

Ruling On Zakat On Money Kept To Pay The Price Of A Purchased Item

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What do the scholars say regarding this matter: We have sold our house and received its full price, and we have also bought a new house, but so far, we have only given the token money. The full payment will be given on 15th April, which is the day of taking possession of the house, and the registration has also not yet been done. The question is: The money we currently have, which will be paid as the price for the house on 15th April, will zakat be paid on it as well? According to my father, his zakat year completes on the 27th of Ramadan. Please provide the answer to this.

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

الجواب بعون الملك الوهاب اللهم هداية الحق والصواب

In the asked case, the amount you received in cash from selling the house — before the zakat year completed — you had already purchased a new house in exchange for this cash. Although you have not yet taken possession of this house, the sale and purchase have been completed, due to which the payment of the amount has also become obligatory upon you, and this is a kind of Dain (i.e. debt/liability). The principle regarding zakat is that if a person has a Dain (i.e. debt/liability) on the day his zakat year completes, zakat will not be obligatory

on that amount of the debt. Rather, after deducting the debt, if there remains such zakatable wealth that reaches the nisab, zakat will be obligatory on that remaining wealth. But if after deducting the debt no such wealth remains that reaches the nisab, then zakat will not be obligatory at all.

Therefore, in the asked case, if one owns the amount to be paid for the house when the zakat year completes, zakat will not be obligatory on it. Apart from this, if there is other zakatable wealth that reaches the nisab, zakat will be obligatory on it.

Shaykh Shams-ud-Din Tamartashi رحمه الله عليه states:

فارغ عن دين له مطالب من جهة العباد

Translation: Zakat is obligatory on that wealth which is free from a debt demanded by people.

(Tanweer al-Absar Ma Durr-ul-Mukhtar,
V. 3, P. 210, Dar al-Marifah, Beirut)

Under this, Allama Ibn-ul-Abidin Shami رحمه الله عليه states:

(فارغ عن دين)--- اطلقه فشمّل الدين العارض--- وهذا اذا كان الدين في ذمته قبل وجوب الزكاة

Translation:“(Free from Dain)... the word Dain is mentioned unrestricted, so the Dain (i.e. debt/liability) arising in the middle of the year is also included. And this is in the case when this Dain was upon him before zakat became obligatory.”

(Radd-ul-Muhtar, vol. 3, p. 210, Dar al-Marifah, Beirut)

In Tanweer al-Absar it is stated:

(فلا زكاة على--- مديون للعبد بقدر دينه) فيزكى الزائدان بلغ نصابا

Translation: There is no zakat on the amount of Dain (i.e. debt/liability) if the Dain is for a human. However, he will give zakat on what remains beyond that if it reaches the nisab.”

(Tanweer al-Absar ma'a al-Durr-ul-Mukhtar, V. 3,
P. 215, Dar al-Marifah, Beirut)

Imam-e-Ahle-Sunnat Ala Hazrat رحمۃ اللہ علیہ states in Fatawa Razaviyya:

ایسا دین جس قدر ہو گا اتنا مال مشغول بحاجت اصلیه قرار دے کر کا عدم ٹھہرے گا اور باقی پر زکوٰۃ واجب ہوگی اگر بقدر نصاب ہو۔

Translation: A Dain (i.e. debt/liability), whatever its amount may be, will render that much wealth occupied in essential need and this amount of wealth will not be counted, and zakat will be obligatory on the rest of the wealth if it reaches the nisab.

(Fatawa Razaviyya, V. 10, P. 126, Raza Foundation, Lahore)

Sadr-ush-Shariah Mufti Amjad Ali Azami رحمۃ اللہ علیہ states:

نصاب کا مالک ہے مگر اس پر دین ہے کہ ادا کرنے کے بعد نصاب نہیں رہتی تو زکوٰۃ واجب نہیں خواہ وہ دین بندہ کا ہو جیسے قرض، زر ثمن، کسی چیز کا تاوان یا اللہ عزوجل کا دین ہو جیسے زکوٰۃ۔

Translation: A person owns nisab but he has a Dain such that after paying it he no longer remains owner of nisab, then zakat is not obligatory — whether the Dain is on him for a human such as a loan, price of something, or compensation for something, or it is Allah's عزوجل Dain such as zakat.

(Bahar-e-Shariat, vol. 1, p. 878, Maktaba-tul-Madina)

واللہ اعلم عزوجل ورسولہ اعلم صلی اللہ تعالیٰ علیہ وآلہ وسلم

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