
Asian Journal of Law and Policy

Vol. 6 No. 1 (March 2026)

eISSN: 2785-8979

Governance of the Law on Online Public Fundraising in Malaysia: An Analysis of the House-to-House and Street Collections Act 1947

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ABSTRACT

The advent of digital platforms has transformed the way funds are raised for charitable, humanitarian, and personal causes. In Malaysia, online public fundraising has become increasingly common, yet it remains largely unregulated by specific legislation. This article critically examines the governance framework for such activities, focusing on the House-to-House and Street Collections Act of 1947 (Act 200) and the need for legal reform. This study does not examine the technical features of online payment systems or platform design, nor the economic debates on crowdfunding. This study adopts a doctrinal legal analysis centered on the legislation and regulatory requirements. The article observes that the law, having been introduced during the colonial period to govern charitable collections in public areas, has limited applicability to the current context of digital fundraising, rendering its relevance to online platforms both narrow and unclear. This article argues that the legal



© (2026) Asian Journal of Law and Policy, 6(1), 167–194
<https://doi.org/10.33093/ajlp.2026.7>

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Published by MMU Press. URL: <https://journals.mmupress.com/ajlp>



vacuum presents serious challenges in terms of transparency, accountability, and the potential for misuse of public trust. The findings conclude that the Act 200 is not suited to the digital environment and fails to address the complexities of online fundraising. This study offers comparative insights and policy recommendations to strengthen Malaysia's governance in this evolving landscape.

Keywords: Digital platform; Online public fundraising; Charitable collections; Public trust; Legal governance

Received: 30 July 2025, **Accepted:** 8 February 2026, **Published:** 31 March 2026

1. Introduction

Online public fundraising has revolutionised the charity landscape in Malaysia, allowing individuals and organisations to solicit donations beyond geographical and institutional boundaries. From platforms like Facebook and Instagram to purpose-built crowdfunding websites, the ease with which funds can be solicited online presents both opportunities and regulatory challenges. Online donation has become a handy charity method, benefiting contributors and beneficiaries (Hou et al., 2021). The question remains: to what extent does existing Malaysian law effectively govern these digital fundraising practices? One of the oldest relevant pieces of legislation is the House-to-House and Street Collections Act 1947 (Act 200). Enacted during the British colonial period, Act 200 was intended to regulate physical fundraising activities in public space.¹ However, it is increasingly strained under the weight of technological developments that were not envisaged at the time of its drafting.

The drafting of Act 200 reflects its colonial legislative style, with narrow definitions that confine 'collection' to physical solicitation and make no reference to digital or indirect fundraising. The absence of terms such as 'electronic', 'platform', or 'online' underscores its analogue context. Enacted during the British colonial administration of Malaya and modelled on the United Kingdom's House to House Collections Act 1939, Act 200 was designed primarily to regulate charitable collections carried out in public spaces—particularly house-to-house and street appeals. Its objectives were to safeguard the public from fraudulent or coercive solicitations, to ensure that legitimate fundraising was conducted under licence, and to maintain order in public places. The Act achieves these aims through permit requirements, identification of collectors, submission of financial returns, and the imposition of criminal penalties for unlicensed collections. However, it lacks civil compliance mechanisms, institutional oversight, or any framework for supervising digital fundraising, online platforms, influencer-driven campaigns, or fintech-enabled donations. This makes the statute increasingly obsolete in the context of modern fundraising practices.

This article critically analyses the structural and conceptual limitations of Act 200 and considers how enforcement authorities have resorted to alternative legislation—such as the Penal Code, anti-money laundering laws, and the Communications and Multimedia Act—to

¹ *JB Jeyaretnam v. Public Prosecutor & Another Appeal* [1990] 1 Malayan Law Journal 129 (Singapore HC).

address online fundraising. Drawing on comparative approaches from jurisdictions including Singapore, Australia, and the United Kingdom, this article underscores the importance of a technology-aware, platform-inclusive regulatory framework supported by dedicated oversight institutions such as charity commissions or national registers.

In conclusion, this article argues for an urgent and holistic reform of Act 200. Reform is urgent because the current framework (Act 200) no longer reflects the realities of modern fundraising, leaving donors unprotected, authorities under-equipped, and charitable activities vulnerable to abuse. This includes either its amendment or repeal and replacement with a modern law that can accommodate digital fundraising, ensure donor protection, enhance transparency, and regulate third-party platforms effectively. Reform is necessary not only to close legal gaps but also to uphold public trust in charitable fundraising in an increasingly digital society.

2. Literature Review

A previous study review examined the academic, legal, and policy-based discussions surrounding the regulation of online public fundraising in Malaysia, with specific attention to the Act 200. Seven scholarly articles, both domestic and international, were reviewed for this study. These studies collectively contribute to a broader understanding of online fundraising activities in Malaysia and other jurisdictions. However, it is important to note that most of the existing literature focuses on fundraising practices, platforms, and socio-economic implications, with limited direct legal analysis, particularly regarding the Act 200.

The literature on online public fundraising in Malaysia is still developing, and existing studies reflect a mixture of descriptive, social, regulatory, and comparative perspectives. At the national level, several scholars have focused primarily on the practical rise of online fundraising rather than its legal underpinnings. For instance, Ab Rahman et al. (2021) examined the use of Internet crowdfunding to support heart patients, demonstrating the effectiveness of online platforms in mobilising donations for medical purposes. This contribution is valuable in documenting the expansion of online giving in Malaysia and showcasing how digital tools have enhanced access to funds for urgent personal needs. However, this study is largely empirical and user-centred, offering little discussion on regulatory oversight or the broader legal consequences of such practices. Similarly, Mohd Noor et al. (2020) explored the transition from offline to online donation systems and its social effects, emphasising changes in communication, trust, and donor relationships. Their findings underline the transformative effect of digital platforms on fundraising behaviour, yet the absence of legal analysis leaves open questions about the governance and accountability of these new fundraising modes.

A second strand of literature addresses regulation, though often indirectly through related sectors such as equity crowdfunding. Wan Hanif et al. (2020), for example, discussed policy and regulatory improvements aimed at sustaining the equity crowdfunding sector, including tax incentives, relaxed rules, and enhanced public education. While the study is

situated within the investment context, its insights are instructive for donation-based fundraising, particularly in showing how regulatory design can either promote or stifle innovation. Importantly, it illustrates the role of structured policy frameworks in creating trust and legitimacy, which is directly transferable to the donation space. More directly relevant, Md Nor et al. (2023) examined governance issues in online donation-based fundraising in Malaysia. Their work calls for stronger regulations to ensure transparency and effective fund control, identifying current inadequacies in Malaysia's legal environment. Although this study represents one of the few efforts to focus on donation-based fundraising governance, it does not specifically engage with Act 200 or provide concrete proposals for legislative reform, leaving an important gap that the present study seeks to fill.

Comparative scholarship provides valuable external perspectives that highlight the urgency of reforms in Malaysia. Mayer (2022), writing on the United States, identified significant legal voids in the regulation of charitable crowdfunding, noting the risks of fraud and misuse. He argued that outdated statutes must be adapted to digital realities and recommended modernised oversight mechanisms. Although rooted in the US legal system, Mayer's analysis provides a useful comparative lens, demonstrating how other jurisdictions grapple with the challenges posed by digital fundraising. Regionally, Laiya et al. (2023) conducted a legal review of donations-based crowdfunding in Indonesia, examining statutory provisions and proposing stronger regulations of platform responsibilities and donor protection. This is particularly relevant as Indonesia shares a similar legal culture with Malaysia and illustrates how structured, context-sensitive reform is possible within Southeast Asia. Finally, Sirisawat et al. (2022) looked beyond national boundaries, emphasising the need for international standards and legal harmonisation in digital fundraising. Their forward-looking approach highlights the importance of cross-border consistency and donor safeguards in an increasingly globalised fundraising environment.

