

## Ruling Regarding Zakat When There Is No Hope Of Debt Recovery

Ref: IEC.0274

Date: 03-07-2024

What do the honorable scholars say regarding this issue: I supply paper bags, and several customers have owed me around 1 to 1.2 million rupees for the past 3 to 4 years. Whenever I ask them to repay, they do acknowledge the debt but complain of financial hardship. Due to increasing inflation, I have nearly lost hope of recovering this money. My question is: Am I required to pay zakat on this amount?

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ  
الجواب بعون الملك الوهاب اللهم هداية الحق والصواب

In the case mentioned, zakat remains obligatory on the amount held by your customers every year. However, the sacred Shariah has provided a concession in this matter: it is not obligatory upon you to immediately pay zakat on this amount. Rather, paying zakat for all past years becomes obligatory only when you receive at least an amount equivalent to one-fifth of the nisab. If, Allah forbid, you never recover the debt or receive less than one-fifth of the nisab, then you are not obligated to pay zakat on it.

If the debtor acknowledges the debt but, due to some reason, is unable to repay, then zakat for the past years remains obligatory on the creditor. As mentioned in Durr-ul-Mukhtar:

(لو كان الدين على مقرملىء او) على (معسر...لزم زكاة ماضى)

Translation: If the debt is upon someone who acknowledges it, whether he is wealthy or in financial hardship, zakat for the past years is obligatory on the creditor.

(Durr-ul-Mukhtar with Radd-ul-Muhtar, Vol. 3, p. 219, Quetta Edition – Excerpted)

Regarding zakat on a strong debt (دين قوى), it is stated in Fatawa Qazi Khan:

ففى الدين القوى تجب الزكاة اذا حال الحول ويتراخى الاداء الى ان يقبض اربعين درهما،  
وكلما قبض اربعين درهما يلزمه درهم

Translation: In the case of a strong debt, zakat becomes obligatory once a year passes, but payment of zakat can be delayed until forty dirhams are received. Each time forty dirhams are recovered, one dirham of zakat becomes due.

(Fatawa Qazi Khan, Vol. 1, p. 223, Beirut edition)

Imam Ahl-e-Sunnat, Imam Ahmad Raza Khan [رحمة الله عليه], explains in Fatawa Razaviyyah regarding a strong debt:

”تجارتى مال کا ثمن یا کرایہ، مثلاً اس نے بہ نیت تجارت کچھ مال خریدا وہ قرضوں کسی کے ہاتھ بیچا تو یہ دین جو  
خرید پر آیا دین قوی ہے۔“

Translation: The price of commercial goods or rent, for example, if someone buys goods with the intention of trade and sells them on credit, the resulting debt on the purchase is a strong debt.

(Fatawa Razaviyyah, Vol. 10, p. 162,  
Raza Foundation, Lahore)

He [رحمة الله عليه] further states regarding zakat on strong debt:

”دو قسم سابق میں تجارت دین ہی سال بسال زکوٰۃ واجب ہوتی رہے گی مگر اس کا ادا کرنا اسی وقت لازم ہوگا جبکہ اُس کے قبضہ میں دین قوی سے بقدر خمس نصاب یا متوسط سے بقدر کامل نصاب آئیگا۔“

Translation: For the two aforementioned types of trade-related debts, zakat will continue to be obligatory each year, but its payment will only be necessary when an amount equivalent to one-fifth of the nisab or a full nisab in the case of medium strength debt is recovered.

(Fatawa Razaviyyah, Vol. 10, p. 162,  
Raza Foundation, Lahore)

If the stuck amount is not recovered at all, or if less than one-fifth of the nisab is received, then paying zakat is not obligatory on it. As stated in Fatawa Razaviyyah:

”عمر پر زید کے تین سو درہم شرعی دین قوی تھے، پانچ برس بعد چالیس درہم سے کم وصول ہوئے تو کچھ نہیں، اور چالیس ہوئے تو صرف ایک درہم دینا آئے گا اگرچہ پانچ برس کی زکوٰۃ واجب ہے کہ سال اوّل کی بابت ان چالیس درہم سے ایک درہم دینا آیا اب انتالیس رہ گئے کہ خمس نصاب سے کم ہے لہذا باقی برسون کی بابت ابھی کچھ نہیں۔۔۔۔ یونہی جب دین قوی سے خمس نصاب اور متوسط سے پورا نصاب ہوتا جائے گا اسی حساب سے اتنے کی زکوٰۃ سنین گزشتہ کی زکوٰۃ واجب الادا ہوتی جائے گی، اگر کل وصول ہوگا کل کی۔“

Translation: Zayd had a strong debt of 300 shari-dirhams upon Amr. After five years, if less than forty dirhams are recovered, then nothing is due. But if forty dirhams are recovered, then only one dirham will be due—even though zakat of five years was obligatory—since for the first year, one dirham became due from those forty dirhams. If now only thirty-nine remain (less than one-fifth of the nisab), then nothing is due for the remaining years... Similarly, as more is recovered to equal one-fifth of nisab (for strong debt) or full nisab (for medium debt), paying zakat for previous years will be necessary accordingly. If the full amount is recovered, paying zakat for all years will be necessary.

(Fatawa Razaviyyah, Vol. 10, p. 162,  
Raza Foundation, Lahore)

Describing the type of debt that obligates past zakat on the creditor, Sadr al-Shari'ah Badr al-Tariqah Mufti Amjad Ali A'zami [رحمة الله عليه] states in Bahar-e-Shariat:

”اگر دین ایسے پر ہے جو اس کا اقرار کرتا ہے مگر ادا میں دیر کرتا ہے یا نادر ہے یا قاضی کے یہاں اس کے مفلس ہونے کا حکم ہو چکا یا وہ منکر ہے، مگر اُس کے پاس گواہ موجود ہیں تو جب مال ملے گا، سالہائے گزشتہ کی بھی زکاة واجب ہے۔“

Translation: If the debt is owed by someone who acknowledges it but delays payment, or is financially insolvent, or has been legally declared bankrupt by a judge, or denies the debt but the creditor has witnesses to it—then when the amount is recovered, zakat for the past years will also become obligatory.”

(Bahar-e-Shariat, Vol. 1, p. 877,  
Maktaba-tul-Madina, Karachi)



Regarding zakat on strong debt, Bahar-e-Shariat also states:

”ذین قوی کی زکاة بحالتِ دین ہی سال بہ سال واجب ہوتی رہے گی، مگر واجب الادا اُس وقت ہے جب پانچواں حصہ نصاب کا وصول ہو جائے، مگر جتنا وصول ہوا اتنے ہی کی واجب الادا ہے یعنی چالیس درم وصول ہونے سے ایک درم دینا واجب ہوگا اور اسی ۸۰ وصول ہوئے تو دو، و علیٰ ہذا القیاس۔“

Translation: Zakat on a strong debt remains obligatory every year while it remains a debt, but becomes payable only when at least one-fifth of the nisab is recovered. However, zakat is due only on the amount received—for example, if forty dirhams are recovered, one dirham is due; if eighty are recovered, then two, and so on.

(Bahar-e-Shariat, Vol. 1, p. 906,  
Maktaba-tul-Madina, Karachi)

واللہ اعلم عزوجل ورسولہ اعلم صلی اللہ تعالیٰ علیہ وآلہ وسلم

Written by

Abu Muhammad Mufti Ali Asghar Attari Madani

26Dhul-Hijjah-Til-Haram 1445 / 03 July 2024

Translated By Maulana Abdul Wajid Madani