

Motivations of Inter Vivos Transfers Among Malaysian Muslims

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Abstract: The surge of interest in inter vivos transfers has sparked a debate over its motivations. However, most of the academic research has focused on developed economies; and similar to many other countries, empirical research is scarce in Malaysia too. This study, aims to unravel motives for inter vivos transfers among Malaysian Muslims. It employs logit regression analysis in which the data is collected by means of questionnaires from October to December 2012. This research discovers that exchange motive is more prevailing than altruism motive among the respondents. More inter vivos transfers are given to daughters, children who provide more services and children with low opportunity cost of their time. However, inter vivos gifts among Muslims in Malaysia have one distinctive feature, they have been a part of the Malay culturally defined sphere enriched by the Islamic law. This is called '*hibah*' in Malay language, which originates from an Arabic word. It is concluded that the cultural aspect of the inter vivos transfers provides enhanced information as to how the transfer mechanism work.

Keywords: Inter vivos; Hibah; Altruism; Exchange; Inheritance

JEL Classification: D14; D64; E21; D10

1. Introduction

Economists believe that intergenerational transfers are vital elements in the economic landscape of a country. Private transfer, which constitutes part of the intergenerational transfers, for instance, influences the human capital investment of children and it is considered as a form of financial assistance to the children in their early working life. Intergenerational transfers, between two parties namely parents (givers) and children (recipients) could be in the form of inter vivos or bequest

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(Cox & Rank, 1992). For several decades now, interest in inter vivos transfers has spawned a large literature attempting to measure the motives of such transfers. The two most dominant motives are exchange (Cox & Rank, 1992; Norton & Van Houtven, 2006) and altruism (Halvorsen & Thoresen, 2011).

The altruism model informs that a parent is altruistic in the sense of caring about the consumption possibilities of his/her children. This is because he/she cares about the well-being of the children. This model has one particular distinctive property in which transfers are divided unequally among children with the purposes of ensuring that the children will be equally well off; to equalize opportunities among children with different abilities; or to ensure the children will enjoy the same relative status in life as the parents. Therefore, in the altruism model, more transfers are given to the less able and lower income children (Becker (1974) and Barro (1974)). By contrast, when parents care about their old-age security in the sense of caring about the services or attention by their children, and they value such services and attention by making certain amount of transfers, then these transfers are motivated by the exchange motive (Cox, 1987; Pestieau, 2000; Laitner and Ohlsson, 2001).

Halvorsen and Thoresen (2011) suggest a broader definition that covers all types of inter vivos transfers: any money transfer, payment of regular or extraordinary expenses, payment of travels/holidays, interest on loans or down payments on loans, and financial support through transferring cars/housing or in other ways allowing the children to make free use of card/housing. This broader definition of inter vivos transfers has been used in previous studies as well as in this study.

This paper aims to investigate the presence of the exchange and/or altruism motives in the inter vivos transfers made by Malaysian Muslims to their children. Hence, in doing so, we estimate logit model for the likelihood of receiving inter vivos transfers from parents. It also integrates with the culturally defined sphere to help us comprehend the extent to which they engage with the practice of making inter vivos transfers. Through such an effort, it is possible to capture the forms of inter vivos specific to their culture, which are not discussed in the existing body of knowledge. The rest of the paper is organized as follows: section two provides the relevant literature review. Methodology and data collection are presented in section three. Findings and discussion are presented in section four, while section five concludes the study.

2. A Literature Survey

Some features associated with parents and children influence the likelihood of transfers, and their amount suggest different motives for inter vivos transfers. First, previous studies have established a consistent finding implying that the parents'

economic status is a significant factor affecting the probability of receiving inter vivos transfers and the amount of transfer. Thus, children with parents with higher income and education which indicate a better economic status, are more likely to receive more inter vivos transfer and a larger amount (Nordblom & Ohlsson, 2011; Cox & Rank, 1992; Halvorsen & Thoresen, 2011). Larger amount should be received if both parents are alive. Thus, the number of living parents is inversely related to transfer amounts, indicating that higher per capital parental income leads to a larger transfer as suggested by Cox and Rank (1992). As far as the inter vivos transfers motives are concerned, researchers have closely explored the extent to which the child's well-being and motives of the parents determine the inter vivos transfers. Cox and Rank (1992) argue that an increase in a child's income should either reduce or increase the probability and amount of transfers. If altruism motives exists, the probability of receiving the transfer and the amount for the children with higher income are lower than those with lower income. On the other hand, with exchange, increases in child's income diminish the probability that a transfer occurs but increase the transferred amounts on the ground that wealthier children are able to provide more care.

