

ZAKAH

In Brief

Zakah literally means to increase. Technically means to purify one's position of wealth by distributing a prescribed amount which has to be given to the poor as a fundamental Ibaadat. Zakah is not a governmental tax, but its main purpose is to keep those who are wealthy clean monetarily from sins.

Zakah is charity that is an obligation for Muslims he own wealth intended for trading to the value of Nisaab. It is a way of giving thanks to Allah ﷻ for the wealth he has bestowed upon us and should be given to the poor and the needy with a happy heart and not be treated like a burden. Allah ﷻ is the provider of all things and if we treat Zakah as a burden or avoid it, then we are showing ungratefulness to Allah ﷻ.

Zakah is the one of the pillar of Islam. The word Zakah denotes the amount of wealth. The obligatory payment of 2.5% of net wealth on the value of cash, gold and silver jewellery.

An important point to keep in mind is that Zakah will only benefit us if we give it with the right intention the pleasure of Allah ﷻ and not to show off our wealth as this becomes shirk a major sin, so always be careful when giving Zakah, the best way to avoid this form of shirk is to keep your Zakah secret and only between you and Allah ﷻ.

﴿الَّذِينَ يُنْفِقُونَ أَمْوَالَهُمْ بِاللَّيْلِ وَالنَّهَارِ سِرًّا وَعَلَانِيَةً فَلَهُمْ أَجْرُهُمْ عِنْدَ رَبِّهِمْ ۖ وَلَا خَوْفٌ عَلَيْهِمْ وَلَا هُمْ يَحْزَنُونَ﴾

"Those who (in charity) spend of their goods by night and by day in secret and in public have their reward with their Lord: on them shall be no fear nor shall they grieve." (Qur'an, 2: 274)

- Hazrat Abdullah Ibn 'Abbas ؓ narrates Rasulullah ﷺ said; "Allah ﷻ has made the Muslims duty bound to pay Zakah (alms). It will be realised from die wealthy to be distributed among the needy." (Bukhari, Muslim)

Allah ﷻ rewards all that is spent in his way and increases the blessings on the person who gives Zakah, but for the person who avoids it Allah ﷻ warns of a severe punishment.

﴿مَنْ ذَالَّذِي يُقْرِضُ اللَّهَ قَرْضًا حَسَنًا فَيُضْعِفُهُ لَهُ أَضْعَافًا كَثِيرَةً وَاللَّهُ يَقْبِضُ وَيَبْصِطُ ۚ وَإِلَيْهِ تُرْجَعُونَ﴾

"Who will loan to Allah a beautiful loan which Allah will increase many fold? Allah alone can decrease and increase wealth, and to Him you all shall return." (Qur'an, 2: 245)

Sometimes Allah ﷻ mentions Prayer along with Zakah:

﴿وَأَقِيمُوا الصَّلَاةَ وَآتُوا الزَّكَاةَ﴾

"Establish Prayer and pay Zakah" (Qur'an, 2: 110)

- Hazrat Abu Umamah رضي الله عنه narrates Rasulullah ﷺ said; "Observe your five (daily) Prayers, observe the fast during your month (Ramadhan), pay Zakah on your properties, and obey when you are commanded (by one who has the right to issue you a command); you will then enter the Paradise of the Lord." (Ahmad, Tirmidhi)

Allah Almighty says in the Holy Qur'an:

﴿يَا أَيُّهَا الَّذِينَ آمَنُوا إِنَّ كَثِيرًا مِّنَ الْأَحْبَارِ وَالرُّهْبَانِ لِيَآكُلُونَ أَمْوَالَ النَّاسِ بِالْبَاطِلِ وَيَصُدُّونَ عَن سَبِيلِ اللَّهِ وَالَّذِينَ يَكْنِزُونَ الذَّهَبَ وَالْفِضَّةَ وَلَا يَنْفِقُونَهَا فِي سَبِيلِ اللَّهِ لَفَبَشِّرْهُم بِعَذَابٍ أَلِيمٍ﴾

