



Shariah Board New York

Zakāt in Brief

*Compiled by the Ulama of Shariah
Board, New York*

Zakāt

- ▶ Zakāt is one of the most important pillars of Islam. It is a monetary devotion, or *'ibādah*, that has been obligated in the Sharī'ah of Allah ﷻ.
- ▶ Denying its obligation renders a person out of the fold of Islam.
- ▶ Not discharging zakāt, after it has become due, is a transgression of the highest degree which destroys a person's spirituality.
- ▶ Zakāt is a set amount ordained by the Sharī'ah that must be given with the intention of *'ibādah* from the wealth of a person and the ownership of this amount must to be transferred to eligible individuals.

WARNINGS REGARDING ZAKĀT

Allah ﷻ said:

“As for those who accumulate gold and silver and do not spend it in the way of Allah, give them the ‘good’ news of a painful punishment. On the day it (the wealth) will be heated up in the fire of Jahannam, then their foreheads and their sides and their backs shall be branded with it: ‘This is what you had accumulated for yourselves. So, taste what you have been accumulating.’”

(Surah at-Taubah:34-5)

WARNINGS REGARDING ZAKĀT

Rasulullah ﷺ has said:

“The person to whom Allah has bestowed wealth, and he does not give Zakāt, on the Day of Resurrection, this 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.”

(al-Bukhari)

ON WHOM ZAKĀT IS FARD (Obligatory)

Zakāt is Fard upon a person if he/she is:

- ▶ Muslim
- ▶ Adult
- ▶ Sane
- ▶ Owner of wealth at least the value of *Nisāb* (the Quantum)

ON WHOM ZAKĀT IS FARD (Obligatory)

Furthermore the wealth must be

- ▶ Fully owned by the person
- ▶ In excess of personal needs (clothing, household furniture, utensils, cars, etc.)
- ▶ It should be possessed by the person for at least complete Islamic lunar year (see *Nisāb*, *Hawl* section)
- ▶ Monetary wealth (i.e. gold, silver, cash, etc.), livestock, or trade goods.

ON WHOM ZAKĀT IS FARD (Obligatory)

- ▶ There is no zakāt on assets that are not of a productive nature even if these are in excess of ones needs, such as cars, utensils, houses, furniture etc. as long as such items are not intended for trade.
- ▶ There is no zakāt on those whose short term liabilities due immediately exceed or equal their assets.

TYPES OF WEALTH ON WHICH ZAKĀT IS FARD (Obligatory)

1. Gold and silver, be it in the form of jewelry, utensils, bullion or any other form.
2. Cash, checking and savings balance
3. Loans lent to others which are acknowledged
4. Merchandise for business, equal to the value of *nisāb*
5. Livestock
6. Income of properties if it is equal to the value of *nisāb*
7. Income derived from a hiring business, such as cars, vans, trucks, etc.

The value of these should be at least the amount which is shown under *nisāb* (the Quantum) rate.

TYPES OF WEALTH ON WHICH ZAKĀT IS NOT FARD

1. Any metal besides gold or silver as long as it is not for business purpose
2. Fixtures, fittings or machinery of a shop, factory, delivery vehicle, etc., which is used in the operation of a business
3. Diamonds, pearls, and other precious or semi-precious stones which are for personal use. However, zakāt is payable on the gold or silver used in jewelry with diamonds, pearls, etc.
4. Imitation jewelry
5. Living quarters, household furniture, personal clothing, whether they are in use or not. However, Islam does not justify extravagance.

***NISĀB* (The Quantum), *HAWL* AND RATE OF ZAKĀT**

- ▶ The amount of wealth which makes one liable for zakāt is called *nisāb*. *Nisāb* is the threshold line, which separates those who are obligated to give zakāt from those who are not. In other words, *nisāb* is the minimum amount of wealth whose owner is deemed to be wealthy in the conception of Sharī'ah and zakāt is obligatory on him.

