1st Ethical Charitable Trust's Guide to

Understanding & Calculating Zakāh

Edition VII

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Contents

page

1.	Introduction	3
2.	What is Zakāh?	4
3.	Who Pays Zakāh?	5
4.	Who Receives Zakāh?	5
4.	Assets Subject to Zakāh	6-7
5.	When to Pay Zakāh	8
6.	Conditions for the Validity of Zakāh	9
7.	Zakāh on Debts & Other Assets	10-11
8.	The Zakāh Self-Assessment Form	12-13
9.	Tax-Efficient Charitable Donations	14
9.	Summary	15

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The Importance of Zakāh

All praise be to Allāh, Creator of the Heavens and the Earth, and Owner of the Day of Judgement. We bear witness that there is nothing worthy of worship other than Allāh, and that the Prophet Muhammed (s) is his final messenger.

Islam encourages trade, entrepreneurial activity and the equitable distribution of wealth. In order for commerce to benefit society, Islam imposes several obligations on those involved in wealth-creation.

Islam also encourages Muslims to be kind and helpful. This attitude is often manifested through the act of giving in charity. Whilst certain types of charity (Sadaqah) are optional, Islam has made the payment of Zakāh a compulsory obligation upon each Muslim. Although Zakāh is a fundamental pillar of faith, many Muslims are confused by the subject and are either paying Zakāh incorrectly or worse still not paying it at all.

Muslims may also be unaware of valuable tax concessions available on donations made to UK registered charities. These concessions can enhance the value of donations by at least 25% for a basic rate taxpayer and even more for a higher rate taxpayer, and are easily claimable in most cases by signing a simple declaration.

This guide offers practical advice to UK based Muslims on tax-efficient Zakāh-giving according to the Hanafi school of thought. People not affiliated to the Hanafi school should consult a scholar of their own choosing for further guidance, yet the rulings herein are generally encompassing enough for all British Muslims.

The Importance of Zakāh

Zakāh is the third pillar of Islam. Its importance is such that the Qur'ān refers to Zakāh in 82 separate verses and has associated Zakāh immediately after Salāh on 32 occasions.

The Qur'ān commands Muslims to:

Establish regular prayer and give Zakāh (73:20)

The Prophet Muhammed (s) states:

Whomsoever Allāh has bestowed with wealth and he does not pay its Zakāh, that wealth will be made to appear before him on the Day of Judgement in the form of a bald serpent with two horns/spots. His neck will be encircled with it on the Day of Resurrection. Then it [the serpent] will hold him with its two jawbones and say: "I am your wealth; I am your hoarded treasure". (Bukhari & Muslim)

Scholars infer that the giving of Zakāh has both an outer and an inner dimension. The outer dimension involves the purification of a Muslim's wealth. Zakāh serves as a filter to keep out impurities from a believer's wealth and for that wealth to then increase in a manner pleasing to Allāh. The inner dimension suppresses the ego, and quells ugly tendencies such as greed, jealousy and miserliness.

What is Zakāh?

What is Zakāh?

Zakāh is commonly referred to as either a tax or as charity. Neither of these is accurate as Zakāh is a divine duty. Zakāh is considered a right of the poor over the rich. Withholding it is tantamount to depriving the poor of their God-given right.

Allāh says of the wealthy in the Qur'ān;

'In their wealth there is a known share for the beggars and the destitute.' (70:24-25)

'Take alms from their property that you may purify and sanctify them and pray for them. Verily your prayers are a comfort for them.' (9:103)

Definition of Nisāb

The Nisāb is the minimum amount of wealth upon which Zakāh is payable. It represents the guaranteed minimum financial floor above which an individual is deemed to be 'Sāhib'l-Nisāb' (owner of wealth) and therefore liable to Zakāh.

The Nisāb limit was set by the Prophet (s) at 20 mithqāl of gold or 200 dirhams of silver. These measures are equivalent to 87.48 grams of gold and 612.36 grams of silver respectively. If a person only has gold as an asset, then the Nisāb measure for gold must be used. If however the person has a mixture of assets, then the Nisāb level for silver should be used.

To ascertain the current monetary equivalent of the Nisāb limit, it is necessary to establish the market rate for a gram of gold and silver. This can be obtained from www.kitco.com. The current market rate (July 2011) for a gram of gold is £31.40 and £0.71 for a gram of silver. Therefore the Nisāb threshold for gold is approximately £2746.40 and for silver it is £435.66.