Altruism motive, however, seems to be more relevant in Albertini and Radl (2012) and Halvorsen and Thoresen (2011). They contend that altruistic parents provide support to a child or children with the greatest needs. As a result, the inter vivos transfer is divided unequally between children with different needs. The children's need, even though it can be indicated by their income, other proxies such as being unemployed, single and children's education level have been widely used in the literature. Recent evidence in Halvorsen and Thoresen (2011) and Albertini and Radl (2012) indicate that altruistic parents pass on more inter vivos gift to a unemployed child, because the child is considered worse off than his or her siblings. They also discover the same motive appears in the case of larger transfer is given to a child who is single, divorced or widowed and less educated as this indicates a considerably lower household income which requires more parents' support.

According to Cox and Rank (1992), the correlation between children's education level and the likelihood of receiving inter vivos transfer could reflect an exchange motive. They observe that children with higher education level increases their likelihood to receive inter vivos transfers. Cox and Rank believe that this is due to the borrowing constraints in the U.S. This is because, they perceive that those with more education have higher future earning potential, which increases their demand for loan. However, the solution to the borrowing constraints face by children with higher education are solved by their parents by making more transfers to them.

An exchange motive is particularly noticeable in the inter vivos transfer from parents when their children's age becomes their concerns as contended by Cox and Rank (1992). Cox and Rank (1992) show that younger people are more likely to

get transfer and with larger amount. A similar justification, namely 'borrowing constraints' is given. This means that more transfers are given to the younger generation. This is because they face greater difficulty in securing bank loans (Jappelli, 1990).

A number of studies demonstrate that gender significantly affects the amount of inter vivos transfers in which females receive more gifts than males (Nordblom & Ohlsson, 2011). However, Nordblom and Ohlsson (2011) do not view that being female is associated with lower income in which requires more support from altruistic parents. On the other hand, they believe that this is an indication of the exchange motive on the premise that daughters, to a large extent, care more for their parents than sons. The findings from some of the existing research also indicate that altruistic parents are more likely to offer more inter vivos to the children who are single, as being single indicates a considerably lower household income (Halvorsen & Thoresen, 2011). Hence, marital status is one of the factors that parents consider when deciding who should receive more inter vivos transfers among their children.

Inter vivos transfers in the form of financial transfers are positively related to the services provided by the children to parents and such services could be in the form of informal care support and attention such as help, care support and contact (Norton & Van Houtven, 2006; Cox & Rank, 1992; Albertini & Radl, 2012). Hence, informal care support and attention are the important variables to test for the exchange motive since informal care support and attention involve continuous commitment from children in terms of time and effort. Cox and Rank (1992) also test distance as proxy to the services, as it is modelled that distance increases the cost of providing help to the parents. Accordingly, children who live nearer to their parent's house usually provide more help to the parents than those who live farther. The negative relationship between distance and the probability of transfer receipt is evidenced in Cox and Rank (1992); with the assumption that transfers are payments for in-kind services that are costlier to provide over longer distances.

Additional information from the literature conveys that children with a lot of siblings are less likely to receive a transfer (Cox & Rank, 1992), but there is no motive associated with this behavior. However, we can relate having siblings with the informal care provided to the parents which indicates an exchange motive as argued in Norton and Van Houtven (2006). Children are the most important source of informal care besides spouses. One of the children commonly provides informal care to the parents, while other siblings provide none. The child with the low opportunity cost of their time such as low-income children, daughters, children who do not work, children who are already caring for other dependents, or children who live close by are most likely the caregivers.

This study obtains some preliminary understanding of the inter vivos transfers with regard to the Malaysian context. Lillard and Willis (1997) is the only study conducted to investigate the motive for inter vivos transfers among Malaysians. The scope of the inter vivos transfers in Lillard and Willis is confined to time and money transferred to and from generations both above and below the reporting generation. However, the sub area of their study – the transfers of money from the perspective of respondents as children is more relevant to this study. Their respondents were consisted of couples who separately reported the money transfers received from their parents. Lillard and Willis evidence that the child and spouse characteristics are important determinants of such transfers. They also find that parents are more likely to transfers and offer more money to the couple if they provide housework help to parents. The couple's total household income, however, has a negative effect on the money transfers. With reference to the motives of this transfer, Lillard and Willis believe that this is an evidence in favour of the exchange hypothesis. This study is also of the opinion that transfers are made due to the exchange motive since the effect of service accords with Cox and Rank (1992).

