

What is Zakat all about?

Introduction

Zakat is not just any form of voluntary charity, alms giving, tax or tithe. Nor is it simply an expression of kindness or generosity. Zakat is all of these combined and much more, for it also includes Allah-consciousness as well as spiritual, moral and social objectives.

Zakat is a Divine injunction and an ordinance from Allah Himself. It is not a personal matter or a voluntary contribution; rather, it is an obligation for which one will be called to account before Almighty Allah.

Zakat is indispensable as it helps achieve reform, both financially and spiritually. It eliminates misery and greed from hearts and consolidates the Islamic economy, leading to its stability and prosperity. The Qur'an describes Zakat as:

1. The means by which to attain Allah's mercy: *"With My Punishment I visit whom I will; but My Mercy extends to all things. That (Mercy) I shall ordain for those who have God-consciousness and give their Zakat and those who believe in Our Signs."*
(Surah Al-A`raf 7:156).
2. A precondition to achieve victory: *"Allah will certainly aid those who aid His (cause); for verily Allah is Full of Strength, Exalted in Might, (able to enforce His Will). (They are) those who, if We establish them in the land, establish regular prayer and give their Zakat, enjoin the right and forbid wrong: with Allah rests the outcome of all affairs."* **(Surah Al-Hajj 22:40-41).**
3. A sign of brotherhood in religion: *"But (even so), if they repent, establish regular prayers, and give their Zakat, they are your brethren in Faith."* **(Surah Al-Taubah 9:11).**
4. A distinctive feature of the faithful community: *"The Believers, men and women, are protectors one of another: they enjoin what is just and forbid what is evil: they observe regular prayers, pay their Zakat and obey Allah and His Messenger. On them will Allah pour His Mercy: for Allah is Exalted in power, Wise."*
(Surah Al-Taubah 9:71).

5. A distinctive quality of the believers who go to and maintain mosques: *"The mosques of Allah shall be visited and maintained by such as believe in Allah and the Last Day, establish regular prayers, and pay their Zakat and fear none (at all) except Allah."*
(Surah Al-Taubah 9:18).
6. A distinctive quality of the true believers: *"Who are active in paying Zakat."* **(Surah Al-Mu'minin 23:4).**

Zakat: The Third Pillar Of Islam

'Abd Allah ibn 'Umar reports that the Prophet (peace be upon him) said: *"Islam is based on five (principles): To testify that none has the right to be worshipped but Allah and Muhammad is Allah's Apostle, to offer the prayers dutifully and perfectly, to pay Zakat, to perform Hajj and to observe fast during the month of Ramadan."* **(Bukhari)**

As the third pillar of Islam, Zakat is first of all an Ibadah (worship) whose spiritual impact on purification and sanctification is its most important function. In fact, the Qur'an describes the objective of taking Zakat out of their amwal (wealth) as Tathir (purification) and Tazkiyah (sanctification). Tazkiyah also means material and/or spiritual growth.

The fact that a critical objective of Zakat is the attainment of socio-economic justice is not disputed. After all, Islam does not like any form of concentration of wealth or income in a few hands and considers their redistribution by means acceptable in Shari'ah one of the major objectives of the Islamic economic system.

'Abd Allah ibn 'Abbas (RA) narrates that when the Prophet (peace be upon him) sent Mu'adh ibn Jabal (RA) to Yemen he told him, *"You are going to a people who have a Scripture, so call them to testify that there is no deity but Allah, and that I am the Messenger of Allah. If they respond to this, then teach them that Allah has imposed five Salaah upon them every day. If they respond to this, then teach them that Allah has imposed upon them a charity to be taken from the wealthy amongst them and given to their poor. If they respond to this, then beware of taking any more of their wealth!"*

Zakat was understood to be a transfer of a certain portion of wealth from the haves to the have-nots as a duty to Allah.

The Lisan Al-Arab dictionary says: “The root of the word *Zakat* in Arabic means cleanliness, growth, blessing and praise.” All these meanings of the word are used in the Qur’an and Hadith.

