Comprehensive Zakat FAQ

Part 1: General Questions about Zakat (FAQs 1–10)

1. What is Zakat?

Answer:
Zakat is one of the Five Pillars of Islam and a compulsory act of worship for every eligible Muslim. It requires the payment of a fixed portion of qualifying wealth to those who are entitled to receive it under Islamic law. Zakat purifies wealth, nurtures gratitude, strengthens social solidarity, and helps reduce poverty and inequality within society.

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2. What does the word "Zakat" mean?

Answer:
The Arabic word *Zakat* comes from the root *zakā*, which means **purification, growth, blessing, and increase**. Through paying Zakat sincerely for the sake of Allah (SWT), Muslims purify their wealth and souls while contributing to the well-being of society.

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3. Why is Zakat one of the Five Pillars of Islam?

Answer:
Allah (SWT) made Zakat one of the fundamental pillars of Islam because it combines worship with social responsibility. It demonstrates obedience to Allah, purifies wealth, supports vulnerable members of society, and promotes justice and compassion. The Qur'an repeatedly mentions Zakat alongside Salah (prayer), highlighting its importance.

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4. What are the main objectives of Zakat?

Answer:
The objectives of Zakat include:

- Fulfilling a command of Allah (SWT).
- Purifying wealth and the heart.
- Supporting poor and needy people.
- Reducing poverty and financial hardship.

- Promoting social justice.
- Strengthening unity within the Muslim community.
- Encouraging generosity and compassion.
- Ensuring wealth circulates throughout society.

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5. Is Zakat an act of worship or charity?

Answer:
Zakat is primarily an **act of worship ('Ibadah)** and a religious obligation. Although it benefits society like charity, it differs from voluntary charity (*Sadaqah*) because it is mandatory for Muslims who meet the required conditions.

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6. Who is obligated to pay Zakat?

Answer:
Zakat is generally obligatory upon every Muslim who:

- Possesses wealth equal to or above the Nisab threshold.
- Has owned that qualifying wealth for one complete lunar year (Hawl), except where Islamic law provides different rules.
- Has full ownership and control of the wealth.

The detailed rulings may vary depending on the type of asset and the opinions of qualified scholars.

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7. Is Zakat compulsory on every Muslim?

Answer:
No. Zakat is only obligatory upon Muslims who meet the required conditions, including possessing wealth above the Nisab threshold. Those whose wealth does not reach the Nisab are not required to pay Zakat.

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8. Why does Islam require wealthy Muslims to pay Zakat?

Answer:
Islam teaches that wealth is a trust from Allah (SWT). Zakat reminds Muslims that those blessed

with sufficient wealth have responsibilities toward those facing hardship. It helps build a caring society in which basic needs are supported and economic inequalities are reduced.

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9. What is the difference between Zakat and Sadaqah?

Answer:
Zakat is an obligatory annual payment with specific rules regarding eligibility, calculation, and recipients. Sadaqah, on the other hand, is voluntary charity that may be given at any time, in any amount, and for a wide range of beneficial purposes. Both are highly rewarded acts of worship, but fulfilling Zakat does not replace the encouragement to give Sadaqah.

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10. Where is Zakat mentioned in the Qur'an?

Answer:
Zakat is mentioned numerous times throughout the Qur'an, often together with the command to establish Salah (prayer). Among the well-known verses are:

- **Surah Al-Baqarah (2:43):** *"Establish prayer and give Zakat..."*
- **Surah At-Tawbah (9:60):** This verse identifies the eight categories of people eligible to receive Zakat.
- **Surah At-Tawbah (9:103):** Allah instructs the Prophet ﷺ to collect charity that purifies and strengthens the believers.

These verses highlight the spiritual significance of Zakat as well as its role in promoting justice and compassion within society.

Part 2: Nisab, Hawl & Zakat Due Date (FAQs 11–20)

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11. What is Nisab?

Answer:

Nisab is the minimum amount of wealth a Muslim must possess before Zakat becomes obligatory. If your total Zakatable assets are equal to or exceed the Nisab and remain at or above that level for one complete lunar year (Hawl), you are required to pay Zakat.

Traditionally, Nisab is equivalent to:

- **87.48 grams (7.5 tolas) of gold**, or
- **612.36 grams (52.5 tolas) of silver**.

The monetary value of Nisab changes according to current market prices.

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12. Should I calculate Nisab using gold or silver?

Answer:

Islamic scholars have different opinions regarding whether the gold or silver Nisab should be used. Many contemporary scholars and humanitarian organizations recommend using the **silver Nisab** because it allows more Muslims with surplus wealth to contribute, thereby increasing support for those in need. Others recommend using the **gold Nisab**, particularly in certain financial circumstances.

If you are unsure, consult a qualified Islamic scholar or follow the guidance of your local Islamic authority.

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13. What is Hawl?

Answer:

Hawl is the completion of **one lunar (Islamic) year** during which your Zakatable wealth remains at or above the Nisab threshold. Once a full lunar year has passed and you still possess wealth equal to or above Nisab, Zakat becomes due.

