ANALYSIS OF THE EFFECT OF ZAKAT, INFAQ, SADAQAH (ZIS) ON POVERTY IN ACEH PROVINCE

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ABSTRACT – Poverty is a condition where a person is unable to fulfill their needs. One of the indicators of a good country is when the poverty rate is low. So a solution is needed to overcome poverty. The distribution of zakat, infaq, and sadaqah (ZIS) funds is one of the solutions to overcome poverty, especially in Aceh Province. This study aims to analyze the effect of ZIS on poverty in 23 districts/cities of Aceh Province during the 10 years 2014-2023. This research uses quantitative methods with panel data regression analysis or a combination of time series and cross-section data obtained from Baitul Mal Aceh and the Central Bureau of Statistics (BPS) of Aceh Province. The best model used is the Random Effect Model (REM). The results showed that ZIS had a significant effect with a significance value of 0.0001 and showed a negative direction with a coefficient of -1.51E-10. If other variables are assumed to be fixed or carteris paribus, so every 1% increase in ZIS, poverty will decrease by one unit. These results state that the distribution of ZIS funds in 23 districts/cities of Aceh Province can be a solution to reducing poverty levels in Aceh Province.
Keywords: Poverty, Zakat, Infaq, Sadaqah

ABSTRAK – Analisis Pengaruh Zakat, Infaq, Sadaqah (ZIS) Terhadap Kemiskinan. *Kemiskinan merupakan suatu kondisi dimana seseorang tidak mampu memenuhi kebutuhan hidupnya. Salah satu indikator negara dikatakan baik adalah ketika tingkat kemiskinannya rendah. Sehingga diperlukan adanya solusi dalam mengatasi kemiskinan. Penyaluran dana zakat, infaq, dan sadaqah (ZIS) merupakan salah satu solusi mengatasi kemiskinan khususnya di Provinsi Aceh. Penelitian ini bertujuan untuk menganalisis pengaruh ZIS terhadap kemiskinan di 23 Kabupaten/Kota Provinsi Aceh selama 10 tahun periode 2014-2023. Penelitian ini menggunakan metode kuantitatif dengan analisis regresi data panel atau gabungan antara data runtun waktu (time series) dan data silang (cross section) yang diperoleh dari Baitul Mal Aceh dan Badan Pusat Statistik (BPS) Provinsi Aceh. Model terbaik yang digunakan adalah Random Effect Model (REM). Hasil penelitian ini menunjukkan bahwa ZIS berpengaruh signifikan dengan nilai signifikansi 0,0001 dan menunjukkan arah negatif dengan koefisien -1.51E-10. Jika variabel lain diasumsikan tetap atau cateris paribus, jadi setiap kenaikan 1% ZIS maka kemiskinan akan mengalami penurunan sebesar satu satuan. Hasil tersebut menyatakan bahwa penyaluran dana ZIS pada 23 Kabupaten/Kota Provinsi Aceh dapat menjadi solusi dalam menurunkan tingkat kemiskinan di Provinsi Aceh.*
Kata Kunci: *Kemiskinan, Zakat, Infaq, Sadaqah*

INTRODUCTION

Poverty is one of the biggest challenges faced by many countries worldwide, including Indonesia (Herianingrum et al., 2024; Mustika et al., 2019; Surury et al., 2024). This phenomenon not only affects the quality of life of individuals, but also has a broad impact on social, economic, and political stability. Poverty can be defined as the inability of a person or group of people to fulfill their basic needs, such as food, clothing, shelter, education, and health services. This condition is often measured by per capita income or expenditure below the poverty line set by the government or international organizations (Rini et al., 2020).

The poverty rate is measured at the national level by the percentage of people living below the national poverty line (Baihaqi & Puspitasari, 2020). According to the latest data from Central Bureau Of Statistics Of The Republic Of Indonesia (2024), the number of poor people in Indonesia in March 2024 reached 25.12 million, or around 9.41% of the total population. This figure shows a slight increase compared to September 2023, which recorded 24.78 million people or 9.22% of the total population. The increase was affected by various factors, including inflation, uncertainty in the global economy, and the public's experiences with the COVID-19 pandemic.

