is not treated as a zakatable object. This logic parallels the treatment of commercial activity in zakat, where the obligation is tied to realized surplus and accumulation rather than to the mere possession of productive means. Through this linkage, the fatwa anchors zakat liability in the surplus dynamics created by growth, not in ownership alone.

This formulation is explicitly reinforced by Muhammad Abdul Halim Umar's analysis in *Zakāt al-Uṣūl al-Thābitah fī al-Mashrū'āt al-Iqtisādiyyah*, which describes productive fixed assets as wealth that "grows through profit," so that the relevant point of *al-namā'* for zakat is the returns rather than the asset itself. This serves as the

basis for *qiyās* (legal analogy) between the returns of *al-mustaghallāt* (assets utilized to produce income) and the profits of *‘urūd al-tijārah* (trade commodities) (Umar, 2014, p. 175).

Building on the logic of *ḥifẓ al-māl* and *al-namā’*, the principle of *maṣlaḥah* provides an additional layer of justification for distinguishing between assets and income. Protecting productive assets contributes to the economic stability of owners, particularly middle-class groups who rely on rental or service income for their livelihood. Imposing zakat on income, at the same time, ensures a steady flow of resources to vulnerable groups through zakat institutions. The balance reduces potential inequalities that arise when asset growth is enjoyed exclusively by capital owners. The scheme also harmonizes economic efficiency with social responsibility within Islamic moral frameworks. Technically, this orientation toward distributable economic value is consistent with the views of al-Nawāwī and Ibn ‘Abd al-Barr, who hold that the *niṣāb* (minimum zakatable threshold) for trade zakat is determined by year-end value and that changes in asset form do not eliminate the zakat obligation if the value meets the *niṣāb*. What matters is the surplus available for distribution, not the physical form of the wealth itself (al-Nawāwī, 1929, vol. 6, p. 55; Ibn ‘Abd al-Barr, 1980, vol. 1, p. 292).

Aligned with this structure of *maṣlaḥah*, the principle of *tadāwul al-amwāl*, the circulation of wealth in society, is clearly reflected in the fatwa’s choice to impose zakat on income. Income from productive assets typically flows periodically, which makes it easier to channel into distributive mechanisms such as zakat. Fixed assets are relatively static and often illiquid, which makes them less suitable as bases for recurring obligations. By linking zakat to income streams, the fatwa facilitates more intensive circulation of wealth across social layers. This circulation strengthens zakat’s role as a mechanism that connects economically capable groups with those who lack resources. In this context, the setting of a *niṣāb* (minimum zakatable threshold) equivalent to eighty-five grams of gold and the requirement of one lunar *ḥawl* (complete lunar year) (Ibn ‘Ābidīn, 1966, vol. 2, p. 294), further calibrated through the solar-year adjustment, can be understood as *fiqh* engineering to ensure that what flows through zakat is a stable surplus, which allows *tadāwul* to take place without destabilizing the foundations of the enterprise.

Taken together, the constellation of *maṣlaḥah* and *tadāwul al-amwāl* embedded in the fatwa situates it as a form of *ijtihād maqāṣidī* responsive to contemporary economic structures (Athambawa, 2025). The fatwa’s drafters do not merely replicate classical opinions but reinterpret their underlying *‘illah* (legal cause) in light of new patterns of production and ownership. The category of *al-mustaghallāt* is connected to emerging realities of property investment, service industries, and digital assets within Indonesian Muslim society. From this emerges a new configuration: assets are preserved as engines of production, while their income is obligated to contribute to social justice through zakat.

The fact that this configuration is anchored in the works of scholars such as al-Nawāwī, Ibn ‘Abd al-Barr, and Ibn ‘Ābidīn (al-Nawāwī, 1929, vol. 6, p. 55; Ibn ‘Abd al-Barr, 1980, vol. 1, p. 292; Ibn ‘Ābidīn, 1966, vol. 2, p. 294), and reinforced by the broader *kitāb al-zakāh* canon across the *madhāhib*, shows that *maqāṣid al-sharī‘ah* in this fatwa is articulated through established juristic authority rather than presented as an abstract moral layer detached from *fiqh*. Within the Ḥanafī tradition, for instance, al-Sarakhsī frames zakat liability through the principle of *al-namā’* as the operative logic for determining what qualifies as zakatable wealth, which shows how purposive reasoning is already embedded within classical legal argumentation (al-Sarakhsī, 2001, vol. 2, p. 189).

A similar continuity appears in Mālikī discussions in *al-Mudawwanah*, where attention is given to the management of timing and liability once wealth reaches the qualifying threshold, including the treatment of transactions that occur after the completion of a zakat cycle, a consideration that bears directly on contemporary debates about productive assets and their yields (Saḥnūn, 1999, p. 304). In the Ḥanbalī tradition, Ibn Qudāmah characterizes rental proceeds as newly acquired wealth that becomes subject to zakat conditions such as *ḥawl*, a framing that aligns closely with the contemporary classification of income streams generated by productive assets (Ibn Qudāmah, 1997, vol. 3, p. 57). Ibn Rushd, in *Bidāyat al-Mujtahid*, then situates these juristic differences within a comparative structure of legal reasoning, which clarifies why a *maqāṣidī* reading functions as a tool for interpreting change: it connects classical doctrinal debates to present political and economic realities rather than reducing *maqāṣid al-sharī‘ah* to a purely rhetorical device (Ibn Rushd, 1952, vol. 1, p. 5).

Political Economy of Islamic Law: Fatwas and Non-State Regulation

With the *maqāṣid al-sharī‘ah*-based rationality underlying the distinction between assets and income now mapped out, the analysis turns to another equally important dimension: how fatwas operate within fields of power and economic structures. At this point, the 2024 MUI Fatwa on productive-asset zakat (*al-mustaghallāt*) can no longer be read merely as a normative product of *ijtihād*, but as an actor operating within a network of relations that links religious scholars (*ulama*), the state, and the market. The framework of the political economy of Islamic law provides the analytical tools to examine how fatwas regulate economic behavior, channel wealth, and shape compliance patterns without becoming state-issued positive law. This subsection explains the fatwa’s position as a form of non-state socio-economic regulation, the role of *ulama* as norm producers, and the ways the fatwa performs fiscal and market-governance functions within the nation-state.