NISĀB (The Quantum), *HAWL* AND RATE OF ZAKĀT

- ▶ Zakāt is calculated periodically. Each period is one Islamic year long and is called a *hawl*. A person's *hawl* date (on which he calculates his zakāt every year) is set by the date on which (1) his zakātable assets reached the amount of *nisāb* for the first time and (2) one full Islamic year after that date, the assets are at least *nisāb* value as long as (3) some of the wealth remained throughout the course of this year (i.e. the wealth did not diminish to zero at any point throughout the course of this year). Thereafter, the zakāt *hawl* date remains constant on that date every year.

***NISĀB* (The Quantum), *HAWL* AND RATE OF ZAKĀT**

- ▶ If ones wealth diminishes to zero at any point, the *hawl* calculation restarts from the point his wealth reaches the *nisāb* amount again.
- ▶ If ones wealth decreases during the course of the *hawl*, and it increases again to the value of *nisāb* by the date of the *hawl*, the zakāt must be calculated on the full amount that is possessed at the date of the *hawl*.
- ▶ Fluctuations in the course of the year are to be disregarded.

EXAMPLE

- ▶ A person's yearly *hawl* date is Sha'ban 1 and his cash balances are:

<u>Date</u>	<u>Cash Balance</u>
Sha'ban 1 st , 1434.....	\$2,000
Ramadan 1 st , 1434	\$4,500
Muharram 1 st , 1435.....	\$200
Sha'ban 1 st , 1435.....	\$2,500

- ▶ Zakāt will be payable on the \$2,500 at hand on Sha'ban 1, 1435.

***NISĀB* (The Quantum), *HAWL* AND RATE OF ZAKĀT**

- ▶ Zakāt is due on whatever wealth is in ones possession on the date of *hawl*. It is not necessary that any particular asset remains in ones possession for a full year.

NISĀB (The Quantum), *HAWL* AND RATE OF ZAKĀT

- ❖ The *nisāb* of gold and silver fixed by Rasūlullāh ﷺ is as follows:
 - ▶ 87.48 grams (2.8125 troy ounces) of gold
 - ▶ 612.36 grams (19.6875 troy ounces) of silver
 - ▶ Its equivalent amount of cash or trading assets, etc.

***NISĀB* (The Quantum), *HAWL* AND RATE OF ZAKĀT**

- ▶ As prices changes frequently, the current market price of gold and silver must be used to calculate the dollar amount of *nisāb* on the *hawl* date.
- ▶ If one has only gold assets, the *nisāb* for gold must be used to see if he is liable for zakāt. Similarly, if one has only silver assets, he is to use the *nisāb* for silver. If one has different types of zakātable assets, such as cash, merchandise, gold and silver mixed, he must use the lesser of two *nisāb* values. This is most beneficial for the poor.

THE RATE OF ZAKĀT

- ▶ The rate of zakāt which was fixed by Rasūlullāh ﷺ is 2.5% (1/40) i.e. 2.5 cents per dollar.
- ▶ Zakāt is calculated by subtracting the liabilities due immediately or in the near future.

THE METHOD OF PAYING ZAKĀT

1. Zakāt should be given as soon as possible after it becomes due, rather than delaying it or waiting for Ramadān. It is possible that death occurs and thus leads to failure in fulfilling ones obligations.
2. Zakāt must be paid on a loan lent to others when the loan is received back.
3. Zakat of all previous years during which this money was lent out, must be calculated and paid. It is recommended that zakāt on this loan be paid every year as long as it is acknowledged, so it does not become difficult to pay all the previous years' zakāt at once when received.

THE METHOD OF PAYING ZAKĀT

4. A poor person cannot be paid for his work from zakāt, nor can zakāt be given in payment of ones services, except when an Islamic government pays salaries to persons appointed to collect zakāt.
5. Zakāt will only be valid if the recipient is made the unconditional owner of the amount. This is referred to as *Tamlīk*.
6. Zakāt cannot be given or used for the construction of a masjid, madrasah, hospital, a well, a bridge or any other public amenity.