Poverty in Indonesia has distinctive characteristics, most related to geographic, demographic, and economic aspects. Geographically, rural areas tend to have higher poverty rates than urban areas. This is due to limited access to infrastructure and basic services in rural areas. Demographically, certain groups of people, such as women, children, and people with disabilities, are often more vulnerable to poverty. Economically, poverty in Indonesia is heavily influenced by factors such as unemployment, low levels of education, and unequal income distribution (Sinurat, 2023).

The Indonesian government has made various efforts to address the issue of poverty. Programs such as Direct Cash Assistance, Family Hope Program, and various community economic empowerment programs have been implemented to help reduce poverty levels. However, the challenges faced in the implementation of these programs are still quite large, especially in terms of the distribution of targeted and sustainable assistance (Fitriani et al., 2023).

One of the efforts to reduce poverty is through community economic empowerment, which can be done in various ways, one is through the instrument of ZIS (Alhashmi, 2024). ZIS is a concept in Islamic teachings that emphasizes the importance of sharing and helping others, especially those in need (Saputro & Sidiq, 2020). Zakat is an obligation for every Muslim who can set aside some of their wealth for those in need, while infaq and sadaqah are forms of voluntary donations. The potential of ZIS in Indonesia is very large considering the majority of the population is Muslim (Azzahra et al., 2023; Fauziah, 2020; Munandar et al., 2020; Suriani et al., 2021; Syafa et al., 2020).

According to National Amil Zakat Agency (BAZNAS) 2023 report, the amount of zakat collected reached IDR 10 trillion, up from IDR 9.3 trillion the previous year. These funds have been used for various programs, including education, health, and economic empowerment assistance. These programs have had a positive impact on many poor families, helping them to escape the cycle of poverty and improve their quality of life.

If ZIS funds are effectively channeled to poor people who need them, they can then assist in turning the economy around by improving the buying power and welfare of the grassroots. This will encourage an increase in the supply of goods and services which in turn can spur economic growth in various sectors (Novalia et al., 2020). Many studies have been conducted to examine the issue of poverty, as well as studies that relate it to Zakat funds (Adzkiya et al., 2022; Azzahra et al., 2023; Baihaqi & Puspitasari, 2020; Choiriyah & Kaf, 2020; Hany & Islamiyati, 2020; Herianingrum et al., 2024; Munandar et al., 2020; Mustika et al., 2019; Suriani et al., 2021). However, the number of studies that simultaneously focus on examining the issue of poverty and the distribution of ZIS funds is still very limited.

This study aims to fill the gap that exists in previous studies related to the issue of poverty alleviation and the distribution of ZIS funds simultaneously. Specifically, this study analyzes the effect of zakat infaq and sadaqah on poverty in the districts/cities of Aceh Province in the last 10 years, as well as examining the effectiveness of ZIS funds in overcoming poverty and the basic mechanisms that underlie ZIS funds to fight and eliminate poverty in Aceh Province. Through this research, a comprehensive analysis of poverty alleviation efforts can be obtained by optimizing the distribution of ZIS funds.

This research aims to provide alternative solutions and input for stakeholders, including the government, ZIS institutions, and the community, to support and reinforce poverty alleviation programs in the future by leveraging and optimizing the potential of ZIS fund distribution in an effective and sustainable manner.

LITERATURE REVIEW

Zakat, Infaq, and Sadaqah (ZIS)

As one of the five pillars of Islam, zakat has unique privileges for the ummah (Laallam et al., 2020). Zakat is not only an important act of worship to cleanse its practitioners from sins and demonstrate the truth of their faith but it is also considered an effective mechanism to help alleviate poverty and promote economic growth (Nawawi et al., 2022). Zakat is an obligation for Muslims who have savings and wealth exceeding the minimum amount of one year (nisab) to distribute a portion of their wealth to the eight categories of Muslims (asnaf) specified in the Quran. Through the payment of zakat, wealth can be transferred from the wealthy to the less fortunate or needy so that every Muslim is guaranteed a fair standard of living (Pranata et al., 2022). In this regard, zakat is not just an individual act of worship, but also a social institution that plays an important role in strengthening the socio-economic aspects of society as it is considered to build bridges and reduce the gap between the rich and the poor (Azzahra et al., 2023; Bouanani & Belhadj, 2020; Hany & Islamiyati, 2020; Herianingrum et al., 2024).

