

**SBNY**

Shariah Board New York

فَقِيْهُ الزَّكَاةِ

**Zakat**

**in Brief**

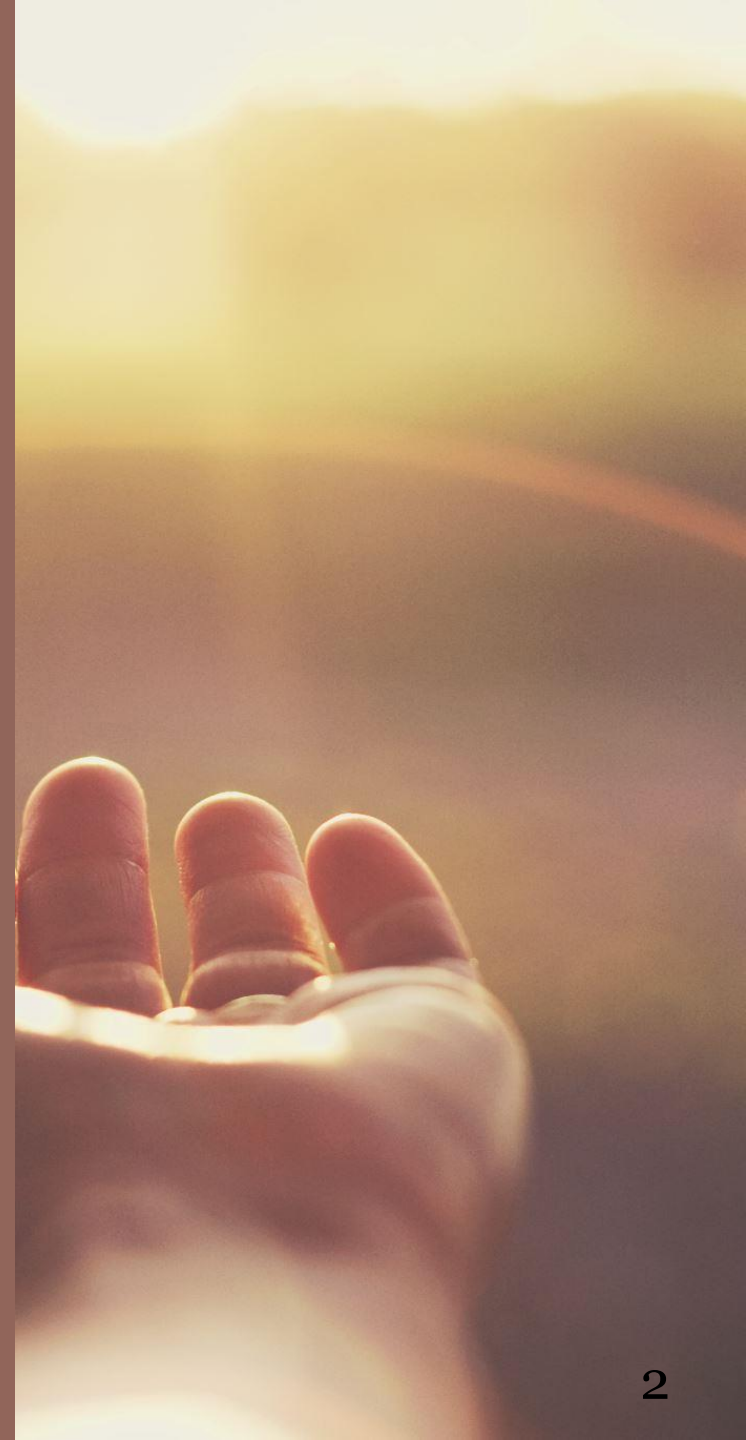
*Compiled by the Darul Ifta  
of Shariah Board, New York*

# WEALTH DOES NOT REALLY BELONG TO US

﴿لَهُ مَا فِي السَّمَاوَاتِ وَمَا فِي الْأَرْضِ  
وَمَا بَيْنَهُمَا وَمَا تَحْتَ الثَّرَى﴾

“To Him belongs all that is in the heavens, all that is in the earth and whatever lies between them and whatever lies beneath the soil.”

