

DIGITAL WALLET TRANSACTIONS: INSIGHT FROM ISLAMIC ECONOMIC AND LEGAL PERSPECTIVE

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ABSTRACT

Introduction: This paper aims to analyze the contemporary problems surrounding digital wallet transactions from the perspective of Islamic economic law and discuss sharia compliance in the issuance and use of digital wallets, the validity of top-up transactions, and the permissibility of benefits such as cashback within the framework of Islamic jurisprudence.

Methods: This paper uses library research methods to collect, explain and analyze data related to digital wallet transactions in the context of Islamic economic law. This has been done using a normative approach and Islamic economic law, supported by descriptive analysis of the previous research, fatwas from the Indonesian Ulema Council (DSN-MUI), and related regulations from Bank Indonesia.

Results: The result of this discussion is that Islamic principles allow financial transactions as long as they do not involve prohibited elements such as usury, uncertainty (gharar), maysir, and israf. Digital wallets can fulfill Islamic principles if they comply with the regulations set by Islamic law.

Conclusion and suggestion: The DSN-MUI fatwa provides guidance on the use of electronic money in accordance with sharia, ensuring that digital wallet transactions are in line with Islamic legal and ethical standards. Digital wallet transactions can use various contracts, such as wadiah and qardh contracts, although there are differences of opinion among scholars regarding their validity. The compliance of digital wallets with sharia must differentiate between conventional electronic wallets and electronic wallets that comply with Sharia.

INTRODUCTION

The rapid development of information and digital technology has given rise to many new technological innovations which cannot be avoided and have a big impact on many fields. Technology users have to continue adapting in order to keep up with the flow of increasingly modern times (Afërdita & Mihane, 2015). In line with the emergence of increasingly numerous and diverse technologies, Indonesia, as a country that tends to quickly capture change, is also experiencing many changes, especially in the characteristics and lifestyle of the community. These changes provide convenience and positive effects on the lives of Indonesian people, one of which is ease in the conducting of transactions, where financial activities that were originally carried out in person have become online transactions. Financial and banking companies are starting to innovate by introducing electronic money, which has emerged as a new innovation that answers people's needs (Martins, 2019; Solihin, 2021).

Significantly, the demand for electronic money is increasing, starting from being a trend to meeting their daily needs, for example, paying for groceries, buying food, and so on. In 2009, the first regulation of Bank Indonesia regarding electronic money was issued, which made the circulation status of electronic money legally valid (Bank Indonesia, 2018). Initially, electronic money innovation was limited to involving a card or being chip-based, and it has since expanded to the emergence of server-based electronic money products (Bank Indonesia, 2018). With these two types of electronic money, people can use them to make digital transactions without needing to use cash.

Currently, the use of electronic money in Indonesia has increased significantly, reaching 38 trillion per month during 2018-2023 (BI Institute, 2023). According to Bank Indonesia's research results, server-based electronic money is the most popular product among the public, especially young people. Known as an e-wallet (digital wallet), this is a popular financial innovation because it is considered more effective and efficient. With a digital wallet, users have the convenience of depositing their money by transferring it into an application, known as a top up (Rahayu & Nashirudin, 2023). E-wallets also offer many benefits to the user community, including discount vouchers. In general, digital wallet products are only issued by conventional companies which have many advantages, raising questions for the Muslim community regarding the validity of the sharia principles contained therein.

Indonesia, with most of its citizens being Muslim, is interested in muamalah issues in accordance with Islamic law. The use of digital wallets by Muslims is increasingly widespread. If viewed through sharia principles, doubts will arise regarding the issuance process related to the use of digital wallets and also the addition of costs in financial transactions via digital wallets. These are questionable regarding their conformity with

Islamic law (Nawawi, 2012; Syifa et al., 2022). Apart from that, they raise further questions about what the difference is between conventional digital wallets and sharia. There are often differences of opinion among scholars in determining digital wallet contracts. Apart from the differences of opinion among ulama regarding sharia principles, in 2017, the MUI DSN Fatwa stipulated Islamic legal provisions for the use and issuance of sharia electronic money in Indonesia, namely fatwa No. 116/DSN-MUI/IX/2017, as an answer to the doubts of Indonesian Muslims regarding the law on using digital wallets.