Taken together, these studies suggest several key trends. First, in Malaysia, the scholarship has predominantly documented the growth, social impact, and governance gaps in online fundraising but has not engaged in depth with statutory analysis of Act 200. Second, where regulatory discussions exist, they tend to focus on adjacent sectors such as investment crowdfunding, which, although instructive, do not fully address the unique challenges of donation-based fundraising. Third, comparative and regional studies illustrate that other jurisdictions have already begun to reform or modernising their frameworks to meet the demands of digital fundraising. These reforms often include stronger institutional oversight, clearer platform obligations, and donor protection mechanisms—elements that remain underdeveloped in Malaysia.

Overall, the literature converges on the view that online fundraising is growing rapidly and reshaping donor–recipient relations, but Malaysia's current legal framework is not equipped to manage this transformation. Act 200, a colonial-era statute drafted for physical house-to-house and street collections, is ill-suited to regulate digital fundraising. The absence of specific provisions for online platforms, influencer-driven campaigns, and fintech integration leaves significant legal voids. By situating the Malaysian experience alongside

international and regional perspectives, the existing scholarship underscores the urgent need for reform, one that is holistic, technology-aware, and capable of balancing innovation with accountability.

The review also explores the limitations of the current legal framework, existing scholarly gaps, and relevant comparative insights from international jurisdictions. Act 200 was enacted during the British colonial administration to regulate physical fundraising activities in public spaces. This study does not focus on the technical aspects of online payment systems or digital platforms. Despite the increasing prevalence of online fundraising in Malaysia, there is limited academic literature that focuses exclusively on the intersection between digital platforms and charitable fundraising law in Malaysia. Evidence of the prevalence of online fundraising/donations is as follows:

2.1 Growth in Donation-Based Crowdfunding Research

A recent study, *Why do donors donate? A study on donation-based crowdfunding in Malaysia (2023)*, explores motivations behind giving in the online/digital space (Kamarudin et al., 2023). It shows that many Malaysians are using online platforms to donate, with factors like trust, information quality, and emotional support playing strong roles in motivating donations.

2.2 Calls From Authorities About Proliferation

Malaysian police and investigators have explicitly acknowledged that online fundraising campaigns have proliferated. For example, Bukit Aman's Commercial Crime Investigation officers state that one major challenge is the absence of specific laws to regulate online donation drives, which suggests such campaigns are widespread enough to be problematic (Roslan & Awang, 2024).

2.3 Reported Cases of Donation Fraud

Between 2019 and 2023, 85 cases of donation fraud were investigated in Malaysia, involving about RM 667,845 in donations. More cases have been reported in recent years. The misuse of reputable NGOs' names is a recurring theme (Roslan & Awang, 2024).

2.4 Wider Context of Online Fraud and Scams

Over the past five years (2019–2023), more than 125,000 online fraud cases have been reported in Malaysia, with losses exceeding RM 4.1 billion. These include telecommunications, e-financial scams, non-existent loans, and others (Mohd Zoki, 2024). A substantial portion of fraudulent transactions occur via online or mobile platforms—for

example, a 2019 report showed around 63% of fraud in Malaysia stems from online channels.²

From the evidence above, online fundraising in Malaysia faces several pressing challenges. The most significant issue is the legal and regulatory gap, as the current statute (Act 200) only governs physical collections and does not extend to digital platforms, forcing authorities to rely on general laws such as the Penal Code that are ill-suited to the speed and scale of online transactions. This gap enables fraudulent practices, with some individuals misusing the names of legitimate NGOs / NPOs or creating fake campaigns, often diverting funds away from intended beneficiaries. Such abuses undermine public trust, as donors find it difficult to verify the legitimacy of appeals in the absence of formal vetting or licensing mechanisms. Compounding this is the rapid reach and immediacy of online campaigns, where funds can be raised and transferred quickly, making detection, enforcement, and recovery challenging. Collectively, these factors highlight the urgent need for a comprehensive, technology-aware regulatory framework.

Most analyses remain general, or focus on crowdfunding regulated by the Securities Commission or Bank Negara Malaysia (BNM) (e.g., equity or debt crowdfunding), rather than non-profit, public appeal-based fundraising. While other legislation such as the Capital Markets and Services Act 2007 (CMSA) provides a regulatory framework for fundraising, its scope is confined to capital market activities, including securities, investment schemes, and equity crowdfunding. These mechanisms are distinguished by the expectation of financial returns to investors, and are overseen by the Securities Commission of Malaysia. In contrast, public fundraising for charitable or social purposes operates on a donation-based model, where contributors do not anticipate financial gain. As such, donation-driven online fundraising does not fall within the CMSA's ambit, leaving the House-to-House and Street Collections Act 1947 (Act 200) as the principal, albeit outdated—statute addressing public charitable collections. This distinction underscores the legal lacuna in Malaysia's regulatory landscape with respect to digital public fundraising. Previous studies have examined the concept and purpose of online fundraising and donation collection by individuals or entities in Malaysia, focusing on regulatory aspects, challenges, and suggested improvements.

Several articles have discussed issues related to online donation collection activities in Malaysia, but these have not engaged directly with the governing law. This literature gap underscores the need for further doctrinal and empirical research, including stakeholder interviews and policy evaluations, to guide the formulation of a comprehensive legal framework. Moreover, the definitional limitations of terms such as 'house,' 'street,' and 'collection' in Act 200 do not naturally extend to virtual platforms, creating ambiguity in enforcement and highlighting the absence of specific governance for online public

² The LexisNexis Risk Solutions' report on True Cost of Fraud on Asia Pacific revealed that approximately 63% of the fraudulent transactions were conducted through the web browser accessed through a personal computer or laptop and mobile devices. '63% of fraud comes from online channels web and mobile, compared to 35% in-person at a store or kiosk' (LexisNexis Risk Solutions, n.d.).

fundraising. Ab Rahman et al. (2021) examined the use of crowdfunding platforms as a means of raising funds via the internet to support heart patients requiring financial assistance, demonstrating the practical effectiveness of digital giving for personal causes. Similarly, Mohd Noor et al. (2020) explored the transition from traditional face-to-face donation methods to online systems, highlighting the implications of this shift for communication, trust, and social interaction between donors and recipients. Wan Haniff et al. (2020), on the other hand, focused on the sustainability of the crowdfunding market, emphasising the importance of regulatory improvements and community involvement. Their recommendations include relaxing certain securities regulations, introducing tax incentives, fostering collaboration between platform operators and experienced investors, and conducting public awareness campaigns. Although this study concentrated primarily on equity investment crowdfunding, many of the insights and proposals are equally relevant to the broader regulation of online fundraising by individuals or organisations in Malaysia.