Some types of wealth, such as agricultural produce, have separate rules and are not subject to Hawl.

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14. When does my Zakat year begin?

Answer:

Your Zakat year begins on the day your Zakatable wealth first reaches or exceeds the Nisab threshold. From that date, count one complete Islamic (Hijri) year. On the same Hijri date the following year, assess your Zakatable assets and calculate the Zakat due.

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15. Do I use the Islamic (Hijri) calendar or the Gregorian calendar?

Answer:

Zakat should be calculated using the **Islamic (Hijri) lunar calendar**, as prescribed in Islamic teachings. Since the lunar year is approximately 354 days, it is shorter than the Gregorian calendar year. Using the Hijri calendar helps ensure that Zakat is paid correctly and on time.

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16. How much Zakat do I have to pay?

Answer:

For most Zakatable assets, the amount due is **2.5% (one-fortieth)** of your net qualifying wealth after deducting eligible short-term liabilities.

For example:

- Total Zakatable Assets: **PKR 2,000,000**
- Eligible Liabilities: **PKR 200,000**
- Net Zakatable Wealth: **PKR 1,800,000**

- Zakat Payable (2.5%): **PKR 45,000**

Some assets, such as agricultural produce, have different Zakat rates based on Islamic rulings.

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17. Can I pay my Zakat before it becomes due?

Answer:

Yes. According to many Islamic scholars, it is permissible to pay Zakat before its due date, particularly when there is an urgent humanitarian need or if early payment helps the donor manage their finances. However, the payment should be made with the intention of fulfilling your upcoming Zakat obligation.

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18. Can I delay paying my Zakat after it becomes due?

Answer:

Once Zakat becomes due, it should be paid **without unnecessary delay**. Delaying payment without a valid reason is discouraged because the rights of eligible recipients become attached to that wealth. If there is a genuine reason for a short delay, many scholars consider it permissible, but payment should be made as soon as reasonably possible.

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19. Can I pay my Zakat in monthly or instalment payments?

Answer:

Yes. Many scholars permit paying Zakat in instalments throughout the year, provided that the **full amount due is paid by the time your Zakat anniversary arrives**. This approach may help individuals budget their charitable giving while ensuring that their obligation is fulfilled on time.

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20. What should I do if I forgot or missed paying Zakat in previous years?

Answer:

If you discover that you missed paying Zakat in one or more previous years, you should calculate the outstanding amount as accurately as possible and pay it as soon as you are able. Repent sincerely to Allah (SWT) for the delay and make every effort to fulfil your obligation. If exact figures are unavailable, make a reasonable estimate based on the best information you have. If your situation is complex, seek guidance from a qualified Islamic scholar.

Zakatable Assets (FAQs 21–30)

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21. What types of wealth are subject to Zakat?

Answer:

Zakat is payable on wealth that has the potential to grow or is held for investment or trade. Generally, Zakat applies to:

- Cash in hand
- Money in bank accounts
- Gold and silver
- Business inventory
- Trade goods
- Shares and investments (subject to their nature)
- Money owed to you that is likely to be repaid
- Certain digital assets, where applicable

Each category has its own rules, which are explained throughout this guide.

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22. Is Zakat payable on cash kept at home?

Answer:

Yes. Any cash you possess, whether kept at home, in a safe, or elsewhere, forms part of your Zakatable wealth. If your total qualifying assets meet or exceed the Nisab threshold, this cash should be included when calculating your Zakat.

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23. Is Zakat due on money held in bank accounts?

Answer:

Yes. Money held in current, savings, or other bank accounts is subject to Zakat if your total qualifying wealth reaches the Nisab threshold and a full lunar year has passed. This includes balances in local and foreign currency accounts.

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24. Do I have to pay Zakat on foreign currencies?

Answer:

Yes. Foreign currencies are treated in the same way as local currency. On your Zakat due date, convert the value of all foreign currencies into your local currency using the prevailing exchange rate and include the total in your Zakat calculation.

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25. Is Zakat payable on gold?

Answer:

Yes. Gold owned by a Muslim is generally subject to Zakat if the total Zakatable wealth reaches the Nisab. This includes gold bars, coins, bullion, and, according to many scholars, personal gold jewellery. The calculation is based on the current market value of the gold on your Zakat due date.

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26. Is Zakat payable on silver?

Answer:

Yes. Silver is fully subject to Zakat, whether it is in the form of jewellery, coins, bars, utensils, or other items, provided the owner meets the conditions for paying Zakat. The value of the silver should be calculated according to its current market price.

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27. Is Zakat due on gold and silver jewellery?

Answer:

There are differing opinions among Islamic scholars regarding personal jewellery:

- **The Hanafi school** generally considers Zakat obligatory on gold and silver jewellery, even if it is worn for personal use.

- **The Maliki, Shafi'i, and Hanbali schools** generally exempt jewellery that is owned for lawful personal use and is not excessive, although jewellery held for investment or trade is generally Zakatable.

