IMPORTANCE OF ZAKAAH (Alms)

A unique and remarkable institution and major pillar, of Islam is Zakaah. Zakaah is either just a form of charity, almsgiving or tax, nor is it simply an expression of kindness, but rather it is all of these combined and much more. It is not merely a deduction of a certain percentage from one’s property, but an abundant enrichment and spiritual investment. It is not simply a voluntary contribution to someone or some cause, nor a government tax that a shrewd, person can get away without paying. Rather, it is a duty enjoined by Allah and undertaken by Muslims in the interest of society as a whole. The meaning of the Qur’anic word Zakaah not only includes charity, alms, kindness, official tax, voluntary contributions, etc., it also combines with all these Allah mindedness and spiritual as well as moral motives. There can be no equivalent to the word Zakaah because of the supreme originality of the Qur’an, the Divine Book of Allah.

The literal and simple meaning of Zakaah is purity. As a technical term, the word designates the amount in kind or coin which Muslims with means must distribute annually among the rightful beneficiaries. But the religious and spiritual significance of Zakaah is much deeper and more lively. So is its humanitarian and sociopolitical value. Here are example of the far-reaching effects of Zakaah:

- Zakaah purifies the property of the people with means and clears it from the shares which do not belong to it any more, the shares which must be distributed among the due beneficiaries. When Zakaah is payable, a certain percentage of wealth should be distributed immediately in the right manner, because the owner no longer has moral or legal possession of that percentage. If one fails
to do so, one is obviously retaining something which does not belong to oneself. This is corruption and plain usurpation from every point of view, moral and spiritual, legal and commercial. It means that the unlawful retained percentages makes the whole lot impure and endangered. But, on the other hand, if the poor’s dividends are distributed among due beneficiaries, the remaining portions of the lot will be pure and decent. Pure capital and decent possessions are the first requisites of permanent prosperity and honest transactions.

- Zakaah does not only purify the property of the contributor, it also purifies his/her heart from selfishness and greed for wealth. In return, it purifies the heart of the recipient from envy and jealousy, from hatred and uneasiness; and it fosters in the heart, instead, goodwill and warm wishes for the contributor. As a result, the society at large will purify and free itself from class conflict and suspicion, from ill feelings and distrust, from corruption and disintegration, and from all the attendant evils.

- Zakaah mitigates and minimizes the sufferings of the needy and poor members of society. While it is a most comforting consolation to the less fortunate, it is at the same time a loud appeal to everybody to roll up their sleeves and improve their lot. To the needy one, it means that it is by nature an emergency measure and that one should not depend on it completely but must do something for oneself as well as for others. To the contributor it is a warm invitation to earn more so that he/she can benefit more. To all parties concerned, it is, directly as well as indirectly, an open treasure for spiritual investment that compensates abundantly.

Zakaah was made compulsory in Makkah at the same time as Salaah. This can be seen in the chapters of The Qur’an where the laws of Zakaah are mentioned. The amount, distribution, etc. was defined in Madinah Tayyibah in the second year Hijrah.
THE VIRTUES OF ZAKAAH

Allah says in the Qur'an:

أَقِيمُوا الصَّلَاةَ وَاتَّقُوا الرَّكُوبَ
WA ’AQĪMUŠ-ŠALĀTA WA ĀTUZ-ZAKĀH

“And perform Salaah and give Zakaah.”
Al Baqarah 43

وَمَا امْرُوْا إِلَّا لِيَعْبُدُوا اللَّهَ مَحْلَصِينِ لَهَا الدِّينَ، وَحَنْفَاءُ
WA MĀ ’UMIRŪ ILLĀ LIYA`BUDUL-LĀHA MUKHLISINA LAHUD-DĪN. ḤUNAFĀ`A WA YU’QĪMUŠ-ŠALĀTA WA YU’TUZ-ZAKĀTA WA DHĀLIKA DĪNUL-QAYYIMAH.

“And they were commanded not, but that they should worship Allah, and worship none but Him Alone (abstaining from ascribing partners to Him), and perform Salaah and give Zakaah, and that is the true religion.”
Al Bayyina 5

خَدُّ مِنْ أَمْوَالِهِمْ صَدَقَةً تُطَهِّرُهُمْ وَتُرَكِّبِهِمْ
KHUDH MIN AMWĀLIHIM ŠADAQAH. TUŢAHHIRUHUM WA TUZAKKIHIM BIHĀ WA ŠALLI `ALAYHIM.
“Take Sadaqah (alms) from their wealth in order to purify them and sanctify them with it.”

At Tawbah 103


YAMHAQUL-LĀHUR-RIBĀ WA YURBĪṢ-ŞADAQĀT. WALLĀHU LĀ YUḤIBBU KULLA KAFFĀRIN ATHĪM.

"Allah destroys wealth obtained from interest and will give increase for deed of charity"

Al Baqarah 276

Rasulullah ﷺ has said:

1. "The nation that does not give Zakaah, Allah ﷺ will bring about a drought on them (i.e. necessities of life will become scarce)".

Bukhari

2. "The person whom Allah ﷺ has bestowed with wealth, who does not give Zakaah, on the Day of Qiyaamah, his wealth will be turned into a venomous bald serpent which will wind around his neck and bite his jaws and say: "I am your wealth, I am your treasure”.

