

THE PROCESS OF CLAIMING ASSET IN BAHAGIAN PEMBAHAGIAN PUSAKA (BPP)

Proses Tuntutan Aset Dalam Bahagian Pembahagian Pusaka (BPP)

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Abstract

As of year 2020, Malaysia's frozen assets were MYR70 billion. Numerous challenges and issues are raised by this phenomenon, and it becomes incredibly challenging to solve. There are many agencies and bodies that handle the claims, queries and applications related to estate administration in Malaysia, for instance, the Department of Director General of Lands and Mines (JKPTG) through the Bahagian Pembahagian Pusaka (BPP), Amanah Raya Berhad (ARB), and The High Court (HC). However, more than 70 % of these claim applications were received and conducted by the Bahagian Pembahagian Pusaka (BPP). Thus, this study aims to investigate the process of claiming asset specifically in (BPP). This research is a qualitative research, through reviewing and identifying on existing related literatures in inheritance asset in Malaysia, and also websites from JKPTG to understand the processes. This study acknowledges several reasons that cause heirs unable to proceed with their claim of the assets which cause the increasing number of unclaimed assets. The distribution process will move swiftly once people understand how the BPP claims process operates.

Keywords: *Frozen Asset; Islamic estate planning; Islamic inheritance; qualitative.*

INTRODUCTION

1. Background of the Issue

Muslims in Malaysia are now more aware of the *faraid*, however the numbers of unclaimed assets keep on rising each year. As reported by Harian Metro (2020), the unclaimed assets in which the majority belongs to Malays has increased from MYR60 billion in year 2016 to MYR70 billion in four-year time. Moreover, an estimated 10.9 million members out of a total of 14.5 million registered members were not nominated, according to the Employee's Provident Fund, EPF (Kosmo, 2016). The total value of deposit contributors who do not make this nomination is around MYR232.7 billion (Shafie et al., 2016).

2. The Real Problem/Issues

Applications involving estate distribution and management lose effectiveness because users occasionally are not sure where they should start with it (Noordin et al., 2012; Kamarudin & Muhamad, 2018; Chew, 2018; Abdullah et al., 2020). As a result, estate management systems and distributed applications lose some of their effectiveness because users are occasionally uncertain of where to begin an application. Much of the current literatures on estate planning pay particular attention to the fundamental, managerial, and Islamic perspective of estate planning instruments such as those by Alma'amun (2008) and Kamarudin et al. (2015). Most studies focus on the viewpoints of the heirs in general but none on the institutions or agencies responsible for handling Islamic inheritance matters (Shafie et al., 2016; Abdullah et al., 2020; Abd Wahab et al., 2021).

3. Objectives

This study aims to contribute to this growing area of research by exploring the processes involved in the claim of assets at targeted agency where statistics have indicated that more than 70 per cent of the distribution of claim applications were received and conducted by the Bahagian Pembahagian Pusaka (BPP), JKPTG (Chew, 2018). The distribution process will move swiftly once people understand how the BPP claims process operates.

METHODOLOGY

A research methodology for this paper is through reviewing existing related literatures in inheritance asset and also websites from the Bahagian Pembahagian Pusaka, Department of General of Lands and Mines, JPKTG which is a department that manages administration and distribution of a small estate (pusaka kecil) in Malaysia. In addition, the author reviewed earlier studies on managing inherited assets in Malaysia from a variety of perspectives, encompassing legal, Islamic, and conventional studies.

FINDINGS AND DISCUSSION

Several processes have been dictated for the heir to claim their estate starting from the online application, submission of related form in BPP until the hearing or trial session. There also prevail an effective mechanism or tool to be practice by the heir in order to distribute the inheritance properties wisely after the death.

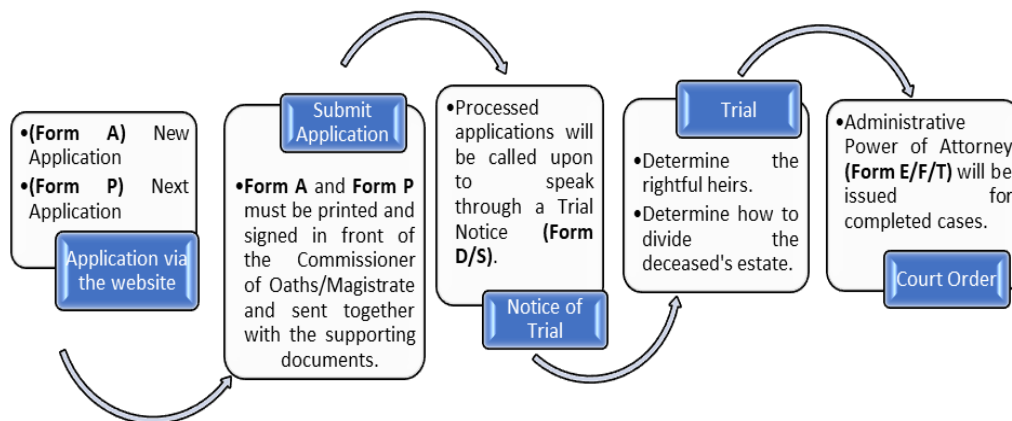


Figure 1.1: The Claim Process of Small Estates
(Source: JKPTG, n.d.)

CONCLUSION

The problems with frozen assets brought on by heirs are a result of their attitude, including their lack of time for estate management, ignorance of the administration and distribution processes, and many other things. The property accumulated has to be managed properly, and inheritance planning for their beloved beneficiary or beneficiaries should be done in advance to avoid any problems arising after

the death of the property owner Kamarudin & Muhamad (2018). Although there are some challenges in the process of claiming asset in BPP, the claimant or the rightful heirs may overcome it with constructive planning ahead. This study also shed some light on the reasons that cause heirs unable to proceed with their claim of the assets. With the comprehension of the claiming process in BPP will speed up the process of distribution.

RECOGNITION

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