

# FATAWA LIVE 2016

**From:** Aboutislam.net: live fatwa

**Date:** Saturday, July 02, 2016

**Subject:** Live Fatwa

Ustazna, here are the questions received. Please, answer them by email till we follow up on the problem with the IT Dept.

**Q 1: Can I send Zakah of al Fitr to my own country?**

Questioner: Amin – Turkey

I live abroad; can I send Zakat Al-Fitr to my own country? Please, keep in mind that people in my home country are in need of money than the country where I live.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Amin

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Yes, if you are sure that you can reach people who deserve it more or your kin relatives who are in need because the Prophet, pbuh, said that it will then be a kindness to kin and Zakah at the same time. Be sure that you make reach its recipients by the Eid prayer time.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Q 2: Interest Money Given By Govt.**

Questioner: Zahoor

Is it right for a Muslim to use interest money given by govt. on his salary? As it's mandatory for any govt. employee to have a bank account, so interest comes automatically. If not, what I can do?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Zahoor

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Sending Salary to your bank account does not mean that it will generate interest if it is a checking account. But anyway if there is interest in your bank account coming for any reason you should dispose of it to Muslim poor and needy, preferably through trust worthy Muslim charities. You must not use it for any benefit to yourself as it is Haram for you and inappropriate to give it back to the Bank.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf  
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**Q 3: Worked in Riba Transactions**

Questioner: Fayez

If any person who had worked as accountant has done *Riba* based transaction recording, and now had retired, he had received salary on the time of job. What should he do?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Fayez

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Recording it after it is contracted is not part of the sins that deserve the Curse of Allah as told by our beloved Prophet, pbuh. He said that the Curse of Allah is on the two parties and writer and witnesses. That does not mean it is not a wrong doing. Of course an accountant records many normal transactions and he may also record the interest transactions.

The remedy is Just Istighfar, good deed, and charity as Allah said what means “surely good actions wipe out the bad ones إن الحسنات يذهبن السيئات”

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf  
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**Q 4: Loan and Currency inflation**

Questioner: Hani

If I took a loan from a person and at the time of paying it back, we found out that the loan currency has dropped and, therefore, the debtor will incur a loss; should I pay back the original amount or should I add the inflation rate too?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Hani

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The principle is: a loan is paid back in same currency and quantity it was given. Without being a condition in the contract (even verbal contract) it is good to give more at time of repayment. This is a kind of beautiful repayment حُسن الوفاء. If the deterioration of the value of the loan currency is big amicable reconciliation between the parties is recommended and if they do not reach it amicably an agreed Arbitrator or Court of law may impose a fair reconciliation after studying all circumstance of the two parties and their economic environment.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam  
Prof. Dr. Monzer Kahf

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**Q 5: Paying Zakah in Installments**

Can I pay Zakah in installments? I mean every month I pay 2.5 percent of my salary rather than doing annually.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Yes, this is of course permissible but start early so that at the end of your Hawl (your Zakah lunar year), i.e., when it becomes due, you find yourself done with it all or only a small portion is to be then paid, the point is: delaying it from the due date with no good reason is sinful while early payment is permissible.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Q 6: Double Zakat Al-Fitr**

I am living in a country different from my home. I heard that you should pay Zakat Al-Fitr in the place you reside in. But I would like also to pay to poor people in my home country? Is it allowed to pay double Zakatulfitr?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

YES, of course it is allowed to pay more any amount. for instance once the Prophet, pbuh, wanted to make Udhiyah (sheep sacrifice) at time of Eid an Adha, he offered two big and good rams ضَحَى رَسُولُ اللَّهِ، صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ، كَبْشَيْنِ أَمْلَحَيْنِ.

Also what you heard is inaccurate. It is better to pay it where you reside unless there is good reason to send it to another place, your home land or any other. Good reason include people who are in more severe situations like refugees and displaced people or poor kin, or people who suffer from calamities and the like.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**From:** Aboutislam.net: live fatwa

**Date:** Saturday, July 09, 2016

**Subject:** Live Fatwa

Salam Ustazna,

Hope you and your family are all well and at the best of health and faith, and have best enjoyed `Eid.

