

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

وَأَقِيمُوا الصَّلَاةَ وَآتُوا الزَّكَاةَ

# How to Calculate Zakaat

& Other Huquq

Ramadan al-Mu'azzam

1437H

## Sawaab and Significance

Like prayer, fasting, and hajj, zakaat is one of the seven da'aim, or foundational pillars, of the Shari'at of Islam. *Zakaat khuda no haqq chhe*. Allah Ta'ala commands mumineen, in 13 places in the Qur'an, to do so, with the (exact or similar) words:

*“Pray namaaz and give zakaat”* (Baqara 43)

For every mumin, it is compulsory to offer zakaat once every year. Du'aat kiraam have encouraged mumineen to araz zakaat during the holy month of Ramadan, in order to gain abundant sawaab.

In numerous verses in the Qur'an, Allah Ta'ala has promised the ultimate victory—Jannat—to those who give zakaat:

*“Victorious is the person who gives zakaat, who remembers the name of his Lord and prays.”*(al-A'la 14-15)

## Collection and Distribution

Zakaat is valid only when given in the hands of the Haqq na Saheb of each age, namely, Imam-uz-zamaan, and in his *satar*, Dai-z-zamaan. As Syedna Qadi al-Nu'man (RA) explains at length, Allah does not accept the zakaat of a person who offers it to someone other than Haqq na Saheb. Unlike voluntary alms or sadaqa which one can give at will, zakaat must be offered in the Imam's satar to the Dai-z-zamaan, or one who is designated by him, in order to be valid.

It is the duty of the Dai—as the na'ib of Rasullullah's (SA) shehzada Imam-uz-zamaan (AS)—to collect and distribute zakaat. Allah Ta'ala commanded Rasullullah (SA) to collect zakaat in this verse:

*“Take part of their wealth as zakaat, cleansing them thereby and causing them to grow in purity, and pray for them. Your prayer gives them comfort. God is all-hearing, all-knowing.”*(Tawba 103)

Rasullullah (SA) used to personally accept zakaat from those who came to his hazrat, and he used to send zakaat collectors to different towns to collect zakaat annually on his behalf.

Zakaat has deep significance. One of its important functions is sustaining the community. Islam emphasizes social awareness and charity. Through the institution of compulsory zakaat, Islam makes the wealthy in the community responsible for assisting the needy. In one important verse, the Qur'an names eight recipients of zakaat:

*“Zakaat is for the poor, the destitute, its administrators, those whose hearts are to be won over, freeing from bondage, helping those overburdened with debts, in Allah's cause, and the wayfarer. This is Allah's mandate. Allah is all-knowing, wise.”*(Tawba 60).

Moreover, *zakaat*, along with other vaajeabaat, is important for supporting Dawat activities.

# Basis for Calculating Zakaat and Vajebaat

Rules for calculating zakaat are derived from the Qur'an, Rasulullah's (SA) sunnat and hadith, pronouncements and practice of Maulana Ali (AS) and the Fatemi Imams, and in their satar, their Dais.

Just as the Quran commanded mumineen to pray namaaz and Rasulullah (SA) showed them which namaaz to pray, when to pray, and how to pray (thus 5 faraz per day, not arbitrarily 2, 6 or 20)—similarly in zakaat, Rasulullah (SA) showed mumineen how much is vaajeb; it is not a figure randomly assigned. Only if zakaat (like namaaz) is done the way Rasulullah (SA) showed us does it count.

These rules are presented in detail by Moiz Imam's Chief Qadi, Syedna Qadi al-Numan (RA), in his various kitaabs, including Da'a'im al-Islam (vol. 1, pp. 297-326), Mukhtasar al-Aasaar, and Kitab al-Himmah (pp. 61-76). They are further explained by the Satar Dais through the ages, as new modes of income and finances evolve, in various kitaabs, including Al-Hawaashi, Masa'il Syedi Aminji bin Jalal, and Majmu' Masa'il al-Fiqh. Syedna Taher Saifuddin (RA) further presented several fiqh mas'alat-s in Risalats and recorded verbal answers.

These zakaat and vajebaat calculation rules as they apply to our zamaan are presented here with the raza of the 54th Dai-l-Mutlaq Syedna Taher Fakhruddin TUS—our Dai-z-zamaan, our Haadi and Rehbar, who guides us to Rasulullah's Shariat and the Straight Path, the one who was prepared for this high role by the 53<sup>rd</sup> Dai -l- Mutlaq Syedna Khuzaima Qutbuddin (RA).

## Calculating Zakaat

Zakaat is compulsory every year @ 2.5% (1/40th) of your income and certain liquid assets (plus a one time zakaat on fixed assets), minus basic living expenses: this is your “zakaat-wajib” – zakaatable amount.