Existing scholars have highlighted recurring concerns regarding the misuse of funds in online fundraising activities, which are often linked to insufficient legal oversight and regulatory monitoring. In addition to academic writings, prominent commentators in Malaysian newspapers have cautioned against the risks of poor transparency and the potential for mismanagement of public funds, particularly in fundraising initiatives carried out by Non-Governmental Organizations (NGOs) and Non-Profit Organizations (NPOs). These observations collectively underscore the urgent need for a more robust governance framework to safeguard the integrity of online fundraising practices in Malaysia. However, despite these contributions, the existing literature largely focuses on the conceptual, social, and operational aspects of online fundraising, while there remains a significant gap in doctrinal analysis of the legal and regulatory dimensions. This gap highlights the necessity of further research to examine how Malaysian law can be reformed to adequately address the unique risks and challenges posed by online fundraising.

Several media reports and public statements have highlighted the risks and misuse of public funds in online fundraising activities, underscoring the gaps in Malaysia's legal and regulatory framework. For instance, former Special Branch Chief, Datuk Ayob Khan Mydin Pitchay, had earlier warned that certain unrecognised non-governmental organisations (NGOs) could potentially channel funds to Daesh-linked militant activities (Pitchay, 2016). This warning demonstrates that the legal vacuum governing online fundraising is not only a matter of financial mismanagement but also a national security concern.

Similarly, media commentaries such as those by journalist Siti Aminah have alleged instances of misappropriation of funds by local Palestine-related NGOs (Aminah, 2023). Such reports highlight the lack of transparency and accountability in certain foreign-aid-themed donation campaigns and reveal how donors remain unprotected in the absence of proper regulatory oversight. In the same vein, NGO activist Datuk Nadzim Johan, Chief of Persatuan Pengguna Islam Malaysia (PPIM), issued a public warning on 5 July 2022 urging donors to be cautious of fraudulent fundraising drives, particularly those using humanitarian themes such as the purchase of funeral vehicles (Johan, 2022). This caution

reflects the increasing prevalence of fake campaigns and the repeated misuse of public trust through unverified donation drives.

More recently, mainstream news has reported large-scale embezzlement cases linked to fraudulent NGO fundraising. A report by *Berita Harian* on 16 June 2025 revealed that officers from an NGO had embezzled approximately RM26 million in public donations through fraudulent humanitarian projects. The misappropriated funds were used for personal luxuries, including jewelry, cars, property, cryptocurrency investments, and even fictitious well-construction projects. This case illustrates how the absence of regulation has enabled long-term embezzlement between 2015 and 2025. The much-publicised Aman Palestin case (2023–2024) (Razali, 2025) further demonstrates a similar modus operandi, where public donations were channelled into personal accounts, again highlighting systemic weaknesses in oversight, the absence of laws specific to online fundraising, and inadequate accountability on the part of fundraising platforms.

Taken together, these reports and commentaries show a recurring pattern, in the absence of clear legal controls, online fundraising in Malaysia remains vulnerable to fraud, mismanagement, and abuse of public trust. This body of evidence strengthens the argument that doctrinal reform and dedicated regulations are urgently needed to safeguard donors, legitimate NGOs, and the wider public interest. In October 2023, the media reported that the police had successfully busted a fraud syndicate collecting donations and fundraising online, ostensibly for three charities, by arresting 55 individuals. It was reported that the syndicate had been operating for five years, collecting donations and fundraising from the public with the syndicate members being given a commission of 10 to 20 percent if they managed to meet the collection target. The report, however, did not mention the amount collected, as the police need to investigate further. The question is, 'How could this syndicate have operated for five years and openly and possibly collected millions of ringgits from members of the public without anyone notice?' (Bernama, 2024).

There are no local articles that discuss and study specific law for online public fundraising and also articles that discussed further on applicability of the Act 200, which is still technically relevant for fundraising activities conducted physically but does not specifically include online fundraising. Illegal online public fundraising activities will only be an offence under Section 420/511 of the Penal Code (Act 574), an offence of cheating, if reported to the Royal Malaysian Police (PDRM) or under Section 409 of the Act 574, an offence of criminal breach of trust, and an offence under Section 4(1) and 4(2) of the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (Act 613) if reported to the MACC.

There is a study by Mohd Zakhiri Md Nor et. al (2023) in an international journal article from Indonesia, namely the *International Journal of Latin Notary* which examines legal and governance issues on donation-based fundraising in Malaysia. The author emphasizes the need for stricter regulations to ensure transparency and accountability in the management of funds collected through online platforms. However, this article does not directly address the improvements Act 200 (Md Nor et al., 2023). To add, another international journal articles

that discuss legal issues related to online fundraising is Llyod H. Mayer (2022) in his article titled 'Regulating Charitable Crowdfunding.' The author discusses legal issues related to online fundraising by examining the rapid growth of online fundraising and the legal challenges that arise due to the lack of clear regulations and laws. The author also suggests adapting existing laws to address issues of fraud and misuse of funds in fundraising platforms (Mayer, 2022). The article 'Legal Review of Donations-Based Crowdfunding System Arrangements in Indonesia' by Wandu Laiya et al. (2023) reviews the legal framework for donation-based fundraising systems in Indonesia and highlights the legal responsibilities of online platform operators. While Sirisawat et al. (2022) discusses the challenges and future of digital fundraising, emphasizing the need for legal standardization and user protection in online fundraising platforms. These articles provide an international perspective on the legal challenges in online fundraising and highlight the need for a clear legal framework to ensure transparency and accountability in the management of funds raised through online platforms.

In conclusion, there are significant gaps in the law on online public fundraising in Malaysia. The literature consistently reveals that Act 200 is outdated and insufficient in addressing online public fundraising. Gaps identified that the limited legal literature on Malaysia's Act 200 in the digital fundraising context because existing studies are mostly technological, behavioural, or policy-based and few academic works offer legislative reform proposals specifically tied to public fundraising laws in Malaysia. While the Act was originally enacted to regulate traditional, physical donation activities, it lacks the scope, definitions, and enforcement mechanisms necessary to govern digital platforms, social media-based appeals, or cross-border fundraising campaigns. This legislative gap has become increasingly evident as charitable giving shifts to online spaces, leaving a regulatory vacuum that exposes donors to risks such as fraud, misappropriation of funds, and lack of transparency. Despite the emergence of academic discussions on crowdfunding practices and digital donation trends, there remains a notable absence of focused legal scholarship or reform efforts directly addressing the limitations of Act 200 within the digital fundraising context.

3. Research Methodology

This study employs a qualitative, library-based research method, with its primary approach being doctrinal legal analysis. Rather than examining technical platform design or economic aspects of crowdfunding, the research focuses on legal instruments, statutory provisions, and regulatory frameworks governing online public fundraising in Malaysia. Relevant legislation, particularly Act 200, alongside academic publications and regulatory documents, was reviewed to identify gaps, interpretive challenges, and governance issues. Content analysis was used to assess how existing laws apply to digital fundraising activities, while document review supported a deeper understanding of compliance and oversight mechanisms. This methodological approach is appropriate because the study aims to

evaluate the adequacy of the current legal framework and propose reforms, without relying on empirical or behavioral data.

4. Overview of the House-To-House and Street Collections Act 1947 (Act 200)

The House-to-House and Street Collections Act 1947 (Act 200) is one of Malaysia's earliest laws designed to regulate public fundraising activities. Its primary purpose is to ensure public protection against fraudulent solicitations, exploitative or disorganized fundraising efforts and to regulate the collection of donations in public spaces. While its intent remains relevant, its structure reflects a pre-digital era, raising issues of adequacy in the current online fundraising context.