According to (Said et al., 2020), Zakat has three main aspects: religious, moral, and social. In terms of religion, paying zakat is one of the pillars of Islam that must be carried out as a form of obedience to Allah. Paying zakat is a means to get closer to Allah, and get His reward and mercy. Zakat is a process of wealth purification. This process of wealth purification is not intended to purify wealth obtained from illegitimate sources. Rather, it is an act of purifying oneself from greed and selfishness. It is considered a means to purify oneself and achieve a balance between the accumulation of wealth in this world and the hereafter. From a moral point of view, paying zakat involves values of kindness, and compassion, and can relieve feelings. From the social aspect, zakat can help people in need (mustahik), support them, and contribute to the economic growth and welfare of society (Razak, 2020).

Zakat can be divided into two types, namely Zakat Fitrah and Zakat Mal (Treasure). Zakat Fitrah is a zakat that must be paid by every Muslim before Eid al-Fitr in the month of Ramadan. The amount of Zakat Fitrah is equivalent to 2.5 kilograms of staple food in the local area. Zakat Fitrah must be paid at the latest before the Eid al-Fitr prayer, if it passes the deadline then it is no longer considered as zakat, but ordinary sadaqah. On the other hand, Zakat Mal (Treasure) is a zakat imposed on all types of wealth owned by a Muslim, as long as the wealth is obtained through means that are not contrary to religious provisions. Zakat Mal includes the proceeds of trade, agriculture, mining, fisheries, livestock, found property, gold, silver, and others. Zakat Malis is an obligation for every Muslim who has wealth by the nisab (minimum amount) that has been determined (Yanda & Faizah, 2020).

The Quran surah At-Taubah verse 60 specifically mentions eight main categories of zakat recipients called asnaf. These categories include the poor, those who are in debt, travelers on a journey, ibnu sabil (people who are stranded on a journey), converts to Islam, and people who have just been freed from slavery or bondage. In addition, the category of zakat recipients also includes those who are struggling in the way of Allah, as well as those who are in charge of collecting zakat (amil). Zakat management institutions or communities have the authority to determine the distribution of zakat funds to the asnaf (categories of zakat recipients) who are most in need. However, there is a general belief that the top priority in the use of zakat funds should be given to poverty alleviation. This is done through providing assistance and compensation to the poor who need help (Said et al., 2020).

Islamic philanthropy is a term used to refer to practices of social generosity in Islam, such as zakat, infaq, and sadaqah. The term illustrates that these practices aim to address social problems, such as inequality and poverty. In the context of Islamic Sharia law, sadaqah has the same meaning as infaq. Both have similar laws and provisions. However, the difference lies in the object. Infaq is related to material giving, while sadaqah is not only in material form, but can also be in the form of non-material actions, such as helping others, giving advice, or doing other good deeds (Hany & Islamiyati, 2020).

Infaq is property issued by a person or business entity other than zakat, with the aim of public benefit. Meanwhile, sadaqah is property or non-wealth

issued by a person or business entity (other than zakat) also for public benefit (Yanda & Faizah, 2020). According to (Yuliana et al., 2019), infaq is an expenditure of assets that includes two things, namely zakat, and non-zakah.

The purpose of infaq is diverse, and its recipients are broad, not confined to particular groups. The are no restrictions on how infaq funds can be used, they may be spent immediately for consumption or invested in productive ventures or economic activities to generate future income. Before giving infaq to others, munfiq, or those who give infaq, must first fulfill their financial responsibilities, such as paying off debts, zakat, or fulfilling oaths (Jaenudin & Herianingrum, 2022)

Sadaqah, linguistically, comes from the Arabic word ash-sadaqah, which means true. Sadaqah is zakat itself. Therefore, sadaqah is voluntary zakat. It can be paid in monetary and/or non-monetary forms at a personal or business level (Kailani & Slama, 2020). In a broad sense, Sadaqah can be interpreted as giving something to someone with the expectation of Allah's blessing and reward and without expecting any reward or compensation (Kamarni et al., 2024).