"O you who believe! there are indeed many among the priests and anchorites who in falsehood devour the substance of men and hinder (them) from the way of Allah. And there are those who bury gold and silver and spend it not in the way of Allah: announce unto them a most grievous penalty." (Qur'an, 9: 34)

﴿يَوْمَ يُحْمَى عَلَيْهَا فِي نَارِ جَهَنَّمَ فَتُكْوَى بِهَا جِبَاهُهُمْ وَجُنُوبُهُمْ وظُهُورُهُمْ هَذَا مَا كَنَزْتُمْ لِأَنفُسِكُمْ فَذُوقُوا مَا كُنْتُمْ تَكْنِزُونَ﴾

"The Day will surely come when their treasure will be heated up in the fire of hell, and their foreheads, sides and backs branded with it. They will be told: "This is the treasure which you hoarded. Now taste what you were hoarding!" (Qur'an, 9: 35)

- Hazrat Abu Hurayrah رضي الله عنه narrates Rasulullah ﷺ said; "Whoever is made wealthy by Allah ﷻ and does not pay the Zakah of his wealth, then on the Day of Resurrection his wealth will be made like a bald-headed poisonous male snake with two black spots over the eyes. The snake will encircle his neck and bite his cheeks and say, 'I am your wealth, I am your treasure.' "Then the Prophet ﷺ recited the holy verses: 'Let not those who withhold . . .' (to the end of the verse Qur'an, 3: 180)

﴿وَلَا يَحْسَبَنَّ الَّذِينَ يَبْخُلُونَ بِمَا آتَاهُمُ اللَّهُ مِنْ فَضْلِهِ هُوَ خَيْرًا لَّهُمْ ؕ بَلْ هُوَ شَرٌّ لَّهُمْ ؕ سَيُطَوَّقُونَ مَا بَخِلُوا بِهِ يَوْمَ الْقِيَامَةِ ؕ وَاللَّهُ مِيرَاثُ السَّمَوَاتِ وَالْأَرْضِ ؕ وَاللَّهُ بِمَا تَعْمَلُونَ خَبِيرٌ﴾

"Let not those who are niggardly in giving for charity from what Allah has blessed them with, think that it is good for them: nay it is very bad for them. All the wealth they hoarded with niggardly behaviour will be hung around their necks like a collar on the Day of Resurrection. It is Allah who will inherit the heavens and the earth. Allah is well aware of all your actions."

- Hazrat Abdullah ibn Mas'ud رضي الله عنه narrates Rasulullah ﷺ said; "No man will fail to pay the Zakah on his property without Allah ﷻ putting a large snake on his neck on the Day of Resurrection." He then recited to them the justification of it from Allah's Book, "Let not those who are niggardly with what Allah ﷻ has given them from His bounty suppose...." (Tirmidhi, Nasa'i, Ibn Maa'jaah)

- Hazrat Abu Hurayrah ؓ narrates Rasulullah ﷺ said; "Do you know who is poor? They (the Companions of the Prophet ﷺ) said: A poor man amongst us is one who has neither dirham (money) with him nor wealth. He (Prophet ﷺ) said: The poor of my Ummah would be he who would come on the Day of Resurrection with Prayers and fasts and Zakah but (he would find himself bankrupt on that day as he would have exhausted his funds of virtues) since he hurled abuses upon others, brought calumny against others and unlawfully consumed the wealth of others and shed the blood of others and beat others, and his virtues would be credited to the account of one (who suffered at his hand). And if his good deeds fall short to clear the account, then his sins would be entered in (his account) and he would be thrown in the Hell-Fire." (Muslim)

Islamic lunar (calendar) year:

Your Zakah year begins on the date that your wealth first equals the nisaab. Each year on that date, your Zakah should be calculated. If you can't remember exactly when you became sahib-un-nisaab then try your best to estimate it. Alternatively, many people choose to pay within the month of Ramadhan every year for the extra blessings and so they don't forget to pay each lunar year.