It doesn't stop at whether or not you can use a digital wallet. There are also doubts arising regarding what to use when topping up your digital wallet balance. The opinions of jurisprudence experts also differ regarding contracts. From an Islamic perspective, the topping up of digital wallet balances between publishers and users is, according to some scholars, seen as various contracts. There are additional rules according to the MUI DSN regarding electronic money, namely that the nominal amount of electronic money held by the issuer must be placed in a sharia bank (Al Hadi, 2017; Ardiningrum et al., 2022).

As in the previous research discussing fiqh studies on digital wallets, Abdulfattah and Kurniawan, (2018) analyzed (takyif fiqh) the contracts used in electronic money transactions. Alhusni and Mustiah, (2019) and Syifa et al. (2022) discussed how Islamic economic law views the appropriateness of using electronic money. Syamsuri et al (2020) also studied the suitability of electronic money transactions according to maqashid sharia. Some of this research has tried to find a common ground for contracts that are the most in accordance with sharia provisions in the implementation of electronic money transactions.

Adding to or refilling the funds/balances of digital wallets (topping up) is also highly questionable as to whether or not it is in accordance with sharia principles. This is because more digital wallet issuers are offering benefits that users will get if they top up their balance. These benefits include free shipping vouchers, discount/discount vouchers, and cashback. Even though additional balance top ups can be interpreted as a gift from the publisher for using the application, these additions can also be interpreted as usury, where usury is haram in Islam. Differences in jurisprudential opinion have also emerged along with the various contracts imposed in digital wallet transactions.

Therefore, in this article, we will analyze contemporary problems in the development of digital wallets according to Islamic economic law with the aim of explaining digital wallets according to Islamic law and fatwas. This is as well as analyzing digital wallet balance top-up transactions according to sharia, and analyzing cashback from transactions digital wallet according to the sharia contract.

LITERATURE REVIEW

Previous Study and Hypothesis

Electronic Money Theory

Electronic money (e-money) is a transaction system in the banking world that uses technology to make buying and selling activities easier, more efficient, shorter and more precise. Another definition explains that e-money is a non-physical form of money that stores the value of money in the form of digital data. This is why e-money can be used as a substitute for cash payments replacing conventional or paper money, where it can be used and distributed as a medium of exchange (Mufid, 2016; Nawawi, 2012; PBI, 2009).

According to Law no. 7 of 2011 concerning currency, money is defined as a legal means of payment. It can be interpreted that money is a means of payment and when money is issued by the government or competent authority, then money has the title of currency. Electronic money or e-money meets these criteria as defined by electronic money according to Bank Indonesia Regulation No. 18/17/PBI/2016 concerning Second Amendment to PBI No.11/12/PBI/2009 concerning Electronic Money. Electronic money can be interpreted as a digital form of the Rupiah currency.

This is because electronic money meets the elements needed for being a legal means of payment (Bank Indonesia, 2016), as follows:

- a. Issued on the basis of the value of the money paid in advance by the holder to the issuer.
- b. The value of money is stored electronically in a medium such as a server or chip.
- c. Used as a means of payment to merchants who are not issuers of electronic money.
- d. The value deposited by the holder and managed by the issuer is not a deposit as intended in the law governing banking.

There are several important things that characterize electronic money, namely that e-money can be divided into two types, namely chip-based and server-based e-money. Chip-based e-money is the same as credit and debit cards but in its use, e-money does not require an account for transaction activities. The chip used in this type of electronic money is usually embedded in a card. This e-money is stored in digital format on a microchip in the card and the amount is the same as that deposited by the user (Bank Indonesia, 2016).

Chip-based electronic money is the same as paper money, only different in terms of physical form. Server-based e-money, known as an e-wallet or digital wallet, has the same function as a means of payment, making it easier for users to carry out buying and selling transactions.

Digital Wallet Theory

In a digital era like this, e-wallets makes it easier to engage in transactions. A digital wallet, also known as an e-wallet, is an electronic service that functions to store data as well as a payment instruments that can be used as a means of payment. Another definition explains that a digital wallet (e-wallet) is an electronic application that functions as a digital storage service based on a mobile device (Nawawi, 2012; Rozalinda, 2017; Solihin, 2021).

E-wallets are a type of electronic money in the form of a server base as an alternative payment system, created to make it easier for users to carry out transactions, as previously explained regarding e-money (Solihin, 2021). Digital wallets are included in payment gateway activities which are under the supervision of Bank Indonesia. In Indonesia, the distribution permit for e-wallets has been legalized in Bank Indonesia Regulation Number 18/40/PBI/2016 concerning Implementation of Payment Transaction Processing and Bank Indonesia Regulation Number 20/6/PBI/2018 concerning Electronic Money.