THE METHOD OF PAYING ZAKĀT

7. Poor adult students can be given a grant from zakāt. The zakāt must be given to the student personally. If the student is not an adult, then his Shar'ī Wakīl (parents or legal guardian) must be eligible to receive zakāt and they must be given possession of the amount.
8. Zakāt can be paid in the same material on which it is due (e.g. gold can be given as zakāt due on gold assets) 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 zakāt.
9. Authority can be delegated to another person or an organization for the distribution of zakāt in order to utilize it in accordance with the laws of Sharī'ah.

THE METHOD OF PAYING ZAKĀT

10. If a person requests someone to give a certain amount on his behalf as zakāt, and that sum is given out, the discharge of the zakāt will be valid. The sum given will be due upon the one who made this request.
11. If an agent is given zakāt for distribution, and he does not distribute it, the zakāt will not be fulfilled, and the sin of not discharging the obligatory duty of zakāt will remain upon whom it was due.
12. Zakāt should not be payed by estimation.
13. Gold or silver jewelry must be weighed accurately for zakāt purposes.

TO WHOM ZAKĀT CAN BE GIVEN (*MASĀRIF*)

1. **AL-FUQARĀ'**
2. **AL-MASĀKĪN**
3. **AL-'ĀMILĪN**
4. **AL-MU'ALLAFATUL QULŪB**
5. **AR-RIQĀB**
6. **AL-GHĀRIMĪN**
7. **FĪ SABĪLILLĀH**
8. **IBN AS-SABĪL**

TO WHOM ZAKĀT CAN BE GIVEN (*MASĀRIF*)

1. **AL-FUQARĀ'**: People who are poor and who possess more than their basic needs but do not possess wealth equal to *nisāb*.
2. **AL-MASĀKĪN**: People who are destitute and extremely needy to the extent that they do not have enough for their daily food ration.

TO WHOM ZAKĀT CAN BE GIVEN (*MASĀRIF*)

3. **AL-‘ĀMILĪN:** Those persons who are appointed by an Islamic state or government to collect zakāt. It is not necessary that this be a needy person.
4. **AL-MU’ALLAFATUL QULŪB:** Those persons that have recently accepted Islam and are in need of basic necessities who would benefit from encouragement by the Muslims and it would help to strengthen their faith in Islam.

TO WHOM ZAKĀT CAN BE GIVEN (*MASĀRIF*)

5. **AR-RIQĀB:** Those slaves that are permitted to work for remuneration and have an agreement from their owners to purchase their freedom on payment of fixed amounts.
6. **AL-GHĀRIMĪN:** Those that have a debt and do not possess any other wealth or goods with which they can repay that which they owe. It is conditional that this debt was not created for any un-Islamic or sinful purpose

TO WHOM ZAKĀT CAN BE GIVEN (*MASĀRIF*)

7. **FĪ SABĪLILLĀH:** Those people that have to carry out a fard (obligatory) act and subsequently (due to loss of wealth) are unable to complete that fard.

Important: ALL TYPES OF COMMON CHARITABLE CAUSES ARE NOT INCLUDED IN THIS CATEGORY. A widespread misunderstanding about the term FĪ SABĪLILLĀH has misled many to believe that this includes all types of charitable deeds. The Qur'an and Ahadith do not support this. If all charitable causes were included in this category, there would have been no need for mentioning eight different categories of *Masārif* in the Quran.

TO WHOM ZAKĀT CAN BE GIVEN (*MASĀRIF*)

8. **IBN AS-SABĪL:** Those who are Musāfirs (travelers in view of Sharī'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 zakāt in order to complete their travel needs to return home.

TO WHOM ZAKĀT CAN BE GIVEN (*MASĀRIF*)

IMPORTANT:

- ❖ All the above mentioned recipients excluding Al-‘Āmilīn must be those who do not possess the *nisāb*.
- ❖ When giving zakāt, one’s poor and needy relatives should be given preference. To avoid embarrassment, it should be given without saying that it is zakāt.
- ❖ There is great reward in giving zakāt to poor persons who are striving in the way of the Dīn, those who are engaged in religious knowledge, or to religious institutions where poor or needy students are being cared for. Care should be taken that only such institutions are given zakāt which use it according to the Sharī’ah.
- ❖ A child of a wealthy father cannot be given zakāt. When such a child becomes mature and does not own wealth to the value of *nisāb*, he may then be given zakāt.