Note however this must be before a year has passed otherwise Zakah will be overdue.

Intention:

It is important to remember that to make an intention is obligatory for the fulfilment of Zakah. When giving Zakah to a needy person, one should make the following intention, "I am giving Zakah". The intention can be made in the heart and it is not necessary to make it verbally. If the intention is not made, then Zakah will not be valid.

Zakah is due on the following types of wealth:

- Gold and silver, including ornaments or jewellery containing gold and/or silver
- Cash held at home or in bank accounts
- Stocks and shares owned directly or through investment funds
- Money lent to others
- Business stock in trade and merchandise
- Agricultural produce
- Livestock animals such as cows, buffaloes, goats, sheep and camels
- Produce of mines
- Pensions
- Property owned for investment purposes

Persons that cannot be given Zakah:

- 1- Zakah cannot be given to Bnu Haashim (Prophet Muhammad ﷺ family).
- 2- Zakah cannot be given to parents, grandfather etc. In the same manner one's children and grandchildren, cannot be given Zakah, a husband and wife cannot give Zakah to each other.
- 3- Zakah cannot be given as wages or salary to any person whether he is a worthy recipient or not.
- 4- Zakah cannot be given or used for the construction of a Masjid, Madrassa.
- 5- Zakah cannot be given to non-Muslims. The same ruling applies to Waajib Sadqah.

Zakah can be given to:

Brother	brothers children	Step-grandfather
Sister	Sisters children	Step-grandmother
Nephew	Niece	
Uncle, Aunt	both paternal and maternal	

The nisaab and rate of Zakah

Every person who is sane, an adult (reached puberty) Muslim and sahib-un-nisaab must pay Zakah as a duty. To be a sahib-un-nisaab means you possess more wealth than the level of nisaab for a period of one lunar year.

Gold and Silver

The Nisaab for gold is 87.48 grams, and 612.36 grams is the Nisaab for silver. If one has gold, which is equal to the value of 87.48 grams or silver to the value of 612.36 grams, and it remains in one's possession for a whole lunar year, then Zakah will be obligatory.

If the gold possessed is not equal to the value of 87.48 grams or silver 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 Zakah will be obligatory.

- If one has in his possession cash equal to the value of 87.48 grams of gold or 612.36 grams of silver, then Zakah will be obligatory (even if one has no gold or silver).
If you have Zakah to calculate for agricultural land, livestock or any produce from a mine, the Nisaab for this is different and should be worked out with an Islamic scholar.

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

Nisaab	Grams	Tolah
gold	87.48	7.5
silver	612.36	52.5

The rate of Zakah which was fixed by Rasulullah ﷺ, 2.5% (1/40) i.e. all the wealth which a person possesses. That is £2.50 for every £100.

To help you work out how much Zakah you owe, a case study of calculating Zakah for Example:

	How Zakah Calculating	Amount
1	Gold Jewellery with pure gold @ 87.48gram * Current market rate per gram £34.00 $87.48g \times £34.00 =$	£2934.32
2	Silver Jewellery with pure silver @ 612.36gram Current market rate per gram =£00.26 $612.35g \times £00.26 =$	£159.21
3	Shares	£300.00
4	Cash held at home or in bank accounts	£1000.00
Total Wealth Amount =		£4433.53
Nisaab: 87.48g of gold \times £34.00 =£4433.53 Example has more wealth than the nisaab she/he is sahib-un-nisaab		
Zakah liability (2.5%)		$£4433.53 \times 0.025 =$ £110.83
Total Payable Zakah Amount =		£110.83

* Please check the current market rate when calculating your own Zakah. The market value of gold fluctuates. When calculating the value of your gold, you will need to know the current price of gold. This can be found online or from your local goldsmiths or by calling local community.