On this perspective, the fatwa can be understood concretely as a form of non-state socio-economic regulation that carries substantial operational force in public life. This regulatory capacity flows through the moral authority of *ulama*, who are widely

recognized by the Muslim public as authoritative guides for action. Within the political economy of Islamic law, fatwas occupy a strategic position as instruments capable of directing economic behavior without relying on the machinery of formal state law (Prayogo et al., 2024; Menchik, 2022). The effects are evident in how communities adjust their economic practices to align with the fatwa's directives. Mun'im et al. (2025) show that where religious authority enjoys strong social legitimacy, fatwas can even catalyze public policy changes and halt economic activities that have received political backing and government licensing. Fatwas therefore function not only as legal pronouncements but also as mechanisms of social control that shape the orientation of Muslim economic activity.

Within this broader non-state regulatory framework, *ulama* serve as pivotal norm producers who shape patterns of behavior among Muslim communities. Their production of norms does not remain in the abstract; it is closely connected to the economic realities and ownership structures of society. When *ulama* issue a fatwa, they simultaneously delineate the boundaries of conduct considered consistent with Islamic values (Mun'im et al., 2025). These norms influence the economic decisions of business actors and owners of productive assets. The moral legitimacy attached to *ulama* in formulating norms grants them a form of authority that few other institutions can rival. Their position therefore becomes central within the forms of social governance that directly affect economic life.

Continuing from their role as norm producers, *ulama* also shape the direction of wealth distribution through the fatwa on productive-asset income. By establishing zakat obligations on income generated from productive assets, the fatwa creates more regular flows of wealth toward vulnerable groups. This influence arises not from state policy but from society's moral compliance with the fatwa's authority. The *shari'ah*-based pattern of distribution strengthens zakat's function as an instrument of social justice. In this position, *ulama* do not simply provide guidance but also contribute to constructing a distributive architecture with implications for social structure. Their authority in directing the circulation of wealth therefore becomes an integral component of the contemporary political economy of Islamic law.

ulama also serve as key pillars within national governance related to zakat and Muslim economic affairs. Their involvement is visible in collaborations with state institutions such as the National Amil Zakat Agency of Indonesia (Badan Amil Zakat Nasional / BAZNAS) and relevant ministries (Nasution, 2025; Adinugroho et al., 2024). This position allows fatwas to operate in parallel with state policies while remaining independent in religious authority. As part of national governance, *ulama* fill spaces not yet, or not easily, reached by formal regulation. The resulting fatwas function as bridges between religious norms and economic development agendas. Their presence in this domain produces hybrid governance arrangements that bring together state law and religious law (Salleh et al., 2021).

The fatwa on productive-asset zakat can also be read as a form of religious fiscal policy that shifts the zakat base from assets to income. This shift allows asset owners to preserve productive capital without additional burdens that could weaken business performance. Zakat on income, at the same time, generates more stable revenue streams for zakat institutions. This non-formal policy helps maintain a conducive investment environment for Muslim businesses because it does not interfere with primary production instruments. Expanding the zakat base to include income also enhances national-level redistributive capacity. In this way, the fatwa performs fiscal functions despite lacking the formal status of state regulation (Fakhruddin et al., 2024).

Within the political economy of Islamic law, this religious-fiscal dimension illustrates how Islamic law operates as a mechanism of market regulation. Zakat provisions create moral incentives for society to manage wealth ethically within economic spaces. This mechanism simultaneously reinforces the social legitimacy of *ulama* and offers normative direction for Muslim economic activity. The effects become evident as market actors adjust their financial calculations and practices to comply with the fatwa. The fatwa in the end becomes part of the structural forces shaping the circulation of wealth in society. In this capacity, Islamic law functions not merely as a theoretical doctrine but as a regulatory power that influences markets and social relations.

Implications of the Fatwa for Wealth Structure and Zakat Compliance

Building on the preceding analysis, the discussion now turns to the practical consequences of the fatwa when it is implemented within the economic life of Muslim communities. The two theoretical frameworks employed in this article, *maqāṣid al-sharī'ah* (the objectives of Islamic law) and the political economy of Islamic law, work simultaneously to interpret these effects. The *maqāṣid* perspective highlights how zakat obligations on income protect the sustainability of productive assets while ensuring that surplus is channeled to those in need. The political economy of Islamic law, for its part, explains how fatwas, despite not being state law, nonetheless shape economic behavior through the moral authority of *ulama* and patterns of social compliance. Using these dual analytical lenses, the subsection examines the concrete impact of the fatwa on the wealth structures of the middle class who own productive assets, the emergence of *sharī'ah*-based accounting practices at the household and small-business levels, and the gradual shift in zakat compliance culture from an ownership-based to an income-based paradigm.

Within this framework, the fatwa's most visible practical effects appear among middle-class groups who rely on productive assets for their livelihoods. This group includes owners of boarding houses, rental units, homestays, small rental shops, and various small-scale properties that function as their primary business capital. Before the fatwa, many asset owners were uncertain about whether their physical assets

constituted zakatable wealth (Al-Haddad, 2025). The fatwa introduces a clear boundary by placing the zakat obligation on income rather than on asset value (Sholeh, 2024, p. 92). This distinction generates legal certainty that allows asset owners to stabilize their economic planning. The same certainty grants the middle class room to maintain their productive capital without additional financial burdens on the instruments of production.