ZAKĀT CAN BE GIVEN TO:

- ❖ Brothers
- ❖ Sisters
- ❖ Nephews
- ❖ Nieces
- ❖ Uncles
- ❖ Aunts
- ❖ Step-grandfathers
- ❖ Step-grandmothers
- ❖ Father-in-laws
- ❖ Mother-in-laws

PROVIDED THEY DO NOT POSSESS *NISĀB*.

Both paternal and maternal

ZAKĀT CANNOT BE GIVEN TO:

1. Zakāt cannot be given to the *Sayyid*(*Sādāt*) family.
2. Zakāt cannot be given to immediate antecedents such as parents, grandfather, etc. In the same manner one's descendants such as children and grandchildren, cannot be given zakāt. A husband and wife cannot give zakāt to each other.
3. Zakāt contributions cannot be given to such institutions or organizations that do not give the rightful recipients (*Masārif*) possession of zakāt, but instead use zakāt funds for construction, investment or salaries. Zakāt must be given in the ownership of the eligible individuals.

ZAKĀT CANNOT BE GIVEN TO:

4. Zakāt cannot be given to non-Muslims.
5. If one cannot determine whether the recipient is needy or not, it is better to make certain before giving zakāt. If zakāt is given without inquiry and subsequently it is known that the recipient is wealthy, the zakāt is not valid. It has to be given again.
6. Zakāt will not be fulfilled by purchasing books for an institution, or land purchased for public utility and made *waqf*.

ZAKĀT CANNOT BE GIVEN TO:

7. Zakāt cannot be used for the *kafn* (shroud) of a deceased person who has no heirs.
8. Zakāt cannot be given as salary or amount due upon a contract.
9. Zakāt cannot be given to construct a masjid, school, etc.
10. A dead person's debt cannot be paid from Zakāt.

ZAKĀT ON MERCHANDISE

1. Articles that are for sale are referred to as merchandise. The *nisāb* for zakāt on merchandise is the same as that for cash
2. Zakāt is Fard (obligatory) on the following items when calculating a balance sheet:
 - ❖ Stock in trade
 - ❖ Goods in transit (which have been paid for)
 - ❖ Cash on hand
 - ❖ Outstanding cash and loans (when repaid and if they are equal to *nisāb*)
 - ❖ Cash at bank
 - ❖ Savings account
 - ❖ Fixed deposits
 - ❖ Misc. income outstanding (when repaid and if they are equal to *nisāb*)
 - ❖ Claims (acknowledged)
 - ❖ Other savings

ZAKĀT ON MERCHANDISE

3. All these must be added as one amount and after subtracting the creditor's amount and/or any other liabilities, the balance must be added to the capital. Zakāt must then be given on this combined figure.
4. Zakāt should be given on the capital that exists on the *hawl* date, which includes the profit, eg. at the beginning of the year the capital is \$20,000. When the year ends a profit of \$5,000 is shown. Zakāt must be given on \$25,000.

ZAKĀT ON MERCHANDISE

5. If a bad debt is recovered and it is equal to or exceeds the *nisāb*, then zakāt 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 *nisāb* then it will be necessary to give zakāt.
7. If at the beginning of the year one has the full *nisāb* and during and year the amount decreases and by the end of the year possession of the full *nisāb* is regained then it will be necessary to give zakāt on this amount regardless of fluctuations in the interim.

ZAKĀT ON MERCHANDISE

8. If one mixes *halāl* and *harām* merchandise and the amount is equal to or exceeds the *nisāb* at the end of the year, it will be necessary to give zakāt.
9. It is necessary to calculate the price of merchandise at the current wholesale price. zakāt should be calculated on these figures.
10. If a few persons are partners in a company and if any one share of the partners is equal to or exceeds *nisāb*, it will be necessary for that partner to give zakāt.