Because scholarly opinions differ, Muslims are encouraged to follow the guidance of qualified scholars or their local Islamic authority.

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28. Are diamonds, pearls, platinum, and other precious stones subject to Zakat?

Answer:

Precious stones such as diamonds, pearls, rubies, emeralds, sapphires, and platinum are generally **not subject to Zakat when kept for personal use**. However, if they are purchased for business, trading, or investment purposes, their commercial value should generally be included in the Zakat calculation as part of business assets.

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29. Do I have to pay Zakat on my home, furniture, clothing, or personal belongings?

Answer:

No. Personal items that are used for everyday living are generally exempt from Zakat. These include:

- Your primary residence
- Household furniture
- Clothing
- Personal electronics
- Kitchen utensils
- Personal books
- Household appliances
- Items used for normal family life

However, if such items are bought with the intention of resale or trade, they may become subject to Zakat as business inventory.

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30. Is Zakat payable on my personal car or other vehicles?

Answer:

A personal vehicle used for transportation by you or your family is generally **not subject to Zakat**. Likewise, vehicles used directly in your profession or business operations are generally not Zakatable as fixed assets. However, if vehicles are purchased specifically for resale as part of a motor trading business, they become business inventory and are generally subject to Zakat.

Part 4: Business Zakat (FAQs 31–40)

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31. Is Zakat compulsory on business assets?

Answer:

Yes. If a business is owned by a Muslim and its Zakatable assets reach or exceed the Nisab threshold for one complete lunar year, Zakat is generally payable. Business Zakat applies to trading assets and working capital, not necessarily to every asset owned by the business. The objective is to ensure that commercial wealth contributes to the welfare of society.

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32. Which business assets are subject to Zakat?

Answer:

The following business assets are generally subject to Zakat:

- Cash on hand and in bank accounts
- Stock or inventory held for sale
- Raw materials intended for production and sale
- Finished goods
- Trade receivables that are likely to be collected
- Profits retained within the business
- Investments made for commercial purposes

Each type of business may require a different method of calculation depending on its activities.

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33. Which business assets are generally exempt from Zakat?

Answer:

Assets that are used to operate the business rather than sold are generally not subject to Zakat. These may include:

- Office buildings
- Factories

- Warehouses
- Machinery and equipment
- Office furniture
- Computers
- Company vehicles used for business operations
- Tools and production equipment

However, if these assets are purchased for resale, they become trading assets and may be subject to Zakat.

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34. How is Zakat calculated for a sole proprietorship?

Answer:

A sole proprietor should calculate all Zakatable business assets on the Zakat due date, including cash, inventory, receivables expected to be collected, and other qualifying assets. Eligible short-term business liabilities may generally be deducted. Zakat is then calculated at **2.5%** of the net Zakatable amount.

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35. How is Zakat calculated for a partnership business?

Answer:

In a partnership, each Muslim partner is generally responsible for paying Zakat on their proportionate share of the partnership's net Zakatable assets. If the partnership agreement authorizes the business to pay Zakat on behalf of all eligible partners, this may be done in accordance with applicable legal and Islamic requirements.

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36. Is Zakat payable by companies or corporations?

Answer:

A company itself is a legal entity, while the obligation of Zakat ultimately relates to eligible Muslim owners or shareholders. In many Muslim-majority countries, companies may calculate and pay Zakat on behalf of their Muslim shareholders where permitted by law and approved by the company's governing body. Otherwise, individual Muslim shareholders remain responsible for fulfilling their own Zakat obligations.

37. Is Zakat payable on business inventory and stock?

Answer:

Yes. Goods purchased or manufactured for the purpose of sale are generally subject to Zakat. Inventory should be valued at its **current market or wholesale value** on the Zakat due date rather than its original purchase price. This includes retail goods, wholesale stock, finished products, and items held for commercial sale.

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38. Is Zakat due on money owed to my business (accounts receivable)?

Answer:

Money owed to your business that is expected to be repaid is generally included in your Zakat calculation. Receivables that are doubtful or unlikely to be recovered are usually treated differently by scholars. If a previously doubtful debt is eventually recovered, many scholars advise paying Zakat on it according to the applicable scholarly opinion.

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39. Can business debts and liabilities be deducted before calculating Zakat?

Answer:

Yes. Immediate and legitimate business liabilities that are due for payment may generally be deducted from Zakatable assets before calculating Zakat. Examples may include unpaid supplier invoices, short-term business loans, taxes due, salaries payable, and other current obligations. Long-term liabilities are treated differently by scholars, and complex cases may require professional or scholarly advice.

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40. Is Zakat payable on business profits?

Answer:

Business profits that remain in the business as cash or other Zakatable assets on the Zakat due date are generally subject to Zakat. If profits have been reinvested into trading stock or other Zakatable assets, they remain part of the overall Zakat calculation. However, profits invested in non-Zakatable fixed assets, such as machinery or office buildings used in business operations, are generally treated according to the rules applicable to those assets.

Part 5: Zakat on Shares, Investments & Financial Assets (FAQs 41–50)

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41. Is Zakat payable on shares (stocks)?