A further implication of this shift in how middle-class owners of productive assets manage their income is the gradual transformation of zakat compliance from an ownership-based to an income-based paradigm. Where zakat was previously understood primarily as an obligation tied to physically owned wealth or dormant capital, the fatwa's emphasis on income positions zakat closer to economic activity that generates actual value-added. Zakat is practiced, on this view, not as a "tax" on owned objects but as a dynamic income-distribution mechanism oriented toward the flow of value. This shift aligns with the realities of modern economies, which prioritize productivity over mere physical asset accumulation (Gallardo-Albarrán & Inklaar, 2021). The movement toward an income-based zakat obligation therefore cultivates a compliance culture that is more rational, measurable, and grounded in data.

Aligned with this paradigm shift, the imposition of zakat on income also stimulates the emergence of *shari'ah*-based accounting patterns within household economies. Families who previously viewed their physical assets as the primary basis for zakat are now encouraged to separate net revenues, cash flows, and operational expenses to ensure more accurate zakat calculations. The practice not only improves the quality of financial planning but also reduces the likelihood of unrecorded expenditures. The development of *shari'ah*-based household accounting enhances financial discipline, which in turn contributes to efficient fund allocation, improved business sustainability, and consistent fulfillment of zakat obligations. In this respect, the fatwa regulates not only the normative dimension of zakat duties but also strengthens the economic governance of Muslim households (Al-Haddad, 2025).

From this vantage point, it becomes evident that the fatwa's implications extend well beyond household accounting, intersecting closely with *maqāṣid*, particularly wealth distribution within the contextualized framework of *ḥifz al-māl* (protection of wealth). By placing zakat on income rather than on assets, the fatwa ensures that the zakat burden corresponds to real economic capacity. Business owners with higher income naturally contribute more to society, which produces a more proportional distribution of wealth within Muslim communities (Arwani Faishol, 2025). The *maqāṣid* framework works here by balancing the interests of economic actors with the needs of vulnerable groups, which helps prevent excessive wealth concentration within specific segments of society. Income-based zakat design, in this sense, becomes a concrete instrument for operationalizing the aims of protection and equitable distribution in *maqāṣid al-shari'ah* (the objectives of Islamic law).

This *maqāṣid*-based dimension becomes even more pronounced when viewed through the lens of routine and responsive redistribution. Income generated from productive assets generally flows periodically, which enables zakat contributions to consistently reach the *mustahiq* (eligible beneficiaries). A relatively stable flow of funds strengthens the role of zakat as a tool of social empowerment rather than as a form of occasional relief (Al-Haddad, 2025). By establishing a continuous flow of zakat from asset owners to vulnerable groups, the fatwa helps mitigate the emergence of economic oligarchies. This effect shows that *maqāṣid* is not merely present at the level of legal argumentation but is operationalized within concrete socio-economic practices. Such patterns of redistribution contribute, in the end, to a healthier and more sustainable social equilibrium.

From the perspective of the political economy of Islamic law, the fatwa functions as a form of social regulation that directs how individuals manage their wealth. While it is not state law, its influence is strong enough to structure economic behavior through moral legitimacy (Suhendar et al., 2023; Judijanto et al., 2025). When asset owners comply with income-based zakat requirements, they effectively treat the fatwa as a binding fiscal rule. This form of regulation illustrates the substantial role of *ulama* authority within Indonesia's political-economic system. The fatwa therefore shapes not only individual financial decisions but also collective compliance patterns rooted in religious conviction. This regulatory function demonstrates that Islamic law can operate effectively in economic domains without formal state intervention.

Taken as a whole, the MUI fatwa on *al-mustaghallāt* (productive-asset income) catalyzes significant transformations in wealth structure and zakat compliance patterns among Indonesian Muslims. The fatwa fosters a culture of financial transparency at both household and small-enterprise levels. In the long run, these effects hold the potential to enhance financial literacy and strengthen the economic stability of the middle class that relies on productive income. From a *maqāṣid* perspective, the fatwa guides the emergence of greater social justice through more balanced patterns of wealth distribution. From the standpoint of the political economy of Islamic law, the fatwa becomes part of a social governance system that integrates religious norms with the dynamics of the market. The combination of these perspectives positions the fatwa as a key factor in shaping the moral economy of Indonesian Muslim society.

The Fatwa as a Model of Contemporary Islamic Economic *Ijtihād*

Building on the earlier discussion of the fatwa's practical impacts on wealth structures and zakat compliance patterns, the analysis now turns to how the fatwa's legal architecture reflects the character of contemporary Islamic economic *ijtihād*. The MUI Fatwa on *al-mustaghallāt* (productive-asset income) not only shapes the economic behavior of Muslim communities but also illustrates how religious scholars (*ulama*)

respond to changes in production structures, market dynamics, and the governance systems of the modern nation-state. At this point, examining the *ijtihād* methodology underlying the fatwa becomes essential, specifically how the classical *fiqh* tradition serves as a foundation while being adapted to meet the challenges of modern economic life. The subsection therefore analyzes how the 2024 MUI Fatwa synthesizes classical texts, *maqāṣid al-sharī'ah* (the objectives of Islamic law), the demands of productive capitalism, and the configuration of state governance, so that it can function as a relevant, operational, and responsive model of *ijtihād* for the twenty-first century.

The fatwa demonstrates a balanced form of *ijtihād*, one that maintains fidelity to textual foundations while responding to the realities of the modern economy. The *ulama* continue to use classical sources as methodological anchors, but they do not limit themselves to repeating past views. They reinterpret *fiqh* principles to align with production structures that have changed dramatically. The fusion of traditional authority and the necessity of innovation forms the defining character of the contemporary *ijtihād* embodied in this fatwa. The presence of similar rulings from other authoritative institutions, such as *Dār al-Iftā' al-Miṣriyyah* (2021), underscores the consistency of this *ijtihād* pattern on a global scale. Through this approach, the fatwa acquires both normative legitimacy and practical relevance.