ZAKĀT ON MERCHANDISE

11. Zakāt on stocks must be calculated on the *hawl* date.
12. Zakāt is due at the current price on shares held in a company at the end of every *hawl*.
13. As machinery, land, fixtures and fittings, furniture, buildings etc. are exempt from zakāt; one is allowed to subtract these from the total assets. This could be obtained from the company's annual report.

ZAKĀT ON MERCHANDISE

14. When zakāt is given on a capital amount once, and thereafter if this same amount remains with the owner until the following year then zakāt will be due again. Zakāt will be due repeatedly after every *hawl* has elapsed.

VISIT www.shariahboardny.org



TODAY IS: 20 SHABAN 1436

[Donate](#)



[Home](#) [About](#) [Marriage Counseling](#) [Zabiha Halal](#) [Arbitration Committee](#) [Darul Ifta](#) [Moonsighting](#) [Resources](#) [Donations](#) [Events](#)



Wednesday, May 20th, 2015, is the 1st day of Sha'ban 1436 AH.
The 15th night of Sha'ban will be on Tuesday Night, June 2nd, 2015.
The 29th of Sha'ban will be on Wednesday, June 17, 2015.



Welcome to Shariah Board, New York

Shariah Board, New York (SBNY), a branch of Rahmat-e-Alam Foundation, was founded in 2008 under the guidance and supervision of the Eminent Faqih, Hazrat Shah Mufti Mohammed Naval-ur-Rahman Sahib (رحمۃ اللہ علیہ). SBNY strives to serve the Muslim Ummah in their religious, spiritual, social and personal matters free of charge for the better of the community. By this humble effort, we hope to build strong Muslim community members, kind neighbors, dutiful spouses, responsible parents, obedient children and righteous citizens. Each person guided to the Straight Path results in a better world for everyone!

[Read More](#)

Zabiha Halal

Free Zabiha Monitoring and Certification! The process is simple and easy, no fee is charged. [View Certified Businesses](#)

Marriage Counseling

Free counseling to couples in conflict, to help achieve peace and harmony in the married life, and create strong, loving and compassionate bonds that will help lead a successful family life in accordance with the Quran & Sunnah. [More Info](#)

VISIT www.shariahboardny.org

Today is Monday, June 08, 2015 – 20 Shaban 1436

Today's Zakat Nisab Calculation	
Gold Nisab	\$3308.38
Silver Nisab	\$318.74
Mahr Fatimi	\$798.85

[More Information](#)

Today's Salat Times for New York, NY

Fajr: 3:20 am
Sunrise: 5:19 am
Zuhr: 12:55 pm
Asr: 6:07 pm
Maghrib: 8:30 pm
Isha: 10:29 pm

[Monthly Salat Times](#)

Upcoming Events

There are no scheduled events at this time.



Marriage Counseling

Marriage is a great gift from Allah. Both husband and wife should treasure it. In order to live a pleasant and blissful life and to achieve the aims of marriage..

[Read More >>](#)



Zabiha Halal

SBNY certifies and perpetually monitors slaughterhouses, distributors and retail locations that provide ONLY proper, hand-slaughtered zabiha halal meat.

[Read More >>](#)



Darul Ifta

Darul Ifta provides simple interpretations of the rules of the Shari'ah and their practical application to a believer's daily life via phone, online and in person.

[Read More >>](#)



Arbitration Committee

SBNY offers impartial mediation according to the Shari'ah regarding family matters, conflicts, parenting, talaq (divorce), faskh-e-nikah (separation), and various other issues posing challenges to the community.



Moon Sighting

SBNY promotes the pure sunnah of physical moon sighting and arranges groups of local brothers to go out on the 29th of every Islamic month to sight the moon.

[Read More >>](#)

CONTACT SBNY

- ❖ Detailed questions regarding Zakāt should be forwarded to **Shariah Board, NY:**
 - CALL: (718) 426-3454
 - WEB: www.shariahboardny.org
 - EMAIL: info@shariahboardny.org