Could you kindly reply to these questions?

**Question 1: Supermarkets Offering Cash Prizes**

During Ramadan, many shopping centers and hypermarkets have offers where they give raffle draw coupons on certain amount of shopping, and at the end of the month you get the opportunity to win cash prizes, cars and other valuables. In my opinion, I believe them to be impermissible. However, some argue it to be right. At best I can say it falls in the gray area.

My question is: is this sort of raffle draw *halal*? Can you, please, advise in light of the Quran, Hadith and any existing Fatwas?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Questioner

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Yes, It is Permissible. It is a way to make advertisement without any violation of Shari'ah as long as their prices remain normal (although many shops normally offer reduced prices with these prizes). A problem may arise if there is payment for these coupons to enter the draw (I.e., for the chance) whether direct or hidden under higher prices of the items included. Distribution of prizes on the basis of random draw is permissible. What is prohibited is charging a price for this chance.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Paying Zakah to Parents**

Salam, thank you for having the Ask the Scholar option available on your website.

My husband and I give Zakah on our wealth together. We're both students who hope to start a family soon. So although we don't have a lot of disposable income, we have alhamdulillah managed to save a substantial amount over the years. My husband's parents have some serious chronic illnesses, and need a big chunk of money regularly to pay for their medical expenses. Since they are not well off, we very gladly bear these expenses.

However, we wondered if we can count this as Zakah. I have read conflicting views about Zakah distribution to family; on one hand, giving to family is highly encouraged, on the other, giving to parents appears to be forbidden. I am not sure which is accurate.

Giving Zakah on top of the medical expenses will be difficult for us and we'll need to dig deep into our savings. If it is Allah's law, we'll of course do it, but we are somewhat confused about this. To give an indication of the amounts: if our Zakah is USD 1000/y, we are giving USD

12,000/y already for their expenses. As you can see, not the easiest of scenarios to add Zakah on top of this -- USD 1000 is a large amount in our currency!

Would love your advice. Jazaka Allah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Questioner

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Please realize a few important points:

1. Spending on parents is as obligated and required as spending on oneself if parents are in need. Even when they are not in need giving them extras has a priority over one's own self, it is a sign of Taqwa and has tremendous rewards from God (remember the Hadith of the three persons who were locked in a cave and started praying to be saved, one of them has the deed of giving priority to parents over himself and his young children).
2. Although it is a good thing for husband and wife to mix finance (I do it myself) you should realize that according to Shari'ah they have independent ownership and if they decide to mix together without setting a percentage for each we always consider their properties (e.g., savings) as owned independently on the basis of 50/50. Independence of properties is so emphasized in Shari'ah to the extent that if the husband is 'poor' and wife is 'rich' she may give him her due Zakah.
3. If in fact the husband is the income earner and these savings came from his income, his parents (if in need and he is the only able child of them) have direct rights on his income, before saving any money, because they are internal part of his family.
4. If in fact, the wife has income, she is not required to spend on the family, unless she does that voluntarily (and what she spends voluntarily is acceptable, permissible, recognized but she has no right to claim it as a debt on the husband). Spending on the family (I.e., specifically wife because you inaccurately said you are going to build a family... You are already a family! I understood it to mean have children InShaAllah) is a full responsibility of the husband. This is so much so to the extent that if the wife is rich and the husband is poor she may give him her due Zakah knowing that he is going to use it to spend on her own needs and expenses.
5. Same responsibility towards parents applies to female children if they are able and parent in need. At the same time, a wife is not at all responsible for the parents of her husband and a husband is not at all responsible for the parents of his wife. Courteous actions, relations and giving are always recommended in Shari'ah.

With the above in mind, if your husband is rich, then his parents are part of this richness he cannot give his Zakah to them because this amounts to not paying Zakah at all (giving it to himself). There should be no confusion between this family responsibility and giving Zakah to brothers, in-laws, sisters, cousins and their like because these are not part of one's Shari'ah family required responsibility. (of course, going into details: grandparents, parental Uncles, minor sisters and brothers are also included in the obligation as part of the family provided they are in need).