By providing a reverse relationship, Lillard and Willis (1997) focus more on the time and money transfers from children to parents, which they believe is the dominant direction of monetary transfers in Malaysia. Therefore, it is not surprising that they conclude that old age security triggers the transfers. They believe these findings fit the Malaysian context in which safety-net programmes such as the annuity market, public social security and health insurance are very limited or almost not available/existence in the market. Thus, parents rely on their children for their old age support. As a result, transfers seem to provide insurance within the family. Transfers to parents from children increase in likelihood or in value when parents are older, in poor health, or widowed. In addition, Lillard and Willis perceive that transfer made from children to parent supports the parental repayment hypothesis. Parents have made human capital investments on their children and the children are expected to repay the parents by providing old age support. This is evidenced by the positive relationship between children's education attainment, the likelihood of transfer and the amount of transfers that parents receive from their children. Lillard and Willis' (1997) argument/position fits the earlier stage of Malaysia as a rapidly growing country. It has been going through economic transition starting with the promulgation of the National Economy Policy (NEP) and accordingly, inter vivos transfers in Malaysia need to be revisited.

Comprehending the inter vivos transfers practice within the culturally defined sphere of Malaysia can be considered an inevitable and necessary extension. This is because the Islamic law and the Malaysian Muslim customs have created distinctive forms and features of inter vivos transfers. This results in inter vivos

transfers' mechanisms and forms peculiar to Malaysia, which have been practiced by the society and to some extent it indicates the motives for such transfers. Banks (1976) explains the incorporation of inter vivos transfers into a Malay framework. It is observed in Banks's study (1976) that inheritance is also normally transmitted during the lifetime in the form of inter vivos transfers and this symbolises the supreme act of parental-filial kinship. Banks (1976) adds that Malays recognizes the gender differences in the kinds of property that they provide for their children. Thus, daughters are more likely to receive inter vivos transfers in the form of moveable property such as jewellery and other valuables, while land is more appropriately considered for sons. Banks (1976) rationalizes this by highlighting the wisdom of providing daughters with the assets that they can easily take with them in case of a divorce. Altruism motive is one particular behavior mentioned by Banks (1976), according to which Malay parents provide equally to all their children regardless of the gender which are suited to the need of the recipients.

3. Methodology and Data Collection

In modelling the inter vivos in Malaysia, we took the parent utility function by Cox dan Rank (1992)¹ as a point of departure:

$$U_p = U(C_p, s, V(C_k, s)) \quad (1)$$

where U_p = parent's well-being; V = child's well-being; C_p and C_k denote parent and child consumption and s denotes services the child provides to the parents.

Equation (1) features both altruism and exchange motives. Cox and Rank (1992) argue that even though this model contains both motives, only one motive determines behavior at the margin. For example, if parental transfers to children represent implicit payment for services children provide to parents and these services are demanded inelastically, parents would tend to transfer more to their relatively high income children; whereas, as noted above, altruistically motivated parents will transfer less. If the services given by a child are a good substitute for services from other children or the available services in the market, transfers within the family will tend to go toward the child who offers the cheapest services - possibly a low income child with a low opportunity cost of time.

In addition, the exchange model predicts that financial transfers given to children are positively associated with services that children provide to parents. It should be noted that this can be possible under altruism. Cox and Rank (1990) notice that this finding does not offer much information about the transfer motives. However, they emphasize that a positive relationship is necessary for an exchange.

¹ Model used in Cox and Rank (1992) is a variant of that of Cox (1987).