A person will only pay Zakāh when his Zakatable assets - after adding and subtracting debts owed either to or from others - is equal to, or in excess of £435.66.

Zakāh is payable at a rate of 2.5% on all assets including those within the Nisāb threshold.

Example 1

Zaid has valued his Zakatable assets at £5,000 on his Zakāh anniversary. He owes £4,900 to his brother and has no money owing to him. His Zakatable assets are therefore £5,000 - £4,900 = £100, which is below the Nisāb threshold. Zaid is therefore not liable to pay Zakāh.

Example 2

Zahida has valued her Zakatable assets at £3,000 on her Zakāh anniversary. Zahida owes £1,000 to various people. Zahida is also owed £3,000 by a friend. Her Zakatable assets are therefore £3,000 - £1,000 + £3,000 = £5,000. This makes her Zakāh liability 2.5% of £5,000 = £125.

Who Pays Zakāh?
Who Receives Zakāh?

Those required to pay Zakāh must be:

- **Sane**
- **Adult** (have reached puberty)
- **Muslim**
  (Zakāh is not paid by Non-Muslims)
- **Sāhib'l-Nisāb**
  (owner of wealth equal to or above the level of Nisāb)

Those barred from receiving Zakāh:

- **A Hāshimi that is a descendant of:**
  - 'Abbās
  - Hārith
  - Abu Tālib from 'Ali, Ja'far and 'Aqīl
- **The payer's descendant**
  (children, grandchildren, etc)
- **The payer's ascendant**
  (parents, grandparents, etc)
- **The payer's spouse**

Example

Zaynab is a poor widow and owns hardly any Zakatable assets hence is not liable to pay Zakāh. She does, however own her own house, where, in addition to owning basic necessity items, she also owns a second sofa set, as well as a TV. The value of these non-essential personal use items is greater than the Nisāb level. Consequently, Zaynab cannot receive Zakāh.

Those entitled to receive Zakāh:

The **primary recipients** of Zakāh are the **poor and destitute**. These can be defined as those people whose total assets, excluding assets used for basic necessities (house, car, furniture etc.), and after deducting outstanding basic living expenses and money owed to others, are less than the Nisāb level.

Those who are not required to pay Zakāh nor entitled to receive Zakāh

There are some people whose wealth is below the Nisāb amount, hence they do not need to pay Zakāh. Their wealth however is more than the minimum required to be able to receive Zakāh. These people are therefore in a position where Zakāh does not affect them personally, either in having to pay Zakāh or entitlement to receive Zakāh.

Those who wish to pay Zakāh need to be careful in only giving Zakāh monies to those people who are entitled to Zakāh. There are many British Muslims who have traditionally paid Zakāh to friends or extended family members living in the Asian sub-continent without thoroughly checking if they are poor enough to receive Zakāh. Quite often these people are not entitled to receive Zakāh, given they possess many non-essential personal assets worth much more than the Nisāb amount.

From a Sharī'ah perspective, one must observe due diligence to ensure that Zakāh is paid to an eligible recipient, otherwise it may not be discharged.

Preference should be given to relatives over the general public as Islam places great emphasis on the virtue of family ties. When giving Zakāh, it is not necessary to inform the recipient of the nature of payment, (e.g. you can disguise the Zakāh payment as a gift).

Assets Subject to Zakāh

General Rules on Assets

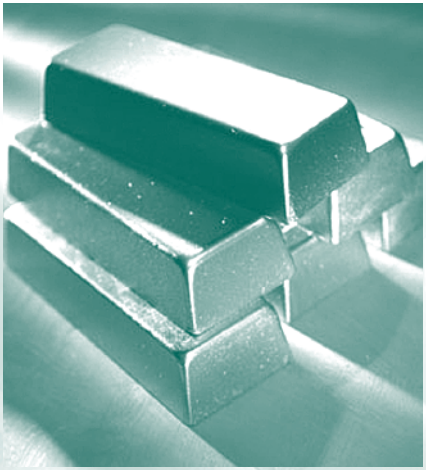
Personal Assets

All assets owned for personal use and used to meet basic living expenses are completely exempt from Zakāh EXCEPT for cash and items made from gold and silver.

Trading Assets

All assets purchased for the explicit purpose of resale are liable for Zakāh. Assets purchased with the express intention of generating a rental / investment return are not themselves liable to Zakāh.

