

Analysis of The Views of NU and Muhammadiyah Scholars In Bangkalan Madura Regarding The Use of Bitcoin As A Means of Payment of Zakat

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Abstract

This study aims to find out the views of NU and Muhammadiyah kiai in Bangkalan Madura related to *Bitcoin law* and zakat payment law with *Bitcoin*. This research was motivated by the pros and cons related to the use of Bitcoin and zakat payments using Bitcoin money until now are still a discussion of scholars until the kiai in Bangkalan Madura also differ in opinion regarding the Bitcoin law, where most of the kiai NU and Muhammadiyah Bangkalan related to *Bitcoin law and zakat law with Bitcoin declare haram, because it contains elements of gharar (obscurity), maysir (gambling)*, as well as the absence of official regulations from the government and in line with Fatwa DSN-MUI Number 13 concerning the Law of Zakat with Haram Assets. Therefore, zakat with *Bitcoin* is not allowed. However, there are some scholars who state that the digital money law is halal because digital money like crypto is classified as a "virtual treasure" thus it applies mandatory zakat to Bitcoin money. In addition, there are also differences in regulations between the government and BAPPEBTI, where the government states in Law No. 7 of 2011 concerning currency that it does not accept payment instruments other than Rupiah, while in BAPPEBTI regulations provide protection for Bitcoin users so as not to feel losses. However, obeying government rules is mandatory.

Keywords: Zakat with Bitcoin, views of NU and Muhammadiyah scholars, Bitcoin users

Abstrak

Penelitian ini bertujuan untuk mengetahui pandangan kiai NU dan Muhammadiyah di Bangkalan Madura terkait hukum Bitcoin dan hukum pembayaran zakat dengan Bitcoin. Penelitian ini dilatarbelakangi oleh pro dan kontra terkait penggunaan Bitcoin dan pembayaran zakat menggunakan uang Bitcoin yang sampai saat ini masih menjadi perbincangan para ulama hingga para kiai di Bangkalan Madura juga berbeda pendapat mengenai hukum Bitcoin, dimana sebagian besar kiai NU dan Muhammadiyah Bangkalan terkait hukum Bitcoin dan hukum zakat dengan Bitcoin dinyatakan haram, karena mengandung unsur gharar (ketidakjelasan), maysir (perjudian), serta tidak adanya peraturan resmi dari pemerintah dan sejalan dengan Fatwa DSN-MUI Nomor 13 tentang Hukum Zakat Dengan Harta Haram. Oleh

karena itu, zakat dengan Bitcoin tidak diperbolehkan. Namun ada sebagian ulama yang menyatakan hukum uang digital halal karena uang digital seperti crypto tergolong “harta karun maya” sehingga berlaku wajib zakat terhadap uang Bitcoin. Selain itu juga terdapat perbedaan regulasi antara pemerintah dengan BAPPEBTI, dimana pemerintah menyatakan dalam UU No.7 Tahun 2011 tentang mata uang tidak menerima alat pembayaran selain Rupiah, sedangkan dalam regulasi BAPPEBTI memberikan perlindungan bagi pengguna Bitcoin sehingga untuk tidak merasakan kerugian. Namun, mematuhi aturan pemerintah adalah wajib.

Kata Kunci: Zakat Menggunakan Bitcoin, Pandangan Ulama NU dan Muhammadiyah, Pengguna Bitcoin.

INTRODUCTION

The development of payment systems caused by technological sophistication has now undergone significant changes, where the form of money now no longer relies on physical as a payment instrument. This technology-based transaction tool is in the form of data placed in a container or called electronic money as an online transaction tool, electronic money is not shaped like metal money or paper money¹ The form of electronic money is in the form of credit cards, for example debit, *smart cards*, and *e-cash*.