Basically, Act 200 contains 9 sections that collectively regulate charitable fundraising through physical solicitation (Sherwin et al., 2006). Section 1 sets out the short title and application of the Act, clarifying that it applies only to Peninsular Malaysia. Section 2 provides definitions of key terms such as 'collection,' 'house,' 'licence,' and 'street,' which are limited to physical spaces and contexts. Section 3 prohibits house-to-house or street collections for charitable purposes without a valid licence, while Section 4 empowers the relevant authority to issue such licences and impose conditions as deemed appropriate. Section 5 prescribes regulatory obligations on licence holders, including the submission of financial returns and maintenance of proper documentation, with non-compliance constituting an offence. Section 6 criminalises the unauthorised use of badges or related identifiers and grants police officers enforcement authority to investigate and halt illegal collections. Section 7 requires collectors to provide their names and other details to the police upon request, with failure to do so punishable by a fine of up to RM100. Section 8 prescribes broader penalties for non-compliance, including fines of up to RM1,000, imprisonment of up to six months, or both, while also recognising certain defences where the accused can prove lack of knowledge or reasonable preventive steps. Finally, Section 9 vests jurisdiction in the Sessions Court and Magistrate's Court to try offences under the Act and authorises the court to order the return of seized property to its owner or, failing that, its forfeiture or confiscation.

The Act was enacted at a time when public solicitation occurred solely in physical settings (e.g., door-to-door, street corners). Today, online public fundraising campaigns via social media, payment gateways, and crowdfunding platforms fall outside the Act's direct scope, leaving a regulatory vacuum. The House-to-House and Street Collections Act 1947 (Act 200) served as a vital legal safeguard in its time, ensuring orderly public fundraising and preventing fraud. However, the emergence of digital platforms and unregulated online solicitations renders its current form inadequate and outdated. A modernized legal framework is urgently required to ensure that public trust and transparency in fundraising are preserved in this digital era.

To date, there are no reported Malaysian court decisions that have directly interpreted or applied the House-to-House and Street Collections Act 1947 (Act 200) in significant detail.

The Act has remained relatively under-litigated, likely due to its administrative nature (permits are granted or denied without court involvement), the low number of enforcement actions brought to court and the limited scope of public awareness or contestation regarding its provisions. Although Act 200 has not been the centre of court rulings, Malaysian courts have dealt with public fundraising disputes under other laws, particularly in cases involving misuse of charitable donations (Hassan, 2024), fraud, and breach of fiduciary duty. Donating to an unregistered charity might not be illegal in itself. However, knowingly participating in a fraudulent scheme or laundering money through a fake charity can lead to serious legal consequences.

The recent investigations and enforcement actions involving public fundraising and charitable collections demonstrate that prosecutions are frequently pursued under alternative laws, given the limited application of the House-to-House and Street Collections Act 1947 (Act 200). This situation effectively tests the practical adequacy and prosecutorial efficiency of these broader criminal and regulatory frameworks. Several recent Malaysian cases illustrate that abuses in public fundraising are more commonly addressed under general criminal breach of trust, anti-corruption, or financial regulation statutes rather than through Act 200, highlighting potential gaps in the existing legislative scheme specific to fundraising oversight. A previous high-profile case concerning Yayasan Akalbudi ('YAB'), a charitable foundation. Ahmad Zahid Hamidi, as trustee and sole cheque signatory, was charged with 47 counts of criminal breach of trust, bribery, and money laundering involving millions of ringgits in the foundation funds (Bernama, 2022). Despite extensive proceedings, the court granted him a discharge not amounting to an acquittal in September 2023 (New Straits Times, 2023). What is notable is that the case, although directly involving a charitable foundation and alleged misuse of donations, was prosecuted entirely under the Penal Code, the MACC Act, and the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (Act 613).

In *PP v Aman Palestin Berhad*, the Malaysian Anti-Corruption Commission (MACC) froze over RM15 million in assets belonging to the NGO, which had raised donations for humanitarian purposes but was alleged to have misused the funds for unrelated investments and improper accounting. Charges were pursued under the MACC Act 2009 and the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (Act 613), demonstrating the reliance on specialised financial and anti-corruption laws in addressing such misconduct.

While in civil application,³ the applicant (Aman Palestin Berhad) had applied for leave to commence judicial review proceedings to quash the freezing orders issued by the 4th respondent under s 44(1) of the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (Act 613), and for an order of mandamus to compel the variation of the said orders under s 44A of Act 613 for the release of a sum of monies to it for inter alia its daily expenses and operational costs. The said freezing orders were issued to

³ *Aman Palestin Berhad v. Tan Sri Dato' Sri Azam Baki & Ors* [2024] 6 Malaysian Law Review (High Court) 184–197.

facilitate investigations into the alleged misappropriation of donations collected by the applicant from the public for a Middle East humanitarian cause. The Kuala Lumpur High Court, in dismissing the application held that by virtue of s 44(1) of Act 613, the enforcement agency was permitted to issue freezing orders of money held in accounts in financial institutions. Section 50(1) of Act 613 however, was for a different purpose, that is, the seizure of money in such accounts by the investigating officer pursuant to the order of the Public Prosecutor. There was no merit therefore to the applicant's submission that only the Public Prosecutor was empowered to issue the freezing orders and that the 4th respondent had acted illegally in issuing the same.

In May 2025, the Malaysian Anti-Corruption Commission (MACC) has obtained permission to charge former Deputy Chief Minister II of Penang, Dr P Ramasamy, with 17 charges for suspected abuse of position while serving as Chairman of the Penang Hindu Wakaf Board ('LWHNPP'). The charges are scheduled to be read out at the Seberang Perai Special Sessions Court for Corruption, Penang, at 9am, Wednesday 14 May 2025. The total charges, 13 of them involve the purchase of a gold chariot while the other four involve two educational aid approvals and two medical aid approvals from LWHNPP. For the charge related to the purchase of the golden chariot, Ramasamy is alleged to have abused his position to obtain approximately RM300,000 from the LWHNPP Special Allocation Account around 2019. The other four charges involve the act of approving Education Assistance and Medical Assistance around 2020 to 2022 without going through the LWHNPP committee meeting. The investigation against Ramasamy is being conducted under Section 23 of the MACC Act 2009, while the charge will be carried out under Section 409 of the Penal Code (Sinar Harian, 2025).

Similarly, in 'Ops Serantau' (Business Today, 2025), the Malaysian Anti-Corruption Commission (MACC) has arrested five individuals, including senior officials of a non-governmental organisation (NGO), for allegedly embezzling RM26 million in public donations. The arrests, made during 'Ops Serantau' in Selangor, Melaka and Penang, involved the NGO's chairman, secretary, treasurer, and financial officer, who have been remanded for seven days. Investigations indicate that the suspects diverted public funds into personal accounts and used the money to purchase jewelry, vehicles, land, houses, and cryptocurrency, in addition to siphoning surplus funds from a humanitarian well-building project in Syria. The misappropriation is believed to have occurred in 2015. MACC Chief Commissioner Tan Sri Azam Baki confirmed that assets worth over RM8 million had been seized or frozen, including jewelry valued at about RM100,000, cash exceeding RM1 million, cryptocurrency holdings of RM650,000, four houses worth over RM1.4 million, and 14 bank accounts with nearly RM5 million. The case is being investigated under Section 409 of the Penal Code for criminal breach of trust.