(Ta-Ha:6)



# WE CAN'T REALLY EARN AS MUCH AS WE LIKE

﴿إِنَّ رَبِّي يَبْسُطُ الرِّزْقَ لِمَن يَشَاءُ مِنْ عِبَادِهِ ۖ وَيَقْدِرُ لَهُ﴾

“Say, “Surely, my Lord extends provision for whomsoever He wills, and straitens (it) for him. And whatever thing you spend, He replaces it, and He is the best of the sustainers.”

(Saba:39)

# WEALTH IS BOUNTY FROM ALLAH ﷻ

We are not entitled to anything particular.

Anything we received, was out of the bounty, mercy and generosity of Allah ﷻ

A stack of several books with colorful spines (red, yellow, blue, green) is shown on the right side of the page. A laptop keyboard is visible in the upper right corner, partially obscured by the books. The background is dark and textured.

# SOME UPFRONT BENEFITS OF PAYING ZAKAT

# WORLDLY BENEFITS

**Wealth grows with barakah:**

﴿يَمْحَقُ اللَّهُ الرِّبَا وَيُرْبِي الصَّدَقَاتِ﴾

“Allah destroys riba and nourishes charities” (al-Baqarah, 276)

ما نقصت صدقة من مال (مسلم)

“Wealth never decreases by sadaqah” (Sahih Muslim, 2588)

# WORLDLY BENEFITS

**The Angels make dua for you:**

اللَّهُمَّ اَعْطِ مَنفِقًا خَلْفًا وَاَعْطِ مُمْسِكًا تَلْفًا (البخارى)

“O Allah! Replace the wealth of a spender. And destroy the wealth of a hoarder”

(Bukhari, 1442)

# WORLDLY BENEFITS

## Safety from calamities:

بادروا بالصدقة فإن البلاء لا يتخطأها

“Hasten to do sadaqah because calamities cannot pass them”

(Mishkat, 1828; Tabrani, 5643)



# UPFRONT BENEFITS

**Prevents an evil death:**

إن الصدقة لتطفى غضب الرب وتدفع ميتة السوء

**“Sadaqah extinguishes the wrath of the Lord and prevents an evil death”**

(Tirmizhi, 664)

# ZAKAT PURIFIES OUR WEALTH

Linguistically: “Increase” or  
“Purification”

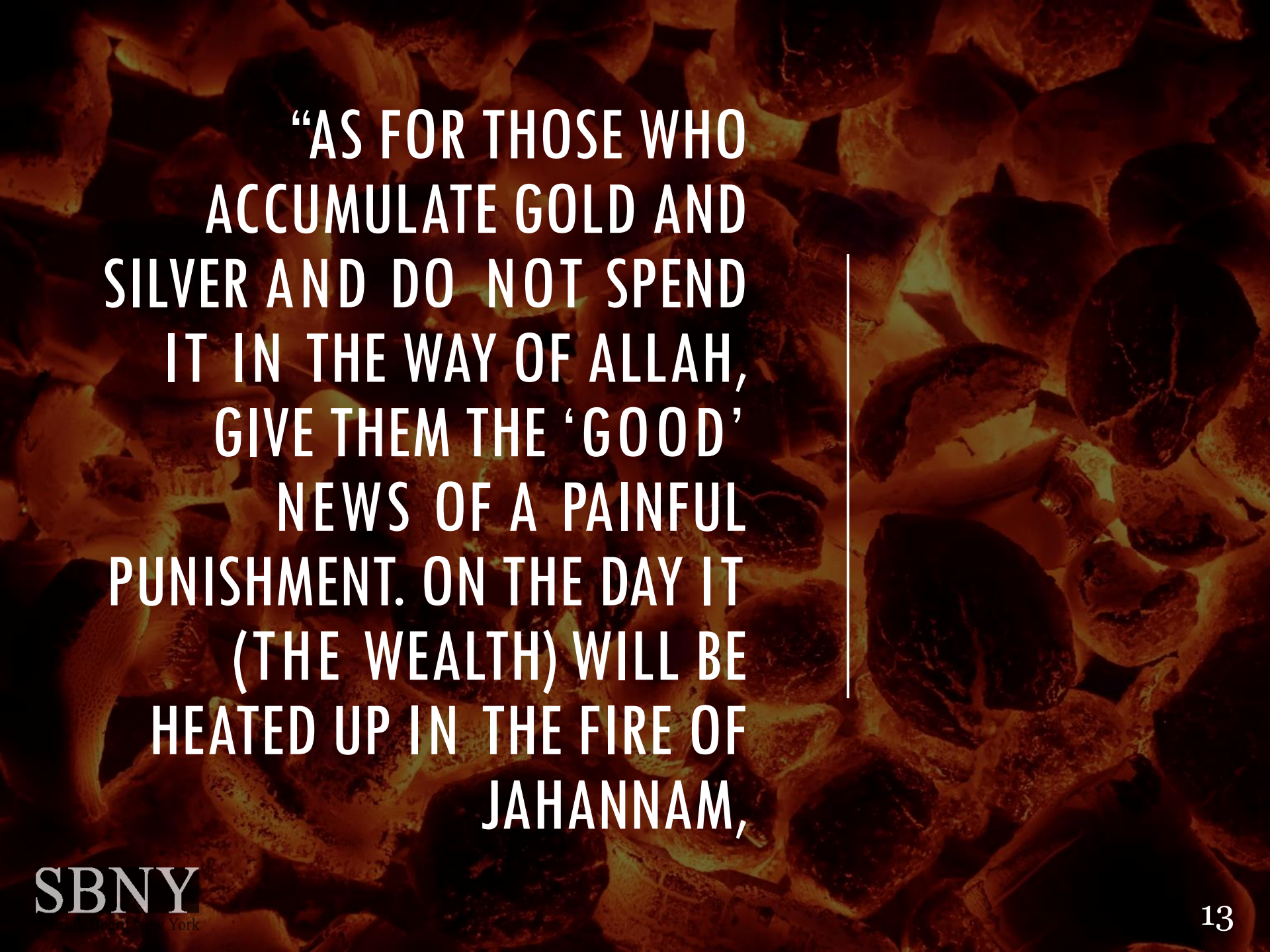
By taking out the **impurities** in our  
wealth, it will grow and **increase**