Answer:

Yes. Shares owned by a Muslim may be subject to Zakat, depending on the purpose for which they are held. If shares are purchased for trading and investment growth, they are generally Zakatable. The method of calculation may differ depending on whether they are held for short-term trading or long-term investment.

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42. How do I calculate Zakat on shares held for trading?

Answer:

If shares are bought and sold regularly for profit, they are generally treated as trading assets. On your Zakat due date, calculate the **current market value** of all trading shares and include this amount with your other Zakatable assets. After deducting eligible liabilities, pay **2.5%** of your net Zakatable wealth.

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43. How is Zakat calculated on long-term investment shares?

Answer:

If shares are held primarily for long-term investment and dividend income rather than frequent trading, scholars have different opinions regarding the calculation. Depending on the nature of the company and the applicable scholarly opinion, Zakat may be calculated on the value of the shares, the Zakatable assets of the company, or the dividends if retained as cash. Investors with complex portfolios should seek guidance from a qualified Islamic scholar or financial adviser familiar with Islamic finance.

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44. Is Zakat payable on dividends received from shares?

Answer:

Yes. Once dividends are received and become part of your cash or savings, they are included in your Zakatable wealth. If they remain in your possession until your Zakat due date and your total qualifying wealth exceeds the Nisab, they are subject to Zakat.

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45. Are mutual funds subject to Zakat?

Answer:

Yes. Mutual funds may be subject to Zakat depending on the types of assets they contain and the purpose for which they are held. Funds invested mainly in trading assets are generally treated differently from those invested primarily in fixed assets. Many Islamic fund managers provide guidance on the Zakat calculation applicable to their funds.

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46. Is Zakat payable on Exchange-Traded Funds (ETFs)?

Answer:

Yes. Exchange-Traded Funds (ETFs) are generally treated similarly to other investments. The Zakat calculation depends on the underlying assets within the fund and the purpose of the investment. Where available, investors should refer to the fund's published Zakat information or seek advice from a qualified Islamic scholar.

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47. Is Zakat payable on Sukuk (Islamic investment certificates)?

Answer:

Yes. Sukuk investments may be subject to Zakat, but the method of calculation depends on the type of Sukuk and the underlying assets they represent. Because Sukuk structures differ, investors should review the issuer's Zakat guidance or consult a qualified Islamic scholar.

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48. Are investment portfolios subject to Zakat?

Answer:

Yes. An investment portfolio should be reviewed in its entirety on your Zakat due date. Each investment should be assessed according to its nature, including shares, mutual funds, Sukuk, cash balances, and other financial assets. The combined Zakatable value should then be included in your overall Zakat calculation.

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49. Is Zakat payable on precious metals other than gold and silver?

Answer:

Islamic scholars generally agree that **gold and silver** are specifically subject to Zakat. Other precious metals, such as platinum and palladium, are generally not subject to Zakat when held for personal use. However, if they are acquired for trading or investment purposes, many scholars consider them part of commercial assets and therefore subject to Zakat according to the rules of business wealth.

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50. Is Zakat payable on commodities purchased for investment?

Answer:

Yes. Commodities such as oil, agricultural products, industrial metals, or other goods purchased for commercial trading or investment may be subject to Zakat if they are held for resale. Their market value on the Zakat due date should generally be included in the calculation. Commodities owned for personal use are generally not subject to Zakat.

Part 6: Zakat on Cryptocurrency, Digital Assets & Retirement Savings (FAQs 51–60)

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51. Is Zakat payable on cryptocurrency?

Answer:

Many contemporary Islamic scholars consider cryptocurrency to be a form of wealth. If a cryptocurrency is lawfully owned, has recognized value, and is held by a Muslim whose total Zakatable assets meet or exceed the Nisab, it is generally subject to Zakat. Since cryptocurrency is a developing area of Islamic finance, Muslims are encouraged to consult qualified scholars for complex situations.

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52. How do I calculate Zakat on Bitcoin and other cryptocurrencies?

Answer:

On your Zakat due date, determine the **current market value** of your cryptocurrency holdings, including Bitcoin, Ethereum, and other digital currencies. Add this value to your other Zakatable assets, deduct any eligible liabilities, and calculate **2.5%** of the net amount.

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53. Is Zakat payable on cryptocurrencies held for trading?

Answer:

Yes. Cryptocurrencies purchased for trading are generally treated in the same way as business inventory or trading assets. Their current market value on the Zakat due date should be included in your overall Zakat calculation.

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54. Is Zakat payable on cryptocurrencies held as long-term investments?

Answer:

Yes. If cryptocurrencies are held as investments and remain in your ownership on your Zakat due date, many scholars consider them Zakatable. The Zakat is generally calculated based on their market value at the time your Zakat becomes due.

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55. Are digital wallets and online payment balances subject to Zakat?

Answer:

Yes. Money held in digital wallets, mobile payment applications, and online payment platforms is generally treated in the same way as cash in a bank account. Examples include balances held in mobile wallets or online payment services. If your total qualifying wealth reaches the Nisab, these balances should be included in your Zakat calculation.