Defining Zakat

The word Zakat is the infinite form of the verb *zaka*, meaning to grow, to increase and to purify. When said about a person, it means to improve or to become better. Consequently Zakat means, blessing, growth, cleanliness and betterment.

In the Shari’ah, the word Zakat refers to the determined share of wealth prescribed by Allah to be distributed among the deserving categories of those entitled to receive it.

Zakat is a Divinely ordained institution and is regarded both as a right of Allah as well as the right of the poor. In fact, an Islamic government can forcibly take Zakat from the rich if the rich withhold it.

History of Zakat

Zakat Before the Advent of Islam

The history of Zakat is the same as that of Salaah. It is evident from the Qur’an that like Salaah its directive always existed in the Shari’ah of the previous Prophets. When the Almighty asked the Muslims to pay it, it was not something unknown to them.

All the followers of the religion of Ibrahim (AS) were fully aware of it. For this very reason **Surah Al-Ma’arij (70:25)** describes it as “A specified right.” Thus it was a pre-existing Sunnah which the Prophet (peace be upon him), with necessary reformations, upheld at the behest of the Almighty.

The Qur’an gives examples in several verses telling us how Zakat was imposed on the previous Prophets. For example:

Zakat of Prophet Isma’il (AS): “Also mention in the Book (the story of) Isma’il: He was (strictly) true to what he promised, and he was an apostle (and) a prophet. He used to enjoin on his people Salaah and Zakat, and he was most acceptable in the sight of his Lord.”

[Surah Mariam 19:54-55]

Zakat of the Jews: “And (remember) when We made a covenant with the Children of Israel, (saying): Worship none save Allah (only) and be good to parents and to kindred and to orphans and the needy and speak kindly to mankind; and establish Salaah and pay Zakat.”

[Surah Al-Baqarah 2:83]

Zakat to the progeny of Prophet Ishaq (AS) and Prophet Yacob (AS): “And We sent them inspiration to do good deeds and to be diligent in the Salaah and pay Zakat.”

[Surah Al-Anbiyaa 21:73]

Zakat of Prophet Isa (AS): “He said: Lo! I am the slave of Allah. He has given me the Scripture and has appointed me a Prophet. And has made me blessed wheresoever I may be and has enjoined upon me Salaah and Zakat so long as I remain alive.” **[Surah Maryam 19:30-31]**

Zakat in the time of the Prophet (peace be upon him)

Going back to the first application of Zakat at the time of the Prophet (peace be upon him) is like studying Zakat at its source in order to discover its significance, mode of application and effects, whether social, spiritual or economic.

In Makkah the verses on Zakat were in the general form of voluntary payments and it was left to the faith and the brotherly feelings of individuals to decide what and how much to give in Zakat. **Surah Al-Ma’arij (70:24-25)** advises: “And in whose wealth there is a right acknowledged. For the beggar and the destitute.”

It was only in the second year of Hijrah, some eighteen months after the arrival of the Prophet (peace be upon him) to Madina that Zakat became a Fard or an obligation on Muslims. Madinan verses gave clear directives, ordering the payment of Zakat and since that time the Prophet (peace be upon him) used to send out Zakat workers to collect and distribute the due Zakat.

The Qur'an does not give the definition of Zakatable wealth, except in a few cases, only the general principles are given without the details, e.g:

1. Gold and Silver: *“And there are those who hoard gold and silver and spend it not in the way of Allah. Announce unto them a most grievous penalty.”*
(**Surah Al-Taubah 9:34**)
2. Crops and Fruits: *“Eat of their fruit in their season, but render the dues that are proper on the day that the harvest is gathered.”* (**Surah al-An'aam 6:141**)
3. Earnings of Trade: *“O ye who believe, give of the good things which ye have earned.”*
(**Surah Al-Baqarah 2:267**)
4. Wealth from beneath the earth: *“And of that which we have produced for you from the earth.”*
(**Surah Al-Baqarah 2:267**)