Bukhari

Abu Hurairah ﷺ reported: A Bedouin came to the Prophet ﷺ and said: “O Messenger of Allah ﷺ! Direct me to a deed by which I may be entitled to enter Jannah.” The Prophet ﷺ said, "Worship Allah ﷺ, and never associate anything with Him, establish Salaah, pay the Zakaah which has been enjoyed upon you, and observe Saum (Fasting) of Ramadhan.” He (the bedouin) said: “By Him in Whose Hand my soul is, I will never add anything to these (obligations) nor deduct”
When he turned his back, the Prophet ﷺ said, “He will be successful if he lives up to this claim”.

Bukhari and Muslim

**It is stated in the Hadith that by giving Zakaah the following benefits are derived:**

1. Gaining of the pleasure of Allah ﷺ
2. Increase in Wealth
3. Protection from losses
4. A cause is established for Allah's ﷺ forgiveness and blessings are obtained
5. Safety from calamities
6. Protection from the wrath of Allah ﷺ and from a bad death
7. The Zakaah will provide a shelter on the Day of Judgement
8. Security from seventy misfortunes
9. It will serve as a shield from the fires of Jahannam
10. It contributes to Barakah in wealth
11. It saves from fear and grief

**There are two major benefits of giving Zakaah:**

1. It keeps one away from sin and saves the giver from moral ill arising from the love and greed for wealth
2. Through Zakaah, the poorer class, (those who are not capable of providing for themselves) are cared for, such as widows, orphans, the disabled, the poor and the destitute.

**THE PUNISHMENT FOR NOT GIVING ZAKAAH**

Allah ﷺ says in the Qur'an:

“And there are those who hoard gold and silver and do not spend it in the way of Allah ﷺ, announce to them a most grievous penalty (when) on the Day of Qiyaamah heat will be produced out of that wealth in the fire of Jahannam, then with it they will be branded on
their foreheads and their flanks and backs. (It will be said to them). This is the treasure which you hoarded for yourselves, taste then the treasure that you had been hoarding”.

Abu Hurairah  reported: The Messenger of Allah  said, “Any person who possesses gold or silver and does not pay what is due on it (i.e., the Zakaah); on the Day of Resurrection, sheets of silver and gold would be heated for him in the fire of Hell and with them his flank, forehead and back will be branded. When they cool down, they will be heated again and the same process will be repeated during the day, the measure whereof will be fifty thousand years. (This would go on) until Judgement is pronounced among (Allah’s ) slaves, and he will be shown his final abode, either to Jannah or to Hell.” It was asked, “How about someone who owns camels and does not pay what is due on him (i.e., their Zakaah)?” He  replied, “In the same way the owner of camels who does not discharge what is due in respect of them (their due includes their milking on the day when they are taken to water) will be thrown on his face or on his back in a vast desert plain on the Day of Resurrection and they will trample upon him with their hoofs and bite him with their teeth. As often as the last of them passes him, the first of them will be made to return during a day the measure whereof will be fifty thousand years, until Judgement is pronounced among (Allah’s ) slaves, he will be shown his final abode either to Jannah or the Hell.” It was (again) asked: “O Messenger of Allah  what about cows (cattle) and sheep?” He  said, “If anyone who possesses cattle and sheep and does not pay what is due on them (i.e., their Zakaah); on the Day of Resurrection, he will be thrown on his face in a vast plain desert. He will find none of the animals with twisted horns, without horns or with a broken horn, and they will gore him with their horns and trample upon him with their hooves. As often
as the last of them passes him, the first of them will be made to return to
him during a day, the measure whereof will be fifty thousand years,
until Judgement is pronounced among (Allah’s ﷺ) slaves; and he will
be shown his final abode either to Jannah or to Hell.”  It was asked: “O
Messenger of Allah ﷺ, what about the horses?”  Upon this he ﷺ said,
“The horse are of three types.  One, which is a burden for the owner;
another which is a shield, and another one which makes its owner
entitled to reward.  The one for whom these are a burden is the person
who rears them for show or for pride or for causing injury to the
sentiments of the Muslims.  They will be a cause of torment for their
owners.  The one for whom these are a shield is the person who rears
them for the sake of Allah ﷺ but does not forget the right of Allah ﷺ
concerning their backs and their necks (i.e., he lets a needy ride on
them), and so they are a shield for him.  Those which bring reward to
the one who rears them in pastures and gardens are the ones that are
used in the Cause of Allah ﷺ (Jihad) by the Muslims.  Whatever they
eat from the meadows and the gardens will be recorded on his behalf
as good deeds so much so that their droppings and urine will be
counted for an equal number of good deeds for him.  Even when they
break their tying rope and every height from which they climb and
every hoofprint which they leave will be counted as a good deed on
behalf of the owner.  When their owner leads them through a stream
from which they drink, though he does not intend to quench their
thirst, yet Allah ﷺ would record for him the quantity (of water) of what
they would drink on his behalf as good deeds.”  It was asked: “O
Messenger of Allah ﷺ, what about the donkeys?”  Upon this, he ﷺ said,
“Nothing has been revealed to me in regard to the donkeys, in
particular, except this one Verse of a comprehensive nature: “So
whosoever does good equal to the weight of an atom (or a small ant)
shall see it.  And whosoever does evil equal to the weight of an atom (or
a small ant) shall see it.”  

Bukhari and Muslim
AN IMPORTANT WARNING

One and all must bear in mind that despite there being numerous ways, where on a technicality Zakaah can possibly be avoided, he who adopts such ways, whether or not is lamented, will be punished in a far more severe manner than those who do not pay Zakaah.

The adoption of such deceit is tantamount to trying to deceive Allah, this can never happen. And Allah has promised a hideous, painful punishment for such deceivers.