# Zakāt

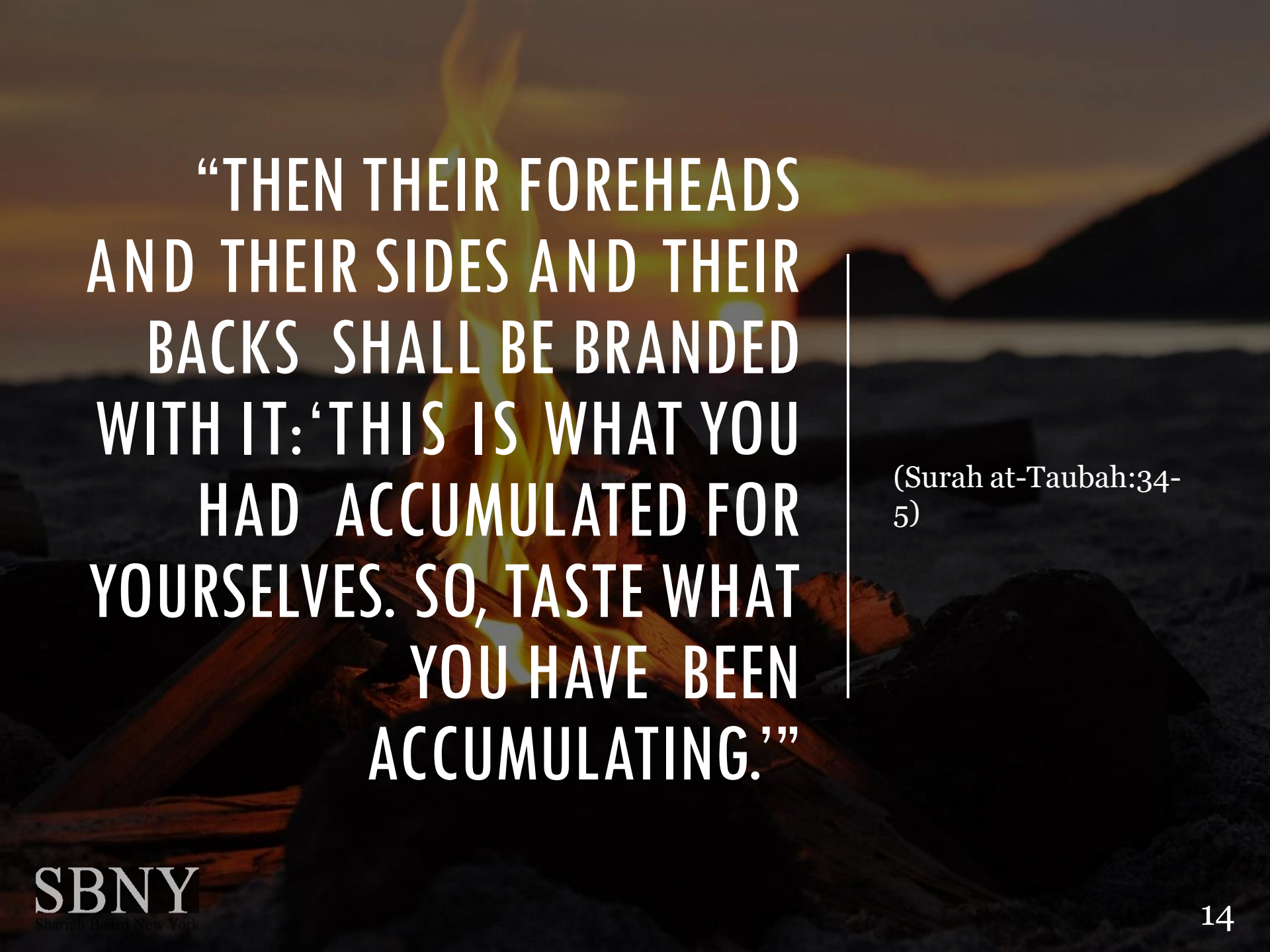
- Zakāt is one of the most important pillars of Islam. It is a monetary devotion, or *'ibādah*, that has been obligated in the Sharī'ah of Allah ﷻ.
- Denying its obligation renders a person out of the fold of Islam.
- Not discharging zakāt, after it has become due, is a transgression of the highest degree 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 FOR NOT PAYING ZAKAT