The fiat currency system that is now still used as *an online* payment, which offers various conveniences in transactions, still has shortcomings contained in the money such as, limited regulatory rules of a country that has limitations in terms of privacy, transaction costs, inflation, and so on². Because of this limitation, which resulted in the emergence of an idea in creating a new currency. The creation of this currency is expected to overcome existing problems. The idea of creating such a currency is a cryptography-based currency. *Cryptocurrency* is a digital currency with the concept of cryptography or secret code as its security system. *Cryptocurrency* or also known as *Bitcoin* is a payment network based on *peer-to-peer* and *open source technology*. Each transaction is stored in the Bitcoin network's database. When a transaction occurs with *Bitcoin*, buyers and sellers will automatically be recorded in the Bitcoin database network³.

On February 6, 2014, the Indonesian government declared that *bitcoin* and other *virtual currencies* are not legal currencies or tender in Indonesia. Indonesians are urged to be careful of *Bitcoin* and its various types. Any risks associated with possession or use. The Financial

¹ Khoirul Anwar, (2016). *Bitcoin Transactions Islamic Legal Perspective*. UIN Sunan Kalijaga Yogyakarta. P35

² Rahmadi Indra Tektona & Nadya Ulfa Safilia, (2020). The use of Bitcoin as a means of payment of zakat according to the perspective of Islamic law. *ADLIYA: Journal of Law and Humanity*. p 61

³ Indra Darmawan, (1992). *Introduction to Money and Banking* (1st ed.). PT Rineka Cipta. P35

Services Authority (OJK) also sanctions financial service actors who are desperate to trade and transact with *Bitcoin*. If the use of *bitcoin* continues to occur, the OJK will educate the public that the money contains risks and must be careful not to be harmed in the future. Reporting from other sites, the BI Governor also said that most likely *bitcoin* became a money laundering instrument⁴

In 2019, *Bitcoin* in Indonesia has been legalized. But even though it is legal, *Bitcoin* in Indonesia is only considered a tradable commodity and is not used as a means of payment transactions. However, the existence of *Bitcoin* in Indonesia is a pro and con that is still unsolved to date. Indonesian scholars and government regulations are also still considering the *halal Bitcoin* on its use as a means of payment and *mudharat* owned by *Bitcoin*⁵. This is because it contradicts Law No. 7 of 2011 concerning currency article 1 paragraph 1 and Law No. 23 of 1999 concerning Bank Indonesia, stating that "currency is *money issued by the Unitary State of the Republic of Indonesia, hereinafter referred to as Rupiah*⁶. While the debate that occurs among scholars related to crypto money has different views, some state that crypto money is *halal* because it includes virtual treasures, some other scholars state that the money is *haram*, because it contains elements of *gharar*, *dharar* and does not meet the *requirements of sil'ah shari'i*. The *requirements for sil'ah shari'i*, namely the existence of physical form, have value, property rights and can be handed over to the buyer⁷.

In the midst of the pros and cons that until now are still being debated by scholars and in government regulations related to *halal* and *haram* crypto money as a means of payment, there are several individuals who facilitate *zakat* payments using virtual money or what is called *Bitcoin*. As was the case with the Shackwell Lane mosque in Hackney in London that accepts *zakat* payments using payment systems other than paper currency or crypto-like currencies, the company provides Islamic-compliant budget arrangements that allow mosques to earn alms and *zakat* in cryptocurrency. As per its website, gifts can be created via QR codes, and will then be exchanged electronically to cryptocurrency wallet money. Any exchange will be easy to counter and minimize money laundering practices. Alms or *zakat* will be traded into cash through crypto trading such as *Local Bitcoin UK*.

⁴ *Ibid*

⁵ Aisyah Ayu Musyafah, (2020). *Bitcoin Transactions in Islamic Perspective and Indonesian Positive Law. Diponegoro Private Law Review*. P68

⁶ Danella, T. D. (2015). Abstract This research carried out existence. *Bitcoin as legal tender in online transactions*.

⁷ Khudory, A. (2021). *Bitcoin was punched from the views of NU scholars, Muhammadiyah, and the Indonesian Islamic Da'wah Institute (LDII) in Tulungagung Regency. State Islamic Institute of Tulungagung, Ldii*.