ON WHOM ZAKAAH IS FARDH

Zakaah is Fardh upon a person if:
1. He is a Muslim
2. He is an adult
3. He is a sane person
4. He is a free person, not a slave
5. He owns wealth intended for trading to the value of Nisaab

Furthermore the wealth should be:
a. Fully owned
b. In excess of his personal needs (clothing, household furniture, utensils and cars etc. are termed as articles of personal use)
c. It should be possessed by him for a complete lunar year
d. Of a productive nature from which he can derive profit or benefit, such as merchandise for business, gold, silver, livestock, etc.

There is no Zakaah on effects that are not of a productive nature even if these are in excess of one's needs, such as cars, utensils, furniture etc. if such items are not intended for trade, sales or hire.

NOTE: Zakaah is Fardh. Any person who denies it being Fardh
(compulsory) loses his Iman. However, if he recognizes Zakaah being Fardh but neglects this duty, he will be termed a Faasiq (Transgressor).

**TYPES OF WEALTH ON WHICH ZAKAAH IS FARDH**

1. **Zakaah** is Fardh on gold and silver, be it in the form of bullion, jewellery, cash, bank notes, utensils or any other form. The value of these should be equal to the amount which is shown under Nisaab rate.

2. If the gold possessed is not equal to the value of 87.48 grams, or silver possessed is not equal to the value of 612.36 grams, but the value of both combined is equal to the value of either the Nisaab of gold or silver, then Zakaah will be Fardh.

3. In the event of an article not being of pure gold or pure silver, but containing a mixture of other metals and the gold or silver is more than the other metal, it will be regarded as gold or silver and Zakaah on this will be Fardh. But in the case where the metal is of greater quantity than either the gold or silver, Zakaah will not be Fardh on that article.

4. If a person has 600 grams of silver (which is less than the Nisaab) and before a whole year has elapsed he acquires 50 grams of gold (which is also less than the Nisaab) then the value of this gold must be added to the value of the silver, and thereafter the Nisaab reckoned. The two must not be reckoned separately, as this will be a cause of avoiding Zakaah.

5. **Zakaah** is Fardh on merchandise for business, equal to the value of Nisaab.

6. **Zakaah** is Fardh on livestock.

7. **Zakaah** is Fardh on the income of properties, if it is equal to the value of Nisaab.

8. **Zakaah** is Fardh on the income derived from a hiring business, such as crockery, motor cars, vans, trucks etc.
TYPES OF WEALTH ON WHICH ZAKAAH IS NOT FARDH

1. Zakaah is not Fardh on any other metal besides gold and silver.
2. Zakaah is not Fardh on fixtures and fittings of a shop, motor car, truck or any delivery vehicle etc., which is used in running of a business.
3. There is no Zakaah on diamonds, pearls and other precious or semi-precious stones which are of personal use. Zakaah is payable on the gold or silver used in making jewelery with diamonds, pearls, etc. There is no Zakaah on imitation jewelery.
4. There is no Zakaah on any number of living quarters, household furniture, crockery, personal clothing, whether they are in use or not. However, Islam does not justify extravagance.
5. There is no Zakaah on a person whose liabilities exceed or equal to his assets.
6. A person possesses Nisaab but owes money, which if deducted from one’s wealth, will leave one with an amount not equaling or exceeding nisaab.

ANIMALS ON WHICH ZAKAAH IS FARDH

1. It is compulsory to give Zakaah on camels, cattle, water buffaloes, goats and sheep. (any such animal that can be slaughtered for Qurbani in terms of Shari‘ah) when they:
   a. graze in the open field for the greater part of the year and are not stall fed,
   b. are kept for milk, breeding or fattening. Such animals are termed 'Saa-imah'.
2. Zakaah on Saa-imah animals is calculated on number and not value therefore stud or thoroughbred animals and crossbred animals are treated alike for Zakaah purposes.
3. Where animals are kept for trade, Zakaah will be calculated and given as is done in commercial establishments. (i.e. on the monetary value of each animal) The Nisaab is the same as that of trading.
4. If one has a mixed flock of goats and sheep and the number of each kind individually makes Zakaah applicable then the Zakaah of each respective group will be given from its own kind.

5. When the number of each type of animal individually does not make Zakaah binding, but the total of both kinds does amount to the Nisaab, then Zakaah will be given from the type of animal that is greater in number.

6. If both are equal in number, one has the option of choosing the Zakaah animal from whichever kind he desires. It must be noted that the Zakaah animal should be of a good quality.

ANIMALS ON WHICH ZAKAAH IS NOT FARDH

1. Animals that are stall fed for six months of the year and then left to grace on the field for the remainder of the year are not 'Saaimah' and thus no Zakaah will be liable on their owner.

2. There is no Zakaah payable on animals which are reared for riding or for drought purposes or for one's own use or consumption.

3. There is no Zakaah on wild game.

4. There is no Zakaah on horses, donkeys and mules if they are not for trade.

5. There is no Zakaah on a herd which consists of calves only i.e. until they reach a capable age of breeding. If such a herd has one animal that could be used for breeding, then Zakaah will have to be given on all of them. In this case if the amount for Zakaah equals one animal that particular full grown animal will have to be given as Zakaah. If this animal which is capable of breeding dies, then Zakaah will still be necessary on the rest of the herd of calves.