The mechanism for using a digital wallet is by downloading the application on a mobile device, then registering and carrying out several verifications. Next, topping up your balance is done through banks, issuing companies, and various selected merchants, with provisions regarding the maximum balance limit. Its use requires an internet connection because it must be connected to the internet network. There are various features and benefits of e-wallets such as transfers, payments and transaction reports, through to providing loan services. All of the conveniences of an e-wallet are programmed into the service application for storing money digitally (Bank Indonesia, 2018).

Various benefits can be through the use of a digital wallet (Bank Indonesia, 2018), among others:

- a. Practical use - cashless transactions make it easier to manage finances, while supporting the National Cashless Movement in 2014.
- b. Financial transparency makes it easier to record transactions because with an electronic basis, it is easy to find out all expenses.
- c. Multi-payment transactions - currently e-wallet features and services are increasingly complete. E-wallets can also be used for charity, shopping or investment.
- d. Free from counterfeit money - one of the advantages of e-wallets is that it avoids counterfeit money.
- e. Quite safe - e-wallets are considered quite safe to use so long as the user protects their account and password and does not share the OTP code with other people. If you leave your wallet behind, you can still make transactions using your e-wallet.
- f. Many prize promotions - e-wallets have a points system for every transaction that can be exchanged for prizes.

In simple terms, an electronic money transaction begins when the holder exchanges cash with the issuer. The issuer will then give electronic money to the holder with the same value as the money deposited by the holder to the issuer. After the holder gets the electronic money, the holder can use it for payment transactions with merchants directly. The value of the holder's electronic money will decrease after the holder makes a payment transaction. The merchant can then exchange the value of the electronic money obtained from the holder to the issuer.

Differences between Conventional and Sharia Digital Wallets

Digital wallets or e-wallets are a new problem in the Islamic world. According to several sources, e-wallets can be used if they comply with Islamic provisions, such as not containing *riba*, *gharar*, *maysir*, *israf*. There are no clear arguments forbidding e-wallets (Abdulfattah & Kurniawan, 2018; Solihin, 2021). Currently, the majority of e-wallets are from conventional issuers and only a few are based on sharia principles. However, in the future, the number of sharia e-wallet publishers will continue to increase considering the increasing demand from the Muslim community. The differences between sharia and conventional digital wallets are described as follows:

Table 1. Differences between Sharia and Conventional Digital Wallets

Sharia	Conventional
Halal certified by DSN MUI, LinkAja Syariah	Not certified
Balance promotions use a nominal form, not percentages	Balance promotions use a form of rates or percentages, so they have the potential to cause <i>gharar</i> (uncertainty)
The source of funds for sharia promotional prizes does not come from consumer balances, but from the publisher's promotional budget and/or from merchants	The origin of the cashback or source of the funds is not explained
Scheme of sharia principles/contracts	Does not consider sharia contracts
Partnered with merchants who sell halal products	Not considering partners

Source: (Solihin, 2021; Syifa et al., 2022).

RESEARCH METHODS

This article was prepared using the library research method to answer questions and formulate problems, specifically collecting data, and then compiling, clarifying and studying the main problem (Zed, 2014). This was followed by explaining it through the literature related to the topic of digital wallet transaction dynamics in Islamic economics using a normative approach and Islamic law, as well as descriptive analysis techniques. Descriptive analysis was done by presenting the data that had been collected and arranged systematically (Ghozali, 2013; Yin, 2011). The data and information used came from the previous research examining e-wallet law according to Islamic law, as well as

several literary sources containing the opinions of several ulama. This was followed by comparing them with the fatwa of the Indonesian Ulema Council as an update to the previous literature. The data search was carried out on the database Google Scholar using the keywords e-wallet, digital wallet, electronic money, MUI, sharia, Islamic law. The MUI DSN Fatwa, Al-Qur'an verses, hadith, fiqh rules, and Bank Indonesia's regulations were used in the analysis.

RESULT AND ANALYSIS

Digital Wallet According to a Review of Islamic Law and Fatwa

In the time of the Prophet, there was no paper or electronic money but dinars (gold) and dirhams (silver) (Antonio, 2018). There was also no legal basis that regulated it, either in the Qur'an and hadiths. Electronic money and digital wallets are basically the same as regular money, just in a different form. Money is a means of payment for use in transactions as part of buying and selling activities. In Islam, buying and selling is a permitted contract based on the Al-Qur'an, hadith and the consensus of the ulama. Viewed from a legal aspect, buying and selling is legally permissible except for buying and selling prohibited by the syara'. The legal basis of the Qur'an includes Q.S. An Nisa verse 29 and Q.S. Al-Baqarah verse 275.