Based on the journal Rozi Irfan Rosyadhi⁸ stated, that Indonesia has provided access to zakat with the digital money, this access is moving in *Bloom ack* a US company based in Jakarta Indonesia, which advertises free services as a private company to help transfer crypto money from crypto-rich people which will then be channeled to Indonesian zakat institutions, according to their website. Those who want to transfer crypto money should contact company Y email if they need to pay zakat. This crypto zakat payment can be made by sending the payment to a Bloom-controlled crypto wallet held by an Indonesian crypto exchange. The resulting crypto will then be replaced with rupiah currency by *Bloom*. therefore, the administration of Indonesian zakat is important and effective zakat management is needed.

This raises concerns related to halal. the concept of paying zakat with *Bitcoin* money is also not spared from debate among scholars. Because, zakat is one of the worship that is closely related to treasures which is one of the requirements of zakat is that the treasure is a halal treasure or item and obtained by halal means, while the acquisition and halal law of Bitcoin until now is still debated. The purpose of this study is to find out the views of Kiai NU and Muhammadiyah in Bangkalan Madura regarding the halal and haram laws of *Bitcoin as a means of payment and the law of paying zakat with Bitcoin, because of the widespread use of Bitcoin in Bangkalan which is now a trend among millennial children today, therefore the role of ulama or commonly referred to as Kiai is important so that there are no things that deviate from Islamic principles.*

DISCUSSION

Analysis of the views of Kiai NU and Muhammadiyah in Bangkalan Madura regarding the use of Bitcoin as a means of zakat payment.

In the current era of technological development, there are many sophistications produced by scientists who are no exception in the field of economics, one of which is *Bitcoin* or can also be called *Cryptocurrency*. *Bitcoin* is a pioneer in *Cryptocurrency*. *Bitcoin* is not the only type of *cryptocurrency* in the world, and it still has the highest selling value compared to other types of *crypto*. On January 3, 2009 by Satoshi Nakamoto, but until now no one knows his true identity⁹. *Bitcoin* is one type of virtual currency that is created and managed using cryptographic algorithms so it is often also called *Cryptocurrency*. Cryptography is an important branch of science in its field of information security. Mathematicians and computer

⁸ Rosyadhi, R. I., & Salim, A. (2022). Islamic Economic Perspective and Potential of Zakah Imposment on Cryptocurrency. *Journal of Islamic Economic Laws*, 5(1), 61–83. <https://doi.org/10.23917/jisel.v5i1.17204>. p 63

⁹ Anwar, K. (2016). *Bitcoin Transactions Islamic Legal Perspective*. UIN Sunan Kalijaga Yogyakarta. P21

scientists are discovering other potential uses of cryptography to support people's lives in the field of buying and selling digital currencies that are not regulated by the government and are not official currencies. This cryptocurrency concept is the basis for giving birth to the digital currency that is currently famous as bitcoin currency as a means of payment. In addition to *bitcoin* which includes this type of currency are *Ripple, Litecoin, Peercoin, NXT and Dogecoin*¹⁰. *Bitcoin* is a payment network based on *Peer to Peer* technology and *open source*. P2P is a computer network model consisting of two or several computers, where each computer contained in the network environment can share with each other. This network makes it easy for users to transact directly without the need for services from third parties such as banks¹¹.

Bitcoin transactions are stored in the database of the *bitcoin network*. When there is a transaction with *Bitcoin*, buyers and sellers will automatically be recorded in the bitcoin database network. *Bitcoin* has several features including: instant transfers *Peer to Peer*, transfers anywhere, transfers without fees, transfers are *irreversible*, meaning that in each transfer cannot be reversed, *bitcoin* transactions are *anonymous*, and not controlled by any institution or government¹².

How to get *bitcoins*, the most important point before getting *Bitcoin you have to register or create a Bitcoin account*. So *Bitcoin* can be obtained in a way that is quite complex and requires understanding in this regard. There are 3 ways to get *Bitcoin*, namely:

- 1) Mining *Bitcoin* By mining (Mining) carried out at *PT Internet*, the media used to mine *Bitcoin* is using computer devices connected to the internet network, having good computer specifications or high quality to support operations. Of course, this method is very necessary for a very large cost.
- 2) Buying *bitcoin exchange*, this method requires buying to services or merchants who provide *bitcoin which can buy bitcoin* at any exchange rate. Buying *bitcoin* can be met in person or online to the seller.
- 3) Getting paid with bitcoins, *This method is the recommended place to visit sites that provide free bitcoins* with certain conditions. Like watching ads, playing games, placing ads on blogs that we have and others¹³.