Sadaqah can be defined as any form of kindness given by someone, whether it is in the form of services, goods, or treasures. Sadaqah is not only limited to material gifts but also includes all forms of actions and good deeds done to help or assist others. In this case, sadaqah can be divided into two types, namely treasure sadaqah and non-wealth sadaqah. Treasure sadaqah is sadaqah given in material form such as money, goods, or other possessions. Meanwhile, non-wealth charity is charity given in non-material forms, such as energy, time, or services to help others. Both treasure sadaqah and non-wealth sadaqah have the same value and meaning in religious teachings, namely as a form of concern and benevolence to others (Yanda & Faizah, 2020). (Adzkiya et al., 2022) stated that sadaqah can be utilized as a means to make changes and improvements in overcoming social problems that occur in society.

Poverty

The definition of poverty has undergone a rich and varied development since the early 20th century. Too much attention has been diverted from studying the causes and remedies of this issue, leading to a revision of the definition and features of poverty. According to an early definition given by well-known

Muslim scholar Al-Qaradawi (1999), poverty is an economic state in which a person lacks assets or income and is dependent on others to meet their needs (Collins, 2020). According to the definition of poverty, it is the inability to make ends meet by earning the bare minimum of goods and services. According to (Alhashmi, 2024) most recent definition, poverty is the state in which an individual is unable to meet their basic requirements, which include but are not limited to food, shelter, clothes, a means of communication, education, health, freedom, security, and social justice. Poverty, to put it briefly, is the inability to attain a respectable quality of living in many facets of a person's fundamental existence. There isn't a single definition of poverty in existence at the moment because of the several definitions that have emerged from a number of commonalities (Collins, 2020; Laurens & Kusuma, 2020; Zulkifli et al., 2021).

The Role of ZIS Fund Distribution in Alleviating Poverty

Poverty is when a person lacks the financial means necessary to maintain a decent quality of life. This includes limited access to employment, food supply, and other income-generating resources. To address poverty, it is important to understand its dimensions and causes from a micro and macro perspective. While macroeconomic policies determine economic growth and overall development, the distribution of income within a society is the main factor that determines the level of poverty. Poverty is closely related to income inequality. Poverty can widen the gap between the rich and the poor. Therefore, efforts are needed to reduce poverty to minimize the inequality that occurs in society (Ayyubi & Saputri, 2018; Munandar et al., 2020).

According to (Surury et al., 2024), efforts to overcome the problem of poverty can be made by encouraging people to be more productive in work and entrepreneurship, increasing public awareness of the obligation to pay zakat, ensuring transparency in the management of ZIS funds, and choosing programs that are right on target to alleviate poverty. This can be achieved by enacting laws that encourage investment, bolster economic sectors with significant job-creation potential, enhance infrastructure, and grant access to education and skill development. As a result, it is anticipated to lessen poverty in Indonesia and enhance community welfare generally. Raising the level of living for zakat recipients (mustahik) is another way that productive zakat distribution can raise living standards. Effective zakat has the potential to

generate a large number of new employment as well as competitive and creative people resources. Several studies (Ayyubi & Saputri, 2018; Kailani & Slama, 2020; Saputro & Sidiq, 2020) state that zakat has the potential to alleviate poverty.

Research Hypothesis

The following is the hypothesis proposed in this study regarding the effect of ZIS on the poverty rate in Aceh Province
H_1: ZIS has significant effect on the poverty rate in Aceh Province
H_0: ZIS has no significant effect on the poverty rate in Aceh province

METHODOLOGY

Research Methods

This study employs a quantitative methodology. In order to test theories and derive important statistical inferences about the population being studied, the quantitative approach concentrates on the objective measurement and analysis of data (Sugiyono, 2017). This research design applies a systematic quantitative approach. This involves a rigorous process of collecting empirical data and analyzing the data using statistical methods about to ensure the objectivity and accuracy of the findings, then interpreting the findings to assess the validation of the hypothesis that has been set and finally evaluating the hypothesis to produce reliable conclusions.