Zakāh is always paid on the balance of assets owned on the Zakatable date, not on fluctuating amounts during the year or even an average amount.



There are principally five categories of assets which are subject to Zakāh:

1. Gold & Silver
2. Cash & Liquid Investments
3. Business Assets
   (includes stocks, shares, property and pensions)
4. Livestock
5. Agricultural Output

1. Gold & Silver

Gold and silver, in whichever form (jewellery, coin, ingot etc.) are always subject to Zakāh, regardless of whether they are owned for personal use or for trade. If one owns personal use items made from a mixture of metals, these are only liable to Zakāh if more than half the metal is gold or silver. Consequently, gold plated jewellery is not liable for Zakāh as the gold is invariably less than half the total content of the metal used.

2. Cash & Liquid Investments

Cash and liquid investments are fully subject to Zakāh and can be defined as follows:

i. Cash at the bank

ii. Conventional Investment Bonds

iii. Cash ISAs / TESSAs / PEPs

iv. National Savings (run by Post Office)

v. Any form of investment which can be readily liquidated
(excluding equity based investments e.g. Shares/Unit Trusts/OEIC's)

3. Business Assets (including Stocks, Shares, Property and Pensions) Assets can be categorised as follows:

i. Property & other Fixed Assets

The Zakāh treatment for these assets is principally based upon the intention behind the purchase. We can classify intentions as follows:

Clear intention to resell

If the asset is purchased with the express intent to resell at a profit, then that asset effectively represents 'stock in trade' and therefore the entire value of the property/asset stock is subject to Zakāh.

Clear intention to retain asset

If the asset is purchased with the intention of retaining ownership, e.g. investment property, the asset is not subject to Zakāh. Any profit from rental income received is fully subject to Zakāh.

Clear intention to reside in property

If no part of the property is being let out and it is used entirely as residence then it is exempt from Zakāh as it falls under the category of 'personal use'.

No clear intention

If there is no clear intention behind the purchase, then no Zakāh is payable on the value of the asset. Any profit received from rent is still liable to Zakāh.

Please note Zakāh is not payable on HARĀM income.

The entire value of Harām income must be given in charity.

ii. Finished Goods, Work in Progress and Raw Materials

These are subject to Zakāh, as they are purchased with the express intention for resale.

iii. Shares / Unit Trusts / Equity Investments

If shares are purchased with the express intention for resale then the entire holding is subject to Zakāh. If however shares are purchased as an investment to generate dividends, then as Zakāh is only due on the Zakatable assets of the firm (e.g. raw material and finished goods), a realistic attempt must be made to calculate the percentage of the shareholding relating to Zakatable assets.

iv. Pensions

Zakāh treatment of Pensions is covered further on.

4. Livestock

The Zakāh treatment of livestock has not been explained here given UK Muslims tend not to own this asset.

5. Agricultural Output

Please see note above on livestock.

Example

Aisha initially purchased the house intending to rent, not to resell immediately, the value of the house is therefore not a Zakatable asset, though any rental income received would be. Aisha subsequently decides to sell her property but has not yet concluded a sale. During this period of seeking a buyer, her Zakāh anniversary comes around. Given Aisha initially purchased the house intending to rent, not to resell immediately, the value of the house will still not be Zakatable at this anniversary. Zakāh will only be payable on any proceeds of a subsequent sale, which are held as Zakatable assets on a subsequent Zakāh anniversary.

When to Pay Zakāh

Zakāh is payable only on assets which are held on the lunar anniversary of becoming Sāhib'l-Nisāb, i.e the owner of wealth equal to or in excess of Nisāb. The following points need to be taken into consideration when deciding upon the date when calculating Zakāh will be due:

Date when person first became Sāhib'l-Nisāb

An individual's Zakāh year starts on the date their wealth first equalled Nisāb. The Zakāh liability should be calculated every year thereafter on that date. If a person cannot remember the date he first became Sāhib'l-Nisāb, then he should best estimate that date. If a reasonable estimate of the date cannot be made, then a date should be fixed at random.

The beginning of an individual's Zakāh year may be fixed in Ramadhān, but this is not necessary. However, it is true to say that giving charity in Ramadhān yields greater rewards than in other months.

Fluctuating wealth during year

It is quite possible that a person's wealth may fluctuate above and below the level of Nisāb during the year. If this is the case then Zakāh is only due if wealth is in excess of the Nisāb at the end of the Zakāh year.