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56. Is Zakat payable on pension funds and retirement savings?

Answer:

Pension funds and retirement savings are subject to different scholarly opinions because the rules depend on the type of pension and the individual's ability to access the funds. Some scholars consider Zakat payable only when the funds become accessible, while others may require Zakat under certain circumstances before withdrawal. If you participate in a pension or retirement scheme, you should seek guidance from a qualified Islamic scholar regarding your specific arrangement.

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57. Is Zakat payable on a Provident Fund?

Answer:

The ruling on Provident Funds depends on whether you have ownership and unrestricted access to the funds. If you cannot withdraw or control the money until retirement or another qualifying event, many scholars hold that Zakat becomes payable when you receive the funds. If the funds are fully accessible and under your control, different rulings may apply.

58. Is Zakat payable on gratuity or end-of-service benefits?

Answer:

Gratuity or end-of-service benefits are generally treated according to when they become your property. If you do not yet have legal ownership or access to the funds, Zakat is generally not due. Once you receive the payment and it becomes part of your wealth, it should be included in your Zakat calculation if the relevant conditions are met.

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59. Is Zakat payable on life insurance or investment-linked insurance policies?

Answer:

Islamic scholars hold differing views on conventional life insurance and investment-linked insurance products. Where the policy includes an investment or cash value that is lawfully owned and accessible, Zakat may be payable on that value according to the applicable scholarly opinion. Muslims are encouraged to seek guidance from qualified scholars, particularly where conventional insurance products are involved.

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60. What should I do if I own different types of modern financial assets?

Answer:

If you own a combination of assets—such as cash, bank savings, shares, cryptocurrency, pensions, business assets, and digital wallets—you should prepare a comprehensive list of all your Zakatable assets on your Zakat due date. After deducting eligible liabilities, calculate **2.5%** of your net Zakatable wealth. If your financial affairs are complex, consulting a qualified Islamic scholar or Islamic finance professional can help ensure your Zakat is calculated accurately.

Part 7: Zakat on Property, Agriculture & Livestock (FAQs 61–70)

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61. Is Zakat payable on my family home?

Answer:

No. Your primary residence, in which you and your family live, is generally **not subject to Zakat**, regardless of its value. Islam does not require Zakat on personal-use assets such as your home, furniture, clothing, or household belongings.

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62. Is Zakat payable on rental property?

Answer:

A property owned for rental purposes is generally **not subject to Zakat**. However, the **rental income** received from the property becomes part of your cash and savings. If that income remains in your possession until your Zakat due date and your total Zakatable wealth reaches the Nisab, it should be included in your Zakat calculation.

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63. Is Zakat payable on land purchased for investment or resale?

Answer:

Yes. Land purchased with the intention of resale or investment for profit is generally treated as a trading asset. Its current market value on your Zakat due date should be included in your Zakatable wealth, and Zakat is generally payable at **2.5%** of its value.

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64. Is Zakat payable on commercial buildings and business premises?

Answer:

Commercial buildings, offices, factories, warehouses, and other premises that are used to operate a business are generally **not subject to Zakat**. However, if such properties are bought specifically for resale as part of a property trading business, they are generally treated as business inventory and become subject to Zakat.

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65. Is Zakat payable on agricultural produce?

Answer:

Yes. Agricultural produce has its own rules in Islamic law. Unlike most other forms of wealth, Zakat on crops is generally due **at the time of harvest**, rather than after the completion of one lunar year (Hawl). The applicable rate depends on the method of irrigation, in accordance with Islamic teachings.

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66. What are the Zakat rates for agricultural produce?

Answer:

According to authentic Islamic teachings:

- **10%** of the harvest is generally due if the crops are naturally irrigated by rainfall, rivers, or springs.
- **5%** is generally due if irrigation involves significant human effort or cost, such as pumps or purchased water.

These rates apply only when the agricultural produce reaches the minimum threshold (Nisab) established in Islamic law.

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67. Is Zakat payable on livestock?

Answer:

Yes. Certain livestock, including **camels, cattle, sheep, and goats**, may be subject to Zakat if they meet the conditions established in Islamic law. The number of animals owned, the length of ownership, and whether they graze naturally are among the factors that determine whether Zakat is due.

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68. How is Zakat calculated on livestock?

Answer:

The calculation of Zakat on livestock differs from the standard **2.5%** rate. Islamic law prescribes specific minimum numbers (Nisab) and corresponding amounts payable for camels, cattle, sheep, and goats. Because these rulings are detailed and vary according to the type and number of animals, owners should consult authentic Islamic guidance or qualified scholars when calculating Zakat on livestock.

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69. Is Zakat payable on poultry farms, fisheries, and dairy businesses?

Answer:

Modern commercial operations such as poultry farms, fisheries, dairy farms, and similar businesses are generally treated as commercial enterprises rather than traditional livestock. While the animals themselves may not fall under the classical livestock rules, the **business assets**, including cash, inventory, products held for sale, and profits, may be subject to Zakat according to the rules governing business wealth.