Your own Zakah, that is on property which you own or on your share of joint properties, can be given to parents of your husband.

If parents' medical expense are 12000, and your husband has savings of 40000 (that he pays Zakah @ 2.5%=1000), parents have right on the 40000 itself and on his income, exactly similar to your right and the right of his own soul. It is not much at all!

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**From:** Aboutislam.net

**Sent:** Tuesday, August 02, 2016

**Subject:** Live Fatwa

Salam Ustazna,

Could you kindly reply to the following questions?

**1. Buying Stocks, Treasury Bills**

I would like to find out the ruling of Islamic Shari'ah regarding buying stock, treasury bills (a short term obligation backed by the sovereignty of the government with maturity period of less than 1 year with guaranteed returns without any risk) and what could be the best source(s) of a Muslim multiplying his or her wealth in a non-Islamic country?

In Ghana there are financial institutions where you can send your money with guaranteed returns without any risk and it's actually quit tempting as a worker where you can be accumulating additional wealth to aid in areas such as buying a home or building, cars, sustainable family home, simply because the minimum wage in Ghana is nothing one can write home about and there are no jobs that pay more than enough to keep on head just above waters.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Buying stocks of companies whose main line of business is permissible is permissible provided such companies fulfill the following 3 conditions and you do the fourth thing: 1) company does not use more than 30% of its assets in activities/transactions that are not permissible in Shari'ah, 2) it does not depend on interest-loan for more than 30% of its assets, 3) Haram earnings do not make more than 5% of its revenues and the 4<sup>th</sup> that you should do is 4) calculate out of such investments the amount of profit that comes from Haram and give it to Muslim charity.

Buying treasury bills is HARAM because these are pure debts on the treasury and all and any increment in a debt is prohibited by Allah in the Qur'an (2:275). This is exactly the RIBA that prohibited by Allah as defined in verse (2: 279) which says that any increment above principal is what must be avoided and repented from.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**2. 2.5% From Saving or Earning?**

I know 2.5% we need to give Zakah. Is 2.5% is from saving or earning because I have debts?  
Please, explain in detail about Zakah?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The Zakah is obligated on what you own. This means all savings and the net amount of earning which is added to savings (i.e., not the part one spends on self, family and what not).

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**From:** Aboutislam.net

**Sent:** Thursday, September 29, 2016

**Subject:** Live Fatwa

As-Salamu Alaykum dear Dr. Kahf,

Hope you are doing well and this message finds you in the best of health and Iman.

On behalf of the Shari'ah team, [aboutislam.net](http://aboutislam.net), I would like thank you for dedicating time to answer our visitors' questions today; Jazaka Allahu Kheir.

So far we received three questions that I included below; we expect more questions in the coming hours. Any further questions will be forwarded to you promptly by me or our dear colleagues in the section: Dr. Mohsen and Dr. Muhammad InShaAllah.

We will post the answers towards the end of the session's time InShaAllah.

**1. Exchanging coins into cash**

I have a lot of coins that I want to turn into cash. The bank has a service that I give them the cents and they give me banknotes in exchange. However they charge me a percentage of the amount for the service.

Is it Ok for the bank to take this money or it is considered Riba?

My Answer:

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Technically, it is not Riba because the coins have a transportation burden. They are the kind of Fulus in the past that many argued that they carry a burden in carrying them. But still I believe there is that nuance (shubhah شبهة) of Riba because it is the same currency. If I were you I would not collect that much and if it happens I would consume them through purchase and through time.

Wa Allahu A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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## **2. My Income is not sufficient for our expense; do I have to pay Zakah?**

As-Salamu Alaykum dear Dr. Kahf.

I have a question about Zakah; I get a monthly salary that does not cover all the expenses of me and my household; so I receive from time to time some amounts from my father. Through my salary and the assistance amount I receive, we are able to live a good life alhamdulillah.