6. Zakaah is not applicable on sheep that are less than twelve months old.

NISAAB AND RATE OF ZAKAAH

The amount of wealth which makes one liable for Zakaah is called Nisaab.
The payment of Zakaah is compulsory on the excess wealth or effects which is equal to/or exceeds the value of Nisaab, and which is possessed for a full Islamic year. If such wealth decreases during the course of the year, and it increases again to the value of the Nisaab before the end of the year, the Zakaah then must be calculated on the full amount that is possessed at the end of the year.

**THE NISAAB OF GOLD AND SILVER**

The nisaab of gold and silver fixed by Rasulullah ﷺ is as follows:

<table>
<thead>
<tr>
<th>NISAAB</th>
<th>GRAMS</th>
<th>TOLAS</th>
<th>GRAINS</th>
<th>TROY OZ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold</td>
<td>20 Mithqaals</td>
<td>87.48</td>
<td>7.5</td>
<td>1350</td>
</tr>
<tr>
<td>Silver</td>
<td>200 Dirhams</td>
<td>612.36</td>
<td>52.5</td>
<td>9450</td>
</tr>
</tbody>
</table>

This does not mean that the above is the amount to be given but it means that this is the threshold. That means those who have this much in gold or silver or its value in cash are obliged to give Zakaah, as it has become Fardh on them.

The rate of Zakaah which was fixed by Rasulullah ﷺ is 2.5% (1/40) i.e 2.5 pence in a pound.

**THE TIME AND NISAAB OF ZAKAAH, FOR LIVESTOCK**

1. The owner must have possession of animals for one lunar year before Zakaah becomes Fardh.
2. The Nisaab for Saa-imah animals is governed by the number of animals in ones ownership and not by the monetary value of each animal. (Refer to tables for detail)
TABLE OF ZAKAHAH FOR CATTLE AND WATER BUFFALOES

The Nisaab (minimum number) when Zakaah becomes applicable is forty animals which are more than twelve month old. There is no Zakaah if the number is less than forty.

<table>
<thead>
<tr>
<th>NUMBER</th>
<th>ZAKAHAH</th>
</tr>
</thead>
<tbody>
<tr>
<td>40-120</td>
<td>1 Animal</td>
</tr>
<tr>
<td>121-200</td>
<td>2 Animal</td>
</tr>
<tr>
<td>201-399</td>
<td>3 Animal</td>
</tr>
<tr>
<td>400</td>
<td>4 Animal</td>
</tr>
</tbody>
</table>

Thereafter for each additional hundred, one sheep that is one year old must be given as Zakaah.

TABLE OF ZAKAHAH FOR CATTLE AND WATER BUFFALOES

The Nisaab when Zakaah becomes applicable for the above is thirty animals. There is no Zakaah if the number is less than thirty.

<table>
<thead>
<tr>
<th>NUMBER</th>
<th>Z A A H</th>
</tr>
</thead>
<tbody>
<tr>
<td>30-39</td>
<td>1 Animal</td>
</tr>
<tr>
<td>40-59</td>
<td>1 Animal</td>
</tr>
<tr>
<td>60-69</td>
<td>2 Animal</td>
</tr>
</tbody>
</table>

Thereafter, in every thirty animals, one animal of 1 year old should be given; and in every forty, a 2 year old animal should be given as Zakaah.
THE NIYYAH (INTENTION) OF ZAKAAH

1. It is Fardh to form a niyyat for the fulfilment of Zakaah.
2. When giving Zakaah to a needy person, the niyyah should be that, "I am giving this as Zakaah". If the niyyah is not made the Zakaah will not be valid.
3. It is not necessary to reveal to the needy person to whom Zakaah is given that the cash or kind which is being given to him is Zakaah.
4. When one has put aside an amount for Zakaah with the intention that he will give it to the needy, and at the time of giving Zakaah he forgets to make the niyyah, the Zakaah will still be valid.
5. If one gives a deserving person some money as a gift but makes the niyyat of Zakaah, the Zaakah will be valid.

THE METHOD OF DISTRIBUTING ZAKAAH

1. Zakaah is Fardh at the rate of 2.5%.
# TABLE FOR WORKING OUT ZAKAAH

<table>
<thead>
<tr>
<th>TYPE OF WEALTH</th>
<th>VALUE ADDED FOR ZAKAAH</th>
<th>VALUE SUBTRACTED</th>
</tr>
</thead>
<tbody>
<tr>
<td>NISAAB EQUALS Date...../...../.....  .....................................................</td>
<td>............................</td>
<td>............................</td>
</tr>
</tbody>
</table>

## MONIES

<table>
<thead>
<tr>
<th></th>
<th>Value Added For Zakah</th>
<th>Value Subtracted</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASH ON PERSON</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CASH IN SAVINGS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CASH TO BE RETURNED (LENDED TO OTHERS)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CASH OWED (BORROWED FROM OTHERS)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>INTEREST ACCUMULATED</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### MONEY TO DISPOSE

<table>
<thead>
<tr>
<th></th>
<th>Value Added For Zakah</th>
<th>Value Subtracted</th>
</tr>
</thead>
<tbody>
<tr>
<td>GOLD AND SILVER</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VALUE OF GOLD Date...../...../.....  .....................................................</td>
<td>............................</td>
<td>............................</td>
</tr>
<tr>
<td>VALUE OF SILVER Date...../...../.....  .....................................................</td>
<td>............................</td>
<td>............................</td>
</tr>
<tr>
<td>GOLD IN ORNAMENTS / JEWELLERY / COINS ETC</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SILVER IN ORNAMENTS / JEWELLERY / COINS ETC</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GEMS AND PRECIOUS STONES FOR PERSONAL USE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BUSINESS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOOLS, MACHINES, UPHOLSTERY, ETC.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>STOCKS (COST PRICE - NOT SELLING PRICE)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FLOAT (CASH IN HAND)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OVERHEADS TO PAY FOR PRESENT PERIOD (IF PAID IGNORE)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PROPERTIES FOR PERSONAL USE OR NOT INCOME-GENERATING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PROPERTIES ON RENT (INCOME GENERATING)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>POSSESSIONS FOR PERSONAL USE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>INCOME GENERATED FROM POSSESSIONS</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### TOTALS