Distribution Date

Zakāh should be disbursed as soon as possible. At the very latest Zakāh should be distributed one year after the calculation date.

A straight-forward approach to paying Zakāh is as follows:

1. Identify the date on which you first became Sāhib'l-Nisāb.
2. If you can't remember that date, then make your best estimate.
3. If you cannot estimate, then fix any date during the lunar year and stick to it annually.
4. Determine value of Zakatable assets on this date. **The value of the assets used in the Zakāh calculation should be the market value of the assets on your Zakatable date.**
5. Deduct money owed to others and add in money owed to yourself.
6. Pay Zakāh at a rate of 2.5% on the remaining Zakatable assets figure.

Conditions for the Validity of Zakāh

The following conditions must be observed when paying Zakāh:

i) Intention

It is mandatory to make the intention of giving Zakāh either at the time of separating the amount payable or at the time of payment.

ii) Eligibility of Recipient

The recipient must be sufficiently poor so that the value of all their non-essential personal assets is less than the Nisāb amount. Please see page 5 for further details

iii) Recipient's Ownership

The recipient must be made to own the assets given in Zakāh.* The donor cannot reserve any rights over the wealth given in Zakāh.

iv) Prepaying Zakāh

It is permissible to prepay Zakāh for future years. In this case the amount that is pre paid can be offset against the actual Zakāh liability incurred in future years. However at the time of payment the intention must clearly be for future years.

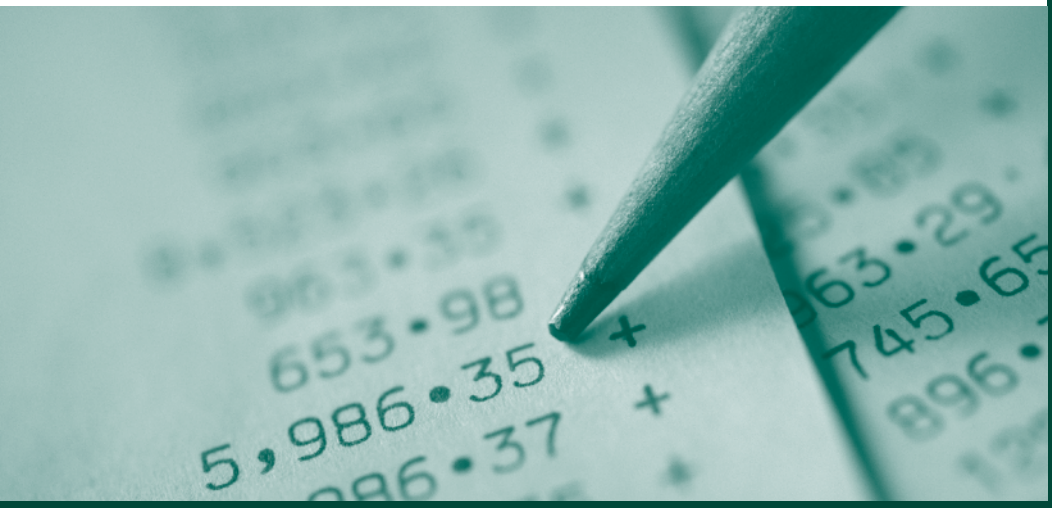
v) Payment in kind

Zakāh can be paid in either as cash or in kind as long as the value of goods is equal to the cash amount and the recipient has agreed to accept the goods in kind.

***Note:** Scholars therefore advise against giving Zakāh to general causes such as hospitals. This is because these funds are not directly owned by the recipient.

Missed Zakāh

If one has not paid Zakāh in previous years, either due to negligence or ignorance or error, then a realistic attempt must be made to calculate the Zakāh due for each of the years missed. This amount must then be paid as a matter of urgency.



Zakāh on Debts & Other Assets

Debts and other assets can be divided into three distinct sections:

1. Debts owed to oneself e.g. loans given to friends, debtors etc…
2. Debts payable to others e.g. mortgages, money borrowed from friends etc…
3. Other Assets e.g. home purchase schemes, pensions, child trusts funds etc…

1. Debts owed to oneself

Debts are categorised into four sections as follows:

1. Bad Debts (those which one realistically has no hope of recovery)
2. Medial Debts (those arising from sale of personal items)
3. Strong Debts (see i below)
4. Weak Debts (see ii below)

Bad debts do not need to be added to one's Zakatable assets. Medial debts are liable to Zakāh only twelve months after being received. However, if one is already Sāhib'l-Nisāb then Zakāh is also payable on the balance of the medial debt held on the Zakāh anniversary. Strong Debts need adding to Zakatable assets even before they are received, whereas weak debts need adding to Zakatable assets only after they are received. Please see below for examples of these and refer to the fatwa on Zakāh treatment of debts on the Al-Qalam website for a detailed explanation at www.alqalam.org.uk

i) **Strong Debt** - Inclusion in Zakāh calculation even before they are received.