¹⁰ Mulyanto, F. (2014). Utilization of cryptocurrency as the application of rupiah currency into digital form using bitcoin technology. *Scientific Journals*.

¹¹ *Ibid*

¹² *Ibid*

¹³ Hilmawan Tito. (2021). *How to Mine Bitcoin?* Kompas.Com. <https://internasional.kompas.com/read/2021/06/15/153141370/bagaimana-cara-menambang-bitcoin> quoted on June 10, 2023

The cryptocurrency that exists today is not recognized as legal tender, so it is prohibited from being used as a means of payment in Indonesia. This is in accordance with the provisions in Law No. 7 of 2011 concerning Currency which states that currency is money issued by the Unitary State of the Republic of Indonesia and every transaction that has the purpose of payment, or other obligations that must be fulfilled with money, or other financial transactions carried out in the Territory of the Unitary State of the Republic of Indonesia must use Rupiah¹⁴

Regulations related to currency have long been made as stated in Article 9 of Law No. 1 of 1946 concerning Criminal Law Regulations and Article 33 paragraph 1 of Law No. 7 of 2011 concerning Currency. Article 9 of Law No. 1 of 1946 is a long-buried article, it should be more critical in resurrecting this article from its grave. If approached with historical interpretation, then Article 9 was born based on the spirit of independence that was released from colonialism, where Dutch and Japanese currencies circulated. In order to protect the sovereignty of the Rupiah, this norm was established, so that the Rupiah currency is used, and it is criminal for those who use currencies other than the Rupiah currency.¹⁵

So it can be concluded that money is a means of payment and when money is issued by the government or competent authority, it is currency. With this regulation, cryptocurrencies that we know today are not recognized as legal tender in the territory of the Republic of Indonesia, but as crypto assets that can be traded on the Crypto Asset Physical Market.

The pros and cons related to the use of *Bitcoin* currency as a means of payment transactions occur not only in Indonesia, but also in other countries. This is because *Bitcoin* has not met several elements and criteria as a currency that applies in Indonesia. According to Al-Ghazali's financial theory, the issuance of money is the authority of a country, the majority of scholars agree that gold and silver are imposed because they have status as a medium of exchange and a measure of the value of other objects. So that in this condition it is not focused on the intrinsic value of the object but its usefulness. Similar to Bitcoin, it is not only valued in terms of form, but judged by its benefits and usefulness. In a hadith it is also narrated that Umar bin Khattab once wanted to make money from camel skin, but it was canceled because it was feared that camels would become extinct. The hadith hints that it is permissible to make something other than gold and silver a medium of exchange. And it can be concluded

¹⁴Bernadheta Aurelia Oktavia. (2021). *The Legality of Bitcoin According to Indonesian Law*. <https://www.hukumonline.com/klinik/a/legalitas-bitcoin-menurut-hukum-indonesia-lt5a1e13e9c9fc4/> quoted on June 09, 2023

¹⁵ *Ibid*

temporarily that the use of *bitcoin* as a currency is legally permissible in Islam. However, its use is not legal in Indonesia due to Bank Indonesia's policy in setting the recognized currency in Indonesia only Rupiah¹⁶. It can be concluded that the use of *Bitcoin* as a currency in Islamic law is allowed provided that it is not for the purpose of speculation of chance, elements of gambling (*masyir*). But all the benefits and benefits return to each person who runs it. This means that *Bitcoin transactions* may be used as long as they are not for speculative purposes. In addition to the absence of speculation motives, another condition is the need for precautions (deposits) that can be done in Bitcoin ownership so that the second condition is met if the community makes *Bitcoin* as an investment instrument.