<table>
<thead>
<tr>
<th></th>
<th>Value Added For Zakah</th>
<th>Value Subtracted</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL ELIGIBLE FOR ZAKAAH (AFTER SUBTRACTION)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ZAKAAH TO GIVE (2 ½ PERCENT OF TOTAL)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2. Zakaah should be given as soon as possible after it becomes due. It is possible that death could occur and thus lead to failure in fulfilling one's obligations, for which one may be punished.

3. A poor man cannot be paid for his work from Zakaah, nor can Zakaah be given in payment of anyones services, except when an Islamic government pays salary to a person appointed by the government to collect Zakaah.

4. Zakaah will only be valid if the recipient is made the owner of that amount.

5. Zakaah cannot be given or used for the construction of Masjids, madrasahs, hospitals, wells, bridges or any other public amenity.

6. Poor students can be given a bursary from Zakaah. If the student is of an understanding age, the Zakaah must be given to him personally; and if he is not of an understanding age, then his Shar'ee Wakeel (parents or legal guardian) must be given possession of the amount.

7. Zakaah can be paid in kind from the same merchandise on which it is due, or alternatively, it could be paid in cash. It is of vital importance to ensure at all times that the recipient is made the OWNER of the Zakaah.

8. Authority can be delegated to another person or organisation for the distribution of Zakaah in order that it be utilised in accordance with the laws of Zakaah.

9. If a person requests someone to give a certain amount on his behalf as Zakaah, and that sum is given out, then that Zakaah will be valid. The sum given will be a debt upon the one who make this request.

10. If an agent is given Zakaah for distribution, and he does not distribute it then the Zakaah will not be regarded as fulfilled, and the sin of not discharging the obligatory duty of Zakaah will remain a burden on whom it was Fardh.

11. It is Afdhal (best) to give one's Zakaah when it is due, rather than wait for Ramadhan.
TO WHOM ZAKAHH CAN BE GIVEN (Masaarif)

The recipients of Zakaah according to the Holy Qur'an are as follows:
"Zakaah (contributions of cash money, merchandise, animals etc.)
are for the poor and the needy; and those who collect them; for
those whose hearts are to be reconciled; and to free the captives
and the debtors; and for the cause of Allah; and for the wayfarer; A
duty ordained by Allah. And verily Allah is all Knowing, all Wise”.

At Tawbah 60

- **FUQARAA**: People who are poor and who possess more than their
  basic needs but do not possess wealth equal to Nisaab.
- **MASAAKEEN**: People who are destitute and extremely needy to
  the extent that they are forced to beg for their daily food ration.
- **AL 'AAMILEEN**: Those persons who are appointed by an Islamic
  Head of State or Government to collect Zakaah. It is not necessary
  that this be a needy person (This is a wage).
- **MUALLAFATUL QULOOB**: Those persons that have recently
  accepted Islam and are in need of basic necessities. Such person
  would benefit from encouragement and assistance by the Muslims
  which would help strengthen their faith of Islam.
- **AR RIQAAB**: Those slaves that are permitted to work for
  renumeration and have an agreement with their masters to
  purchase their freedom on payment of fixed amounts.
- **AL GHAARIMEEN**: Those persons that have a debt and do not
  possess any other wealth or goods with which they could repay
  that which they owe. It is conditional that this debt was not created
  for any un-Islamic or sinful purpose.
- **FISABILILLAH**: Those persons that have to carry out a Fardh deed
  which has become obligatory on them and subsequently (due to
  loss of wealth) are unable to complete that Fardh.
IMPORTANT: A common misunderstanding about the term Fi’sabililah has misled many to believe that this includes all types of charitable deeds. The Commentaires of the Holy Qur'an and Ahaadeeth of Rasulullah ﷺ do not support this view.

- **IBNUS SABEEL:** Those persons who are Musaafir (travelers in view of Shari'ah) and during the course of their journey do not possess basic necessities, though they are well to do at home. They could be given Zakaah in order to fulfill travel needs to return home.

IMPORTANT: All the above mentioned recipients must be Muslims, and all excluding Al Aamileen must be those who do not possess the Nisaab. This is a major difference between Zakaah and Sadaqah, i.e. Sadaqah can be given to people who have means, whereas Zakaah cannot. And also Sadaqah can be given to non-Muslims whereas Zakaah cannot.

1. It is not permissible in the Shari'ah to give Zakaah to a person who owns merchandise or wealth in excess of his needs to the value of Nisaab nor is it permissible for such a person to accept Zakaah.
2. A person that a does not own an amount equal to the value of Nisaab is known as Faqir. This person could be given Zakaah and it is permissible for him to accept Zakaah.
3. A person owns wealth which in value exceeds the amount of Nisaab, but this wealth is not intended for business nor does he require it for his daily needs. Such a person is regarded as well to do and should not be given Zakaah.
4. The books of a scholar or tools of a tradesman are among his necessities, irrespective of their value. Besides these, if he does not own wealth equal to Nisaab, he could be given Zakaah.
5. When giving Zakaah, Sadaqah etc., one's poor and needy relatives should be given preference. To avoid embarrassing them, it should be given to them without mentioning that it is Zakaah or Sadaqah.