يَا أَيُّهَا الَّذِينَ آمَنُوا لَا تَأْكُلُوا أَمْوَالَكُمْ بَيْنَكُمْ بِالْبَاطِلِ إِلَّا أَنْ تَكُونَ تِجَارَةً عَنْ تَرَاضٍ مِنْكُمْ وَلَا تَقْتُلُوا أَنْفُسَكُمْ
إِنَّ اللَّهَ كَانَ بِكُمْ رَحِيمًا

"O you who have believed, do not consume one another's wealth unjustly but only [in lawful] business by mutual consent..." Q.S. An Nisa verse 29 (Kementerian Agama, 2014).

الَّذِينَ يَأْكُلُونَ الرِّبَا لَا يَقُومُونَ إِلَّا كَمَا يَقُومُ الَّذِي يَتَخَبَّطُهُ الشَّيْطَانُ مِنَ الْمَسِّ ۚ ذَٰلِكَ بِأَنَّهُمْ
قَالُوا إِنَّمَا الْبَيْعُ مِثْلُ الرِّبَا ۗ وَأَحَلَّ اللَّهُ الْبَيْعَ وَحَرَّمَ الرِّبَا ۚ فَمَنْ جَاءَهُ مَوْعِظَةٌ مِنْ رَبِّهِ
فَأَنْتَهَىٰ فَلَهُ مَا سَلَفَ وَأَمْرُهُ إِلَى اللَّهِ ۗ وَمَنْ عَادَ فَأُولَٰئِكَ أَصْحَابُ النَّارِ ۗ هُمْ فِيهَا خَالِدُونَ

"Those who consume interest cannot stand [on the Day of Resurrection] except as one stands who is being beaten by Satan into insanity. That is because they say, "Trade is [just] like interest." But Allah has permitted trade and has forbidden interest. So whoever has received an admonition from his Lord and desists may have what is past, and his affair rests with Allah. But whoever returns to [dealing in interest or usury] – those are the companions of the Fire;

they will abide eternally therein.”. Q.S. Al-Baqarah verse 275. (Kementerian Agama, 2014)

From the argument of the Qur'an above, humans are allowed to make peace in the economic sector, so long as it is done in the right way and not done in the wrong way according to the sharia, based on mutual pleasure.

This argument for muamalah is also strengthened by the Hadith of Rasulullah SAW, narrated by the Hadith of the Prophet, narrated by Muslim, Abu Daud, Tirmizi, Nasati, and Ibn Majah, Muslim from 'Ubadah bin Shamit: (DSN-MUI, 2017).

(Buying and selling/exchanging) gold for gold, silver for silver, wheat for wheat, sya'ir for sya'ir, dates for dates, and salt for salt (required to be in the same size) of the same (if exchanged) of one kind and (must be) in cash. If it is a different type, sell it as you wish if done in cash.

From the hadith above, it explains bartering and how to simplify the buying and selling process using gold and silver as a medium of exchange. As the gold and silver era has progressed, paper money has replaced it as a means of exchange, making the buying and selling process easier.

Hadith of the Prophet narrated by Muslim from Abu Sa'id al-Khudri: (DSN-MUI, 2017)

Do not sell gold for gold unless it is the same (in size) and do not add one part to another; do not sell silver for silver unless it is the same (in size) and do not add one part to another; and do not sell gold and silver that is not cash for cash.

Hadith of the Prophet narrated by Abu Daud and Tirmidhi: (DSN-MUI, 2017)

Fulfill your trust (trust) to those who are entitled to receive it and do not betray those who betray you.

Hadith of the Prophet narrated by Ibn Majah and narrated by al-Hakim and alDar al-Quthni from Abu Sa'id al-Khudriy r.a.: (DSN-MUI, 2017)

You must not endanger/harm other people and you must not (also) respond to danger (losses caused by others) with danger (actions that harm them).

It is confirmed by the rules of fiqh that muamalah with digital wallets is permissible and halal so long as it meets sharia principles, and there are no arguments that make it haram.