Data Collection

In order to provide a more accurate understanding of the phenomenon being studied, this study uses panel data collection techniques, which combine time series data and cross-section data. Panel data increases the ability of analysis to produce more reliable results by combining information from various dimensions (place and time). The secondary data used is obtained indirectly from intermediary sources. In particular, the data collected came from Baitul Mal Aceh which included data on ZIS and data on the percentage of the district/city poor population obtained from the Central Bureau of Statistics (BPS) of Aceh Province. The use of secondary data from various official sources is expected to provide strong and reliable information for research analysis purposes.

Population and Sample

The population of interest in this study is 23 districts/cities of Aceh Province with a total of 230 data in ten years from 2014-2023. The sampling technique used is saturated sampling so that all populations are used as research samples, namely ZIS data and data on the percentage of poor people in 23 districts/cities of Aceh Province with a total of 10 annual data totaling 230 data.

Variables and Variable Operations

There are two types of variables employed in this study: independent and dependent. The poverty rate is the dependent variable in this study, and the ZIS distribution level is the independent variable. An operational table of the research variables is provided below.

Table 1. Operational Definition of Research Variables

No.	Variables	Definition	Data	Unit
1	Dependent Variable			
	Poverty (Y)	Poverty is a condition where a person or group of people are unable to meet their standard of living needs. (Subandi, 2016). Measured using the percentage level of the poor population in units of percent (%).	Central Bureau of Statistics (BPS) of Aceh Province	Percent (%)
2	Independent Variable			
	ZIS (X)	Zakat according to Qardawi (2004), is the worship of maaliyah al ijtima 'iyyah, is worship in the field of property that has a strategic function, important, and it can determine the development of community welfare. Infaq according to (Sarwat, 2019), is a person's property that is issued or a	Baitul Mal Aceh	Rupiah (Rp)

business entity outside of zakat, at any time and without limitation of the amount for the interests ordered by Allah SWT for the common good. Sadaqah according to (Hafidhuddin, 2007), is an asset or non-asset that is issued by a person or a business entity at any time and without limitation of amount for the benefit and public interest. Data on zakat, infaq, and sadaqah in this study are taken from data on the amount of distribution at the National Amil Zakat Agency (BAZNAS) which is expressed in rupiah units.

(Source: Data Processed, 2024)

Data Analysis Method

This research uses descriptive analysis techniques and panel data regression analysis. According to (Sugiyono, 2017), descriptive analysis is concerned with presenting and summarizing data without trying to infer conclusions that can be applied to a larger population. Descriptive statistics in this context are the standard deviation, mean, minimum, and maximum values computed with Eviews software. The next step involved using Eviews software to perform several model tests, such as the Chow, Hausman, and Breusch-Pagan tests, to identify the most suitable model, the Common Effect Model (CEM), Random Effect Model (REM), or Fixed Effect Model (FEM) before performing panel data regression analysis. The following steps are taken to choose the best model.

1. Chow Test
   The Chow test is a test used to compare the common effect model with the fixed effect model. The hypothesis of the chow test is:
   H_0: Model used common effect model
   H_1: Model used fixed effect model

If p-value <0.05, H0 is rejected, meaning the fixed effect model is the best. If the fixed effect model is chosen, the Hausman test is continued.

2. Hausman Test

   The Hausman test select the better model between the fixed effect model and the random effect model. The hypothesis of the Hausman test is:

   H_0: Model used random effect model

   H_1: Model used fixed effect model.

   If p-value > 0.05, H0 is accepted, meaning the random effect model is the best. The LM (Lagrange Multiplier) test is continued if the random effect model is chosen.

3. LM (Lagrange Multiplier) Test

   The LM test aimed to select if the random effect or common effect model is the best model in this research with the assumption of the following hypothesis:

   H_0: Model used common effect model

   H_1: Model used random effect model

   If p-value <0.05, H0 is rejected, meaning the random effect model is the best. However, if p-value > 0.05, H0 is accepted, which means the common effect model is the best used in this research.