6. There is great reward in giving Zakaah to poor persons who are striving in the way of the Deen or those who are engaged in religious knowledge, or to religious institutions where poor and needy students are being cared for. Care should be taken that only such institution are given Zakaah, where it is used according to the Shari’ah.

7. A child of a wealthy father cannot be given Zakaah. When such a child becomes mature in age, and does not own wealth to the value of Nisaab, he may then be given Zakaah.

8. ZAKAAH CAN BE GIVEN TO A:

- brother or a sister
- nephew or a niece (brothers and sisters children)
- uncle or aunt (both paternal and maternal)
- step grandfather or step grandmother
- father in law or mother-in-law

PROVIDED THEY DO NOT POSSESS NISAAB.

PERSONS THAT CANNOT BE GIVEN ZAKAAH

1. Zakaah cannot be given to Banu Hashim. The Banu Hashim are all the children of Fatimah (R.A), all the members of Rasulullah’s (R.A) family and wives (R.A.)

2. Zakaah cannot be given to parents, grandfather etc. In the same manner, one's children and grandchildren cannot be given Zakaah. A husband and wife cannot give Zakaah to each other.

3. Zakaah contributions cannot be given to such institutions or
organisations who do not give the rightful recipients (Masaarif) possession of Zakaah, but instead use Zakaah funds for construction, investment or salaries.

4. Zakaah cannot be given to non-Muslims. The same ruling applies to Wajib Sadaqah i.e. Sadaqatul Fitr, Kaffaarah, Ushr and Nazr. Nafl Sadaqah can be given to non-Muslims.

5. If one cannot determine whether the recipient is needy or not, then it is better to make certain before giving them Zakaah. If Zakaah is given without inquiry and subsequently it is known that the recipient is wealthy then the Zakaah is not valid. It has to be given again.

6. Zakaah will not be fulfilled by purchasing books for an institution, or land purchased for public utility and made Waqf.

7. Zakaah cannot be used for the Kafn of a deceased person, because at that time he/she cannot become the owner.

8. A deceased person's debt cannot be paid from Zakaah.

WHEN IS ZAKAAH FARDH ON A CREDITOR

A person is obliged to give Zakaah on money or valuable owing to him, whether it be a loan or a business debt.

This applies only if the debtor acknowledges that he owes the amount or promises to pay it; or if on the contrary he refutes the claim, and there are witnesses or documentary proof to support such claim by which it could be recovered through a judiciary.

Loans are basically of three types:

1. QAWI (Secure Loan)
   a) If cash, gold or silver has been given as a loan or when merchandise has been sold on terms and the payment is received after a year or
two; and the value of the amount owing is that of Nisaab, then this is called a Qawi loan, and therefore, Zakaah for those years prior to payment will be Fardh.

b) In the case where this loan is repaid in instalments, if the repayment received equals to one fifth (20%) of the Nisaab, Zakaah of this one fifth becomes Fardh. If several years have passed, then Zakaah must be given for all the past years. Zakaah of the past years has to be calculated annually in units, each unit being twenty percent of the Nisaab. Government bonds are of this category and Zakaah has to be paid on recovery of this loan as described above.

c) If any such loan is not equal to Nisaab, then Zakaah will not be Fardh; but if this loan together with other excess wealth which is in ones possession when combined becomes equal to Nisaab, then Zakaah will be Fardh on the combined total of both amounts.

2. MUTAWASSIT (Insufficiently secure loans)

a) If a loan is not cash, gold, silver or merchandise (as mentioned in 1. (a) above) but in personal effects sold (old clothes, house-hold items, etc) or is a property which was sold and the value of it is that of Nisaab, then it is called a Mutawassit loan. Thus Zakaah for those years prior to payment will not be Fardh.

b) If this loan is equal to or in excess of Nisaab and is fully recovered after several years, then Zakaah on that amount is not Fardh for all the past years. However, if anyone in such an instance gave Zakaah, then such an act is rewarded by Allah.

c) In a case where the repayment is made in instalments, then Zakaah will only be Fardh if the repayment is equal to Nisaab and is retained for a full Islamic year.

d) If the instalment received is less than Nisaab, but one is in possession of other wealth on which Zakaah is due (i.e. Nisaab on
the wealth, and Zakaah must be given on the total. It is not necessary for a year to pass over this Instalment that is received.

3. **DHA’IF (Insecure loan)**
   a) If money owing to one, is not in lieu of cash, gold, silver, merchandise or personal effects or property which is sold; but is due to outstanding inheritance, bequests, Mehr (dowry), salary etc, then it is called a Dha’if loan.
   b) Zakaah will become Fardh when these monies are received and they are equal to or in excess of Nisaab, and further that they are retained for a full Islamic year. There is no Zakaah for the years that have passed before receiving these amounts.
   c) There is no Zakaah on Provident and Pension funds. Zakaah must only be paid on these amounts after they are received from such funds provided the amount is equal to or in excess of the Nisaab and is retained for a full Islamic year.

   **NOTE:** Some Ulama have categorized these funds as Qawi or Mutawassit loans, and thus Zakaah becomes obligatory on the contributions for the past years as well. It is therefore advisable that as a precautionary measure Zakaah should be paid for the past years on these as well.