Regarding the pros and cons that are still being discussed today, therefore the views of scholars related to bitcoin *are indeed very necessary, especially the current development* of bitcoin is not only limited to buying and selling transaction tools, but is now present as a means of zakat payment because bitcoin is a virtual treasure, therefore the money must be zakrated. The development of *bitcoin* has also spread to all regions of Indonesia. In this case, the scholars in the area must be wise in giving direction to the community so as not to fall into acts of *riba* or those that are not recognized by Allah SWT. Because a scholar is a figure who is an important role model in living life religiously.

So if there are problems that require special attention in the field of religion, then these kiai have an important role in responding to this with appropriate religious law studies. As well as developments in the increasingly sophisticated digital era, especially in the field of transactions, it has now been spoiled by cyberspace, which in these transactions does not require us to meet directly between buyers and sellers. The development of this transaction tool is growing, which then bitcoin appears, which is now the *current trend* of transaction development. The Bangkalan Madura community is also one of the *Bitcoin* users who still join in managing or doing business with *bitcoin money* to date. So that the role of scholars is needed in determining policies for their people and policies in doing zakat with the money. There are two mass organizations that are considered important in Bangkalan Madura, namely the Nahdlatul Ulama school and the Muhammadiyah stream.

Bangkalan is a regency on the island of Madura which is located at the westernmost tip of the island of Madura as well as being the entrance gate on the island of Madura. In addition,

¹⁶ Aisyah Ayu's deliberations. (2020). Bitcoin Transactions in Islamic Perspective and Indonesian Positive Law. *Diponegoro Private Law Review*. p 771

Bangkalan is famous for the city of students, because of the many Islamic boarding schools in Bangkalan and there is a phenomenal kiai figure who is still remembered by the people of Bangkalan, namely Syaikhona Muhammad Kholil, he is a charismatic scholar and managed to mold his students into great scholars or kiai in Java¹⁷. In addition to NU teachings in Bangkalan, there are also Muhammadiyah teachings that have been established since before Nadhlatul Ulama was born. The teachings of Muhammadiyah were first present in Madura than NU, Muhammadiyah was born in 1925. In fact, according to information obtained from the people of Bangkalan, said that in the past KH. Ahmad Dahlan once studied in one of Bangkalan's huts¹⁸.

The results of interviews that have been conducted by researchers, researchers did not find differences between the opinions of NU kiai or Muhammadiyah kiai, but what was found was but the differences that existed from fellow Muhammadiyah kiai or NU kiai, meaning that not all NU kiai interviewed had the same opinion on the contrary nor did not all Muhammadiyah kiai also think the same about legal provisions or legal understanding in accordance with *bitcoin*. From the results of interviews regarding the opinions of the Bangkalan kiai regarding *bitcoin zakat*, it can be seen that most of the opinions of the NU or Muhammadiyah kiai argue that *zakat with bitcoin* is haram, as for the explanation of the kiai related to the haram related to *bitcoin zakat*, namely:

Cryptocurrency is a digital currency that is used as a means of buying and selling transactions and also used as an investment. Of the many types of crypto money, the most popular is *bitcoin*. When viewed from the terms and criteria of money, *Bitcoin only meets some* of the terms and criteria of the money such as, Bitcoin has not been accepted by the general public in full, has very significant fluctuations so that many possible losses are experienced by users while fluctuations from money are minimal and have not been recognized by the government because in Indonesia has regulated Law Number 7 of 2011 concerning The currency contained in article 1 paragraph 1 which states that, currency is money issued by the government of the Unitary State of the Republic of Indonesia called Rupiah and affirmed in article 2 of the Law on Currency, states that Indonesia recognizes the rupiah currency as legal

¹⁷Base. (2023). *The Geographical Location of Bangkalan City*. Bpk.Go.Id. <https://jatim.bpk.go.id/kabupaten-bangkalan/> quoted on June 11, 2023

¹⁸Hasin. (2016). *Muhammadiyah and Madura Have a History*. Madura eyes. <https://matamaduranews.com/muhammadiyah-dan-madura-punya-sejarah-testimoni-saat-milad-bangkalan/> quoted on June 11, 2023

tender that applies throughout the territory of Indonesia. When viewed from this explanation, in making legal money to be used as a means of transaction, the general public must be in accordance with the provisions of government regulations and are not allowed to issue money outside the state printing house. Actually, there is no problem in issuing currencies other than rupiah as long as there is no element of fraud, does not harm consumers, and there is no fluctuation and speculation in it.