One of the most distinctive features of the 2024 fatwa is its emphasis on *maqāṣid al-sharī'ah* (the objectives of Islamic law) as a basis for legal determination. *Maqāṣid* is not treated as a conceptual slogan but as an analytical instrument for interpreting modern economic dynamics. Values such as *ḥifẓ al-māl* (protection of wealth), *al-namā'* (growth), *maṣlaḥah* (public interest), and *tadāwul al-amwāl* (circulation of wealth) serve as guiding principles in formulating zakat provisions (Sholeh, 2024, pp. 89–97). Through this lens, the fatwa becomes not only legally valid but also ethically grounded and forward-looking. The orientation toward *maqāṣid* allows the fatwa to address demands for social justice amid deepening economic inequality. This moral dimension reinforces the fatwa's position as a legal instrument rooted in *sharī'ah* values.

The fatwa also shows responsiveness to the structures of modern capitalism by remapping the relationship between assets, income, and production. In today's economy, assets are understood as productive tools that generate continuous income flows. This definition applies to various forms of assets, physical (such as land, buildings, and machinery) as well as intangible (such as intellectual property rights, data, and human capital) (Kovács, 2023; Yu et al., 2024; Birch, 2024). The fatwa captures this shift by refraining from imposing zakat directly on the asset and placing it instead on the income produced (Sholeh, 2024, p. 92). This approach ensures that production instruments are not burdened with obligations that could hinder growth potential. The logic harmonizes modern economic principles with the framework of

zakat, so that both can function coherently. Through this mechanism, the fatwa operates effectively within a productivity-based capitalist system.

Another hallmark of *ijtihad* visible in the fatwa is its integration with state governance. Although it lacks formal legal authority, the fatwa functions as an important reference for institutions such as the National Zakat Board of Indonesia (BAZNAS) in the administration of zakat (Nasution, 2025). The fact points to how *ijtihad* unfolds within spaces that interact directly with modern governmental structures. MUI operates as a normative partner supporting public-policy agendas related to Muslim economic affairs. This integration creates a hybrid governance mechanism that brings together religious authority and state administrative frameworks. In this regard, the fatwa functions within a regulatory space far broader than the confines of religious discourse.

In the context of the nation-state, the fatwa does not circulate solely within community settings but also intersects with modern institutions such as banking, taxation, and the national zakat system (Hasanudin et al., 2023). The growing need for legal harmonization requires fatwas to be operationalizable within centralized administrative systems. The 2024 MUI Fatwa demonstrates this capacity by formulating zakat provisions compatible with the country's financial architecture. The adjustment marks a shift in *ijtihad* from a traditional pattern toward a more institutional orientation. The fatwa becomes part of a legal ecosystem that functions within the framework of formal law. In the end, the nation-state context shapes a more systematic and integrated form of *ijtihad*.

The fatwa also reveals how *ijtihad* can position Islamic law to remain relevant amid global capitalism. Modern economic dynamics demand efficiency and productivity, and Islamic law must not hinder business activity. By placing zakat obligations on income, the fatwa indirectly ensures that assets continue to function optimally as production capital. This strategy allows *shari'ah* values to remain alive through income-surplus distribution mechanisms. Such adaptation shows that adjusting religious norms does not amount to compromising values. It is precisely this adaptability that ensures Islamic law remains operational within the global economic system.

The model of *ijtihad* offered by the fatwa also avoids rigid literalism in addressing modern economic issues. MUI does not rely on narrow textualism; it interprets the *'illah* (legal cause / operative rationale) of rulings within changing socio-economic contexts. When new types of assets, such as rental apartments or digital assets, are absent from classical literature, *maqāṣid al-shari'ah* (the objectives of Islamic law) provides the methodological bridge (Al-Haddad, 2025). This approach makes it possible to extend legal rulings without violating the foundational principles of *shari'ah*. Such *ijtihad* is essential for responding to rapidly evolving economic realities, and the fatwa becomes a productive example of methodological adaptation.

The fatwa also shows how Islamic law functions as a social regulator that influences economic behavior. The zakat requirement on income encourages financial accountability through more transparent income recording. This behavioral shift occurs not merely through formal compliance but through the internalization of religious values. From the perspective of the political economy of Islamic law, the phenomenon illustrates that religious law continues to operate as a mechanism of social control. The fatwa provides a moral framework that guides financial decisions at both household and business levels. This regulative function reinforces the fatwa's role in the economic governance of Muslim communities.

The fatwa also shows that Islamic law can coexist with market logic without undermining it. The zakat obligation on income keeps market mechanisms dynamic because assets are not burdened with levies that would reduce productivity. Market logic, in turn, is directed by *sharī'ah* values to ensure that generated surplus flows into social-distribution mechanisms. The reciprocal relationship creates a symbiosis between religious ethics and economic mechanisms. Such a symbiosis allows the fatwa to function simultaneously as a moral and operational device in the modern market. In this manner, the fatwa acts as a non-coercive yet effective regulator.

Taken together, the MUI Fatwa demonstrates a new paradigm of contemporary Islamic economic *ijtihād*. It integrates the richness of the classical tradition, the vision of *maqāṣid*, the imperatives of modern capitalism, and the needs of state governance into a coherent legal structure. The composition produces a model of *ijtihād* that is flexible yet firmly rooted in the foundational values of *sharī'ah*. The fatwa shows that Islamic law can transform into a regulatory instrument that shapes economic spaces while maintaining its moral function in guiding social behavior. The fatwa therefore stands as a relevant and timely example of *ijtihād* for the economic dynamics of twenty-first-century Muslim societies.

These findings carry broader implications for how contemporary Islamic economic *ijtihād* should be approached in Islamic law and socio-legal scholarship. Rather than treating fatwas primarily as doctrinal outputs, the study indicates that fatwas increasingly operate as non-state regulatory instruments whose meaning is realized through institutional uptake and market practice. In this respect, the *al-mustaghallāt* ruling shows that *maqāṣid al-sharī'ah* functions not only as ethical language but also as an analytical and operational tool that translates classical categories into rules compatible with modern production structures, particularly through *ḥifẓ al-māl*, *al-namā'*, *maṣlahah*, and *tadāwul al-amwāl* (Sholeh, 2024). Methodologically, the finding suggests that future studies should integrate close textual analysis with attention to authority configuration and socio-economic effects, because a fatwa's regulatory significance emerges from its interaction with contemporary governance systems and economic realities.