**ZAKAAH ON MERCHANDISE**

1. Articles that are purchased for resale are referred to as merchandise. The Nisaab for Zakaah on merchandise is the same as that for cash, i.e. if the value of the articles is equivalent to the value of 87.48 grams of gold (7.5 tolas = 1350 grains = 2.8125 troy ounces) or 612.36 grams of silver (52.5 tolas = 9450 grains = 19.6875 troy ounces), or more, then it will be Fardh to give Zakaah at the rate of 2.5% or one fortieth.
2. **Zakaah** is Fardh on the following items when drawing up a balance (calculating) sheet
   a. Stock in trade
   b. Goods in transit (which have been paid for)
   c. Cash in hand
   d. Outstanding cash and loans; (when repaid and if they are equal to *Nisaab*)
   e. Cash at bank
   f. Savings account
   g. Fixed deposits
   h. Sundry outstanding; (when repaid and if they are equal to *Nisaab*)
   i. Claims (acknowledged)
   j. Other savings - household balance; sundry cash.

3. All these must be added as one amount, and after subtracting the creditors amount and/or any other liabilities, the balance which is the profit must be added to the capital. **Zakaah** must then be given on this combined figure.

4. **Zakaah** should be given on the capital that exists at the end of the lunar year, which includes the profit, eg. at the beginning of the year the capital is £2,000.00 When the year ends a profit of £500.00 is shown. **Zakaah** must be given on £2,500.00.

5. If a bad debt is recovered and it is equal to or exceeds the *Nisaab*, then **Zakaah** on all the past years must be given.

6. If one has various different types of merchandise, then the total value of all the goods should be calculated. If it is equal to or exceeds the value of *Nisaab* then it will be necessary to give **Zakaah**.

7. At the beginning of the year, if one has the full *Nisaab* and during the year that amount decreases and by the end of the year possession of the full *Nisaab* is regained then it will be Waajib to give **Zakaah** on this amount.

8. If one mixes Halaal and Haraam merchandise and the amount is
equal to or exceeds the Nisaab at the end of the year then it will be necessary to give Zakaah.

9. It is customary to write the price paid for the merchandise at stock figures. Zakaah should NOT be calculated on these stock figures. For Zakaah purposes PURCHASE PRICE of the merchandise should be used.

10. If few persons are partners in a company and if any one share of the partners is equal to or exceeds Nisaab then it will be necessary for that partner to give Zakaah.

11. Stock for Zakaah purposes must be calculated according to the Islamic (lunar) year.

12. Zakaah is Fardh at the ruling price on shares held in a company at the end of every Islamic year. As machinery, land, fixtures and fittings, furniture, buildings etc. are exempt from Zakaah, one is allowed to subtract these from the total assets. This could be obtained from the company’s annual report, for example, if one has shares worth £100.00 and the machinery, land etc, are worth 5% of the total assets of the company, then deduct £5.00 for machinery, land, fixtures and fittings, furniture and buildings (the exempted Zakaah items). Thereafter deduct the liabilities of the company proportionately to the percentage of shares held, and the Zakaah must then be calculated on the balance.

13. When Zakaah is given on a capital amount once, and thereafter if this same amount remains with the owner till the following year then Zakaah will be due again. Zakaah will be Fardh repeatedly after every Islamic year has elapsed.

**DECREASE IN WEALTH BY THE END OF THE ISLAMIC YEAR**

1. If Zakaah on wealth has not been given at the end of the Islamic year, and all that wealth either gets lost or stolen, then such wealth
is exempted from Zakaah. If one deliberately gives away or destroys his wealth then Zakaah still remains Wajib.

2. After a full Islamic year has elapsed, and incidentally without the Niyyah of Zakaah if one gives away all his wealth to charity, then that amount of wealth is exempted from Zakaah. In a case where he only gives away part of that wealth, then Zakaah will be due on the remainder, if it is equal to Nisaab.

NOTE: If a person is obliged to pay Zakaah on £10,000 namely the sum of £250 and he sets aside this amount with a view to paying his Zakaah. This sum of £250 is thereafter lost, not given it or stolen, results in the Zakaah obligation not being discharged. If he dies in this state it will constitute part of his estate to be transmissible to his heirs, and for the failure of not giving Zakaah, he will be held liable.

RELATED HADITH TO ZAKAAH

Abu Hurayrah ﷺ reported: When The Messenger of Allah ﷺ passed away, Abu Bakr ﷺ was appointed as his successor (caliph). Amongst the Arabs some men became apostates (left Islam). Abu Bakr ﷺ resolved to fight them. 'Umar bin Al-Khattab ﷺ said to Abu Bakr ﷺ: “How can you fight them when The Messenger of Allah ﷺ has declared: 'I have been commanded to fight people till they testify La ilaha illallah (there is no true God except Allah); and if they do it, their blood (life) and property are secured except when justified by law, and it is for Allah to call them to account’” Upon this Abu Bakr ﷺ said: “By Allah ﷺ, I would definitely fight he who makes distinction between Salaah and the Zakaah, because it is an obligation upon the rich to pay Zakaah. By Allah ﷺ, I will fight them even to secure the piece of rope which they used to give to The Messenger of Allah ﷺ” 'Umar ﷺ said: “I realized that Allah ﷺ opened the heart of Abu Bakr for fighting those who refused to pay Zakaah, and I fully recognized that Abu Bakr ﷺ was right.”