A recent issue relating to public fundraising and charitable collections concerns the investigation reported in October 2025 involving alleged misappropriation of zakat funds. Earlier, the media reported that a former employee of a statutory body was remanded for four days on suspicion of involvement in a corruption syndicate linked to the

misappropriation of Zakat aid funds. The alleged misappropriation involved RM120,000 in zakat allocations purportedly disbursed to 28 individuals who were not eligible to receive such assistance (Ismail, 2025).

This issue is not unprecedented. In January 2024, the police launched an investigation into a company appointed as a zakat collection agent by the Perak Islamic Religious and Malay Customs Council (MAIPk) following suspicions of embezzlement involving RM9.62 million in collected zakat funds. The investigation commenced when the company was believed to have failed to remit zakat collections between March and September 2023. According to the Director of the Commercial Crime Investigation Department (JSJK), Datuk Seri Ramli Mohamed Yoosuf, this case was among four criminal breach of trust cases related to zakat collection recorded in the previous year, with the Perak case involving the highest value of losses. The matter is currently being investigated under Section 409 of the Penal Code, which pertains to criminal breach of trust by public servants or agents (Mokhtar, 2024).

In summary, the analysis reveals a consistent pattern in which enforcement authorities circumvent the House-to-House and Street Collections Act 1947 (Act 200), opting instead to prosecute public fundraising abuses under broader criminal and regulatory statutes. This trend underscores both the inefficacy and obsolescence of Act 200 in addressing contemporary fundraising practices, particularly those conducted through digital platforms or institutional arrangements. As the examined cases demonstrate, the courts have relied primarily on general criminal breach of trust, anti-corruption and fiduciary principles rather than the specific mechanisms provided under Act 200. The absence of litigation under the Act reflects its outdated scope and limited practical utility, further reinforcing the need for comprehensive legislative reform to establish a clear, modern, and enforceable framework governing both physical and online public fundraising activities.

5. Has Act 200 Been Reviewed by the Malaysian Government?

Despite being enacted in 1947 and now over 78 years in force, Act 200 has undergone minimal substantive amendments. Its key developments are largely administrative rather than legislative in nature, including a law revision and renumbering in 1978 under the Laws of Malaysia Series, the issuance of internal administrative circulars by the Ministry between the 1980s and the 2000s to regulate permit administration, and the latest incorporation of the Act under the Reprint of Laws Series in 2006. This indicates that the core provisions of Act 200 have remained largely unchanged since its original enactment, with only procedural and administrative adjustments implemented over time.

As of July 2025, no major amendments have been made to expand the scope of the Act to cover online or digital fundraising. The Act 200 remains substantively unchanged in relation to the regulation of online or digital fundraising activities. Originally enacted as Ordinance No. 18 of 1947 during the British colonial period, the Act was revised and restructured into Act 200 on 15 February 1978 under the Revision of Laws (House to House

and Street Collections Act 1947) Order 1980. Since its original enactment, the statute has undergone only a series of minor and technical amendments, primarily aimed at textual clarification and administrative updates, rather than substantive legal reform. As listed in Table 1, the Act was amended through the House to House and Street Collections (Amendment) Ordinance 1947 (Ord. 35/1947), Amendment Ordinance 1956 (Ord. 48/1956), and further amendments in 1971 (Act A46), 1973 (Act A192), and through legal adaptation instruments such as the Federal Constitution (Modification of Laws) Order 1958 and the Malaysian Currency (Ringgit) Act 1975. The most recent technical update was through the Revision of Laws (Rectification) Order 2002. According to Table 2, the affected sections were limited to Section 2 and Section 4, with no expansion of the statutory scope to include provisions related to online, digital, or platform-based fundraising. Thus, despite the transformative shift in the way public donations are solicited, particularly through internet-based channels the legal framework under Act 200 remains analog in nature and unresponsive to digital realities.

Table 1: List of Amendments

Amending law	Short title	In force from
Ord. 35/1947	House to House and Street Collections (Amendment) Ordinance 1947	18-09-1947
Ord. 48/1956	House to House and Street Collections (Amendment) Ordinance 1956	20-12-1956
L.N. 332/1958	Federal Constitution (Modification of Laws) (Ordinances and Proclamation) Order 1958	13-11-1958
Act A46	House to House and Street Collections (Amendment) Act 1971	30-04-1971
Act A192	House to House and Street Collections (Amendment) Act 1973	30-03-1973
Act 160	Malaysian Currency (Ringgit) Act 1975	29-08-1975
P.U. (A) 209/1980	Revision of Laws (House to House and Street Collections Act 1947) Order 1980	15-02-1978
P.U. (A) 426/2002	Revision of Laws (Rectification of House to House and Street Collections Act 1947) Order 2002	25-10-2002

Table 2: List of Sections Amended

Section	Amending authority	In force from
2	Ord. 35/1947 Act A46 Act A192	18-09-1947 30-04-1971 30-03-1973
4	Ord. 48/1956	20-12-1956

As of mid-2025, there is no record of a major review or substantial amendment to the Act 200 in response to online public fundraising. No significant amendments were logged in the e-Federal Gazette. The Act 200 remains largely unchanged since its last statutory revision in 1978, with minor editorial updates via the Revision of Laws Orders of 1980 and 2002. It is not listed under RMK-12's, the 12th Malaysia Plan (2021–2025) legal revision programme. The Act 200 was not included in the RMK-12's list of key federal laws to be reviewed by the Attorney General's Chambers through Bahagian Hal Ehwal Undang-Undang (BHEUU), Jabatan Perdana Menteri (JPM) Malaysia (Economic Planning Unit, 2021). No Hansard proceedings debate specific to Act 200 reform. A 2023 and 2024 Hansard search of the Dewan Rakyat yielded no recorded motions or parliamentary debates specifically addressing Act 200 or proposing digital-era updates, despite general parliamentary concerns over online charity fraud. Government and police sources also acknowledge these legal gaps. In a December 2024 interview with Bernama, Bukit Aman's Commercial Crime Investigation Director, Dato' Seri Ramli Mohamed Yoosuf, stated: 'Currently, Malaysia only has the House-to-House and Street Collections Act 1947 (Act 200) ... It is difficult to take enforcement action [against online fundraising] due to the absence of specific legislation' (Roslan & Awang, 2024). He added that the Act was last reviewed in 1978 before the digital era.

A 2001 ICNL commentary noted that Act 200 does not cover online donation appeals and that police lack enforcement powers in cyberspace. Malaysia also has no dedicated legislation on charities (George, 2001). Similar issues have arisen elsewhere, such as in the UK case of *Re Ulverston and District New Hospital Building Trusts*,⁴ which dealt with insufficient funds from unidentified donors. Act 200 remains outdated, as it was designed for physical street and door-to-door collections and has never been amended to cover digital fundraising. In practice, enforcement authorities rely on other laws, with most online fundraising abuses prosecuted under the Penal Code, particularly Section 420 on cheating and Section 511 on attempts to commit such offences.