1. Personal loans made to friends, family or anyone else.
2. Trade debtors who purchase goods on account and owe you money on the Zakāh anniversary date.

ii) **Weak Debts** - Inclusion in Zakāh calculation only after they are received.

1. Wages (salaries, dividends and any other form of remuneration)
2. Dowry owed to Wife
3. Pensions

2. Debts payable to others

All debts are normally deductible against assets prior to assessment against the Nisāb threshold. However questions arise when considering the Zakāh treatment of certain deferred debt repayments e.g. mortgage payments. The following is a succinct summary of the main debts payable and their treatment for Zakāh purposes.

i) **Mortgages and other installment based debt** - Jurists have classified this type of debt into 2 categories.

'Mu'ajjal'
This refers to debt where repayment is due immediately e.g. a personal loan from a friend that is now due. This type of debt is wholly deductible for Zakāh purposes.

'Muajjal' (pronounced slightly differently to 'Mu'ajjal' which is spelt with an 'ain)
This refers to debts that are usually paid by installments. Mortgage payments usually fall into this category as they are payments that are all not due at one point in time.

Many contemporary scholars have ruled only twelve months worth of **Muajjal** debt repayment should be deducted from Zakatable assets, not the entire amount. If the debt is interest based, then only the portion of the principle due is deductible.

ii) **Outstanding basic living expenses** - Expenses incurred which have not yet been paid for (e.g. utility bill) can also be deducted for the Zakāh period in question.

iii) **Goods purchased on credit** - If you have taken receipt of goods but not yet paid for them, and fully intend to pay the debt, then the value of the entire debt can be deducted against assets in arriving at a net assets figure for Zakāh purposes.

iv) Outstanding salaries and remuneration due to others - These can also be deducted for the Zakāh period in question.

v) Unpaid dowry to one's wife - Assuming one intends to pay this during the year then it too can be deducted.

vi) Personal loans - Usually from family or friends. These are repayable as soon as the borrower has the means and intention to do so and can be fully deducted for Zakāh purposes.

vii) Commercial loans - The entire loan cannot be deducted against assets, only the portion which has been used to finance Zakatable assets.

Basic Living Expenses

There is no unanimously agreed definition for what constitutes basic living expenses. However, expenses such as rent, fixed loan repayments, utility bills, fixed leasing costs, food and fuel costs, service and maintenance costs etc are accepted as valid expenses. One should calculate all basic living expenses outstanding on the Zakāh anniversary date. This total can then be fully deducted from the Zakatable assets figure.

3. Other Assets

Home Purchase Schemes are **NOT** considered as debt under Sharī'ah. They have their own status for Zakāh purposes as follows:

With regards to monthly payments made to Murābahah Schemes, contemporary Sharī'ah scholars say it is permissible to deduct twelve months of installments from the value of your Zakatable assets. With regards to Ijārah and Diminishing Mushārakah schemes, it is not permissible to deduct any future installments from the value of your Zakatable assets. On the contrary, Zakāh may need to be paid on the portion of monthly installments paid into a separate bank account, to be used to purchase all or part of the property in the future. Scholars have opined that if the bank account payments can be accessed by the tenant personally then Zakāh must be paid. If the bank payments cannot be accessed by the tenant then Zakāh is not payable. Please refer to www.alqalam.org.uk for a detailed ruling on this issue.

Pensions

Pensions received by an individual after retirement are liable to Zakāh. Pension contributions made by an individual prior to retirement may not be liable to Zakāh if the individual has no say over how the money is invested (as is the case with most final salary schemes). If the individual has a choice over how to invest the money (as is the case with all money purchase and personal pension schemes) then Zakāh is payable. Please refer to www.alqalam.org.uk for a detailed ruling on this issue.