Bukhari and Muslim
SUMMARY

Due to the current situation of society only using monetary notes and coins, it has become increasingly easier to calculate the Zakaah due on a person. For a person who neither farms animals nor is involved in agriculture, all that needs to be taken into account is the following:

The amount of one’s own cash in one’s possession (be it on person, in the bank, or what one is owed. This can be money earned or income from additional houses, properties, etc) as well as the value of any gold or silver jewelry which one is possessor of, (necklaces, watches, etc, but not the gems or stones within them), and also, if one is involved in trade, then the value of one’s stock at that time must also be included. This is one’s accountable total.

If one is owing any debts, it too should be calculated then deducted from one’s accountable total.

Note: The possession of one’s spouse or major children (mature according to Shari’ah) need not be included, as they are obliged to give Zakaah on their possessions. If they do not understand the Shari’ah’s implications, the father should assist in it’s calculations. Minor children’s possessions are classified as their father’s, if he is not alive then as their mother’s.

Thereafter one has to make sure it reaches the threshold of Nisaab, (the value of 612 grams of silver or 87 grams of gold (the lesser of the two). If it is reached, Zakaah is an obligation, if it is not reached, then Zakaah is not an obligation.

Note: Due to the constant fluctuation of the value of gold and silver, one should endeavor to find out what is the rate at the time of
calculating one’s Zakaah. This is not difficult to ascertain, as details can be found from newspapers, jewelers, etc.

Once it has been acknowledged that nisaab has been reached, then 2.5% should be calculated and given.

An example is given below.
Zaid had in Ramadhan last year £5,000 in his bank account, he knew that he had an amount totaling to more than what the nisaab was at that time. But in the month of Safar, Zaid had hit a low and due to expenditure had only £300 to his name. This was not equal to nisaab.

Zaid’s situation then changed and this Ramadhan, he now has £200 pounds in hand, and a further £4,000 in his bank account. He also has money owed to him by Ahmed who owes him £80 and Umar who owes him £100. Zaid himself owes Adam £240, which he must deduct. Zaid thus has a total of £4,140.

Zaid also has a gold and crystal ornament at home. He had bought it three years ago for £1,200. He had taken it to the jewelers and had it valued. It was now valued at £1,300, but the gold content was valued at £1,000. So this would be the amount to add. Thus Zaid now has a total of £5,140.

Zaid is also into business and has been for five years. His trade stock has always fluctuated, but he has never fallen to bankruptcy. At the time of calculating Zakaah Zaid has £7,000 worth of goods which he can sell for £10,000. Zaid must add £7,000 to his running total. Zaid now has accounted for all his possessions and has a full total of £12,140.

Thus Zaid has had a year wherein at its beginning and end he possessed nisaab. Thus Zakaah is an obligation upon him.
Zaid has also found out that the value of 87 grams of gold is £650, and the value of 612 grams of silver is £500 pounds. If anyone were to ask Zaid what nisaab was he would say £500. Thus Zaid has found out that he definitely has nisaab, and that Zakaah is Fardh on him.

Zaid now must calculate what 2.5% of his wealth is. He works it out thus,

\[ \£12,140 \div 100 = \£121.40 \quad (this \ is \ one \ percent) \]

\[ \£121.40 \times 2.5 = \£303.50 \quad (this \ is \ 2.5 \ percent) \]

Alternately he can also work it out as:

\[ \£12,140 \div 40 = \£303.50 \quad (this \ is \ 2.5 \ percent \ direct) \]

Thus Zaid has successfully calculated that he owes \£303.50 as Zakaah.

**MISCELLANEOUS POINTS REGARDING ZAKAAH**

**MORTGAGES AND LONG TERM LOANS**
The issue of mortgages and long term loans often rises in the sense that those who have to pay off such monstrous sums, often find their savings to be far less than their debts. The question naturally would be asked, must such people pay Zakaah?

The generally accepted (although not unanimous) view is that anyone who has incurred a long-term loan, if paying in installments, has no difficulty paying the installments and still is able to gather surplus savings (which afford him luxuries, holidays, parties etc.) Is also required to offer Zakaah, and provided he has enough, is also required to perform Hajj. (This point is mentioned not to justify the taking of such loans, especially not those that involve interest, but due to such a large number of people who are involved in the repayment of such usurping loans, the above signifies what their duties are in regards to Zakaah)
DEFINITION OF THE TERM “POSSESSING FOR A FULL ISLAMIC YEAR”

This term must not be misconstrued to mean that each and every single penny has to be held on to for a full year before Zakaah would become Fardh.

The only aspect that a person ought to remember is that he must fix a date for when to start his year immediately when he has Nisaab.

Thereafter if during the course of the year his wealth increases or decreases even if by massive proportions, as long as he does not become totally pennyless, at the end of that year provided he still has Nisaab, he will give Zakaah on the amount he has (be it on person or owed) at that time.

In short he must commence and end a year with Nisaab for Zakaah to remain Fardh.

A POINT TO REMEMBER

With regards to the Zakaah rate of being only 2.5%, it does not mean that more alms cannot be given. Yes only that much would be counted as Zakaah, but whatever is surplus is not wasted. The meaning of numerous traditions tell us that he who spends even a small amount, with sincerity in the path of Allah, Allah will reward him to such an extent that such great rewards were never conceivable to him.

The poorer Sahaba complained to the Prophet that their wealthy counterparts were excelling in reward, because all of them would be performing the same deeds, but they (the rich) would have the upper hand. the Prophet replied to the effect that this wealth (i.e. that spent in the path of Allah) is a gift of Allah that he bestows upon whomsoever He pleases.