The study also carries practical implications for zakat governance and institutional coordination in Indonesia. When a fatwa is formulated in ways that are administratively legible and economically operational, it can strengthen governance capacity by providing standardizable guidance for zakat institutions and related actors. This is particularly relevant given the role of BAZNAS and other administrative bodies that treat MUI fatwas as normative references in zakat administration (Nasution, 2025), as well as the broader need to harmonize religious norms with modern institutions such as banking, taxation, and the national zakat system (Hasanudin et al., 2023). The regulatory effectiveness of such fatwas, at the same time, depends on how they are communicated, institutionalized, and adopted across stakeholders. Future research should therefore move beyond document-centered analysis by examining implementation dynamics in practice, including how economic actors interpret the asset–income distinction, how accounting routines evolve in response, and whether the fatwa produces measurable changes in compliance patterns and redistribution outcomes over time.

Conclusion

The article demonstrates that the 2024 MUI Fatwa on productive-asset income (*al-mustaghallāt*) can be understood as a hybrid, non-state regulatory mechanism that distinguishes productive assets as instruments of production from the yields they generate as the proper object of zakat. Through the *maqāṣid al-sharī'ah* framework, this distinction is justified by the aims of protecting productive capital, recognizing actual wealth growth, advancing public benefit, and strengthening the circulation of wealth. By assigning zakat liability to income rather than to the asset itself, the fatwa aligns zakat governance with productivity-based economic realities while maintaining continuity with classical *fiqh* principles.

Viewed through the political economy of Islamic law, the asset–income distinction produces concrete socio-economic regulatory effects despite the fatwa's non-state status. It reshapes middle-class asset management by encouraging owners of rental and service-based productive assets to reorganize income calculations, separate operational costs from net returns, and develop *sharī'ah*-compliant recording practices. The same regulatory logic also extends to MSMEs and small enterprises by promoting more standardized accounting routines that make zakat assessment more measurable and administratively legible. At the institutional level, the fatwa supports broader zakat governance by expanding the zakat base and offering normative guidance that can be adopted by zakat agencies and other stakeholders.

Building on these findings, the research contributes to studies on *maqāṣid* and the political economy of Islamic law by offering an integrative model for reading fatwas as both normative-theological and socio-economic instruments. The fatwa on *al-mustaghallāt* is therefore understood not merely as a *fiqh* response but as a design for

social-religious policy that orders the relationship between ulama, the state, and market actors. Its practical implications open space for strengthening national zakat governance, developing *shari'ah*-based accounting instruments at the household and small-enterprise levels, and crafting public policies more attuned to the structures of productive income. Future research may focus on empirical studies that assess compliance levels and the economic impact of this fatwa, as well as on comparative analyses with zakat practices in other Muslim countries. Similar approaches can also be applied to examine fatwas related to finance, investment, and Islamic philanthropy. The article, in this way, offers not only an analysis of a single fatwa but also an analytical framework for understanding how *shari'ah* plays an active role in economic governance within the modern nation-state.

References

- Adinugroho, M., Azmi, N. F. B., Zuhdi, U., Hakiki, M. S., Abdullah, A. R., & 'Ilmi, Z. (2024). Analysis of zakat management efficiency levels in two Asean Countries (Studies in Indonesia and Malaysia). *Revista De Gestão - RGSA*, 18(5), e05033. <https://doi.org/10.24857/rgsa.v18n5-044>
- Aḥmad, M. 'A. 'A. (2016). *al-Mashākil al-Muḥāsabiyyah li-Taḥdīd wa-Qiyās Wu 'ā' Zakāt al-Mustaghallāt wa Zakāt 'Urūḍ al-Tijārah*. Master's Thesis of Jāmi'ah Shandī. <http://159.69.53.182:8080/jspui/handle/123456789/367>
- Al Mustofa, M. U., Shophia, S. P., Muhibbin, Z., Ardiantono, D. S., Mawardi, I., Widiastuti, T., Fahmi, A., & Windiani, W. (2025). Risk perception on intention to pay zakat via financial technology (fintech). *Journal of Islamic Marketing*. Advance online publication. <https://doi.org/10.1108/JIMA-03-2024-0110>
- Al-Āmidī. (1984). *Al-Iḥkam fi Uṣūl al-Ahkām*. Riyad: Mu'assasat al-Nūr.
- Al-Ghazālī. (1993). *Al-Mustaṣfā Min 'Ilm al-Uṣūl* (Muḥammad 'Abd al-Salām 'Abd al-Shāfi (ed.). Beirut: Dār al-Kutub al-'Ilmiyyah
- Al-Nawawī, Abū Zakariyyā Muḥyī al-Dīn ibn Sharaf. (1929). *Al-Majmū' Sharḥ al-Muḥadhdhab*. Cairo: Idārat ath-Ṭibā'ah al-Muniriyyah.
- Al-Qaradāwī. (2005). *Dirāsah fi Fiqh Maqāṣid al-Sharī'ah*. Cairo: Dār al-Shurūq.
- Al-Rāzī. (1997). *Al-Maḥṣūl fi 'Ilm al-Uṣūl*. Beirut: Mu'assasat al-Risālah.
- Al-Sarakhsī, Shams al-Dīn. (2001). *Al-Mabsūṭ*. Beirut: Dār al-Kutub al-'Ilmiyyah.
- Al-Shahrī, D. A. 'A. S. (2022). *Zakāh al-amwāl al-mustaghallah fi al-fiqh al-islāmī* [Zakat of exploited assets in Islamic jurisprudence]. *Humanities & Natural Sciences Journal*, 3(9), 596–610. <https://doi.org/10.53796/hnsj3938>
- Al-Shāṭibī. (2005). *al-Muwāfaqāt fi Uṣūl al-Sharī'ah* ('Abd Allāh al-Darrāz (ed.). Beirut: Dār al-Kutub al-'Ilmiyyah.