These provisions are applicable in cases where individuals or organisations deceive the public by launching online donation drives under false pretense or fail to utilise the funds as represented. Where digital content is used as the medium of fundraising, the Communications and Multimedia Act 1998 (Act 588) is often invoked especially Section 233, which penalises the misuse of network facilities to disseminate false, misleading, or offensive content. This may cover cases where misleading donation appeals are distributed via social media or messaging platforms. In more serious or transnational cases involving money laundering or suspected terrorism financing, authorities rely on the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (Act 613). This reliance on general or criminal laws, rather than a dedicated statute for online public fundraising, underscores a significant legal vacuum. Scholars such as Md Nor et al. (2023) have pointed out that the lack of targeted legislation allows exploitation by

⁴ *Re Ulverston and District New Hospital Building Trusts, Birkett v Barrow and Furness Hospital Management Committee* [1956] Ch 622 (Court of Appeal).

unscrupulous actors and weakens institutional oversight. Internationally, Mayer (2022) similarly notes that jurisdictions without tailored frameworks for charitable crowdfunding often default to broad anti-fraud laws, which are reactive in nature, rather than preventive or regulatory. As a result, Act 200 remains ineffective in addressing the technological, financial, and regulatory complexities of online fundraising in Malaysia, and a reform is urgently required to ensure donor protection and institutional accountability.

6. Governance and Regulatory Challenges of Public Fundraising Beyond the House-To-House and Street Collections Act 1947 (Act 200)

The governance of online public fundraising in Malaysia is characterised by several situations. First, fragmented oversight where no single agency has clear jurisdiction over online fundraising activities (Roslan & Awang, 2024).⁵ Secondly, lack of transparency mechanisms because of no mandatory reporting requirements or accountability frameworks for digital fundraising campaigns. There have been too many cases of embezzlement of donation funds online, probably due to the lack of monitoring by the authorities and the greed of the fundraisers (Bernama, 2025). Thirdly, the technological evasion whereby online platforms can easily be operated anonymously or from abroad, escaping local regulatory scrutiny. A lawyer says there are regulations on street collections but none on online donations and crowdfunding (Hisamudin, 2020). Lastly, the public trust issues will arise due to the absence of proper vetting processes undermines donor confidence and creates reputational risks for legitimate campaigns (Zakaria, 2023).⁶

The absence of regulations in force has caused the existence of a worrying 'grey area' in the matter of the use of donation fundraising (Editor-in-Chief, 2024). In the 2024 Annual Report of Bank Negara Malaysia (BNM), the main online frauds reported to the Royal Malaysian Police/Polis Diraja Malaysia (PDRM) consisted of telecommunications frauds(31.6%); e-commerce (30.6%); loans (15.4%); investments (13.9%); love scam (3.9%) and malware/phishing (4.7%) and as illustrate in the Table 3 below.

Table 3: Bank Negara Malaysia (BNM) Annual Report 2024: Major Fraud Cases Reported to the Royal Police Malaysia/Polis Diraja Malaysia (PDRM) (Bank Negara Malaysia, 2025, p. 99)

Category	Percentage
Telecommunication scam	31.6%
E-Commerce scam	30.6%

⁵ 'Under the act [House-to-House and Street Collections Act 1947], parties that wish to conduct fundraising activities are required to obtain a permit or approval ... However, the absence of specific legislation in Malaysia to regulate online fundraising makes it difficult for any enforcement agency to investigate or take action' (Roslan & Awang, 2024).

⁶ 'There is an urgent need for the government to form a new commission to regulate donation fundraising and charities in Malaysia ... in the absence of a dedicated regulatory body or a statutory register ... it would be a challenge for a layperson to know if a charity is indeed a legitimate charity in Malaysia' (Zakaria, 2023).

Loan scam	15.4%
Investment scam	13.9%
Love scam	3.9%
Malware/phishing	4.7%

Statistics issued by CyberSecurity Malaysia reveal a concerning trend: online fraud remains the most prevalent cyber threat, recording a total of 2,759 incident reports in the first six (6) months of 2025 alone. This figure significantly surpasses other categories of reported cyber incidents such as cyber harassment, intrusion attempts, denial of service attacks, vulnerabilities reports, spam, content-related breaches, and malicious code infections.

Online fraud is related to public fundraising because both involve the transfer of money based on trust, and online fundraising platforms can be easily exploited by individuals or groups with fraudulent intentions. In public fundraising especially donation-based campaigns where donors typically rely on the credibility of the cause and the honesty of the fundraiser, often without formal verification mechanisms. Online fraudsters take advantage of this by creating fake charity pages, impersonating legitimate organisations, using manipulated emotional appeals, or setting up short-term fundraising campaigns that disappear once funds are collected. Since online fundraising is often fast, borderless, and anonymous, it becomes difficult for authorities to verify identities, trace transactions, or enforce compliance particularly in countries where clear regulatory frameworks for digital fundraising are still lacking. As a result, the same features that make online fundraising convenient and accessible also expose donors to a higher risk of deception, financial loss, and erosion of trust in genuine charitable efforts.

The high incidence of online fraud highlights the escalating risks associated with digital interactions, particularly in environments where monetary transactions or financial trust are involved such as online fundraising platforms. Unlike other forms of cyber incidents that often target systems or data integrity, online fraud directly exploits human vulnerability, emotional appeals, and social trust, often using sophisticated methods such as fake donation campaigns, phishing links disguised as charity appeals, and cloned websites of legitimate organisations.

The persistence and growth of online fraud also reflect the lack of adequate legal safeguards and oversight mechanisms, especially in sectors where digital solicitation of funds is not comprehensively regulated. This is particularly relevant to Malaysia’s online public fundraising landscape, which continues to operate in a regulatory grey area, relying on outdated laws such as the Act 200 that do not contemplate the risks posed by modern technologies. The sheer volume of fraud cases reported is not only a red flag for cybersecurity professionals but also a call for urgent policy intervention to modernise the legal framework, increase digital literacy among the public, and implement stricter verification protocols for platforms and campaigns seeking public donations online. Without

proactive governance, the upward trend in online fraud is likely to continue, further eroding public trust and potentially harming legitimate charitable efforts.

Source: Reported Incidents based on General Incident Classification Statistics
<http://www.mycert.org.my/> retrieved on 12 July 2025 (MyCert, 2025)

#	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Spam	7	5	4	3	14	9	0	0	0	0	0	0	42
Fraud	334	338	454	512	543	578	0	0	0	0	0	0	2,759
Malicious Codes	9	11	23	14	13	22	0	0	0	0	0	0	92
Denial of Service	1	2	3	0	3	4	0	0	0	0	0	0	13
Content Related	73	71	51	33	33	37	0	0	0	0	0	0	298
Intrusion Attempt	32	31	38	29	30	30	0	0	0	0	0	0	190
Intrusion	18	75	39	36	41	59	0	0	0	0	0	0	258
Vulnerabilities Report	14	8	16	7	3	5	0	0	0	0	0	0	53
	488	541	628	634	660	744	0	0	0	0	0	0	3,715

In conclusion, the governance of online public fundraising in Malaysia remains inadequate and fragmented, giving rise to multiple regulatory challenges. The absence of a clearly designated authority to oversee online fundraising activities has resulted in jurisdictional ambiguity, with various agencies operating in silos without coordinated enforcement. This fragmented oversight is compounded by the lack of transparency mechanisms, as there are currently no statutory obligations for digital fundraisers to disclose financial records, submit activity reports, or undergo independent audits. Furthermore, technological evasion poses a significant barrier to enforcement, as many online fundraising platforms can be created anonymously or operated from outside Malaysia’s jurisdiction, thereby escaping local scrutiny. These deficiencies not only facilitate potential misuse and fraud but also contribute to the erosion of public trust in charitable giving. Without proper vetting, licensing, and monitoring processes, legitimate fundraising efforts risk being tainted by the actions of unscrupulous actors. Therefore, a comprehensive reform of the legal and institutional framework either through the amendment of Act 200 or the creation of a new, specialized regulatory regime is imperative to ensure accountability, protect donors, and sustain public confidence in the digital fundraising ecosystem.