Equation 2 to 5 below explain the logit model developed to be tested in this study. In this model, y_i is binary, which takes any of two values; 0 (Have not received any inter vivos transfers within the past five years) or 1 (Have received inter vivos transfers within the past five years, with the probabilities p_i and $1 - p_i$

$$y_i = \begin{cases} 1 & \text{if the } i\text{-th respondent have received inter vivos transfers within the past 5 years} \\ 0 & \text{otherwise} \end{cases}$$

$$\text{Logit } P(y_i = 1 | x_i) = \frac{e^{x_i'\beta}}{1 + e^{x_i'\beta}} \quad (2)$$

$$\begin{aligned} \log\left(\frac{p}{1-p}\right) = & \beta_0 + \beta_1 \text{Gender} + \beta_2 \text{Age} + \beta_3 \text{Married} + \beta_4 \text{Education} + \beta_5 \text{Employed} \\ & + \beta_6 \text{Monthly income} + \beta_7 \text{asset} + \beta_8 \text{children} + \beta_9 \text{parent alive} \\ & + \beta_{10} \text{monthly income of parents} + \beta_{11} \text{sibling} \\ & + \beta_{12} \text{money given to parent} + \beta_{13} \text{living with parent} + \beta_{14} \text{distance} \end{aligned} \quad (3)$$

Table 1. depicts explanatory variables used in this model as well as the codifications. The explanatory variables were proxies for parents' resources, variables capturing the characteristics of the child and proxies for informal care. We also included other variables such as total of living parents and amount of monthly money given to the parents. Eventhough there is not much discussion about money given to the parents in Cox and Rank (1992) and they emphasise more on distance variable as proxy for services, we believed that 'money given to the parents' is worth considering based on the fact that there is a trade off between money given to the parent and services. This is pointed out by Cox and Rank (1992, 'money can be transferred over long distances at trivial cost, but help and companionship are more easily delivered when donor-recipient are geographically close.' It justifies that children have two options of providing to their parents, either by giving in-kind services or in the form of financial transfer. We also assumed that this is an important variable when culture and religious obligations are taken into account. This is because it is very common for Malaysian Muslims to financially provide for their parents either on a regular or occasional basis, particularly when they are working. Thus, we retained this variable in this study as proxy for services and to examine the exchange motive.

Table 1. Definition and codifications of explanatory variables

Independent variables	Definition
Gender	0 if female; 1 otherwise
Age	Continuous variable
Marital status	0 if not married; 1 otherwise
Education level	0 if not having university/college education; 1 otherwise
Employment	0 unemployed; 1 otherwise

Monthly income	<i>Continuous variable</i>
Total value of asset	<i>Continuous variable</i>
Number of children	<i>Continuous variable</i>
Total living parent	<i>Continuous variable</i>
Total monthly parental income	<i>Continuous variable</i>
Number of siblings	<i>Continuous variable</i>
Amount of monthly money given to parents	<i>Continuous variable</i>
Living together with parents	0 if not living with parents; 0 otherwise
Distance	<i>Continuous variable</i>

Data collection by means of questionnaire survey was used to collect the information from respondents from October to December 2012. The construction of the questionnaire mostly benefited from Cox and Rank (1992), Halverson and Thoresen (2011), Nordblom and Ohsslon (2011), Norton and Van Houtven (2006) and Albertini and Radl (2012). In the end, a sample containing 446 complete dataset collected were useable for the first stage of the analysis. However, two questionnaires were excluded due to econometric problems, which resulted in 444 observations for further analysis.

A majority of respondents was the Malays, representing the largest ethnic group in Malaysia. The term Malay refers to a person who practices Islam as a religion and Malay traditions. In the sample, six respondents were not ethnic Malay but were practicing Islam. The extent to which the ethnicity might gives different finding was not the concern of this study since the religion of Islam has been used as assimilative mechanism for non-Malays converts to adopt the Malay cultures in their lives (Siddique, 1981).

As for the geographical delimitation, respondents were from Peninsular Malaysia. This study was primarily concerned with the inter vivos transfers in the form of physical asset, financial asset and savings which were commonly passed to the children in the form of inter vivos gifts. The respondents were asked whether they have received any of these assets during their lifetime from their parents within the past five years. In the logit model, Group 0 (Have not received any inter vivos transfers within the past five years) was used as a reference category.

4. Findings and Discussion

As can be seen in Table 2., 47 per cent of respondents in our sample had received inter vivos transfers from their parents within the past five years. This figure was quite high indicating that inter vivos transfer was a very common practice among respondents. Descriptive statistics for the variables used in the estimations are depicted in Table 3.