- Ashurov, S., Alhabshi, S. M. B. S. J., Othman, A. H. A., Habibullah, M., & Yusof, M. S. M. (2022). Developing a conceptual framework for zakat collection and distribution impact on social welfare through implications of SDGs. In *Research anthology on measuring and achieving sustainable development goals* (pp. 422–440). IGI Global Scientific Publishing. <https://doi.org/10.4018/978-1-6684-3885-5.ch022>
- Asni, M. F. A. H. M., Yusli, A. Y., & Al-Shibany, A. A. M. A. A. (2025). Assessment framework of zakat on real estate property developers in Malaysia. *Journal of Fatwa Management and Research*, 30(3), 56–80. <https://doi.org/10.33102/jfatwa.vol30no3.724>
- As-Salafiyah, A., Ali, M. M., & Rusydiana, A. S. (2025). Beyond profit: *Maqāṣid al-sharī'ah* in Islamic finance through partnership contracts (*'uqūd al-ishtirāk*). In F. Taghizadeh-Hesary, H. Mohd Thas Thaker, M. I. Bhatti, & A. Allah Pitchay (Eds.), *Islamic financial markets and institutions* (Contributions to Economics). Springer. https://doi.org/10.1007/978-981-96-8650-6_9
- Assembly of Muslim Jurists of America. (2008, October 24). *Zakat on rental property* (Fatwa ID: 76690). AMJA Online. <https://www.amjaonline.org/fatwa/en/76690/zakat-on-rental-property>
- Athambawa, M. (2025). *Ijtihād maqāṣidī and legal adaptation: A comparative analysis of contemporary Islamic jurisprudence in responding to emerging issues*. *Mazahibuna: Jurnal Perbandingan Mazhab*, 89–103. <https://doi.org/10.24252/mazahibuna.vi.54378>
- Bin Mohd Salimin, M. A., & Redzuan, N. H. B. (2025). Empowering zakat management through the viability of financial technology. In B. Alareeni & A. Hamdan (Eds.), *IoT and digital transformation: Innovating business models for the connected world (ICBT 2024) (Lecture Notes in Networks and Systems, Vol. 1575)*. Springer, Cham. https://doi.org/10.1007/978-3-032-00450-5_57
- Bin-Nashwan, S. A. (2025). Beyond complexity: Do alms tax (zakat) law intricacies justify non-compliance behaviour? *Journal of Financial Regulation and Compliance*, 33(3), 307–325. <https://doi.org/10.1108/JFRC-08-2024-0165>
- Birch, K. (2024). Assetization as a mode of techno-economic governance: Knowledge, education and personal data in the UN's system of national accounts. *Economy and Society*, 53(1), 15–38. <https://doi.org/10.1080/03085147.2023.2264064>
- Busari, S. A., Sitris, M., & Zakariyah, L. (2021). The significance of intent on zakatable real estate: A juristic analysis. *Malaysian Journal of Syariah and Law*, 9(2), 147–156. <https://doi.org/10.33102/mjssl.vol9no2.318>
- Chandren, S., Sham, M., Samsudin, M. A. B. M., Qaderi, S. A., & Nadarajan, S. (2023). Value relevance of operating performance during the GST and SST periods in Malaysia. *International Journal of Economics & Management*, 17(2). <http://doi.org/10.47836/ijeam.17.2.10>

- Choudhury, M. A. (2003). What is Islamic political economy? In *Studies in Islamic science and polity* (pp. 92–113). London: Palgrave Macmillan. https://doi.org/10.1057/9780230378032_5
- Commission of Fatwa and Sharia Affairs. (2026). *The ruling on zakah on rental properties* (Ref: CFSA0002/2026) [PDF]. <https://fatwacommission.com/fatwas/Fatwa-CFSA00022026-Ruling-on-Zakah-on-Rental-Properties.pdf>
- Dār al-Iftā' al-Miṣriyyah. (2021). *Ḥukm al-Zakāt al-Mustaghallāt* (Fatwa No. 8114). <https://www.dar-alifta.org/ar/fatwa/details/19844/%D8%AD%D9%83%D9%85-%D8%B2%D9%83%D8%A7%D8%A9-%D8%A7%D9%84%D9%85%D8%B3%D8%AA%D8%BA%D9%84%D8%A7%D8%AA>
- Daud, M. Z., Noh, M. S. M., Fidhayanti, D., & Hussin, M. N. M. (2025). Empowering futures: Unveiling zakat's vital role economic development and legal framework in Malaysia. *Jurisdiction: Jurnal Hukum dan Syariah*, 16(1), 235–274. <https://doi.org/10.18860/j.v16i1.31424>
- Fakhrudin, F., Sudirman, S., Firdaus, D. H., & Hidayat, H. (2024). From fiqh al-ibadat to muamalat: Repositioning zakat management in Indonesia in the perspective of maqāṣid al-sharī'ah. *Samarah: Jurnal Hukum Keluarga dan Hukum Islam*, 8(1), 495-517. <https://doi.org/10.22373/sjkh.v8i1.19637>
- Fanani, M., & Pohl, F. (2024). Fiqh-based social transformation in farmer empowerment: A participatory action research approach. *Al-Jami'ah: Journal of Islamic Studies*, 62(2), 305–335. <https://doi.org/10.14421/ajis.2024.622.305-335>
- Firmansyah, H., Pagar, P., & Amar Adly, M. (2022). The North Sumatra MUI's fatwas on zakat: Analysis of fatwa methods and the influence of school thought. *Al-Istinbath: Jurnal Hukum Islam*, 7(2), 421–440. <https://doi.org/10.29240/jhi.v7i2.4552>
- Gallardo-Albarrán, D., & Inklaar, R. (2021). The role of capital and productivity in accounting for income differences since 1913. *Journal of Economic Surveys*, 35(3), 952–974. <https://doi.org/10.1111/joes.12374>
- Gallien, M., Javed, U., & van den Boogaard, V. (2024). Zakat, non-state welfare provision and redistribution in times of crisis: Evidence from the COVID-19 pandemic. *Studies in Comparative International Development*. <https://doi.org/10.1007/s12116-024-09447-x>
- Hallaq, W. B. (2013). *The impossible state: Islam, politics, and modernity's moral predicament*. New York: Columbia University Press.
- Handayani, L., Widiastuti, T., Sukmana, R., Ainun, B., & Napitupulu, R. M. (2025). A new lens: Reframing performance measurement for Islamic social finance. *Journal of Islamic Accounting and Business Research*. Advance online publication. <https://doi.org/10.1108/JIABR-12-2024-0519>