I do not know if I have to pay Zakah; obviously I do not have savings that amount to the Nisab and lasts for a whole year. Do I have to pay a 2.5% of my salary and assistance amounts that I receive from my father when I get them?

JAK

### **My Answer:**

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The answer is: NO. Zakah is due only on what is left after expenses with the appropriate condition of reaching Nisab and staying for 354 days after the day on which it reached Nisab.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **3. Two Transactions in one?**

Respected scholar,

I heard that it is not permissible to combine two transactions together in one Sarf (money exchange) deal.

Does that apply to the following scenario?

I go to the money exchanger and give him \$100 to get from him 375 SR. But he gives me 400 SR as he has no SR change; so I give him back SR 25.

Is the above transaction halal?

### **My Answer:**

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

As described if it is done at the same time there are no two transactions in one. There is only one transaction: \$ 100 for SR 375. That is it.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**From:** Aboutislam.net

**Sent:** Monday, October 24, 2016

**Subject: Live Fatwa Session**

Assalamu Alaykum respected Dr. Monzer,

We pray that you are in the best of your faith and health.

Here is a list of 9 questions. Please give detailed answers so that we can post them as permanent fatwas on Ask the Scholar browser.

**1. My dad died before he pays his annual Zakah. What should we do?****My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If the Hawl is due, i.e., the Zakah is due on your father before he died, the amount of Zakah for that year becomes due on him. In this case the heirs must pay it like other debts to other persons. Some scholars even argue that the debt of Allah is stronger in the requirement to be paid than the debts to people. Also there are scholars who say that now the property belongs to heirs and they are not responsible for the neglect of the deceased. Well it is true technically! But He is your father and even if you make Sadaqah on his behalf he will be rewarded for it, Zakah is definitely more important.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**2. Can I deduce my debt from my Zakah?****My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The question is excessively vague; the debt that is on you is deductible from the total Zakatable properties (including cash) if it is going to be paid out of them. But if it is going to be paid out of future income it is not deductible. Example: you have cash 10,000 on which the Hawl has passed and Zakah is now to be calculated. You also have a debt on 240,000 on your house it is due on monthly payments of 1000 for 20 years. Ask yourself is this debt going to be paid out of the 10,000?! It is very likely that only 1000 are going to be paid out of the cash that you have if the date of its payment is before your next salary. Then you deduct only 1000 and calculate the Zakah on 9000. But if the date of the payment is due after you get your next salary you should not deduct this installment because actually like all other installments it is going to be paid out of future income.

But if the debt is to you not on you and the debtor is able to pay it and recognizes his/her indebtedness to you. This becomes a strong debt and you have to add it to the Zakatable items you own now and pay Zakah on it as if is cash on any other Zakatable item that you own. This

debt is a part of your wealth. If the debt is doubtful to be collected you may not include it in the calculation of Zakah to the extent of the doubt (e.g., 20%, 50%, 70%, 100%).

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**3. Is it ok to invest Zakah money?**

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Only a government, when it takes charge of collection and distribution, it may decide to invest part. Such a decision cannot be left to the Zakah payer himself/herself. The due amount of Zakah is the right of the poor now, not the right of the poor of tomorrow and if the government takes such a decision it is because it guarantees the living needs of the poor now. Also charitable organizations which receive Zakah from individual Muslims have no right to invest it; they are only agent of the Zakah payer.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**4. Is it permissible to put my money in a western bank?**

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If there are Islamic banks that fulfill all the needs of Muslims in the community, many scholars would rightly argue that it becomes not permissible to deposit in a conventional Bank whether in saving or current account regardless of the issue of earning interest (earning interest is not permissible from conventional bank or from any other person). But whenever there are needs that cannot be fulfilled by Islamic banks either because they do not exist or because their services are bad or insufficient, it is permissible to deposit in other banks provided a Muslim does not take or give interest which is exactly the Riba that is prohibited in the Qur'an.