Table 2. Incidence of inter vivos transfers from parents

	No. of obs	%
No	233	52.48
Yes	211	47.52
Total	444	100

Table 3. Descriptive analysis

Independent variables	No. of obs	Mean	Std. dev
Gender	Female Male	271 (61.04) 173 (38.96)	
Age		444	33.678
Marital status	Not married Married	158 (35.59) 286 (64.41)	9.806818
Education level	Not having university/college education Having university/college education	59 (13.29) 385 (86.71)	
Employment	Unemployed Employed	46 (10.36) 398 (89.64)	
Monthly income		444	3023.964
Total value of asset		444	193661.1
Number of children		444	1.556306
Total living parent		444	1.563063
Total monthly parental income		444	2581.642
Number of siblings		444	6.024775
Amount of monthly money given to parents		444	212.2973

Living together with parent	Not living with parent	330 (74.32)		
	Living together with parent	114 (25.68)		
Distance			180.8908	336.092

Notes: Percentage in parentheses.

Table 4. Results of logit regression

Variable	Coefficient	Marginal effect
Intercept	1.111059 (1.020176)	
Gender	-0.4528572** (0.220505)	-0.1128776** (0.05496)
Age	0.0165299 (0.0204275)	0.0041202 (0.00509)
Marital status	0.2131879 (0.2929237)	0.0531385 (0.07302)
Education level	0.1822432 (0.3452663)	0.0454253 (0.08605)
Employment	-0.9095135** (0.423314)	-0.2267022** (0.10558)
Monthly income	-0.0001625*** (0.0000904)	-0.0000405*** (0.00002)
Total of asset	0.000000103 *** (0.0000000562)	0.0000000256 *** (0.0000)
Number of children	-0.1178727 (0.0927449)	-0.0293805 (0.02311)
Total living parents	-0.18801 (0.2159202)	-0.0468627 (0.05383)
Total monthly parental income	0.0002566* (0.0000533)	0.000064* (0.00001)
Number of siblings	-0.1030672** (0.0445165)	-0.0256902** (0.01109)
Amount of monthly money given to parents	0.0000871 (0.0006496)	0.0000217 (0.00016)
Living together	-0.1822505 (0.3150443)	-0.0454271 (0.0785)
Distance	-0.0017876* (0.0006238)	-0.0004456* (0.00016)
Number of Observation		444
Degree of Freedom		14
LR chi2		80.99
Log-likelihood		-266.71557
Prob> chi2		0.0000
Pseudo R2		0.1318

Notes: Significance level: (*) $p < 0.01$ (1%); (**) $p < 0.05$ (5%); (***) $p < 0.1$ (10%). Standard errors are reported in parentheses.

Table 4 depicts the result of the logit regression. Seven variables were significant variables namely parents' monthly income and distance (at 1 per cent level), gender, employment and number of siblings (at 5 per cent level), monthly income and total value of assets (at 10 per cent level). Together, all the regressors significantly impact inter vivos transfers as the LR statistic is 80.99 (p value is about 0.0000).

The results show a significantly positive effect of parents' income on the probability of receiving inter vivos gift. This indicates that parents with high level of income tended to transfer more. The results imply that an increase in monthly parental income by one unit, raised the probability of receiving an inter vivos transfer by about 0.006 percentage points. This is an important finding that shows our result is consistent with most theories of intergenerational transfers.

As modelled, we expected children living farther cannot provide help and companionship as much as those who live nearer. Therefore, more inter vivos transfers should go to the children who live nearer. As the results demonstrate, the findings in this research are in line with Cox and Rank (1992), which shows the expected direction and this implies the existence of exchange motives. In particular, the marginal effects for distance show that every unit increase in distance decreased the probability of receiving inter vivos transfer by 0.04 per cent. The results, however, also show that the effect of monthly money given to the parents was not significant, and thus, this variable could not tell us much about the inter vivos transfer behavior among respondents. In an attempt (to do what be specific), we tried to eliminate the variable, but our result did not change very much.

The findings indicate that being male had a negative impact on the probability of receiving inter vivos transfers. In addition, the probability of receiving inter vivos transfers for being a male decreased by 11 percent. However, the correlation between gender and inter vivos must be interpreted carefully. It can reflect both motives, but for different reasons. Being female is associated with the lower income according to the altruism theory (Nordblom & Ohsson, 2011) and if this is accepted, we tend to believe that altruistic parents are more likely to give inter vivos transfer to daughters since they need more support than sons. However, this correlation between being female and having lower income should be argued in the current contextual reality of Malaysia. It might be correct in the past, but women nowadays have extensive educational opportunities and are being employed in every sector of the economy as a result of the modernization process, which has brought equal opportunities to them. Having a career and the access to developmental opportunities has transformed these women to be more independent

and provided them with the authority in making life decision. In support of this, the changes in women's employment and empowerment are evidenced in a study undertaken by the Malaysian Ministry of Women, Family and Community Development and United Nations Development Programme (UNDP, 2007) which indicates the rising trends in female labour force participation are in parallel with the high economic growth rates experienced since 1980s.

