

DECLARATION

I here by,

Name : Muhammad Luqman Ammar

Registered Number : 40.2019.321018

Faculty : Sharia

Department : Islamic Economic Laws

Title : Concept of Zakah Payment For Non-Fungible Token Creators On
Collectibles in Indonesia

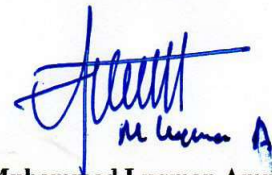
I sincerely declare that this thesis belongs to my work and not to other researcher for a different degree. Furthermore, this thesis is never published before, except for some parts with their original references.

Otherwise, if it is found that this thesis is plagiarism, I am ready to be ceased academically,

Ponorogo, 13 Juamadal Awal 1444 H

December 6 2022 M

Researcher,



Muhammad Luqman Ammar

NIM. 40.2019.321018

SUPERVISOR DECISION LETTER

Honorable to
Dean of Sharia Faculty
University of Darussalam Gontor

Bismillahirramanirrahim

Assalamua 'alaikum Warahmatullah Wabarakatuh

I present this thesis written by

Name : Muhammad Luqman Ammar
Registered Number : 40.2019.321018
Faculty : Sharia
Department : Islamic Economic Laws
Tittle : Concept of Zakah Payment For Non-Fungible Token Creators On
Collectibles In Indonesia

it has been processed and corrected to meet the practical requirement to attain the Bachelor's Degree (S1) in Islamic Economics Laws. Therefore, we hope this thesis could be examined


Hopefully, this thesis will be useful for religion, nation, and the development of an educational institution.

Wassalamu 'alaikum Warahmatullahi Wabarakatuh

Ponorogo, 12 Juamadal Awal 1444 H

December 6 2022 M

Supervisor,



Muhammad Abdul Aziz, S.H.I., M.Si.
NID 160542

CERTIFICATION

The Faculty of Sharia, University of Darussalam Gontor has received a thesis written by:

Name : Muhammad Luqman Ammar

Registered Number : 40.2019.321018

Faculty : Sharia

Department : Islamic Economic Laws

Title : Concept of Zakah Payment For Non-Fungible Token Creators On
Collectibles in Indonesia

it has been processed and corrected to meet the practical requirement to attain the
Bachelor's Degree (S1) in Islamic Economics Laws in the Faculty of Sharia on academic

Ponorogo, 13 Juamadal Awal 1444 H

2022 M

Dean of Sharia Faculty



Dr. Imam Kamaluddin, Lc, M.Hum
NIY. 960125

DECISION OF THE TEAM

Thesis

CONCEPT OF ZAKAH PAYMENT FOR NON-FUNGIBLE TOKEN CREATORS ON
COLLECTIBLES IN INDONESIA

Prepared and presented by Muhammad Luqman Ammar


Has been Approved by the board of examiner of the undergraduate Program on Islamic
Economic Laws

Board Examiner

Major Advisor


Muhammad Abdul Aziz, S.H.I., M.Si.

Examiner


Dr. Setiawan bin Lahuri, Lc., M.A.

Examiner


Zulafatus Sa'diah, M.E.

This thesis was declared and accepted in partial fulfillment of the obtained Bachelor of
Islamic Economic Laws

Dean of Sharia Faculty


Dr. Imam Kamaluddin, Lc, M.Hum

Head of Department of
Islamic Economic Laws


Muhammad Abdul Aziz, S.H.I., M.Si.

DEDICATION

I dedicate this indescribable thesis to them for their most supporting in finishing this undergraduate thesis:

Allah Almighty, the creator of the universe, and the earth, the most merciful and blessings.

The prophet Muhammad Peace be Upon Him. Who has brought us from the blind of darkness to the bright of the lightness.

My beloved Mother, Masroro Djauhar Marfiah, unfortunately, passed away when I was ten. She always supported me when I was a kid.

My beloved Father Priyono Raharjo, and Mother Sri Rejeki Dawoed. Who has never tired supported me and praying for my success.

My beloved Brother and sister Muhammad Amir Firdausi, Budi M. Setiawan, Rini Fitriana, and Bonita Aruni always support and pray for me.

My beloved family, all uncles, aunties, cousins, nephews, and nieces.