Basically, all forms of muamalah are permitted unless there is an argument that prohibits it or eliminates its permissibilit. (DSN-MUI, 2017)

“Where there is benefit, there is the law of Allah.”. (DSN-MUI, 2017)

As per the rules of Islamic jurisprudence, the use of digital wallets is permissible because there are benefits. The benefits of transactions with digital wallets is so far as the use of digital wallets has provided more benefits than harm. Digital wallet users can enjoy more practical features, such as convenience and speed when making payment transactions without needing to carry cash. Even though physically the money in a digital wallet is intangible, there are still transactions between actors, plus mutations in the use of digital wallets can be known clearly and with certainty, so that the use of digital wallets does not cause problems. Digital wallets are also applicable for mass transactions of small value but high frequency, such as donations, ziswaf, payments, purchases, transportation services, parking, fast food, and others (Ismail et al., 2018; Shidiq, 2017; Syamsuri et al, 2020; Syifa et al., 2022).

This is in line with the opinion of Islamic jurisprudence scholars who agree that buying and selling activities and the use of electronic money and digital wallets as substitutes for cash are permitted on the grounds that humans will not be able to meet their own needs without the help of other people. According to Imam Malik:

“If society allowed money to be made from leather and used as a medium of exchange, I would definitely forbid leather money from being exchanged for gold and silver without cash”

Ibn Hazm's opinion is as follows:

Everything that can be bought and sold can be used as a means of payment, and there is not a single text that states that money must be made of gold and silver.

If studied based on istihsan, the use of digital wallets in the transaction process is permitted. This is because digital wallets or server-based electronic money have the same illat as gold and silver which can be used in the transaction process, with an explanation according to (Musthofa, 2019; Rozalinda, 2016). Asl: gold and silver have been designated in the hadith as a means of buying and selling or bartering in transactions. Far'u: electronic money. Asl: it is permissible to use gold and silver as a medium of exchange in buying and selling, or when engaged in barter transactions. Illat: the same function is used as a medium of exchange. Therefore it can be concluded that buying and selling transactions using server-based electronic money are permitted because of the greater benefit to humans when using it. It does not deviate from the objectives of sharia and is categorized in istihsan bi-qiyas khafi according to Al-Syarakhsyi in the Hanafi madzhab (Zuhri, 2019). Because of the great benefits and demands of increasingly modern times, electronic money is allowed to be used as a means of payment.

Judging according to the principles of sharia economic law, digital wallets do not conflict with the principles of sharia law. In fact, they provide benefits if used for halal activities and to facilitate public transactions. The explanation of Islamic law was taken into consideration by the national sharia council, the Indonesian Ulema Council, which issued Fatwa No.166/DSN MUI/IX/2017 concerning Sharia Electronic Money (DSN MUI, 2017), Electronic money should be in accordance with sharia principles according to the sharia contract mechanism. This DSN MUI fatwa is directly in response to the development of e-wallet or server-based electronic money products by Bank Indonesia, because it provides benefits. Apart from that, the distribution of e-wallets have gone through the consideration of various state regulations and decisions, namely:

- a. Law Number 21 of 2008 concerning Sharia Banking.
- b. Regulation of the Supreme Court of the Republic of Indonesia Number 2 of 2008 concerning the Compilation of Sharia Economic Law.
- c. Bank Indonesia Regulation Number 20/6/PBI/2018 concerning Electronic Money.
- d. Bank Indonesia Circular Letter Number 16/11/DKSP concerning the Implementation of Electronic Money.

Compatibility of Top Up Digital Wallet Balance in Sharia Agreement

Topping up the digital wallet balance is the process of refilling the funds of a digital wallet. To top up your wallet balance, you can use the virtual account feature from the mobile banking service, or do so via an ATM or minimarket. The process of topping up digital wallet balances in Islamic law to determine compliance with sharia contracts requires a fiqh approach. This is to determine the sharia contract when the holder hands over the money to another party, and there are several possible forms of this with different consequences. The legal object in a digital wallet is server-based electronic money, and the public funds deposited to the e-wallet issuer. Legal subjects, society/users, traders, publishers and financial institutions are involved. Then the shighatul akad is present, a transaction agreement to hand over money to another party (the user to the e-wallet issuer) (Almurni et al., 2021; Solihin, 2021; Syifa et al., 2022).