Furthermore, the Qur'an mentions Zakat in general and the word amwal (i.e. property or wealth or earning) is used as in the verse, *“Out of their wealth take sadaqah thereby purifying and sanctifying them.”* (**Surah Al-Taubah 9:103**) and, *“In their wealth and properties is the right of the poor, the beggar and he who is in deprivation.”*
(**Surah Al-Dhareyat 51:19**)

It is the Sunnah of the Prophet (peace be upon him) that gives us, by example and by directives, details of the general Qur'anic command and converts the theoretical axioms of the Qur'an into a living reality. The Prophet (peace be upon him) is the one who knows most about what Allah ordained and as such the Sunnah gives us detailed specifications of the kinds of Zakatable wealth, the minimum exempt of each of them and the applicable rates. The Sunnah also gives the details of the categories of people that should receive Zakat.

Objective of Zakat

Zakat: An Act of Devotion and Worship

The objective of Zakat, as emphasised in the Qur'an, is a glorious objective of purification and upliftment (**Surah Al-Taubah 9:103**). In that sense, Zakat washes away sins and impurities in the same way that Salaah washes away sins and impurities. This is why it is mentioned in the sayings that Zakat carries the “dirt” (awsakh) of people.

Allah created the worlds with the objective of worshipping and praising Him. Creation worships Allah using all their faculties and abilities, including physical, mental and material forms of worship. Some financial worships of previous nations required them to feed their material resources to a burning fire. Islam as the final and complete message doesn't allow wastage of resources. Therefore, all financial worships in Islam find their route to the pockets of the poor and needy.

The inner intention when discharging Zakat should be based on the fulfilment of the Commandments of Allah. The objective is to engage in a specialised form of worship, solely for the pleasure of Allah. The individual who sincerely dispenses his Zakat most definitely becomes the recipient of the promised rewards and benediction of Allah. **Surah Al-Baqarah (2:276)** tells us that: *“Allah will deprive usury of all blessing, but will give increase for deeds of charity: For He does not love the one who is ungrateful and wicked.”*

The Hadith of the Prophet (peace be upon him) enunciates this concept very beautifully: *“When a slave of Allah pays Zakat, the Angels of Allah pray for him in these words: “O Allah! Grant abundance to him who spends (in Your cause) and destroy him who does not spend and restricts to himself his wealth.””* (**Bukhari**)

Abdullah bin Abi Afa narrated: When the people brought Sadaqah to the Prophet (peace be upon him) he used to say, *“O Allah! Bless them with your Mercy.”* Once my father came with his Sadaqah to him whereupon he i.e. the Prophet (peace be upon him) said. *“O Allah! Bless the family of Abu Afa.”* (**Bukhari**)

When a Muslim pays Zakat, Allah increases his sustenance. Although at a human level it may seem that giving of wealth means reduction of wealth, in reality it is not. At a metaphysical level, Allah blesses the giver of Zakat to an extent that is beyond human perception. This is very well-defined by the following Hadith: *“Charity does not diminish wealth.”* (**Muslim**)

Sadaqah and Zakat are mentioned in the Qur'an and Sunnah, sometimes interchangeably, and often refer to the same thing, i.e. the obligatory payment. For example:

1. The word Zakat is mentioned 30 times in the Qur'an.
2. Salaah and Zakat are interlinked in 28 places in the Qur'an.
3. Zakat is not linked with Salaah in 2 places in the Qur'an. **(Surah Al-Araf 7:156 & Surah Ar-Rum 30:39)**
4. Zakat always refers to the annual obligatory fixed payment from one's wealth.

On the other hand:

1. The word Sadaqah is mentioned 13 times in the Qur'an.
2. Sadaqah covers the meaning of obligatory and voluntary charity.
3. Sadaqah is referred to as feeding the poor as an expiation for shaving the head while in Ihram. **(Surah Al-Baqarah 2:196)**
4. Sadaqah means the obligatory charity (i.e. Zakat) in 2 places. **(Surah Al-Taubah 9:60 and 9:103).**

Warning Against the Rejection of Zakat

Several Hadith mention the warning the Prophet (peace be upon him) gave to those who reject the payment of Zakat. His warning of severe punishment in the hereafter was aimed at awakening dormant hearts and shaking miserly souls to give, both by positive encouragement and fear of punishment. If they do not perform this duty with awakened consciences, the power and authority of the state was used to collect Zakat.