The model regression used is as follows:

$$K_{it} = \beta0 + \beta1ZIS_{it} + \varepsilon$$

Where,

K   : Poverty Level

ZIS   : Zakat, Infaq and Sadaqah

i   : 23 Districts/Cities of Aceh Province

t   : Period 2014-2023

RESULTS AND DISCUSSION

Research Results

Descriptive Analysis

To provide an overview of the statistical data of each variable used, the authors conducted a descriptive analysis. In this descriptive analysis, the author uses basic statistics such as calculating the average value, lowest value, highest value, and standard deviation to present the characteristics of the data used in the study.

Table 1. Descriptive Analysis Results

Variables	Average	Std.Dev	Minimum	Maximum
Poverty	16.19165	3.669667	6.9	27560658753
ZIS	8299732908.26	5143954081	1656245018	23.79

(Source: Data Processed, 2024)

Based on Table 1 of the descriptive analysis results above, it is known that the dependent variable (X), namely poverty, has an average value of 16.19165, a maximum value of 27560658753, a minimum value of 6.9, and a standard deviation value of 3.669667. Then the independent variable (Y), namely ZIS, has an average value of 8299732908.26, a maximum value of 23.79, a minimum value of 1656245018, and a standard deviation value of 5143954081.

Selection of Panel Data Regression

Table 2. Chow Test Results

Effects Test	Statistic	d.f.	Prob.
Cross-section F	86.928630	(22,206)	0.0000
Cross-section Chi-square	536.027486	22	0.0000

(Source: Data Processed, 2024)

The Chow Test results in Table 2 show that the probability value of cross-section F is smaller than 0.05 (0.000<0.05), then H_1 is accepted and H_0 is rejected. Therefore, the most appropriate model to use is the Fixed Effect Model (FEM).

Table 3. Hausman Test

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	0.196190	1	0.6578

(Source: Data Processed, 2024)

The Hausman Test results in Table 2 show that the Chi-square probability value is greater than 0.05 (0.6578>0.05), so H_0 is accepted and H_1 is rejected. Therefore, the most appropriate model to use is the Random Effect Model (REM).

Table 4. Lagrange Multiplier Test

	Cross-section One-sided	Period One-sided	Both
Breusch-Pagan	821.2306 (0.0000)	0.448634 (0.5030)	821.6792 (0.0000)

(Source: Data Processed, 2024)

The Lagrange Multiplier Test results in Table 4 show that the cross-section F probability value is greater than 0.05 (0.0000<0.05), so H_1 is accepted and H_0 is rejected. Therefore, the most appropriate model to use is the Random Effect Model (REM). Based on the results of the Chow test, Hausman, and LM tests above, the best model in this study is the Random Effect Model (REM).

Panel Data Regression Analysis

Table 5. Panel Data Regression Analysis Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	17.44727	0.793655	21.98344	0.0000
X	-1.51E-10	3.86E-11	-3.917552	0.0001

(Source: Data Processed, 2024)

Table 5 presents the results of the panel data regression analysis that examines the effect of the independent variable ZIS on the dependent variable, Poverty.

This analysis uses 230 observations representing data from 23 districs/cities in Aceh Province during the period 2014 - 2023. The test results show that the sig. 0.0001<0.05, then H_1 is accepted. This confirms that ZIS has a significant effect on poverty. The coefficient of variable X (ZIS) is -1.51E-10, indicating that a 1% increase in ZIS will result in a reduction in poverty by 1.51E-10, holding other variables constant.

The panel data regression results in the following equation:

$$K_{it} = 17.44727 - 1.51\text{E-10it} + \varepsilon$$

The panel data regression results show that ZIS has a negative and statistically significant effect on the poverty rate in Aceh Province.