- Haqqi, A. R. A. (2015). The philosophy of Islamic political economy: Introductory remarks. *Journal of Islamic Studies and Culture*, 3(1), 103–112. <http://dx.doi.org/10.15640/jisc.v3n1a1>
- Haryanto, R., Bakri, A. A., Samosir, H. E., Idris, D. L., Fauzan, T. R., & Agustina, W. (2023). Digital literacy and determinants of online zakat payments: Lessons from Indonesia experience with UTAUT. *Journal of Law and Sustainable Development*, 11(4), e575–e575. <https://doi.org/10.55908/sdgs.v11i4.575>
- Hasanudin, H., Mubarak, J., & Maulana, M. A. F. (2023). Progressiveness of Islamic economic law in Indonesia: The *murā'āt al-ʿilal wa al-maṣāliḥ* approach. *Samarah: Jurnal Hukum Keluarga dan Hukum Islam*, 7(2), 1267–1292. <https://doi.org/10.22373/sjkh.v7i2.17601>
- Hussin, I. R. (2016). *The politics of Islamic law: Local elites, colonial authority, and the making of the Muslim state*. Chicago: University of Chicago Press.
- Ibn ‘Abd al-Barr. (1980). *Al-Kāfi fī fiqh Ahl al-Madīnah*. Riyād: Maktabat al-Riyād al-Ḥadīthah.
- Ibn ‘Ābidīn. (1966). *Hāshiyah Ibn ‘Ābidīn*. Beirut: Dār al-Fikr.
- Ibn Qudāmah, Muwaffaq al-Dīn Abū Muḥammad ‘Abd Allāh ibn Aḥmad. (1997). *Al-Mughnī Sharḥ Mukhtaṣar al-Khiraqī* (3rd ed.). Riyadh: Dār ‘Ālam al-Kutub.
- Ibn Rusḥd, Abū al-Walīd Muḥammad ibn Aḥmad. (1952). *Bidāyat al-Mujtahid wa Nihāyat al-Muqtaṣid*. Cairo: al-Istiḳāmah.
- International Islamic Fiqh Academy. (1985, December 28). *Zakāh on real estates and leased non-agricultural lands* (Resolution No. 2 (2/2)). <https://iifa-aifi.org/en/32196.html>
- Ismail, A. M., & Baharuddin, A. S. (2022). Maximum benefit from recognized schools concerning the ruling of self-distributing zakat without paying to zakat centre: Fatwa of National Fatwa Committee of Malaysia as a model. *Journal of Fatwa Management and Research*, 27(1), 50–64. <https://doi.org/10.33102/jfatwa.vol27no1.387>
- Jabatan Mufti Wilayah Persekutuan. (2015, July 9). *Harta kekal yang berkembang dikenakan zakat*. <https://muftiwp.gov.my/en/artikel/irsyad-fatwa/irsyad-fatwa-khas-ramadhan-cat/1930-harta-kekal-yang-berkembang-dikenakan-zakat>
- Judijanto, L., Ilhamiwati, M., Abdullah, R., Winarni, I., & Lasmiatun, K. (2025). Implementation of Fatwa DSN-MUI as a basis for regulation in Islamic finance in Indonesia. *West Science Islamic Studies*, 3, 12–18. <https://doi.org/10.58812/wsiss.v3i01.1611>
- Kamali, M. H. (2011). Maqasid Al-Shari‘ah and Ijtihad as Instruments of Civilisational Renewal: A Methodological Perspective. *ICR Journal*, 2(2), 245–271. <https://doi.org/10.52282/icr.v2i2.647>