There are at least four fiqh approaches to e-money top-ups, namely wadiah, qardh, al-Ijarah al-Maushufah fi Dzimmah, and sharf (Abdulfattah & Kurniawan, 2018; Antonio, 2018; Solihin, 2021; Syamsuri et al, 2020). These four contracts are the result of differences of opinion among fiqh scholars, condemning digital wallets. The differences in the results of ijthihad are according to each person's background in ijthihad. There is the possibility of right and wrong, and you can still get rewards from the efforts of the fiqh experts' opinions in ijthihad (DSN MUI, 2017; Nawawi, 2012). The explanations are as follows:

- a. Wadiah or custody contracts are a money deposit agreement from the holder to the issuer with the condition that the holder can take/withdraw/use the payment for services on a digital wallet. The contract is permitted so long as there is no addition to the balance, interest, etc.
- b. Qardh is a loan agreement from the holder to the e-wallet issuer with the condition that the issuer is obliged to return the money received to the holder. If there is a discount received by the holder, it is called usury. The substance of the digital wallet top-up transaction is a qard (loan), according to Dr. Erwandi Tarmizi.
- c. The al-Ijarah al-Maushufah fi al-Dzimmah is an ijarah contract in the form of bai salam (buying and selling orders), with a payment system at the beginning, then the benefits are obtained afterwards. In this contract, publishers are allowed to provide promotions in the form of discounts as gifts. Digital wallet top-up transactions using this contract were proposed by Dr. Oni Sahroni, MA.
- d. Sharf is a contract for exchanging similar money when topping-up balances, between rupiah in different forms, and when exchanging paper money with electronic money so then the substance is a top-up. Sharf contracts for the purpose of e-wallet balance top-up transactions are in line with the views of Yusuf Bin Abdullah al-Syubaili.

As explained by the four contracts, according to the DSN MUI fatwa on Sharia Electronic Money, a sharia contract is appropriate for current e-wallet top-up transactions and two contracts are possible, namely wadiah (custody) and qardh (loan).

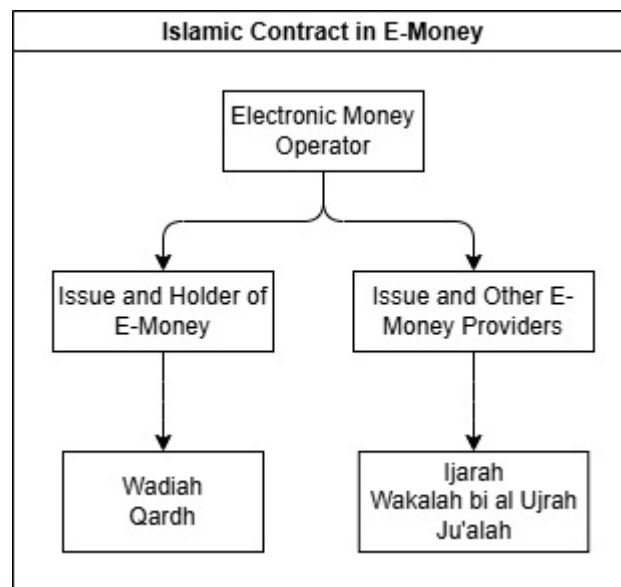


Figure 1. Sharia contracts in Sharia Electronic Money

Source: [Aulia et al., \(2023\)](#)

1. Wadiah (Custody)

The practice of using an e-wallet can be said to be a custody (wadiah) in accordance with sharia, so long as it does not include paylater, discounts, cashback and point features, meaning that they are only used for their function, namely as an electronic wallet or storage area.

In fiqh, the principle of savings is known as the wadiah principle, which can be interpreted as a pure saving from one party to another party, either as an individual or a legal entity. It must be safeguarded and returned whenever the owner of the fund wishes. According to a number of scholars, there are four pillars of the wadi'ah contract, namely the two contracting parties (the owner of the fund and the entrusted person), the goods entrusted, and the shighah contract (consent and qabul). In electronic money transactions, the two contracting parties are the issuer and the user, then the deposited item (contract object) is the money that the user deposits with the issuer. The contract is the agreement of each party to the contract (Hadikusuma, 2021; Solihin, 2021).

There was a review of muamalah jurisprudence regarding e-wallet practices with wadi'ah contracts. Customers deposit money or add a balance to an e-wallet account for any purpose. The e-wallet issuers become entrusted parties and consciously provide deposit facilities to facilitate customer transactions. Profits are then obtained from the service providers and top-up admin fees (Izzan & Piandi, 2022).

The review of DSN MUI fatwa Number 116/DSN-MUI/IX/2017 regarding e-wallet as a wadiah contract states it should not include the element of usury. However, in the MUI Fatwa provisions, there are several points that need to be reviewed and do not comply with the MUI Fatwa, such as e-wallet funds not being deposited in sharia banks. There needs to be a detailed explanation such as on the discounts, cashback and points given by the merchant because these three things are not explained in detail. Because they are not in accordance with the MUI Fatwa, they are not allowed (DSN MUI, 2017).