Assets held under trust - including Child Trust Funds (CTF)

For assets held within a CTF, if no option has been taken to invest the funds, Zakāh is not due until the child reaches the age of eighteen. For assets held within a CTF where an investment choice has been made, for example into a Sharī'ah fund, the beneficiary is required to pay Zakāh once they Islamically 'come of age'. At this time, given they are unable to access the CTF monies directly, they can either pay from other funds if possible, or at a later date if no other funds are available.

For assets held under any type of Bare (Nominee) Trust, Zakāh is payable unless the beneficiary is a minor (pre-pubescent). If the beneficiary is a child who 'has come of age' then the trustees' are required to pay Zakāh on behalf of the beneficiary. For all other types of trusts, Zakāh is not payable on assets held in trust, because neither the trustees nor the beneficiaries have possession on the assets. Zakāh liability will only occur on assets once they have been received by the beneficiaries. Please refer to www.alqalam.org.uk for a detailed ruling on this issue.

Taxes

Money paid in tax cannot be offset against money paid as Zakāh as the two are completely different, but money owed in tax can be deducted from Zakatable assets.

The Zakāh Self-Assessment Form

If you wish your Zakāh figure to be automatically calculated for you, please use the Zakāh Calculation Form available at www.1stethical.com. Alternatively, please use the form below:

- Work your way chronologically through the form, referring to the preceding pages when required.
- When performing your calculations, always use market values for your asset valuations.
- Use a pencil initially as it may take a couple of attempts to get the calculation right.
- If you have any queries please consult a scholar of your choosing.

Assets	Totals
Gold	
Silver	
Cash at Bank	
Cash in hand	
Bonds	
Cash ISAs / TESSAs / PEPs	
National Savings Account	
Other liquid investments	
Property (for resale only)	
Profit from rental income (if not already included in Cash above)	
Finished goods	
Work in progress	
Raw materials	
Shares (for resale)	
Shares held as investment (refer to page 7)	
Debts owed to you	
Trade debtors	
Pension fund value (see exemptions)	
Bare Trusts	
Total Assets BOX 1	

Liabilities	Totals
Personal loans owed to others	
Outstanding mortgage payments (for current Zakāh Yr)	
Rent, bills and other utilities outstanding	
Goods purchased on credit	
Salaries due to be paid to staff	
Dowry to wife	
Commercial loans (only Zakatable element can be deducted)	
Bad debts	
Muajjal debts (12 months worth of future debts can be included)	
Any other valid deduction	
Outstanding basic living expenses (see page 11)	

Total Liabilities
BOX 2

BOX 1 - BOX 2 = **Net Assets**

Net Assets x 2.5% =

Zakāh Due

Disbursing Zakāh

1. Your Zakāh liability should be paid as soon as possible.
2. The primary recipients of Zakāh are the poor and destitute.
3. Your poor relatives take priority over other candidates for Zakāh.
4. If you are paying through an agent, or Islamic Charity, then ensure they can guarantee that your donation will reach the correct recipient.
5. If the charity you are using takes administration expenses from the Zakāh funds, then add an additional amount to compensate for this. (The maximum a Muslim charity will normally take will be 12.5%).
6. In case of a query, please contact a scholar of your own choosing or visit www.alqalam.org.uk

Tax-Efficient Charitable Donations

The UK taxation system confers valuable tax concessions to taxpayers who donate to UK registered charities. These concessions are not available to charities which fail to register. The tax advantages can be summarised as follows:

1. Concessions for an individual taxpayer

Charitable donations made by an individual to UK registered charities will attract tax relief via the Gift Aid Scheme. Donations are deemed to have been made net of basic rate tax. Charities are able to reclaim this tax* and thereby increase the value of the donation.

For example a contribution of £80 made by a taxpayer would be increased by £20 as a result of Gift Aid making a total contribution of £100. As relief is given at the basic rate this is effectively 20% of the gross contribution (£20 of £100) or 25% on the net contribution (£20 of £80). **An individual cannot offset basic rate tax relief against his Zakāh liability.**

If an individual pays higher rate tax, they can claim higher rate relief (an additional tax saving of 20% of the gross contribution) via their tax return.

Many people prefer to pay their Zakāh directly to foreign institutions. As these institutions invariably are not UK registered, they do not qualify for any tax concessions. In this scenario, it is advisable to make the initial payment to a UK registered charity. After claiming the tax concessions, the charity can donate money to the foreign institutions, in accordance with the terms of its charity trust deed.