**“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)

**“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, 1403)



ON WHOM?



# ON WHOM ZAKĀT IS FARD (Obligatory)

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

- Muslim
- Adult (physical)
- 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
- 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.

# ON WHICH WEALTH?



# TYPES OF WEALTH ON WHICH ZAKĀT IS FARD (Obligatory)

1. All gold and silver items, in the form of jewelry, utensils, bullion, etc.
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 (with particular conditions)
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 combined value of all of these should be at least the amount which is shown under *nisāb* (the Quantum) rate.

# TYPES OF WEALTH ON WHICH ZAKĀT IS FARD (Obligatory)

Zakat is necessary on jewelry in use:

إن امرأتين أتتا رسول الله صلى الله عليه وسلم وفي أيديهما سواران من ذهب فقال لهما  
تؤديان زكاته؟ قالتا لا، قال فقال لهما رسول الله صلى الله عليه وسلم أتحبان أن يسوركما الله  
بسوارين من نار قالتا لا قال فأديا زكاته  
(ترمذي ح 642، أبو داود 1563، نسائي 2481، أحمد 6667)

“Two women came to Rasulallah ﷺ wearing gold bangles on their hands. He said to them, ‘Have you paid its zakat?’ They replied, ‘No’. So Rasulallah ﷺ said, ‘Would you like Allah to put bangles of fire on you?’ They again said, ‘No’. He said, ‘So then pay its zakat!’”.

(Tirmizhi, 642; Abu Dawud, 1563; Nasai, 2481; Ahmad, 6667)

# ZAKAT ON RECOGNIZED LOANS

Zakat is due on all previous years during which a loan was lent out, and it must be calculated and paid.

Although a person can pay after the loan is received, it is recommended that zakāt on this loan be paid every year, for one's own ease.

# 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.



The background consists of a dense, overlapping pattern of colorful sticky notes in shades of purple, blue, green, and yellow. Each sticky note features a large, black, hand-drawn question mark. The text is centered in the middle of the image.

WHAT IS NISAB?  
WHAT IS HAWL?

# ***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.

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

Zakāt is calculated annually, **according to the Islamic lunar year**, and each year is called a *hawl*. A person's *hawl* date is set by the date on which his zakātable assets reached the amount of *nisāb* for the first time.