The hadith narrated by Sayyidina Umar bin Khattab (r) related to the issuance of money, that he once wanted to make money from camel skins, but it was canceled because it was feared that the camels would experience extinction. As is the case with *bitcoin* which until now the government has not recognized as a legal means of transaction on the grounds that there are several conditions and criteria that have not been met, while following government rules is legally mandatory.

In the rules of fiqh there are basic legal rules for all legal actions to be allowed until there is a reason that prohibits it. The principle of *bitcoin* as a means of transaction is a legal currency, because of the fulfillment of several conditions of money conditions. But in reality, *bitcoin* trading today refers more to speculation of chance, the existence of elements of *gharar* and *society*. These qualities are forbidden by the Shari'a as the Word of Allah SWT and the Hadith of the Prophet Muhammad SAW.

The word of Allah SWT related to *society* is contained in QS. Al-Maidah:90

يَا أَيُّهَا الَّذِينَ آمَنُوا إِنَّمَا الْخَمْرُ وَالْمَيْسِرُ وَالْأَنْصَابُ وَالْأَزْلَامُ رِجْسٌ مِّنْ عَمَلِ الشَّيْطَانِ فَاجْتَنِبُوهُ لَعَلَّكُمْ تُفْلِحُونَ

It means, "O believers! Indeed, drinking, gambling, (sacrificing for) idols, and casting lots with arrows, are heinous deeds and belong to the devil. So stay away from them so that you may be lucky".

The Word of Allah SWT regarding *gharar* is contained in QS. An-Nisa :29

يَا أَيُّهَا الَّذِينَ آمَنُوا لَا تَأْكُلُوا أَمْوَالَكُمْ بَيْنَكُمْ بِالْبَاطِلِ إِلَّا أَنْ تَكُونَ تِجَارَةً عَنْ تَرَاضٍ مِّنْكُمْ

It means, "O believers! Do not eat one another's property in an unrighteous way, except in consensual trade among you."

Hadith of Prophet Muhammad (PBUH) related

Hakim bin Hizam once asked the Prophet (peace be upon him)

يَا رَسُولَ اللَّهِ يَا تَبِئِي الرَّجُلُ فَيَسْأَلُنِي الْبَيْعَ لَيْسَ عِنْدِي أَيُّعُهُ مِنْهُ ثُمَّ أَتْبَاعُهُ لَهُ مِنَ السُّوقِ قَالَ لَا
تَبِعْ مَا لَيْسَ عِنْدَكَ

"O Messenger of Allah, someone came to me and asked me to sell him things that I did not yet have, by first buying them for them from the market?" The Prophet (peace be upon him) replied, "Do not sell you anything that is not in you." (HR. Abu David. Shaykh Al-Albani says this hadith is sahih)

This reason makes some NU or Muhammadiyah scholars forbid and discourage zakat using bitcoin money. In this case, it is also in line with Fatwa DSN-MUI Number 13 concerning the Law of Zakat with Haram Property. The legal provisions in the fatwa are:

1. Zakat must be cashed from halal assets, both the property and the method of acquisition.
2. Illicit property is not an obligatory object of zakat.

Says Allah SWT:

يَا أَيُّهَا الَّذِينَ آمَنُوا أَنْفِقُوا مِنْ طَيِّبَاتِ مَا كَسَبْتُمْ وَمِمَّا أَخْرَجْنَا لَكُمْ مِنَ الْأَرْضِ

"O men of faith, spend (in the way of Allah) some of the fruits of your good works and some of what We bring out of the earth for you." (QS. Al-Baqarah: 267)

Hadith of the Prophet (peace be upon him):

إِنَّ اللَّهَ طَيِّبٌ لَا يَقْبَلُ إِلَّا طَيِّبًا

"Verily Allah is all-good and does not receive, except anything good". (HR Muslim from Abu Hurayrah)

