

Zakâh: Masâil and Calculation

When a person owns Surplus Zakâtable Wealth/Assets to the value of Nisâb Rate for the duration of One Islamic Year then Zakâh of 2.5% is due on that Surplus Zakâtable Wealth on that particular year-end date. Such a person is considered as a Wealthy Person and is obliged to disburse the 2.5% Zakâh to the recipients of Zakâh.

Zakâtable wealth from which Current Liabilities are deducted is classified as Surplus Zakâtable Wealth.

ZAKÂTABLE ASSETS:

- CASH: Savings, cash on hand, petty cash, cash at bank, saved income from property investments, saved dividends from investments.
- STOCK IN TRADE: Stock used for trading, investments in stock/asset shares & commodities, agricultural produce for trade, etc.
Properties that are leased, fixtures & fittings, investments in leased assets, etc. are not considered as Stock in Trade.
Properties purchased for resale are classified as Stock in Trade. Stock in Trade is calculated on the Selling Price of the trader.
- GOLD: Jewellery or items that are 50% or more gold content, Kruger Coins, gold ornaments, etc.
- SILVER: Jewellery or items that are 50% or more silver content, silver coins, silver ornaments, etc.
- DEBTORS AND LOANS: Monies that are owed to you (private loans), trade debtors, etc. There is no Zakâh on debts that are written off, or debts that are denied by the debtor and there is no evidence to prove that he owes. However, if such a written-off debt is recouped after many years then there is no Zakâh on it for the past years; but Zakâh will be due on it for the current Zakâtable year.
- LIVESTOCK: Livestock such as: goats, sheep, cows, bulls and camels for breeding purposes. The local Ulama should be consulted with regards to what amount of Zakâh is due on them. Livestock for trade purposes is treated as stock in trade.

NON-ZAKATABLE ASSETS:

- Precious items not for resale, such as precious stones, artworks, paintings, antiques, stamp collection, etc.
- Money collection that is not a legal tender.
- Dwelling, motor vehicles, furniture, household effects, personal items (that are not gold/silver), fixtures & fittings, machinery.
- Harâm wealth (interest, etc.).
- Non-Gold/Silver jewellery such as platinum, titanium, 9 carat gold jewellery (gold content is minority), etc.

CURRENT LIABILITIES:

- Money that one owes to his creditor, whether the debt incurred was for private or trade purposes.
- CURRENT LIABILITY refers to the amount that one is required to repay within one Islamic Year from the date his Zakâh is due.
(e.g. The outstanding liability on a home loan is \$500,000.00 which is being re-paid in monthly payments of \$2,000.00.
The current liability which will be deducted for Zakâh purposes is only the monthly payment of \$2,000.00.)
- Money that one is required to pay for any expenses incurred for the month, such as rent, phone bills, electricity, water, gas, school fees, etc.

NISAB (Zakâh Qualifying threshold):

- If a person owns a combination of the above-mentioned Zakâtable wealth then his Nisâb Rate (Zakâh Qualifying Threshold) would be the value of 612.36 grams of Silver (= 200 Dirhams).
- The equivalent Dollar value of 612.36 grams of Silver is updated hourly on the DarusSalam Foundation homepage.
- If a person owns only gold then the Nisâb for his gold is 87.48 grams of gold.
- If a person owns only Silver then the Nisâb for his Silver is 612.36 grams of Silver.

VALUATION OF GOLD:

- Zakâh is due on 24, 22, 21, 18 & 14 carat gold.
- Establish the carats and weights of all the gold items separately by a jeweller.
- Cluster/total the weights of each carat.
- Acquire the price per gram of each carat for that particular date on which Zakâh is due.
- The price of gold for each carat can be acquired online at www.goldprice.org
- Multiply the total grams of each carat to the value of that particular carat (per gram).
- Add all the values together to give you the total value of gold.

MISCELLANEOUS:

- The Zakâh donor should himself disburse his Zakâh to a recipient of Zakâh. If, however, he does not know of anyone or is unable to dispose of it correctly then he may appoint an agent to dispose of it on his behalf. The Zakâh donor should appoint such an agent that will not misappropriate his Zakâh.
- Zakâh will not be discharged on behalf of the Zakâh donor if the agent misappropriates his Zakâh.
- Zakâh cannot be used for administration costs incurred in disbursing Zakâh to its recipients. However, Lillâh or a special donation for this purpose could be utilized. It is advisable that the Zakâh donor gives his agent a donation to cover costs involved in disbursing of his Zakâh.
- It is more rewarding to distribute one's Zakâh to a family member or a debtor who is eligible to receive Zakâh.
- It is not permissible to give one's Zakâh to one's spouse, parents and offspring.
- Zakâh cannot be given to a person not eligible to receive Zakâh.

Zakât Calculation Table

Assets	Zakâtable/ Non-Zakâtable	Zakâtable Value
1 House	Non-Zakâtable	
2 Property (not for resale)	Non-Zakâtable	
3 Furniture, Household effects, personal clothing	Non-Zakâtable	
4 Automobiles (not for re-sale)	Non-Zakâtable	
5 Gold coins	Zakâtable	\$
6 Gold Jewellery:		
a) 24 Carat	Zakâtable	\$
b) 22 Carat	Zakâtable	\$
c) 18 Carat	Zakâtable	\$
d) 14 Carat	Zakâtable	\$
7 Silver	Zakâtable	\$
8 Diamonds, gem stones (not for re-sale)	Non-Zakâtable	
9 Cash on hand and at the Bank	Zakâtable	\$
10 Saved rentals / Dividends	Zakâtable	\$
11 Stock in trade	Zakâtable	\$
12 Machinery, fixtures & fittings, tools of trade	Non-Zakâtable	
13 Debtors	Zakâtable	\$
14 Investments	Zakâtable	\$
15 Hobbies:		
a) Coin/Notes Collection (non-legal tender)	Non-Zakâtable	
b) Paintings	Non-Zakâtable	
c) Stamp Collection	Non-Zakâtable	
d) Cars	Non-Zakâtable	
16 Livestock	Zakâtable	\$
17 Other		\$
Total Zakâtable Assets		\$

Current Liabilities	Total Value	Deductable Value
1 Loan on House (monthly payment)		\$
2 Loan on Motor Vehicle (monthly payment)		\$
3 Personal Creditors		\$
4 Trade Creditors		\$
5 Installments on Credit Purchases (monthly payment)		\$
6 Other		\$
Total Deductable Liabilities		\$

Zakâh Calculation	Amount
1 Total Zakâtable Assets	\$
2 Less Total Deductable Liabilities	\$
3 Total Zakâtable Amount	\$
Zakâh Due (2.5% of Total Zakâtable Amount)	\$

Pay Zakâh if Total Zakâtable Amount exceeds the Zakât Nisâb

This table is downloadable from: www.DSFnd.org

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