7. Comparative Perspectives

Several jurisdictions have modernised their legal frameworks to address online fundraising. For example, in the United Kingdom, the Charity Commission provides specific guidance for online fundraising and holds charitable bodies accountable under the Charities Act 2011. The UK has both amended its charity legislation and issued or updated guidance documents to supplement the main Act for example, The Charities Act 2022 (2022 c. 6) amends the Charities Act 2011 and other connected legislation. It introduces changes such as: new statutory powers for unincorporated charities to amend governing documents; alterations to charity land-disposal rules; changes to trustee payments; and more (Kopic, 2022). Its implementation is phased: for example, some provisions came into force on 31 Oct 2022, others on 14 June 2023, and further on 7 March 2024. The UK's modern and structured approach to regulating online fundraising through statutory law (Charities Act 2011), platform guidelines, public registers, and complaint systems demonstrates a technology-aware, donor-protective regime. This contrasts with Malaysia's analog-centric Act 200, which has no provisions for online platforms, third-party collectors, or digital verification.

The Charity Commission, established under the Charities Act 2011, is the statutory body responsible for registering and monitoring charities, ensuring compliance with charity law, investigating misconduct or mismanagement and issuing guidance on governance, financial control, and fundraising. The Charities Act 2011, along with earlier and supporting legislation (e.g., the Charities (Protection and Social Investment) Act 2016), provides the legal framework for regulating charitable registration, governance duties, fundraising conduct and oversight and financial reporting and donor protection. The Charity Commission does not regulate all crowdfunding, but it monitors when a crowdfunding campaign claims charitable purpose. An organizer of personal appeals must clearly state whether donations will be refunded if the goal is not met and whether the funds will be redirected to another cause.

While the Charity Commission enforces statutory compliance, the Fundraising Regulator provides a voluntary regulatory scheme, covering an online and offline fundraising standards, investigation of public complaints, maintenance of the Fundraising Preference Service (FPS), allowing individuals to opt out of direct appeals. The latest edition of code of Fundraising Practice mandates standards for transparency in online donations and requires platforms to distinguish between charitable fundraising and personal crowdfunding, it also applies to digital events, gaming for good, and live stream donations. The Charity Commission maintains a public register of charities, including financial summaries, regulatory compliance status, trustees' names and charitable objectives. Online donors can verify legitimacy before giving via gov.uk/find-charity-information fundraisingregulator.org.uk.

In Singapore, The Charities (Fund-Raising Appeals for Local and Foreign Charitable Purposes) Regulations (Ministry of Culture, Community and Youth [MCCY], 2026) require online fundraising appeals to be registered and monitored. Singapore has established a comprehensive legal framework for fundraising, especially online or digital fundraising

appeals, to ensure transparency, public trust, and proper use of donations. The Charities (Fund-Raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012 is operate under the Charities Act (Cap. 37) and apply to any individual or organisation (charity or non-charity) that solicits funds from the public and also explicitly regulate online fundraisers, both for local and foreign causes. The administer is Commissioner of Charities (COC), under the Ministry of Culture, Community and Youth (MCCY) and examples of Regulated Platforms are:

- Giving.sg: National online donation platform regulated by the National Volunteer and Philanthropy Centre (NVPC) (giving.sg, 2026),
- Ray of Hope: Crowdfunding platform registered with the COC and subject to audit (Ray of Hope, 2025), and
- SimplyGiving: Allowed to operate with transparency requirements (SimplyGiving, 2025).

For registration and notification requirements, a fundraisers (including on platforms like Giving.sg or other crowdfunding sites) must notify the Commissioner of Charities (COC) in writing before starting and foreign charitable appeals must be registered and approved beforehand. Fundraisers must disclose the platform used (e. g, Facebook, Giving.sg, Ray of Hope, etc.). All online appeals must include: the name of the fundraiser/organization, the purpose of fundraising, target amount, how donations will be used and validity period of the appeal for donation. Fundraisers must maintain accurate records of all donations and expenditures. For appeals raising more than SGD 1 million, a qualified auditor must verify accounts. A post-appeal statement must be submitted to the COC detailing the total amount raised, expenses incurred and balance disbursed. Any misleading or coercive appeals are strictly prohibited and fundraisers cannot falsely claim affiliation with any charity or organization. If the Fundraisers breach of the regulations may result in financial penalties and/or disqualification of individuals from managing charities and/or investigation or prosecution under the Charities Act. Singapore's legal framework for fundraising provides a model of best practice, ensuring online donations are licensed, trackable, and audited. Malaysia, by contrast, lacks a modern equivalent under Act 200, allowing unregulated digital fundraising to thrive sometimes at the expense of donor trust and public accountability.

While in Australia, each Australian state and territory has its own distinct rules about fundraising (Australian Charities and Not-for-profits Commission [ACNC], 2025) and state-based fundraising laws have been updated to include online contexts, with public registers and licensing systems (Justice Connect, 2025). The Australian Charities and Not-for-profits Commission (ACNC) is the federal regulator of charities that registers and regulates Australia's charities. The regulation of charitable fundraising is primarily state-based, with each of the eight states and territories operating under its own legislative framework as referring to Table 4.0. This decentralised system means that there is no single national law governing charitable fundraising. However, each jurisdiction has developed its own statutes

to regulate the solicitation of donations, licensing of fundraisers, and reporting obligations. For instance, New South Wales enforces the Charitable Fundraising Act 1991, Victoria relies on the Fundraising Act 1998, while Queensland operates under the Collections Act 1966. Other states, including South Australia, Western Australia, Tasmania, and the Australian Capital Territory (ACT), also have their own legislation, some of which date back to the early 20th century. Notably, the Northern Territory does not have a dedicated fundraising statute, but instead relies on common law principles and specific licensing conditions administered on a case-by-case basis. Despite these jurisdictional differences, all states share a common trend of gradually modernising their laws to incorporate online and digital fundraising mechanisms, including the introduction of public fundraising registers, licensing systems, and online reporting tools.

Table 4: Specific States in Australia and Legislation

State/Territory	Key Legislation
New South Wales (NSW)	Charitable Fundraising Act 1991
Victoria	Fundraising Act 1998
Queensland	Collections Act 1966
South Australia	Collections for Charitable Purposes Act 1939
Western Australia	Charitable Collections Act 1946
Tasmania	Collection of Charitable Funds Act 2001
ACT	Charitable Collections Act 2003
Northern Territory	Common law and specific conditions in licensing. It is important to note that the Northern Territory does not have legislation that governs charitable fundraising.

Although Australia does not have a single national law governing charitable fundraising, instead, each of the eight states and territories administers its own set of rules governing public fundraising. Despite this decentralisation, state laws have been increasingly updated to reflect the realities of online and digital fundraising. At the federal level, the ACNC plays a complementary role as the national regulator for charities. Established in 2012, the ACNC oversees the registration, governance, and compliance of charities, regardless of the state in which they operate. While the ACNC does not regulate fundraising laws per se, it maintains a publicly accessible register of approved charities, enforces reporting obligations, and ensures compliance with the ACNC Act 2012 and associated governance standards. The ACNC Commissioner’s position is established by section 110-5 of the ACNC Act. The interaction between the ACNC and state fundraising regulators reflects a dual regulatory model, which the ACNC ensures accountability and transparency at the national level, and states enforce compliance with local fundraising laws. In recent years, there has been increasing recognition of the need for harmonisation across jurisdictions to reduce administrative burden on charities operating nationwide, especially in light of cross-border digital fundraising activities. As a result, Australia’s experience offers

a useful comparative model for Malaysia, demonstrating how legal modernisation, decentralised regulation, and national coordination can work in tandem to govern public fundraising effectively in a digital age.