- Khan, S. (2023, December). A blockchain-based decentralized zakat collection and distribution platform. In *Proceedings of the 2023 7th International Conference on Software and E-Business* (pp. 9–13). <https://doi.org/10.1145/3641067.3641071>
- Kovács, A. F. (2023). Beyond GDP: The wealth perspective of sustainability. *Köz-Gazdaság*, 18(4), 93–112. <https://doi.org/10.14267/retp2023.04.06>
- Kuran, T. (2011). *The long divergence: How Islamic law held back the Middle East*. Princeton, NJ: Princeton University Press.
- Kurniawan, E., Ahmad, H., & Muttaqin, M. Z. (2025). From content creators to zakat payers: The fatwa of Indonesian Ulema Council and the rise of digital fiqh. *Islamic Law and Social Issues in Society*, 1(2), 99–115. <https://doi.org/10.64929/ilsis.v1i2.9>
- Kurniawan, E. (2026). Governing the Market through Fatwa: The Political Economy of the Indonesian Ulema Council's Fatwa on the Prioritization of Domestic Products. *Law and Social Justice in Society*, 1(1), 36-51. <https://doi.org/10.35723/ljsj.v1i1.80>
- Mawardi, I., Widiastuti, T., Al Mustofa, M. U., & Hakimi, F. (2023). Analyzing the impact of productive zakat on the welfare of zakat recipients. *Journal of Islamic Accounting and Business Research*, 14(1), 118–140. <https://doi.org/10.1108/JIABR-05-2021-0145>
- Menchik, J. (2022). *The politics of the fatwa: Islamic legal authority in modern Indonesia*. *Indonesia*, 114(1), 75–97. <https://doi.org/10.1353/ind.2022.0012>
- Mohamed, N. H. S., et al. (2025). Application of management control system by Lembaga Zakat Selangor for asnaf entrepreneurship program. In A. Hamdan (Ed.), *Integrating artificial intelligence, security for environmental and business sustainability (Studies in Systems, Decision and Control, Vol. 598)*. Springer, Cham. https://doi.org/10.1007/978-3-031-91424-9_33
- Mufid, M., & Muhammad, A. A. (2023). Islamic philanthropy and public policy: A study of zakat fatwas from the New Order era to the post-reform era. *Jurnal Hukum Islam*, 21(2), 201–230. https://doi.org/10.28918/jhi_v21i2_01
- Mun'im, Z., Harahap, W. R., Putra, R., Santoso, B., & Viegri, M. (2025). 'Ulamā', authority, and political relations: How the PCNU Jember fatwā influenced public policy on gold mining in Silo? *Journal of Islamic Law*, 6(1), 46–66. <https://doi.org/10.24260/jil.v6i1.3605>
- Musanna, K., Fitri, A., & Badruzaman, A. R. (2025). Between doctrine and custom: A sociological study on the distribution of zakat to santri. *Al-Manahij: Jurnal Kajian Hukum Islam*, 17–30. <https://doi.org/10.24090/mnh.v19i1.12386>

- Muṣṭafā al-Khin, Muṣṭafā al-Bughā and ‘Alī al-Sharbajī. (1996). *al-Fiqh al-Manhajī ‘alā Madhhab al-Imām al-Shāfi‘ī* Damascus: Dār al-Qalam li al-Ṭibā‘ah wa an-Nashr wa al-Tawzī‘.
- Mutmainah, L., Berakon, I., & Yusfiarto, R. (2024). Does financial technology improve intention to pay zakat during national economic recovery? A multi-group analysis. *Journal of Islamic Marketing*, 15(6), 1583–1607. <https://doi.org/10.1108/JIMA-09-2022-0268>
- Nasution, E. J. A. H. A. H. (2025). The implementation of zakat fatwas in amil zakat institutions: An analysis of opportunities and challenges. *Jurnal Ilmiah Peuradeun*, 13(2), 1369–1398. <https://doi.org/10.26811/peuradeun.v13i2.1249>
- Nurhayati, N., Hartanto, R., & Pramono, I. P. (2023). An empirical study on the impacts of quality information and competency of user on the quality of zakat management information system in Indonesia. *Journal of System and Management Sciences*, 13(3), 233–243.
- Prayogo, A., Syawal, R., Pia, A., Zalukhu, D. S., & Harahap, E. W. (2024). *Political economy and MUI Fatwa No. 83 of 2023: Literature review*. *Indonesian Journal of Innovation Multidisciplinary Research*, 2(2), 291–299. <https://doi.org/10.69693/ijim.v2i2.138>
- Riani, D., Meutia, M., & Taqi, M. (2024). Efficiency and stability of zakat institutions in Malaysia and Indonesia: DEA window analysis. *TEM Journal*, 13(1). <https://doi.org/10.18421/TEM131-32>
- Ridzuan, F., et al. (2025). Artificial intelligence in zakat management: Opportunities and challenges. In A. Hamdan (Ed.), *Integrating artificial intelligence, security for environmental and business sustainability (Studies in Systems, Decision and Control*, Vol. 598). Springer, Cham. https://doi.org/10.1007/978-3-031-91424-9_8
- Saḥnūn ibn Sa‘īd. (1999). *Al-Mudawwanah al-Kubrā li-Imām Mālik ibn Anas*. Beirut: Dār Ṣādir.
- Salleh, M. K. M., Bahor, A., & Yahya, M. A. (2021). Position of Fatwa in The Constitution: A Legal Analysis. *Pertanika Journal of Social Sciences & Humanities*, 29(4). <https://doi.org/10.47836/pjssh.29.4.04>
- Sarib, S., & Darlis, S. (2023). Cultural-based deviance on Islamic law: Zakat Tekke Wale’ spending in Basala, Konawe, Southeast Sulawesi, Indonesia. *Al-Ihkam: Jurnal Hukum & Pranata Sosial*, 18(2), 568–590. <https://doi.org/10.19105/al-ihkam.v18i2.10150>
- Sholeh, A. N. (Ed.). (2024). *Konsensus ulama fatwa Indonesia: Himpunan hasil ijtima’ ulama Komisi Fatwa se-Indonesia VIII tahun 2024*. Jakarta: Majelis Ulama Indonesia.

- Suhendar, H., Mukhlas, O. S., & Hakim, A. A. (2023). Legal politics of the existence of fatwa in Islamic financial institutions: Evidence from Indonesia. *Jurnal Hukum Islam*, 21(2), 279–308. https://doi.org/10.28918/jhi_v21i2_03
- Umar, M. A. H. (2014). *Zakāt: al-Uṣūl al-Tsābitah fī al-Mashru'āt al-Iqtisādiyyah*. Turkey: Diyanet İşleri Başkanlığı.
- Widiastuti, T., Auwalin, I., Rani, L. N., & Ubaidillah Al Mustofa, M. (2021). A mediating effect of business growth on zakat empowerment program and mustahiq's welfare. *Cogent Business & Management*, 8(1). <https://doi.org/10.1080/23311975.2021.1882039>
- Yu, X., Dilanchiev, A., & Bibi, S. (2024). Enhancing labor productivity as a key strategy for fostering green economic growth and resource efficiency. *Heliyon*, 10(3), e24640. <https://doi.org/10.1016/j.heliyon.2024.e24640>