My Supervisor, Mr. Muhammad Abdul Aziz, S.H.I., M.Si., 'll always be grateful for your patience

All of the lectures at the Islamic Economic Laws Department and Sharia Faculty

Thank you to all who supported me, Unida Taekwondo Club, KSEI Fisdom, Daily Manager Student Council, and my Islamic Economics Law 2019 Friends.

MOTTO

حَيْرُ النَّاسِ أَنْفَعُهُمْ لِلنَّاسِ

the best of people is the most beneficial to people

(HR Muslim)

خُذْ مِنْ أَمْوَالِهِمْ صَدَقَةً تُطَهِّرُهُمْ وَتُزَكِّيهِمْ بِهَا وَصَلِّ عَلَيْهِمْ إِنَّ صَلَاتَكَ سَكَنٌ لَهُمْ وَاللَّهُ سَمِيعٌ عَلِيمٌ

Take zakah from their property, clean and purify them, and pray for them. Truly your prayer (grow) peace of mind for them. Allah is All-Hearing, All-Knowing.

(QS At-Taubah verse 103)

والأصل في العقود والمعاملات الصحة حتى يقوم دليل على البطلان
والتحريم

The original law in various agreements and muamaalat is valid until an argument shows its falsity and prohibition.

(I'Lamul Muwaqi'in, 1/344)

أن الأصل في الأشياء المخلوقة الإباحة حتى يقوم دليل يدل على النقل
عن هذا الأصل

The original law in multiple contracts and muamaalah is good until a view shows its error and prohibition.

(Imam Asy Syaukani, Fathul Qadir, 1/64. Mawqi' Ruh Al Islam)

ACKNOWLEDGMENT

Praise Allah, the creator of the earth and the universe, and the merciful and blessings. *Shalawat* and *Salam* be upon Prophet Muhammad Saw., who has brought lightness to the entire world.

Only Allah's kindness and guidance allowed the writer to complete this thesis. Recognizing his inability to complete this thesis, the writer felt compelled to convey his gratitude for all necessary direction, advice, and aid. On this occasion, the researcher should express his heartfelt appreciation for the following:

1. The President of Darussalam Gontor Modern Islamic Insitution; Prof. Dr. KH. Amaal Fathullah Zarkasyi, M.A., K.H. Hasan Abdullah Sahal, Drs. K.H. Akrim Mariyat, Dipl.A. Ed, permitted the researcher to study at the University of Darussalam Gontor.
2. The rector of the University of Darussalam Gontor, Prof. Dr. Hamid Fahmy Zarkasyi, M.A., M.Phil., Dr. Abdul Hafidz bin Zaid, M.A., Dr. Setiawan bin Lahuri, M.A., and Dr. Khoirul Umam, M.Ec.
3. Honourable Supervisor and the Dean of the Faculty of Sharia, Dr. Imam Kamaaluddin, Lc., M.Hum. for his valuable advice and recommendations while preparing my thesis.
4. Honourable the Head of the Islamic Economics Laws department and the Supervisor of Thesis, Muhammad Abdul Aziz, S.H.I., M.Si
5. All of the University of Darussalam Gontor lecturers who taught me throughout my time at the institute.
6. For my parents, who have taught and guided me since boyhood, and for his adored brothers, who have supported him psychologically and financially.
7. Furthermore, all of my friends have helped to complete this thesis.

May Allah repay them proportionately and bless them, and might even this simple thesis be valuable to the readers, especially the author.

Researcher

Muhammad Luqman Ammar

TABLE OF CONTENTS

ABSTRACT.....	iv
ABSTRAK.....	v
DECLARATION.....	vi
SUPERVISOR DECISION LETTER.....	vii
CERTIFICATION.....	viii
DECISION OF THE TEAM.....	ix
DEDICATION.....	x
MOTTO.....	xi
ACKNOWLEDGEMENT.....	xiii
TABLE OF CONTENTS.....	xv

CHAPTER I: INTRODUCTION

1.1. Background of Research.....	1
1.2. Problem Formulation.....	6
1.3. Research Aims.....	6
1.4. Research Benefits.....	7
1.4.1. Theoretical Benefit.....	7
1.4.2. Practical Benefit.....	7
1.5. Literature Review.....	7
1.6. Research Method.....	9
1.6.1. Type of Research.....	9
1.6.2. Data Source.....	10
1.6.3. Research Place.....	11
1.6.4. Data Collection Technique.....	11
1.6.5. Data Analysis Techniques.....	12
1.7. Research Systematic.....	13