Then,

1. The assets must be at least *nisāb* value at both ends of the *hawl*. Any fluctuations *during* the year are disregarded.
2. the wealth must 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***

Now the next year, the zakat will be calculated from the full amount of wealth he possesses at the *end* of the hawl.

If his wealth does diminish to zero at any point, the *hawl* calculation will reset. Now his hawl will restart on the date his wealth reaches the *nisāb* amount again.

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.

# 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 <sup>st</sup> , 1438.....	\$2,000
Ramadan 1 <sup>st</sup> , 1438 .....	\$4,500
Muharram 1 <sup>st</sup> , 1439.....	\$200
Sha'ban 1 <sup>st</sup> , 1439.....	\$2,500

- Zakāt will be payable on the \$2,500 at hand on Sha'ban 1, 1439.

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

- ❖ The *nisāb* of gold and silver fixed by Rasūlullāh ﷺ is as follows:

	<b>Islamic Measure</b>	<b>Grams</b>	<b>Troy Ounces</b>
<b>Gold</b>	20 Mithqal	87.48	2.8125
<b>Silver</b>	200 Dirham	612.36	19.6875
<b><i>or its equivalent amount of cash, trading assets, etc.</i></b>			

# *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.
  - If one has only silver assets, he is to use the *nisāb* for silver.
  - If one has different types of zakātāble 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.

# WWW.SBNY.ORG

## Today is 15 Ramadan 1443

**Note:** Islamic Date counter changes at 1am EST, if you are viewing the date after your Maghrib Salah in North America, Please add 1 to the date

### Today's Zakat Nisab Calculation

Gold Nisab	\$5569.31
Silver Nisab	\$507.54
Mahr Fatimi	\$1268.86

[More information](#)

### Today's Salat Times for New York, NY

Fajr:	4:37
Sunrise:	6:15
Zuhr:	1:00
Asr:	5:38
Maghrib:	7:35
Isha:	9:13

**Note:** Please add a couple of minutes to the salaata times before calling Azaan

[Monthly Salat Times](#)

[2022 Ramadan Calendar for Queens, NY](#)

### Upcoming Events

There are no scheduled events at this time.

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# HOW MUCH DO I HAVE TO GIVE?

**SBNY**

Shariah Board New York

# 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.



HOW DO I PAY?

# THE METHOD OF PAYING ZAKĀT

Keep in mind:

- Pay Zakat as soon as possible after it becomes due. Do NOT ever delay in paying, because death may occur before the payment.
- Zakāt will only be valid if the recipient is made the unconditional owner of the amount (*Tamlīk*).
- 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.
- 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

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



WHOM DO I GIVE TO?

# 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. This is not applicable for us.
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. This is not applicable for us.
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.

# IMPORTANT:

- ❖ When giving zakāt, one's poor and needy relatives should be given preference. To avoid embarrassment, it should be given as a gift, without mentioning that it is zakāt.

There are two rewards: (1) paying Zakat (2) Upholding the ties of kinship

- ❖ 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 the child becomes an adult and does not own wealth to the value of *nisāb*, he may then be given zakāt.

*continued...*

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.

- Individuals who are otherwise poor (by the definition stated above) but own extra items, of luxury or of no true benefit, equal to the silver nisab are not eligible to receive zakat.