Abu Hurairah (RA) reported: The Messenger of Allah said: *"He who is given wealth by Allah but he does not pay its Zakat, that wealth is made for him, on the Day of Judgment, into the form of a huge bald serpent with two horns, encircling that person and squeezing him all day, then holding him by lips telling him, 'I am your wealth, your treasure that you hoarded.'" Then the Prophet (peace be upon him) quoted [Surah Al-Imran 3:180], "And let not those who covetously withhold the gift that Allah has given them of His grace think that it is good for them. Nay, it will be worse for them. Soon shall the things which they covetously withheld be tied to their necks like a collar on the Day of Judgment."* **(Bukhari)** Not only did the Prophet (peace be upon him) issue a stern warning with regard to the punishment in the Hereafter, but he went on to warn of a punishment in this life as well, both from Allah and from the State.

The Prophet (peace be upon him) said: *"Zakat is never intermingled with any amount of wealth without destroying and rotting it."* **(Bukhari)**. This saying has two meanings according to Al Mundhiri. Firstly, that whenever due Zakat is not paid it will be a cause for ruining that wealth. *"Whenever any amount of wealth is destroyed in the land or in the sea it could be because its Zakat was not paid."* **(Al-Tabarani)**. Secondly, if a person who takes Zakat as recipient without deserving that Zakat and mixes it with his wealth, it will be a reason for rotting all his wealth. **(Ahmad)**

Paying Zakat

Conditions that Make Zakat Obligatory

Zakat is charged on specified wealth because it is owned or possessed, i.e. one has to pay Zakat if one possesses wealth to the value of Nisab or more as one is deemed to be rich according to the Shari'ah. The Qur'an and the Sunnah impose this levy on wealth that covers wealth and income. The Prophet (peace be upon him) gave a listing of Zakatable items and rates to be charged on each of them and determined exemptions and the criteria of Zakatability. Still, Zakat is only due when certain conditions are fulfilled. These conditions relate to both the payer and the wealth of the payer; and should be counted as a Mercy from the Almighty.

Who must give Zakat

In general, most Muslim jurists agree that Zakat is obligatory on Muslims who are:

1. Mature i.e. have reached the age of puberty
2. Sane
3. Free i.e. not captives
4. Owning the prescribed Nisab amount

However, there is disagreement amongst Muslim jurists on whether or not Zakat is compulsory on the wealth of minors and the insane. Imaam Shafi'i reports the Prophet (peace be upon him) said: *"Invest the fund of the orphans so they may not be used up by Zakat."* This Hadith implies that there is an obligation of Zakat on the wealth of minors and the insane. Such obligations become the responsibility of their guardians.

What Wealth is Subject to Zakat?

The Qur'anic reference to items subject to Zakat is rather general. **Surah Al-Taubah (9:103)** mentions the word “*amwal*” and **Surah Al-Baqarah (2:267)** mentions, “*What you have earned,*” and “*What we have produced for you from the earth.*”

Hence, in the time of the Prophet (peace be upon him) it became clear that Zakat was levied on camels, sheep, gold, silver, agricultural output and goods designated for trade. Certain items were exempt, included things used for personal purposes such as clothes, household furniture and durable commodities, etc. It must be noted in this regard that Zakat was imposed on agricultural products, livestock, trade inventories, gold and silver. Except for personal and family things, nothing of substantial value, of the time, was left outside the domain of Zakat. Land was almost worthless unless it was used in agriculture, and dwellings were commonly inexpensive.