CHAPTER II: GENERAL DESCRIPTION OF NON-FUNGIBLE TOKEN (NFTs)

2.1.	Centralized Finance and Decentralized Finance Theory	15
2.1.1.	Blockchain Technology	17
2.1.2.	Ethereum and Smart Contract	18
2.2.	Non-Fungible Tokens (NFTs).....	18
2.2.1.	Non-Fungible Tokens Development History	19
2.2.2.	Non-Fungible Token Properties	22
2.2.3.	Non-Fungible Token Participant	23
2.2.4.	Gain Advantages on Non-Fungible Token	24
2.2.5.	Trading Guide Mechanism.....	26
2.3.	Non-Fungible Token Regulatory in Indonesia	33
2.3.1.	NFT Marketplace Legality in Indonesia	33
2.3.2.	NFTs and Intellectual Property	34
2.3.3.	Cryptocurrency as a Payment Instrument for NFT	35
2.4.	Islamic Law About Non-Fungible Tokens.....	36
2.4.1.	Islamic Legal Criterion for Property (<i>Maal</i>).....	36
2.4.2.	Islamic Law on Intellectual Property	38
2.4.3.	Islamic Scholars' Opinion about NFTs	41
2.4.4.	The Analyse of NFTs from an Islamic Law Perspective....	42

CHAPTER III: GENERAL DESCRIPTION OF ZAKAH

3.1.	The Legal Basis of Zakah.....	47
3.1.1.	The Obligatory of Zakah.....	48
3.1.2.	Types of Zakah.....	48
3.2.	Zakah Provision.....	50
3.2.1.	People Who payment Obligated to Pay Zakah.....	50
3.2.2.	The Assets of Zakah.....	51
3.2.3.	Categories Who Receive Zakah	51
3.3.	The Benefits and Wisdom of Zakah	54
3.3.1.	Zakah Benefits	54
3.3.2.	Zakah Wisdom	55

3.4.	Type of Zakah <i>al-Maal</i> Categorized to Non-Fungible Tokens.....	55
3.4.1.	Intellectual Rights Property through Professional Zakah ..	56
3.4.2.	Trade or Commercial Zakah	57
3.4.3.	Blockchain Zakah.....	58

CHAPTER IV: RESEARCH RESULT

4.1.	Concept of Zakah Payment For Non-Fungible Token Creator on Collectibles in Indonesia	61
4.1.1.	NFT Creator Collectible Profit.....	61
4.1.2.	Profit Liquidity Process	63
4.1.3.	Zakah Calculation and Payment Simulation.....	67
4.2.	Sharia Perspective on Digital Assets Non-Fungible Token Zakah Model in Indonesia	69
4.2.1.	The Zakah Assets	69
4.2.2.	Percentage.	71
4.2.3.	<i>Nisab</i>	72
4.2.4.	<i>Haul</i>	72
4.2.5.	Zakah payment Instrument.....	73

CHAPTER V: CLOSING

5.1.	Conclusion.....	75
5.2.	Suggestion	75
	BIBLIOGRAPHY	77

LIST OF TABLES

Table 1. The Comparison Between CeFi and DeFi	15
Table 2. The Top Ten NFTs Marketplace in the World.....	27
Table 3. The Cryptowallets Used on Opensea.io	28
Table 4. <i>Zakah Nisab</i>	62
Table 5. <i>Nisab</i> calculation Zakah Based on Cryptocurrency	63
Table 6. Calculation Example	68

LIST OF FIGURES

Figure 1. Several Unique Wallets That Sold an NFT Asset Worldwide from Q1 2020 to Q3 2022.....	2
Figure 2. Mechanism of Blockchain Technology	17
Figure 3. The First NFTs were called Quantum.....	20
Figure 4. Opensea Search Display	30
Figure 5. Opensea Items Display	30
Figure 6. Minting Process	32
Figure 7. Minting Process	33
Figure 8. Zakah on Blockchain Process.....	59
Figure 9. NFTs Creator Profits Earn Mechanism	61
Figure 10. Crypto Wallet Metamask Display.....	64
Figure 11. Converting Mechanism from ETH to IDR.....	65
Figure 12. Withdrawing display	66
Figure 13. Illustration of NFT Creator Zakah Mechanism There are two method for creator on zakah payment instrument, first using local currency as an instrument, and by cryptocurrency if the regulation allowed.....	67
Figure 14. How blossom manages zakah by cryptocurrency	69