2. Qardh (Loan)

Muamalah fiqh is the reviewing of e-wallet practices with qardh (loan) contracts. If the e-wallet consumer funds entrusted to them are used to make a profit, the wadiah contract changes to qardh. A qardh contract is a gift of property to another person that can be claimed or asked to be given back. In the fiqh literature, qardh is categorized as aqad tathawwu'i or a mutual aid agreement, and is not a commercial transaction. If the e-wallet funds are used specifically by the e-wallet issuer, when they receive a discount, they may not be used because of usury. Users may not receive any benefits from the e-wallet. The consumer funds (float funds) stored in e-wallets are held in sharia banks (Hadikusuma,

2021; Solihin, 2021), as per Bank Indonesia Regulation Number 23/6/PBI/2021 concerning Payment Service Providers.

All products provided on the marketplace are halal products (for consumers, only using the e-wallet to buy halal products). All discounts, cashback and free shipping are given by the merchant. Based on DSN-MUI Fatwa Number 116/DSN-MUI/IX/2017 concerning Sharia Electronic Money, e-wallets cannot be used if the nominal amount of the electronic money that is with the issuer is not placed in a sharia bank, as in the fatwa it is stated that it must be placed in a bank that adheres to sharia.

The way to differentiate between a wadi'ah contract and a qardh contract is that the qardh contract is a loan, so the funds must be returned even if the borrower experiences a loss, while the wadi'ah contract is a trust. If at any time a loss or damage occurs not due to the negligence of the entrusted, then the party entrusted is not obliged to compensate. If electronic money storage is not used by the recipient (issuer) of the e-wallet, then the contract is wadi'ah. If the electronic money is used by the issuer with the permission of the card holder, then the contract which was initially a custody (wadi'ah) changes to a loan contract (qardh), where the responsibility of the recipient of wadi'ah is the same as the responsibility in the qardh contract. By knowing these two characteristics, we can know that if an e-wallet is used only to store money and is used only for payments, then it is permissible (halal). However, if we take advantage of the e-wallet platform, then it becomes haram, because the benefits we receive are usurious (Ardiningrum et al., 2022; Hadikusuma, 2021; Izzan & Piandi, 2022; Solihin, 2021).

As explained above and taking into account the opinions of ulama and the DSN MUI fatwa, the fiqh approach to topping up the digital wallet balance is more accurately referred to as a wadi'ah contract compared to a qardh contract. This is because the characteristic of wadi'ah is that goods are entrusted. It can be taken at any time and the storage period does not have to be stated. Terminologically, the qardh contract is giving property to someone who will use it and return it at a later date.

Reward or Gift (Cashback) for Digital Wallet Transactions according to the Sharia Agreement

Cashback is a form of reward given by the e-wallet issuer to users when using the e-wallet as a means of payment in a transaction. To examine how Islamic law views the cashback system, we will first explain how Islam views the law of giving gifts. Gift or reward or hadiah (in Indonesian) comes from the words hadi and ya. Its meaning revolves around two things. First, the word 'hadi' means guide. Second, it should be conveyed gently. From here, the word guidance was born, which is the delivery of something gently to show sympathy. Gifts are often also called grants. There are those who say that prizes include various types of grant. According to Islamic law, gifts are categorized in the form of grants and mubah (Ardiningrum et al., 2022; Ismail et al., 2018; Syifa et al., 2022).

In this sense, gifts are not purely given without reward but have a specific purpose, namely to connect ties, to bring relationships closer, and to bring glory. If understood, there is a meeting point between the three definitions above, in that a gift is a gift without compensation, the same as a grant. Sayyid Sabiq considers grants and gifts to be exactly the same, while Zakariyya Al-Ansari differentiates them. Grants are purely gifts without compensation, while gifts aim to glorify. However, the majority of Islamic jurisprudence scholars tend to distinguish between grants and gifts. The law on giving gifts is Sunnah, and so they are permissible (Ardiningrum et al., 2022).

In connection with the issue of gifts related to using digital wallets, based on the DSN MUI fatwa Number 86/DSN-MUI/XII/2012 concerning Gifts in Fundraising for Sharia Financial Institutions, it is permissible to give gifts in wadi'ah contracts at sharia banks with the provision that the gift must be in the form of tangible objects and that the source of the gift comes from a sharia bank, and not from customer funds (DSN-MUI, 2012).