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70. Is Zakat payable on orchards, fruit farms, and plantations?

Answer:

Trees, orchards, vineyards, and plantations themselves are generally **not subject to Zakat**. However, the fruits and agricultural produce harvested from them may be subject to the Islamic rules governing agricultural produce if the applicable conditions are met. If the orchard is operated as a commercial business, other business assets and profits may also be subject to Zakat under the relevant rules.

Part 8: Trusts, Waqf, Debts, Loans & Special Financial Situations (FAQs 71–80)

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71. Is Zakat payable on money held in trust (Amanah)?

Answer:

Money or property held in trust (Amanah) on behalf of another person is generally **not subject to Zakat** for the trustee because they do not own it. The responsibility to pay Zakat rests with the rightful owner if the wealth meets the conditions for Zakat.

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72. Is Zakat payable on Waqf (Islamic Endowment) property?

Answer:

Generally, **Waqf property itself is not subject to Zakat** because it is permanently dedicated for the sake of Allah (SWT) and is no longer privately owned. However, if income generated from the Waqf is distributed to beneficiaries and remains in their possession until their Zakat due date, it may become subject to Zakat if it meets the required conditions.

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73. Is Zakat payable on an inheritance before it is distributed?

Answer:

Before an inheritance is distributed, the estate must first be used to settle funeral expenses, outstanding debts, and any valid bequests in accordance with Islamic law. Once the remaining estate is distributed, each heir becomes responsible for paying Zakat on their own share if it reaches the Nisab and all other conditions are met.

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74. Is Zakat payable on money I have lent to someone?

Answer:

Yes. Money that you have lent to another person generally remains your property. If there is a strong likelihood that the loan will be repaid, many scholars consider it part of your Zakatable wealth. If repayment is doubtful or significantly delayed, scholarly opinions differ regarding when Zakat becomes due. Once the money is recovered, you should follow the guidance of a qualified Islamic scholar regarding any Zakat liability.

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75. Is Zakat payable on money that someone owes me but is unlikely to repay?

Answer:

If a debt is doubtful, disputed, or unlikely to be recovered, many scholars do not require Zakat on that amount until it is actually received. Once the debt is recovered, the applicable ruling depends on the opinion followed. If the situation is complex, seek guidance from a qualified Islamic scholar.

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76. Can I deduct my personal debts before calculating Zakat?

Answer:

Yes. Many scholars permit the deduction of **genuine, immediate liabilities** that are due for payment before calculating Zakat. Examples may include:

- Short-term personal loans
- Outstanding utility bills
- Unpaid rent
- Credit card balances
- Taxes due
- Other immediate financial obligations

Scholars differ on the treatment of long-term debts such as mortgages and multi-year loans. Professional or scholarly advice is recommended in complex cases.

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77. Is Zakat payable on a joint bank account?

Answer:

Yes. Where two or more people jointly own a bank account, each person's share should generally be assessed separately. If an individual's share reaches the Nisab and all other conditions are met, that person is responsible for paying Zakat on their own portion of the funds.

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78. Is Zakat payable on children's savings?

Answer:

Islamic scholars have different opinions regarding Zakat on the wealth of minors.

- **The Hanafi school** generally holds that Zakat is not obligatory on a minor's wealth.
- **The Maliki, Shafi'i, and Hanbali schools** generally consider Zakat payable on a child's qualifying wealth, with the guardian responsible for paying it on the child's behalf.

Parents or guardians should follow the guidance of qualified scholars in their community.

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79. Is Zakat payable on money saved for a specific purpose, such as Hajj, education, marriage, or buying a house?

Answer:

Yes. Saving money for a future purpose does **not automatically exempt it from Zakat**. If the savings remain in your ownership, reach the Nisab, and a complete lunar year has passed, they generally remain subject to Zakat, regardless of whether they are intended for Hajj, education, marriage, purchasing a home, or any other lawful purpose.

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80. What records should I keep when calculating and paying Zakat?

Answer:

Maintaining accurate records helps ensure that your Zakat is calculated correctly and paid on time. It is recommended to keep:

- A record of your annual Zakat due date.

- Details of your cash, savings, investments, and business assets.
- Records of eligible debts and liabilities.
- Receipts or acknowledgements for Zakat payments.
- Details of the recipients or charitable organizations that received your Zakat.
- Supporting financial documents where applicable.

Keeping organized records promotes transparency, accountability, and confidence that your Zakat obligation has been fulfilled correctly.

Part 9: Eligible Recipients of Zakat (FAQs 81–90)

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81. Who is eligible to receive Zakat?