One last point is worth mentioning: if you have to deposit large sums and to extended period, the Second Islamic Banking Conference held in Kuwait in 1982 determined that in such cases it is better to take the due interest and give it to charity than depositing in current account that does not generate interest or leaving it to the bank itself. This is based not on double standard but rather on weighing evils. That is when one is faced with two evils and has to choose one of

them, the lesser evil is taking the interest and giving it to charity, not that we, without any need, deposit in a conventional bank and take the interest to charity.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **5. I am about to reach 65. Can I use special insurance companies to secure a pension?**

##### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

At this age insurance companies do not give you any good pension anyway. Insurance is not permissible according to majority because as an exchange contract it contains Gharar (ambiguity) in regards to its final outcome (in this example how many payments of pension you will receive because we do not know when one is going to die).

If Islamic insurance is available, you should go for it. if it is not available and you need really insurance (any kind of insurance) you may go for conventional insurance provided you avoid Riba (interest). Any pension insurance contract done with any insurance company is based solely on interest in addition to the probability of life expectancy because you pay now an amount of money and they give you back an annual or periodical amount, the difference is interest.

This does not include two kinds of pensions: the obligatory pension that is done in many countries like the social security in America and the employment pension that many companies have for their workers. These both are based on employment.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **6. Should charities use Zakah money for administrative purposes?**

##### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

MY answer is NO. Charities receive Zakah on agency basis from Zakah payers; they cannot use part of Zakah for its administration. This is as if the Zakah payer himself takes part to himself for giving it to the poor. Allah in the Qur'an ordered us to give the Zakah and be sure that it reaches its destination. This is why we cannot take any wage for ourselves to make it reach to poor.

Only a government has the right to activate the item of worker on Zakah **العاملون عليها** in distribution Zakah to the deserving categories as mentioned in the Verse 9:60 of the Qur'an.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**7. Is it ok to use Zakah money to build a clinic?**

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If the clinic is exclusively for the poor and needy, it is permissible to use Zakah for building it because having a clinic is a necessary vehicle for providing health service including medicines. I say that knowing that there is another opinion that does not allow it. Here we need to expand the argument a little. Services, health, education, transportation, etc. are part of contemporary life. Services are considered properties in our Shari'ah. So you can buy them and sell them and finance them through Islamic banking and finance. Why not give them on the basis of making the poor own them also as he/she owns physical things when you give him food or cloth.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**8. Is it permissible to use Zakah to promote psychological counter attack?**

**My Answer:**

I don't know what is this and I cannot give opinion on it.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**9. I am wondering if it allowed using usurious bank loans to start business.**

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

My answer is definitely NO as this is a pure Riba which is prohibited in the Qur'an and the Sunnah.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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Jazaka Allahu Khayran

**Dr. Muhammad**

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# FATAWA LIVE ON LINE 2000-2015

## FATAWA LIVE 2013-2015

### Live Fatwa, OnIslam Session Oct. 17, 2012

#### **Question 1: Buying a Property on Mortgage**

From: Lubna

Assalam `Alaykum. I want to know about fatwa's that talk about buying a property on mortgage in western countries. Can you, please, guide me in that regard? JAK, Wassalam.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Lubna

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

It is based on general needs of Muslim families for buying homes to live in. This need is genuine in most Western countries especially USA and Canada because areas of family houses may have adequate schooling, safety and better utilities. It was discussed in a conference held in Detroit in the Fall of 1999 and was attended by Skaikh al Qaradawi. A similar Fatwa came from the European Council of Fatwa.

Of course it is conditional on lack of Islamic finance (meaning with similar conditions) and for a house to be used as residence not for investment.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 2: paying for house painting while it is to be demolished**

From: Adeeb

As-salamu `Alaykum. We are vacating the house where we stayed for rent, as our house owner is going to demolish the whole building to construct shopping complex. According to rent agreement when we are vacating we should get the house painted but as the house is being demolished so there is no need for painting. Even then the owner has told us to pay money needed for painting to him. Is it not haram for owner to ask for money to paint when he is not going to use it for painting as he is going to demolish the whole building?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Adeeb

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I believe it is Haram for him to claim an amount from you for painting and not use it for the same. It may also be illegal in most countries check with a lawyer in your area.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 3: Islamic house mortgage offered by guidance financial**

From: Hasan

Assalam Alaykum dear Sheikh. Jazakum Allah Khair for taking time to help us out with our finance related Shari`ah questions.