As explained in the fatwa, the majority of fiqh scholars consider that if viewed based on muamalah fiqh, giving gifts to e-wallets can be permitted and it is agreed that the gift scheme is the same as a sales contract. Jualah is a promise or commitment to provide certain rewards to achieve the specified results from a work. In this case, e-wallet prizes in the form of cashback, discounts, free shipping, promos and others are a form of gift given by the e-wallet issuer as a borrower to consumers for their kindness as a lender.

According to Dr. Oni Sahroni, MA, cashback gifts are allowed provided they are not interest-bearing loans and there is clarity regarding the price of the goods being bought and sold. If the cashback is provided by the e-wallet issuer using the Qardh principle, it is called usury. This is permissible if the issuer uses the wadiah principle. Cashback is given without conditions and not from the e-wallet user's funds. As the correct explanation of the contract in the e-wallet balance top-up transaction is the wadiah contract, it can be concluded that the prize (cashback) obtained from the digital wallet balance top-up transaction is permissible because it includes gifts that are not required at the beginning of the usage agreement (Izzan & Piandi, 2022).

Then there is the issue of e-wallet vouchers, although this has not been discussed in the MUI fatwa. However, it can be linked to fatwa 86/DSN-MUI/XII/2012 concerning Prizes in Fundraising for Sharia Financial Institutions (DSN-MUI, 2012). Vouchers are a type of transaction with a certain value and can only be exchanged for certain reasons or certain goods. According to several sources, it is explained that shopping using vouchers available in e-wallets is permitted, provided that the vouchers are used to buy goods that meet your needs and are also halal. The next thing you need to pay attention to is the event of the voucher, such as if the voucher is issued to liven things up.

Transactions with vouchers are also permissible on Islamic terms if the voucher is not obtained by the consumer because they paid dues to the shop that issued the voucher. Unless the voucher is given to consumers because they have paid contributions every month, it is feared that this will be uncertain and not permitted according to Islamic jurisprudence. As a voucher user, it is hoped that they will be able to use the voucher for useful things and that no party will feel disadvantaged (Ardiningrum et al., 2022; Izzan & Piandi, 2022).

Vouchers have several categories, such as cashback vouchers, discount vouchers, and free shipping vouchers. These types of vouchers are provided by the e-wallet with the aim of attracting consumer interest. The strongest opinion from the ulama states that cashback vouchers, discounts or free shipping are allowed if consumers don't have to give a deposit, points or be a member of an e-wallet company to get them. On the other hand, if a discount, cashback or free shipping voucher requires consumers to have a certain amount of points or they must make a deposit first to get the cashback, discount or free shipping promo, then this is not permitted in Islam. This is because it is the same as saving on the e-commerce wallet and entering into an agreement with the e-wallet, and this can be called usury. It would be better to always be alert during every transaction because there are contracts that need to be considered in order to avoid unwanted things (Abdulfattah & Kurniawan, 2018; Ardiningrum et al., 2022; Solihin, 2021; Syifa et al., 2022).

CONCLUSION

E-wallets are a type of financial technology that has the function of storing funds and can be used to facilitate transactions. A review of Islamic law and the fatwas on the dynamics of digital wallets have been regulated by the DSN MUI fatwa on sharia electronic money. They are permitted under certain conditions such as the purpose of the payment instrument and floating funds being kept by the sharia issuer/bank, and are not for consumptive activities.

According to fiqh experts, the sharia contract mechanism for transactions via digital wallets can use wadiah, qardh, al-Ijarah al-Maushufah fi al-Dzimmah, or sharf contracts. Reviewing Islamic law, digital wallet balance top-up transactions are more accurately referred to as wadiah contracts compared to qardh contracts, as explained by the MUI DSN fatwa on sharia electronic money. This is because the characteristic of wadiah is that the goods deposited can be taken at any time. The correct agreement between the two is the wadiah contract, and the balance top-up transaction on a digital wallet is more appropriate as a deposit from the holder to the issuer.

A review of Islamic law on the use of rewards (cashback) from digital wallet transactions found that giving rewards to e-wallets can be permitted, and it is agreed that a reward scheme is the same as a sales contract. Therefore e-wallet rewards, whether in the form of cashback,

discounts, free shipping, promos and others, are a form of gift given by the e-wallet issuer as a borrower to consumers for their kindness as a lender.

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