Discussion

This study analyzes the effect of ZIS on the poverty rate in Aceh Province. The analysis was conducted using panel data on 23 districts/cities in Aceh Province over 10 years, from 2014 to 2023. The results of the regression analysis using the Random Effect Model (REM) show that ZIS has a negative and significant effect on poverty in the districts/cities of Aceh province. The regression coefficient value of the ZIS variable is -1.51E- 10 with a probability value of 0.0001. H_1 is accepted. This means that the greater the amount of ZIS, the lower the poverty rate. In other words, an increase in ZIS distribution is proven to significantly reduce poverty in districts/cities in Aceh province.

Law No. 11/2016 on the Government of Aceh has established zakat as one of Aceh's sources of local revenue. With the huge potential of Muslims in Aceh, zakat, infaq, and sadaqah funds have a great opportunity to become a solution in poverty alleviation efforts in Aceh Province. By optimally utilizing and managing ZIS funds, the Aceh government can encourage the improvement of the welfare of the poor, so that the poverty rate in Aceh can be significantly reduced. Baitul Mal Aceh explained that the distribution of ZIS funds is done on two bases. First, the program basis is used to support activities in the fields of education, health, social economy, and da'wah. Second, the asnaf basis, which is distributed by the eight groups entitled to receive, with the largest proportion used to help the poor and needy. In addition, program-based ZIS distribution is also used for various activities, such as skills training for youth from poor families, productive zakat assistance, house construction for the

poor, educational assistance and scholarships for students from poor families, and monthly compensation for children from poor families (Baihaqi & Puspitasari, 2020; Yuliana et al., 2019).

The Aceh Provincial Government needs to focus its poverty alleviation programs in rural areas. Data shows that the poverty rate in rural areas of Aceh is still much higher than in urban areas. Therefore, the Aceh government should prioritize development programs specifically aimed at alleviating poverty in rural areas. One way to do this is by increasing investment in the agricultural sector and the development of rural infrastructure, such as roads, irrigation, and electricity. This will encourage economic growth in rural areas and improve community access to basic services. The government can also strengthen community economic empowerment programs, such as the development of small and medium enterprises and the provision of business capital for the rural poor. Thus, it is hoped that poverty alleviation programs in rural Aceh can run more effectively and have a real impact on improving the welfare of the people of Aceh.

This research is relevant to the results of research (Baihaqi & Puspitasari, 2020; Yuliana et al., 2019) that the distribution of ZIS funds has great potential to help reduce poverty, but this must be supported by effective and targeted management so that the benefits can be felt optimally by the poor in Aceh Province.

CONCLUSIONS

Poverty is a multidimensional problem that has a serious impact on people's lives. Poverty is not only related to low income, but also covers various social, economic, and political aspects. Poor people tend to be isolated from social life and have low participation. This condition then triggers various criminal acts that further exacerbate the situation. To overcome the problem of poverty, the government continues to work on effective planning and strategies for national development. ZIS can be a permanent solution to poverty that is based on income distribution from the rich to the poor.

The results of the analysis show that the distribution of ZIS funds has a negative and significant effect on poverty in the districts/cities of Aceh province. The regression coefficient value of the ZIS variable is -1.51E-10 with a probability

value of 0.0001. This means that the greater the amount of ZIS funds distributed, the lower the poverty rate in districts/cities in Aceh Province. Law No. 11/2016 on the Government of Aceh has established zakat as one of the sources of Aceh's Original Revenue (PAD), so ZIS funds have a great opportunity to be a solution in poverty alleviation efforts. The Aceh government needs to focus poverty alleviation programs in rural areas, which have a much higher poverty rate compared to urban areas, namely through increased investment in the agricultural sector, rural infrastructure development, and strengthening economic empowerment programs for the poor. Utilizing and managing ZIS funds optimally is expected to encourage the improvement of the welfare of the poor so that the poverty rate in Aceh can decrease significantly.

It is expected that the distribution of ZIS funds can have a broad and sustainable positive impact on the welfare of the people of Aceh. The government can implement more programs that focus on economic empowerment, education, health, and infrastructure to improve the quality of human resources to encourage productivity and hopefully break the chain of poverty in disadvantaged villages.

For further scientific development, the author suggests that future researchers can add waqf variables that correlate with this research on the role of waqf institutions in poverty alleviation.

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