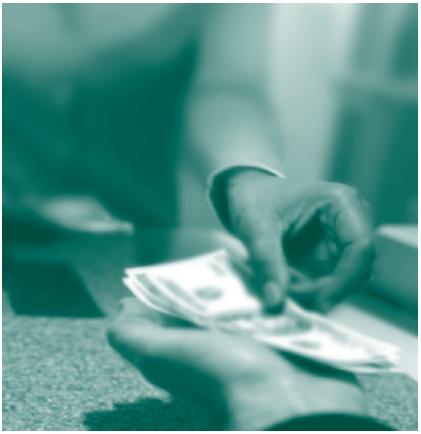
*Provided the individual has paid enough tax to cover the amount that will be reclaimed by the charity.

2. Concessions for companies

All contributions, irrespective of amount, made to a UK-registered charity are deemed to be a fully qualifying deductible expense. It is advisable to consult your accountant to ascertain whether it is more tax efficient to make charitable donations from personal or company income.

It is perfectly possible for a UK-registered company to set up its own Charitable Trust.

Once the Charitable Trust has been approved by the Charities Commission, then all contributions to it by the sponsoring company are free of corporation tax. In addition to generating tax savings for companies, this route also allows individuals to exercise control over the projects where money is being donated.



Summary

The payment of Zakāh enables Muslims to fulfil a central obligation of Islam. The principles underpinning the calculation of Zakāh are timeless and apply universally to all types of wealth. This guide has been an attempt to apply traditional Hanafi fiqh on Zakāh to typical financial scenarios faced by UK Muslims.

It should be noted that a short time after the death of the Prophet Muhammed (s), the chosen Caliph Abu Bakr al-Siddīq (r) declared war on a group of tribes who refused to pay Zakāh. The conflict was dubbed 'The War of Apostasy' - such is the serious nature of Zakāh.

It should also be noted that the United Nations set a target for 23 'rich' countries to give 0.7% of their Gross Domestic Product (GDP) to 'under-developed' countries as aid by 2010 – a target which was only achieved by five of these countries, with the average across all 23 countries being 0.32% of GDP, worth a staggering $128.7Bn. The United Nations has recognised that a small fraction of wealth of the rich is sufficient to alleviate the poverty of the poor when properly spent. Thus the potential of Zakāh to transform the lives of the poor should not be underestimated.

Wealth is ultimately a trust (amānah) given to us by our Creator about which we will be questioned. Therefore we should give Zakāh gladly, without a heavy heart, and with firm belief that giving Zakāh will not diminish our wealth.

We pray to Allāh that he is pleased with this guide, and makes it a means through which the obligation of Zakāh can be fulfiled correctly. If there are any errors, they are solely from ourselves, whilst any guidance can only be from Allāh.

Sources

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Tape is available from Ebrahim Community College, London.

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By Mushfiqur Rahman (Based upon Fiqh'l-Zakāh by Shaykh Yusuf Qaradawi).

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By Moulana Abdur Rahman

Al-Qalam Sharī'ah Scholar Panel
The above have vetted the contents of this guide from a Sharī'ah perspective

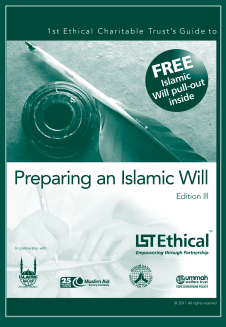
Who are 1st Ethical Charitable Trust?

The 1st Ethical Charitable Trust encourages British Muslims to focus upon those religious obligations which most benefit wider society, thereby fostering improved social and religious cohesion.

Our work focuses primarily on two key areas:

1. We provide scripturally compliant solutions to common legal and financial challenges facing British Muslims, such as how to donate Zakāh (charity) on contemporary assets, or prepare an Islamic Will valid under English Law.
2. We encourage British Muslims to get involved with non-Muslim partner charities whose work benefits British society.

Download our Islamic Wills Guide Including FREE Islamic Will Template



This guide has been prepared in order to enable British-based Muslims to better understand how to put in place a legally valid Sharī'ah compliant Will. The guides addresses both the Sharī'ah concerns and potential legal issues.

A FREE Islamic Will template is available within the guide, ready for use.

For more information, you can download our guides and templates from www.1stethical.com.

1ST Ethical™
Empowering through Partnership

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AL QALAM

The Sharī'ah accuracy of this guide has been verified by Al-Qalam Sharī'ah Panel

www.alqalam.org.uk

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