In addition, the law complies with government rules or orders of leaders with mandatory laws in all matters that have been determined by the government to their territory, such as paying zakat, as well as rules regarding currency that require all Indonesian citizens not to be allowed to use currencies other than Rupiah which have been affirmed by the rules of Law Number 7 of 2011 concerning Currency and sunnah law for things that are beyond the authority of government power, Such as carrying out compulsory worship and sunnah worship, then in this case it can be carried out or free in *tasharruf* in the interests of each individual. The results of the East Java PWNU bathsul masail also stated that the crypto currency law is haram,

which was conveyed by KH Ahmad Fahrur Rozi or known as Gus Fahrur on the grounds that crypto money cannot be used as an investment instrument, because in practice it contains elements of speculation and is not measurable. In this case it refers to the point of view of fiqh muamalah, which states that buying and selling must be followed by conditions of willingness and the absence of fraud.

However, not all of these kiai agree that bitcoin is *haram*, but there are also kiai who state that bitcoin must be subject to zakat, because bitcoin is included in the category of virtual assets or valuables, therefore zakat must apply to bitcoin aforementioned. Where the calculation method of the money is equated with the calculation of gold and silver zakat, which is 2.5% of the value of assets that reach nisab or haul. To find out the amount of nisab achievement of bitcoin, the owner must know the exchange rate in the form of cash.

CONCLUSION

Based on research that has been conducted on the use of Bitcoin zakat in terms of the views of Nahdlatul ulama and Muhammadiyah scholars in Bangkalan. So that the following conclusions can be drawn:

1. Kiai in Bangkalan who argue haram about zakat with *bitcoin*, because of the elements of *gharar* and *society*. These qualities are forbidden by the Shari'a as the Word of Allah SWT and the Hadith of the Prophet Muhammad SAW.

The word of Allah SWT related to *society* is contained in QS. Al-Maidah:90

يَا أَيُّهَا الَّذِينَ آمَنُوا إِنَّمَا الْخَمْرُ وَالْمَيْسِرُ وَالْأَنْصَابُ وَالْأَزْلَامُ رِجْسٌ مِّنْ عَمَلِ الشَّيْطَانِ فَاجْتَنِبُوهُ لَعَلَّكُمْ تُفْلِحُونَ

It means, "O believers! Indeed, drinking, gambling, (sacrificing for) idols, and casting lots with arrows, are heinous deeds and belong to the devil. So stay away from them so that you may be lucky".

The Word of Allah SWT regarding *gharar* is contained in QS. An-Nisa :29

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It means, "O believers! Do not eat one another's property in an unrighteous way, except in consensual trade among you."

Hadith of Prophet Muhammad (PBUH) related Hakim bin Hizam once asked the Prophet (peace be upon him)

يَا رَسُولَ اللَّهِ يَا تُبَيِّنِي الرَّجُلُ فَيَسْأَلُنِي الْبَيْعَ لَيْسَ عِنْدِي أَيْبَعُهُ مِنْهُ ثُمَّ أُنْبَأُ لَهُ مِنْ السُّوقِ قَالَ
لَا تَبِعْ مَا لَيْسَ عِنْدَكَ

"O Messenger of Allah, someone came to me and asked me to sell him things that I did not yet have, by first buying them for them from the market?" The Prophet (peace be upon him) replied, "Do not sell you anything that is not in you." (HR. Abu David. Shaykh Al-Albani says this hadith is sahih)

In addition, the law of obeying the orders of the leader is obligatory in all matters that are within his jurisdiction, as well as paying zakat and punishing the sunnah for things that are beyond the authority of government power, such as carrying out compulsory worship or sunnah worship, in which case it can be carried out or free in *tasharruf* in the interests of each individual.

2. The perspective of the kiai who states that *bitcoin must* be subject to zakat, because *bitcoin* is included in the category of virtual assets or valuables, therefore zakat must apply to the *bitcoin*. Where the calculation method of the money is equated with the calculation of gold and silver zakat, which is 2.5% of the value of assets that reach nisab. To find out the amount of nisab achievement of *bitcoin*, the owner must know the exchange rate in the form of cash.

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