Answer:

Allah (SWT) has specified the recipients of Zakat in **Surah At-Tawbah (9:60)**. Zakat may only be distributed to the following eight categories:

1. **The Poor (Al-Fuqara')** – Those who have little or no wealth and cannot meet their basic needs.
2. **The Needy (Al-Masakin)** – Those whose income is insufficient to maintain a reasonable standard of living.
3. **Zakat Administrators ('Amilina 'Alayha)** – Individuals appointed to collect, manage, and distribute Zakat.
4. **Those Whose Hearts Are to Be Reconciled (Mu'allafatul Qulub)** – Individuals whose hearts are to be strengthened towards Islam or whose support benefits the Muslim community.
5. **Those in Bondage (Fir-Riqab)** – For the emancipation of slaves or those in similar forms of oppression, as applicable in contemporary contexts.
6. **Those in Debt (Al-Gharimin)** – People burdened with legitimate debts that they are genuinely unable to repay.
7. **In the Cause of Allah (Fi Sabilillah)** – Those engaged in causes that serve and uphold the religion and benefit the Muslim community, according to scholarly interpretations.
8. **The Wayfarer (Ibn As-Sabil)** – Travellers who are stranded or unable to reach their destination due to financial hardship.

Zakat should be distributed only to eligible recipients in accordance with Islamic principles.

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82. Can I give my Zakat to my parents or grandparents?

Answer:

No. A Muslim may **not** give Zakat to their parents, grandparents, or other direct ascendants because supporting them financially, when they are in need, is already a personal responsibility under Islamic law. Their maintenance should come from one's own wealth rather than from Zakat.

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83. Can I give my Zakat to my children or grandchildren?

Answer:

No. Zakat cannot be given to one's children, grandchildren, or other direct descendants because providing for their maintenance is already an obligation upon the parent or grandparent where applicable.

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84. Can I give Zakat to my husband or wife?

Answer:

Scholars differ regarding spouses:

- A **husband should not give his Zakat to his wife**, as he is already responsible for her financial maintenance.
- Many scholars permit a **wife to give her Zakat to her husband** if he is genuinely eligible to receive Zakat, such as being poor or burdened by legitimate debt, provided she receives no direct personal financial benefit from doing so.

If in doubt, seek guidance from a qualified Islamic scholar.

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85. Can I give Zakat to my brothers, sisters, or other relatives?

Answer:

Yes. Brothers, sisters, uncles, aunts, nephews, nieces, cousins, and other relatives who qualify as Zakat recipients may receive Zakat. In fact, giving Zakat to eligible relatives is especially encouraged because it combines the reward of **charity** with the reward of **maintaining family ties (Silat ar-Rahim)**.

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86. Can Zakat be given to orphans, widows, and students?

Answer:

Yes, provided they qualify under one of the categories of Zakat recipients.

- **Orphans** who are poor or needy may receive Zakat.
- **Widows** experiencing financial hardship may receive Zakat.
- **Students** who genuinely lack sufficient financial resources to continue their education may also qualify, depending on their circumstances.

Being an orphan, widow, or student alone does not automatically qualify a person for Zakat; financial need must also exist.

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87. Can refugees, displaced families, and disaster victims receive Zakat?

Answer:

Yes. Refugees, internally displaced persons, victims of floods, earthquakes, famine, conflict, and other humanitarian disasters may receive Zakat if they meet the Islamic criteria of financial need. Supporting such individuals through Zakat is an important means of providing relief, restoring dignity, and helping them rebuild their lives.

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88. Can Zakat be used for healthcare and medical treatment?

Answer:

Yes. Zakat may be used to support eligible individuals who cannot afford essential medical care, including consultations, medicines, surgeries, hospital treatment, rehabilitation, and life-saving healthcare services. Charitable organizations may also use Zakat funds for healthcare programmes, provided the assistance is delivered to individuals who qualify as legitimate Zakat recipients.

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89. Can Zakat be used for education?

Answer:

Yes. Zakat may be used to support deserving students who are eligible recipients and cannot afford educational expenses such as tuition fees, books, uniforms, accommodation, or other essential learning costs. Educational institutions and charitable organizations administering

Zakat should ensure that assistance is provided only to students who meet the Islamic criteria for receiving Zakat.

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90. Can I give my Zakat through a charitable organization or distribute it internationally?

Answer:

Yes. It is permissible to appoint a trustworthy charitable organization as your **agent (Wakeel)** to collect and distribute your Zakat on your behalf, provided it follows Islamic principles and ensures that Zakat reaches eligible recipients. Zakat may also be distributed internationally when there is greater need or humanitarian hardship elsewhere. However, many scholars recommend giving priority to eligible recipients within one's local community when their needs are significant, while recognizing that assisting Muslims in severe hardship anywhere in the world is also permissible.

Part 10: Practical Guidance & Common Questions (FAQs 91–100)

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91. What are the most common mistakes people make when paying Zakat?

Answer:

Some of the most common mistakes include:

- Failing to calculate Zakat every year.
- Using outdated Nisab values.
- Forgetting to include cash held at home or in bank accounts.
- Overlooking business assets or investment portfolios.
- Ignoring foreign currency balances.
- Incorrectly excluding gold or silver jewellery where Zakat is applicable.
- Giving Zakat to individuals who are not eligible.
- Delaying Zakat without a valid reason.
- Failing to make the intention (Niyyah) when paying Zakat.
- Not keeping a record of Zakat calculations and payments.

