

Zakat

The Third Pillar of Islam

(Dr. Syed Hasanuddin Ahmad)

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

وَرَسُولُهُ إِنَّا إِلَى اللَّهِ رَاغِبُونَ ﴿٥٦﴾ إِنَّمَا الصَّدَقَتُ
لِلْفُقَرَاءِ وَالْمَسْكِينِ وَالْعَمِلِينَ عَلَيْهَا وَالْمُؤَلَّفَةِ قُلُوبِهِمْ
وَفِي الرِّقَابِ وَالْغَرَمِينَ وَفِي سَبِيلِ اللَّهِ وَأَبْنِ السَّبِيلِ
فَرِيضَةً مِّنَ اللَّهِ وَاللَّهُ عَلِيمٌ حَكِيمٌ ﴿٥٧﴾ وَمِنْهُمْ

Alms are for (1) the poor and (2) the needy and (3) those employed to administer the (funds); for those (4) whose hearts have been (recently) reconciled (to truth); for (5) those in bondage and (6) in debt; (7) in the cause of Allah; and for the (8) wayfarer: (thus is it) ordained by Allah and Allah is full of knowledge and wisdom.

What is Zakat?

Literal Meaning: Purification, Increment

Shari'ah Meaning: To give certain commodity in the ownership of some people entitled by Allah, under certain conditions.

It was made obligatory on certain people under certain conditions in 02 H.

Who must pay Zakat?

All Muslim males and females, who satisfy the Nisab for a certain period of time.

Nisab: The minimum amount of a commodity that was set by the Prophet (s) over which the Zakat is due i.e. Threshold.

Rate: The percentage or quantity of the commodity to be given in Zakat.

Period: At least one lunar calendar year has passed (except farm produce or excavated item) on the Nisab before the Zakat is due:

Hanafi: The commodity satisfied the Nisab at the beginning and at the end of the period. The total amount at the end is liable to Zakat.

Maliki: Nisab is satisfied at the end of the period only. The total amount is liable to Zakat.

Shafa'ee: Nisab should remain satisfied till the end of the period. The total amount is liable to Zakat.

Commodities, Nisab, & Rates

Commodity	Nisab	Rate	Remarks
Gold	83 gm	2.5 %	
Silver	581gm	2.5 %	
Cash	200 Dr	2.5 %	581 gm silver
Trade goods	200 Dr	2.5 %	
Farm Produce	3000 kg	10% 5%	Rain harvest Irrigated harvest
Excavated	Total Sale	20% 2.5 %	Treasure Minerals/Oil
War Booty	Total	20%	
Fay	Total	100%	
Sheep & Goats	40	1	
Cows	30	calf	
Camels	5	calf	

If You Have Borrowed:

Shafa'ee: Pay Zakat, if Nisab.

The Rest: Zakat is payable, if you have Nisab after deducting the amount of loan from your property.

Note: The amount of loan means the installment of loan (minus the interest) to be paid that year.

If You Have Loaned to Others:

Shafa'ee: Pay Zakat, if Nisab including the loan, installments, premium, contributions, etc.

Hanafi: Pay Zakat, if Nisab including the refund of full or partial loan, installments, premiums, contributions, etc.

Maliki: Pay Zakat once after receiving back full amount. Pay Zakat on installments, premiums, contributions, if Nisab.

Beneficiaries of Zakat:

(1) Beggars, (2) Indigents, (3) workers, (4) For Winning Hearts, (5) Freeing Necks, (6) Paying Fines (7) In the Path of Allah, (8) Travelers

Note:

In Debt- only those who have no Nisab after paying their loan.

In the Path of Allah- only those who are busy in the cause of Islam, or the projects mainly for the poor, and the needy.

Travelers- only those whose travel is rightful.

Priority in Entitlement:

Relatives in order of priority: Brothers, sisters, their children, maternal uncles and aunts, etc.

Zakat can not be given to:

- 1. Roots: Parents, Grand-parents, etc.**
- 2. Branches: Own children and grand children etc.**
- 3. Trunk: Wives, and wards.**