On the basis of such texts, Muslim jurists have formulated various opinions and rules about what wealth are subject to Zakat. These may be categorised as follows:

- those who believe that only items specifically prescribe in the Qur'an and Sunnah are subject to Zakat, for example dates, raisins, wheat, sheep, camels, assets acquired for the purpose of resale, gold and silver.
- those who include items similar in nature to those mentioned above but not specifically mentioned by the Prophet (peace be upon him), e.g. vegetables, debts, wages, salaries, professional income and the return generated by fixed assets.
- those who include all the above as well as contemporary items of income and wealth - including fixed assets.

Muslim jurists agree that personal and consumable wealth is not Zakatable. Furthermore, they agree that even from among the wealth that is generally subject to Zakat, Zakat is only taken if this wealth fulfills the following conditions:

Ownership: The wealth must be fully owned by the potential payer. This ownership must be absolute and not restricted, except as provided by the law of the country.

Growth: The wealth must have the ability to grow or increase or multiply, or is itself a result of a process of growth, such as animals or agricultural products.

However, Muslim scholars also deem money, gold, silver and merchandise to have the potential of growth as it is usually made to grow through trade.

Zakat is meant to help relieve the poor without impoverishing the rich, by having the rich to pay from their surplus, i.e. taking a little from the plenty. Imposing Zakat on wealth that does not grow reverses this purpose, since Zakat is paid year after year, over and above other living expenses.

Nisab: For wealth to be subject to Zakat it must first attain a minimum value. In several Hadith, the Prophet (peace be upon him) established certain minimum values for the different wealth and exempted anyone who owns less than the minimum from the payment of Zakat. However, once a person owns the minimum of any wealth, then the whole amount of that wealth becomes subject to Zakat.

The amount of Nisab must be over and above what is required to satisfy the immediate basic needs of the payer, including family responsibilities and due debts.

Haul (passage of a year): Since Zakat is a yearly obligation, the wealth should be held for a year before it is charged with Zakat. However, the Haul condition is restricted to livestock, money and business assets and does not apply to agricultural products, fruits, honey, extracted minerals and found treasure as the latter are subject to Zakat at the time of harvest or when discovered.

Receiving Zakat

The Distribution of Zakat

The Prophet (peace be upon him) is reported to have said: *“Allah verily did not accept the judgment of a Prophet (peace be upon him) or anybody else in [the distribution of] Zakat, so He gave the Judgment on it. He divided it into eight parts.”* This Hadith refers to **Surah Al-Taubah (9:60)**: *“Sadaqah (i.e. Zakat) is for the poor, the needy, those employed to administer [the funds], those whose hearts have been reconciled [to the truth], for those in slavery, those in debt, in the cause of Allah and for the wayfarer; [thus it has been] ordained by Allah, and Allah is full of knowledge and wisdom.”*

A more detailed description of the categories is as follows:

Al-Fuqara: The Poor

According to the majority of jurists, the poor are those who do not have any assets and have no means by which they can earn their living. However, the Hanafi jurists defined the poor as those who have money lesser than the amount on which Zakat is payable. The poor are worse than the needy in regard to satisfying their basic needs. However, some scholars hold the opposite view.

Al-Masakin: The Needy

According to the majority of jurists, the needy are the people whose earnings do not cover their basic needs. However, the Hanafi jurists identified them as *“those who have no earnings at all.”* The Hanafi and Maliki jurists consider them to be more deserving of Zakat than the poor. However, the Hanbali and Shafi'i jurists put the poor as being more deserving of Zakat. Actually, this dispute in categorisation has no effect, since both the poor and the needy are among the categories entitled to receive Zakat.

Al-'Amilina 'Alayha: Administrators of Zakat

This term applies to all those serving in the field of Zakat, including those responsible for collecting, storing, guarding, registering and distributing Zakat. They shoulder all Zakat related activities.

Al-Mu'allafati-Qulubuhum: Reconciliation of Hearts

This term applies to people who have embraced Islam or who are inclined to the Truth of Islam.

Fir-Riqab: For those in Bondage

Zakat may be allocated to help Muslims free themselves of bondage.