# WHO CAN RECEIVE ZAKAT?

✘ Zakat eligibility has nothing to do with income

✓ Zakat eligibility is based on how much savings a person has

# 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*.

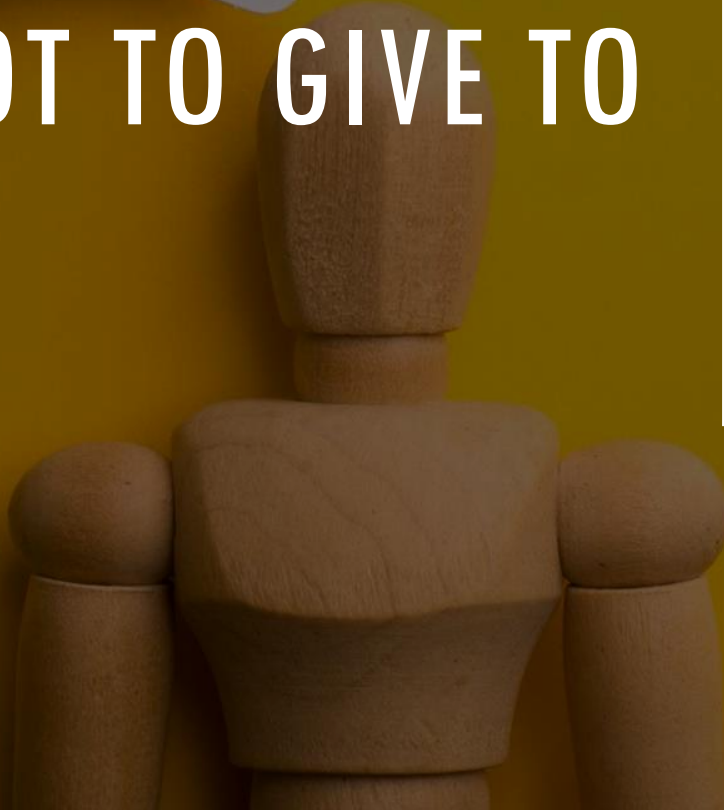
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Both paternal and maternal





# WHOM NOT TO GIVE TO



# ZAKĀT CANNOT BE GIVEN TO:

Zakāt cannot be given to

1. The *Sayyid (Sādāt)* family.
2. Immediate antecedents such as parents, grandfather, etc.
3. Immediate descendants such as children and grandchildren
4. Spouses: husband and wife to each other
5. 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 CANNOT BE GIVEN TO:

6. Non-Muslims.
7. 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.
8. An institution in the form of books or land made *waqf* for public utility.

# ZAKĀT CANNOT BE GIVEN TO:

Zakāt cannot be used:

1. For the *kafn* of a deceased person, even though he has no heirs.
2. As salary or amount due upon a contract.
3. To construct a masjid, school, etc.
4. To pay a dead person's debt

# ZAKĀT CANNOT BE GIVEN TO:

Zakāt cannot be used

5. To pay a poor person for his work nor can zakāt be given in payment of ones services.

6. Zakāt cannot be given or used for the construction of a masjid, madrasah, hospital, a well, a bridge or any other public amenity.

A photograph of a market stall with several woven baskets filled with various colorful goods, including dried fruits, nuts, and spices. The items are arranged in neat piles, and the background is slightly blurred, focusing attention on the merchandise. The overall scene is vibrant and suggests a traditional marketplace.

# ZAKAT ON MERCHANDISE

Articles that are for sale are referred to as merchandise. The nisāb for zakāt on merchandise is the same as that for cash.

# ZAKĀT ON MERCHANDISE

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

- 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.
- 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

- 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.

If one has various different types of merchandise, the total value of all the goods should be calculated. If it is equal to or exceeds the value of Nisāb, it will be necessary to give zakāt.

# ZAKĀT ON MERCHANDISE

- If there is any Haram merchandise in the business, it is still necessary to pay zakat on the halal merchandise. It is also necessary to stop selling haram immediately and discard the items completely.
- It is necessary to calculate the price of merchandise at the current wholesale price. Zakāt should be calculated on these figures.
- 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 pay zakāt.

# ZAKĀT ON MERCHANDISE

- Zakat on stocks must be calculated on the *hawl* date.
- Zakāt is due at the current price on shares held in a company at the end of every *hawl*.
- 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

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

# ZAKAT ON 401(k) AND OTHER PLANS

Zakat is due yearly on the entire vested amount on the *hawl* date

If it is invested, the market value of the plan

Tax penalties and other restrictions do not affect zakat calculation

No zakat on haram income, it must be discarded

Zakat payment can be done in installments, but zakat must be calculated and recorded on time every year

Zakat payment can be deferred to payout time (at maturity, most cases 59.5 years age), but may be difficult

# VISIT [www.sbny.org](http://www.sbny.org)



### Islamic Marriage Care Line

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..



### Halal Monitoring Service

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



### Central Hilal Committee

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.



### 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.

# CONTACT SBNY

Detailed questions regarding Zakāt should be forwarded to

## **Darul Ifta of Shariah Board, NY:**

- CALL: (718) 426-3454
- WEB: [www.sbny.org](http://www.sbny.org)
- EMAIL: [ask@sbny.org](mailto:ask@sbny.org)