The finding of this study fits in well with the exchange theory rather than the altruism theory. Given that daughters typically provide more informal care for their parents, this result should not come as a surprise. The gender effect on the incidence of the inter vivos with exchange motive in this study supports empirical findings by Nordblom and Ohlsson (2011) and Norton and Van Houtven (2006). This result provides an interesting point to ponder when Islamic inheritance law is taken into consideration. According to the inheritance rules developed by Islamic legal codes (*fiqh*), in most cases, a woman inherits half of what her male siblings inherit. In addition, according to *fiqh*, inter vivos do not constitute the deceased's estate and therefore, are exempted from the mentioned stipulated rules applied to inheritance. Since we found females were more likely to receive inter vivos transfers, this raised another question of whether inter vivos transfer has been used as 'compensatory gifts' for daughters due to the restriction in the Islamic inheritance law. It can, therefore, be argued that parents have been acting according to the substance of Islamic law rather than form implying that they prioritise moral responsibility over legal forms.

The findings depicted in Table 4 also indicate that being employed decreased the likelihood of receiving inter vivos transfers as did the higher monthly income. Employed respondents were found to be less likely to receive inter vivos transfers in which their probability of receiving inter vivos decreased by 23 per cent. The marginal effect for monthly income indicates that every unit increase in monthly income correlated with a 0.004 per cent decrease in the probability of receiving inter vivos. Since we only investigated the incidence of receiving the inter vivos transfers, we did not ask the respondents on the amount of inter vivos received. This, however, may have implications on both motives – altruism and exchange. Both theories posit that lower income should reduce the probability of the receiving inter vivos transfers.

The only way to confirm which motive was dominant was to consider the impact of the number of siblings. The marginal effects for the number of siblings in logit and probit model indicate that every unit increase in number of siblings correlated with a 2.6 per cent decrease in the probability of receiving inter vivos transfer. Thus, we observed indications of exchange motive consistent with the findings of Norton and Van Houtven (2006). It is assumed, as mentioned before, among siblings, those being the caregiver are the ones who have lower income as they have the low opportunity cost of their time. Therefore, we can conclude that among siblings,

those who were unemployed and had lower income were more likely to receive the inter vivos as exchange for their services to the parents. In regard to the amount of asset, the marginal effect did not have the expected sign. For each additional amount of asset, the probability of receiving inter vivos transfer for logit by a 0.0000026. This, however, contradicted both assumed motivations.

Overall, the analysis of the results supports the hypothesis that transfer behaviour was influenced by the exchange motive. This is similar to the conclusion reached by Lillard and Willis (1997, p. 115), who found support for the exchange motive in Malaysia. We also could not support Banks's (1976) argument that inter vivos transfers are equally distributed among children depending on the need of the recipients in Malay culture, which shows the altruism motive.

5. Conclusion

Previous research on inter vivos has largely revolved around the identification of altruism and exchange motives. This paper assumes that with regard to the Malaysian Muslim community, the inter vivos transfers are mainly driven by the exchange motives. This is justified on the ground that children normally take care of their parents by providing them with the help and companionship which can be summarized as services. In return, parents value these services, and transfer more inter vivos gifts to their children who provide such services. As findings show that when culture and custom are considered, the exchange motive indicates daughters receive more inter vivos as a compensatory gift – an argument which has been overlooked and requires further investigation. This also implies that inter vivos transfers might have been used to mitigate the restrictive implications of Islamic law of inheritance which favours males over females. We hope further research on the interaction between inter vivos and bequest be performed to enrich the current literature within this field.

As a suggestion, policy maker should be able to observe from this study that inter vivos transfers from parents to children have been practiced by the Malaysian Muslims especially among parents with higher income. Inter vivos transfers made by the respondents' parents are extremely important in order for us to understand the likelihood of the transfer. This is because this understanding helps to describe how the society reacts to the inter vivos practice, what triggers them to make such transfers and to what extent the motives shape the distribution.

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