Zakaatable amount includes:

**1) Fixed assets** (which include land, buildings, shares and equipment) are zakaatable just once at the time of the initial purchase, and not every year. If you have already paid zakaat on the money used to buy the fixed asset, you do not need to pay it again at the time of purchase. The realized gains/losses on the sale of the fixed assets are Zakaatable income, and not on the unrealized gain. Fixed assets for personal use rather than investment are excluded; e.g., the house you live in is not zakaatable.

To calculate Zakaat on stocks:

\* In the context of Zakaat, stocks are considered fixed assets.

\* In accordance with the rule for fixed assets, Zakaat must be paid one time only based on the cost basis of the stock portfolio. If you have already paid Zakaat on that money, i.e., if you used part of your Zakaated income to invest in stocks, you do not need to pay it again.

\* Only the realized gains of the stock portfolio are Zakaatable income, and not on the unrealized gain. This is calculated by adding all your realized gains and losses of the year.

**2) Liquid assets** include all cash and savings and total value of your business's inventory of goods (if its value has remained stable or risen in the last year, and not if its value has depreciated).

**3) Income** also includes salary, net business profit, rent on all investment properties, dividends, royalties, etc.

**The final consolidated annual Zakaatable income is calculated by taking the net value of (1) Total purchase cost (if applicable) of all fixed assets PLUS (2) total net realized gain of all fixed assets (including stocks) for the year PLUS (3) liquid assets PLUS (4) income MINUS (5) basic living expenses (which includes food, rent, clothing, and utilities)**

If your income and liquid assets are at or below "nisaab" or subsistence level (i.e. they do not, or just, cover basic food, shelter and clothing), you do not owe any zakaat. But you should still araz a nominal amount for barakat. Rasulullah (SA) said: "If you are hit by poverty, transact [for your rizq] with Allah by giving Him zakaat."

***Mumineen cannot be denied the right to araz zakaat, citing other wrong doings.***

In addition to zakaat, there are a number of additional vajeabaat that are also mandated by Allah Ta'ala in the Qur'an, and by Rasulullah (SA), Maulana Ali (SA), our Imams and our Du'aat, and which garner azeem sawaab for those who offer them abundantly and whole heartedly as per their capacity. These are:

## Khumus

1) Khumus, literally the "fifth" share of your income (thus @ 20%), is to be offered annually to Haqq na saheb with zakaat.

Allah Ta'ala mandates khumus in the Qur'an:

*"Know that whatever you take as spoils of war (ghaneemat), lo! a fifth (khumus) thereof is for Allah, and for the Messenger and for the kinsman and orphans and the needy and the wayfarer..."(al-Anfal 41)*

Syedna Qadi al-Numan (RA) explains that “the Imams [and Dais] strictly enforce the payment of zakaat ... because it is Allah’s right, Khuda no haqq ... but they do not compel people to pay [full] khumus because it is their own right, and therefore they can choose to enforce it strictly or be flexible ...” (Kitab al-Himmah, p. 67)

*“Waajib toh ghanu chhe; jitnu bani sakey itnu zyadah si zyadah adaa karo, toh sawaab itnu zyadah milsey”*

Syedna Qadi al-Numan (RA) explains the purpose and significance of khumus in his Kitab al-Himmah (pp. 65-67) as follows:

*“Allah Ta’ala made His Messenger and the Imams from his Ahle Bayt His trustees who are charged with collecting and distributing zakaat, and Allah forbade them to use any of it for their personal needs and the needs of their family members ... Instead, Allah Ta’ala mandated for Ahle Bayt the right to receive khumus. He mandated it for them from the income (maal) of His servants once, not like zakaat which is payable recurrently on it every year ... It is waajib on all mumineen to araz, along with their zakaat, the khumus of their ghaneemat income in every era to the Imam of that Age ... [and in the Imam’s satar, to his Dai]. ‘Ghaneemat’ is not just spoils of war; rather, everything that a person earns is ‘ghaneemat’.”*

Ja’far us Sadiq Imam (AS) said:

*"Allah Ta’ala has mandated for us khumus from the income of His servants, the mumineen, and He has made it our right and due. Who soever withholds our right from us, whosoever holds back our share of his income, will have no share or right from Allah."*

## Other Vajebaat: Discretionary amounts are mandated for the following additional vajebaat

1) **Fitra (Zakaat-ul-fitr)** is compulsory on every individual person in the family, and must be araz-ed before Eid ul Fitr in order for your rozas to count. It is the only form of vajebaat which is mandated even upon the poor. The head of each household should pay Fitra on behalf of all his family members and servants.