In conclusion, the regulatory approaches adopted in the United Kingdom, Singapore, and Australia clearly demonstrate the importance of having a modern, technology-aware legal framework to govern public online fundraising. These jurisdictions have taken proactive steps to update their laws, either by issuing specific regulatory guidance, establishing public registers, or enforcing licensing systems that reflect the realities of digital fundraising platforms. In the UK, the Charity Commission provides detailed guidance and oversight under the Charities Act 2011; Singapore mandates the registration of online appeals under the Charities (Fund-Raising Appeals) Regulations; and Australian states have revised their fundraising statutes to include digital contexts, while the national Australian Charities and Not-for-profits Commission (ACNC) ensures overall accountability. These examples highlight the growing international recognition that traditional laws must evolve alongside technological changes. For Malaysia, the continued reliance on the outdated Act 200 is increasingly untenable. The comparative models strongly support the case for reforming or expanding Act 200 to include digital fundraising, with clear oversight, licensing, and reporting obligations. Without such legal reform, Malaysia risks falling further behind in protecting donors, ensuring transparency, and regulating online public fundraising effectively in the digital age.

8. Regulatory Gaps and the Need for Legislative Modernisation

To enhance governance, Malaysia should consider several suggestions such as an enactment of a new law for example, an Online Fundraising Regulation Act should be developed to encompass all digital fundraising activities. While some countries address online fundraising by issuing guidance or regulations under their existing charity laws, Malaysia's situation is different because the core law governing public fundraising Act 200 (1947) is very old, narrow in scope, and was never designed for digital or cross-border fundraising activities. Unlike the UK, Australia, or Singapore, which have modern primary charity legislation and established charity regulators, Malaysia does not have a comprehensive legislative framework or a central authority to oversee online public fundraising. Therefore, merely issuing guidelines would not resolve the core problems of legal gaps, unclear jurisdiction, enforcement limitations, and lack of mandatory accountability mechanisms.

For that reason, the suggestion for a new Online Fundraising Regulation Act is justified, not to replace all existing laws, but to provide a clear, unified legal basis to regulate digital fundraising platforms, impose verification and reporting requirements, and designate a single regulatory authority. In short, other countries already have modern charity laws and they only needed supplementary guidance while Malaysia's main law is outdated and limited and Malaysia needs new legislation to cover areas the old law cannot.

Secondly, platform accountability should be strengthened to address risks associated with anonymous or unverified digital solicitations. This can be achieved by requiring operators of crowdfunding and social media platforms that facilitate public fundraising to be formally registered, placed under continuous regulatory monitoring, and subjected to periodic audits and compliance reviews. Such measures would not only ensure that platforms conduct due diligence on fundraisers, but also create a clear chain of responsibility where platforms are required to verify campaign legitimacy, maintain transparent records of funds received and disbursed, and report suspicious fundraising activities to the relevant authority. Strengthening platform accountability in this manner is essential to safeguarding donors, preventing fraudulent fundraising campaigns, and maintaining public trust in legitimate charitable efforts.

Thirdly, impose licensing and registration stricter for an individuals or entities who intending to raise public funds online should be required to obtain prior approval and disclose detailed information about their purpose, beneficiaries, and financial targets. Fourthly, transparency and reporting whereby imposing the mandatory post-campaign reports and the establishment of a public fundraising registry can increase donor confidence. Lastly, promote public education by making a national campaign on safe online donating practices should accompany regulatory reform.

9. Conclusion

The Act 200 is ill-suited to the digital era. Its inability to cover the complexities of online public fundraising creates serious governance risk. While piecemeal enforcement under other laws may offer temporary remedies, a more coherent and contemporary legal framework is urgently needed. Malaysia must modernise its laws to safeguard donors, uphold public trust, and ensure that online fundraising activities serve their intended charitable purposes with transparency and integrity. The absence of a central authority to regulate online fundraising in Malaysia has created a regulatory vacuum that exposes both donors and beneficiaries to significant risk. Commentators have proposed the establishment of a dedicated regulatory framework or the amendment of Act 200 to expand its scope. In the current framework, Act 200 was designed primarily for physical, on-the-ground fundraising activities, such as door-to-door and street solicitations. It does not cover modern methods of donation collection, particularly those conducted through online digital platforms, social media campaigns, or mobile applications. As a result, there is no single oversight body responsible for licensing, verifying, or auditing entities that solicit funds online. This lack of regulatory supervision compromises donor protection, as members of the public often cannot verify the legitimacy of online campaigns or trace how the collected funds are managed or disbursed. Furthermore, it weakens financial transparency, since many fundraising efforts operate outside any formal accountability mechanism or reporting standard, increasing the potential for fraud, embezzlement, and misuse of public contributions.

In light of these challenges, numerous legal scholars, policy commentators, and civil society organisations have called for urgent reforms. Among the most widely discussed proposals is the establishment of a dedicated statutory regulatory body tasked with supervising all forms of public fundraising, especially those conducted online. Such a body could issue licenses, maintain a public registry of authorised fundraisers, and impose mandatory reporting and auditing requirements. Alternatively, a more immediate solution proposed by legal experts is the amendment and modernisation of Act 200 to explicitly cover online and digital fundraising activities. This would involve redefining key terms in the Act such as ‘collection’ and ‘public place’ to encompass online and virtual platforms, while also introducing provisions on digital oversight, enforcement mechanisms, and donor rights. Both proposals underscore the urgent need for a tech-responsive legal framework that can ensure transparency, accountability, and public trust in charitable fundraising activities in Malaysia’s evolving digital landscape.

Acknowledgement

The authors gratefully acknowledge the Faculty of Law, Universiti Kebangsaan Malaysia (UKM) for providing research facilities and administrative support. Special thanks are extended to the supervisor and co-supervisor for their invaluable guidance and constructive feedback throughout the research. The authors also appreciate the contributions of all individuals and institutions whose support facilitated the completion of this study.

Funding Statement

The Ministry of Higher Education (MOHE), Malaysia, provided funding for the research group members through the Skim Geran Penyelidikan Fundamental (FRGS), with grant code FRGS/1/2023/SSI12/UKM/02/2; Universiti Kebangsaan Malaysia (UKM) provided funding for this work through the Geran Universiti Penyelidikan (GUP) grant, with grant code GUP-2023-082; special appreciation also to the members of the research group and the Faculty of Law, UKM.

Authors’ Contributions

All authors contributed to the final version and approved the submission.

Conflict of Interest Declaration

The authors declare that they have no conflict of interest in this study.

Ethics Approval

Ethical approval was not required for this study as it is based on doctrinal legal research involving the analysis of legislation, case law, and secondary sources, and does not involve human participants, personal data, or sensitive materials.

AI Usage Declaration

The author declares that Artificial Intelligence (AI) tools were used solely to assist with language editing and improvement of readability. No AI tools were used to generate the substantive content, analysis, or conclusions of this manuscript. The author has reviewed and takes full responsibility for the content of this work.

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