Al-Gharimin: Those in Debt

Zakat may be used to pay off debts that the debtor is struggling to pay off, so long as these debts were not incurred in an act contrary to Islamic law.

Fi-Sabilillah: In the Cause of Allah

Muslim jurists differ on who or what can be covered under this category, although most seem to agree that it can be used in the defence of Islam. In the wider sense however, this channel covers all methods of promoting the Islamic value system, whether through propagation or intellectual confrontation.

Ibnas-Sabil: The Wayfarer

A wayfarer refers to a traveller who left his home for a lawful purpose and for whatever good reason does not possess enough money to return home, even if he is rich in his own country.

The Manner of Distributing Zakat

The Zakat giver is freed from its obligation as soon as he grants full ownership and possession of it to any of the above-mentioned categories. This can be done either by giving a certain amount of money to meet his basic requirements or by giving him a means of production or tools of trade to help him in becoming self-empowered.

To Whom Can Zakat Not Be Given?

Muslim jurists agreed that Zakat cannot be given to the following people:

1. The rich (except when such are among the workers of Zakat or the wayfarer).
2. Those capable but not willing to work.
3. Non-Muslims and those who fight against Islam.

4. Ascendants, descendants and wives of the payer.
5. The family of the Prophet (peace be upon him). The proceeds of Zakat at the time of the Prophet (peace be upon him) was in most cases distributed immediately after collection, as reported by many workers who often said that they used to come back from their Zakat missions empty handed, the way they started their journeys, since everything collected used to be distributed on the spot.

Miscellaneous Zakat issues

Equal Distribution Among Categories

When funds are plentiful and there are deserving people of all categories, then distribution must cover all of them. The distribution amongst the eight categories need not be equal, i.e. each group need not receive exactly one eighth of the total proceeds since the main criteria is need.

When funds are less, as when an individual payer distributes his/her own Zakat, then all of it may be spent on one category, since dividing such a small amount diminishes its effectiveness and would not enrich the recipients.

Furthermore, all funds may be given to one category, when necessary. Preference must be based on actual needs and public interest and not on personal opinions or prejudice. However, as the poor and the needy are the most important category, satisfying their needs is the main objective of Zakat. This objective is repeatedly mentioned in the Hadith of the Prophet (peace be upon him).

How Much Zakat to Give to a Recipient

The difference between jurists on this issue may be grouped into two major faculties. The first view is to give the maximum, sufficient enough to satisfy the essential needs, without determining any specific amount. The second view is to give a specific amount in whose determination jurists differ.

According to Yusuf Al-Qaradawi, the first view seems to be more consistent with the texts and objectives of Zakat. Two major opinions may be derived in this regard, i.e. to give what satisfies essential needs for the lifetime or only for one year.

Umar (RA) was once asked what to do with the Zakat collected from bedouin Arabs. He answered, *“By Allah, I shall render the sadaqah to themselves, until each of them becomes the owner of a hundred camels, male or female.”* (Al Mussannaf Abdur Razzaq) In another incident, Umar (RA) declared *“When you give, make [the recipient] rich.”* (Al Amwal)

Intention When Discharging Zakat

The majority of jurists stipulate that intention is a pre-requisite for discharging of Zakat since it is an act of worship and all forms of worship require an intention.

Should Recipients Be Told it is Zakat?

When Zakat is distributed by individuals directly to the recipients, it is not required to reveal that it is Zakat, especially as many deserving of Zakat may hesitate to take it owing to their own doubt with regards their true eligibility. This is sometimes caused by the lack of education of Zakat. It is generally accepted that the intention need not be a verbal declaration and that it can be made in the heart.

Delaying the Payment of Zakat

Zakat may be delayed for certain legitimate reasons, such as when there is a lack of liquid funds, otherwise the delay or negligence in the payment of Zakat is not permitted and is in fact sinful.

Transference of Zakat to Another Area

The general principle is that Zakat must be distributed in the same area where it is collected. The local poor and needy have a priority since the Zakat is collected from their neighbours, kith and kin.