During Rasulullah’s (SA) time, zakaat ul fitr was calculated each year at the equivalent value of one kilogram (“sā”) of wheat or barley or dates or raisins. Then the Fatemi Imams fixed the rate of the Fitra to the price of silver @ 1 and 1/6th dirhams (3.471 grams) of pure silver per individual. In Ramadan 1437H, the cash value of 3.471 grams of silver is INR Rs.135.00, US \$2, GB £1.36.

2) **Haqq-un-nafs:** offered to Haqq na saheb on behalf of a deceased mumin or mumina by their family members for the sawaab of their soul (nafs).

Mumineen may also araz amounts of Haqq-un-nafs for the sawaab of their own soul. Haqq-un-nafs is calculated in multiples of 119 (e.g. Rs. 119 times 10 is Rs. 1190; \$ 0.119 times 200 is \$ 23.80; GB £119 times 1 is £119).

**3)Kaffaarat-uz-zunoob:** offered in atonement for gunaah (zunoob); a nominal amount is offered annually, and specific amounts for specific gunaah when relevant.

**4)Kaffaarat** for farizat rozas missed in last year's Ramadan (due to illness, travel, or women's missed days). It is calculable per day at the equivalent rate in your country of half a kilogram ("ṣā") of grain.

**5) Mannat:** a monetary pledge for fulfilment of an aspiration, which is offered annually with zakaat and at individual occasions.

**6)Nazr ul maqaam (AS):** a monetary mannat or pledge dedicated to Imam-uz-zamaan (AS) for fulfilment of an aspiration or ummeed, offered annually with zakaat and at individual occasions.

**7) Najwa:** salaam for Dai and maraatib offered annually with zakaat and at individual occasions of your choice.

Allah Ta'ala says in the Quran:

*"O you who believe! When you come to Rasulullah, offer him Najwa. That is better and purer for you. But if you cannot find the wherewithal then lo! Allah is forgiving, merciful."*(Mujadala 12)

It is narrated that when this verse was revealed, Maulana Ali (AS) was the first to offer Najwa; he went forthwith to Rasulullah (SA) and did salaam of one dirham, and he continued to do so thenceforth (This incident is narrated even in Sunni texts, such as Wahidi's Asbab un Nuzool and Askari's Kitaab al Awa'il).

**8) Sila/Silat (Silat-ul-Imam):** salaam for Imam-uz-zamaan (AS), offered annually with zakaat, and at Eids and other holy occasions.

Muhammad ul Baqir Imam said:

*"Whosoever lives a year without offering us a large or small amount of Silat from his wealth, Allah will not look at him on Judgment Day. Silat is a farizat which Allah has mandated for us upon our Shia in the Quran: You will not obtain any good, until you spend of the wealth that you hold dear [for Silat]."* (Da'a'im ul Islam, vol. 1, p. 97)

# 1437H Zakaat/Vajebaar Form and Vajebaar araz instructions


Given the current circumstances in Dawat, we have made the following arrangements for mumineen to araz Zakaat,

**1)Araz yourself** during the Qadambosi and Vajebaar Bethak. (Bethak program will be announced shortly.)

**2)For Indian citizens only:Mail cheque** - in favor of "Ansaar Trust" \* - and completed 1437H Zakaat form by registered post to Darus Sakina (Madhuban Bungalow), Pokhraine Rd. No. 1, Upvan, Thane West, Mumbai 400606.

**3)Mail cheque** - in favor of "Ansaar-E-Fatemi Dawat INC NFP" \*\* - and completed 1437H Zakaat form by registered post to 10400 Redbridge Way, Bakersfield, California 93311.

**4)Transfer amount directly** and email 1437H Zakaat Form to [info@fatemidawat.com](mailto:info@fatemidawat.com). (Email [info@fatemidawat.com](mailto:info@fatemidawat.com) for account details)

5)  **Online Payment** using your PayPal account or Credit Card. Email the 1437H Zakaat form to [info@fatemidawat.com](mailto:info@fatemidawat.com) Upon receiving your 1437H Zakaat form, it will be araz-ed in Hazrat of Syedna Taher Fakhruddin (TUS) and you will receive a receipt by email or mail.

\*Ansaar Trust is a Charitable Trust in Mumbai, India - Registration No: E 30801 (M).

\*\*Ansaar-E-Fatemi Dawat Inc NFP is recognized as a USA based nonprofit corporation that is tax exempt under IRC Sec. 501(c)(3).

*May Allah Ta'ala grant us tawfeeq and yaari to undertake the farizat of zakaat to araz to our Dai-z-zamaan Syedna Taher Fakhruddin( TUS) abundant khumus and vajebaar with open and pure hearts thereby earning azeem sawaab and barakaat*

May Allah Ta'ala keep Aqamola (TUS) in sehhat and aafiyat until the Day of Qiyamat. And May Allah Ta'ala keep us in Mola's saya-e-aatifat benefitting always from Mola's imami hidayat.

## **Fatemi Dawat**