Reviewing your finances carefully each year helps ensure your Zakat is calculated accurately and distributed correctly.

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92. Can I pay my Zakat in advance?

Answer:

Yes. Many Islamic scholars permit paying Zakat before its due date, especially when there is an urgent humanitarian need or if early payment helps the donor manage their finances. The payment should be made with the intention of fulfilling your forthcoming Zakat obligation. If your wealth changes significantly before your actual Zakat due date, you should review your calculation and make any necessary adjustment.

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93. Can I pay my Zakat in monthly or instalment payments?

Answer:

Yes. Many scholars allow Zakat to be paid in instalments throughout the year, provided that the full amount due is paid by your annual Zakat due date. This approach may make it easier to budget your charitable giving while ensuring your religious obligation is fulfilled.

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94. Is it better to pay Zakat during Ramadan?

Answer:

Zakat becomes due on your individual Zakat anniversary, regardless of the month. However, many Muslims choose to pay during **Ramadan** because of the increased rewards associated with acts of worship and charity in this blessed month. If your Zakat is due at another time of the year, you should not delay payment solely to wait for Ramadan unless you are making an early payment in advance.

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95. Can I give Zakat in the form of food, clothing, medicine, or other goods instead of cash?

Answer:

The method of giving Zakat depends on the needs of the recipient and the opinions of Islamic scholars. In many situations, giving **cash** allows recipients to meet their most urgent needs. However, where it genuinely serves the recipient's best interests, some scholars permit providing essential goods or services—such as food, medicine, educational support, or medical treatment—provided the value corresponds to the Zakat due and the recipient qualifies to receive Zakat.

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96. Is making the intention (Niyyah) necessary when paying Zakat?

Answer:

Yes. Intention (**Niyyah**) is an essential requirement for Zakat. When paying Zakat, you should sincerely intend in your heart that the payment is to fulfil your obligatory Zakat for the sake of Allah (SWT). The intention does not need to be spoken aloud.

97. Should I keep proof or records of my Zakat payments?

Answer:

Yes. Although not a religious requirement, maintaining records of your Zakat calculations and payments is highly recommended. Good record-keeping helps ensure accuracy, avoids duplication or omission, supports financial planning, and provides transparency when donating through charitable organizations.

98. Can I appoint a charitable organization to distribute my Zakat on my behalf?

Answer:

Yes. You may appoint a trustworthy and Shariah-compliant charitable organization as your **agent (Wakeel)** to collect and distribute your Zakat. Before doing so, you should satisfy yourself that the organization has sound governance, transparent financial systems, and effective procedures to ensure that Zakat reaches eligible recipients in accordance with Islamic principles.

99. What qualities should I look for in a Zakat organization?

Answer:

A responsible Zakat organization should demonstrate:

- Compliance with the Qur'an and Sunnah.
- Strong governance and accountability.
- Transparent financial management.
- Regular independent audits.
- Clear Zakat collection and distribution policies.
- Proper identification of eligible beneficiaries.
- Ethical fundraising practices.
- Timely and dignified distribution of assistance.
- Monitoring and evaluation of programmes.
- Regular reporting to donors and stakeholders.

Choosing a trustworthy organization helps ensure that your Zakat fulfils its intended religious and humanitarian purpose.

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100. What is the best way to fulfil my Zakat obligation each year?

Answer:

To fulfil your Zakat correctly:

1. Determine your annual Zakat due date using the Islamic (Hijri) calendar.
2. Calculate all your Zakatable assets.
3. Deduct eligible liabilities where applicable.
4. Confirm that your net wealth meets or exceeds the Nisab.
5. Calculate the Zakat due according to the relevant Islamic rulings.
6. Make a sincere intention (Niyyah) to fulfil your obligation.
7. Pay your Zakat promptly to eligible recipients or through a trusted charitable organization.
8. Keep a record of your calculation and payment for future reference.

By paying Zakat with sincerity, honesty, and care, Muslims fulfil one of the fundamental pillars of Islam, purify their wealth, strengthen their relationship with Allah (SWT), and help build a more compassionate, just, and caring society.

Conclusion

Zakat is far more than a financial obligation—it is an act of worship that reflects faith, gratitude, compassion, and social responsibility. Through the proper payment and distribution of Zakat, Muslims contribute to the welfare of individuals, families, and communities, helping to alleviate poverty, support those in need, and promote justice and dignity.

At **Education, Hunar and Relief Development Foundation (EHRDF)**, we are committed to managing Zakat with the highest standards of **Shariah compliance, transparency, accountability, and integrity**. We pray that Allah (SWT) accepts the Zakat and charitable contributions of all donors, blesses their wealth and families, and enables us all to continue serving humanity with sincerity, compassion, and excellence.

"And whatever good you put forward for yourselves—you will find it with Allah. Indeed, Allah is All-Seeing of what you do."
(Surah Al-Baqarah 2:110)

May Allah (SWT) accept our efforts and make this guide a source of benefit for all. Ameen.

Zakat Calculator Must be there on the page.