My Questions:

1. I am currently.....; a Shari`ah based home financing company for my home payments. I read the following articles at the very renowned Muslim blog site: <http://muslimmatters.org/2012/03/26/halal-mortgages-misuse-of-taqi-usmani-fatwa-and-other-important-questions/>, where a predominant scholar (Sh. Yasir) has spoken a bit negatively about the Islamic home mortgages. I am very confused now. Because I really thought this is only way out from conventional mortgage. I took a lot of effort and put a great amount of my savings to refinance with Guidance thinking that I am going in the right direction. Please, help.
2. Is investing in Shari`ah mutual funds like Amana is a good thing.
3. Is it permissible to have a retirement plan? Would it contradict from the fact that we should rely on Allah for sustenance and should not plan a lot on money matters for dunya?
4. What is your suggestion in taking part in the 401k plan offered by employer? Jazaka Allah Khair. Hasan.

### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Hasan

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I believe that you should only seek Fatwa from people who are qualified to give it in area of their specialization. You are right in your house finance the way it is and the claim that the contract is deficient is incorrect.

I cannot recommend any investment fund because this is not a fatwa, this is investment advice. But Amana and several other funds are Shari`ah compliant yet you still are required to ask them about the percentage that is needed to be given to Islamic charity as purification because they invest in companies that are not fully committed to Shari`ah, i.e., .

Retirement plan is definitely permissible and rather recommended. It falls under the advice of the prophet, pbuh, that we do the best we can and then have Tawakkul on

Allah because nothing happens without his permit.

For 401K, I suggest to take and benefit from the matching privilege in it. remember that you have to purify your return because you may not be able to close investments that is Shari'ah compliant.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 4: Zakah Calculation**

From: Sarwar– Bangladesh

Dear brother, I want to know the calculation of Zakah of a share; price of which was Taka (Bangladeshi currency) 100.00 at the time of buying. But now market price is Taka 1000.00. I am not person who lives on buying & selling share/bond. This share is remaining with me for years. Regards.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Alam

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

In this example the amount of your wealth is 1000 not 100. The 100 is simply history. You are 1000 rich. The amount which is subject to Zakah is the current price on the day when your Zakah is due for calculation and payment.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Live Fatwa, OnIslam Session Feb. 18, 2013**

#### **Question 1: Murabahah, How Does It Work Correctly?**

From: lhamdouchi

As-salamu `Alaykum. I am a student from Morocco preparing a Master in Islamic Finance. My question is concerning Murabahah; some scholars criticizes it because when you present to the bank for buying a car, the bank goes to the car maker and buys it plus a margin. So, they consider it same as interest. Ibn `Abbas used to practice the right Murabahah, which means that the bank should have bought and have already on her asset car (stock of cars), has does not have to wait until the buyer comes to the bank and ask for the car, once the customer is presenting for the purchase the car from the bank:

1. The bank has to hold the bills cars.
2. The bank must show to the potential buyer the bill and bargain with him or her for

the surplus (ribh), am I Right?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Elham

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You are right when Murabahah is done by a car dealer. A car dealer knows what cars to buy and have already studied the market. he buys cars on his own initiative (this this can be true at the time of Ibn Abbas) and wait for a customer who likes this car and start negotiating with him.

But live and economic and financial relations have developed and overgrew that situation. Now we have a new function in the economy called financial intermediation. An institution which collects the savings from surplus units and gives it to deficit economic units who need them in their business or for their consumption goods.

In other that this context we can argue and proof that this function is very useful, rather necessary in any economy of large number of people as it is today everywhere. Financial intermediaries cannot be expert in all trades. And even if they can still cannot buy all goods that all businesses and consumers may need be financed, and even if they could buy all that it is wrong to do it because they play with the money of depositors and doing that means taking a big over load of risk which is a kind of betrayal of the depositors. The question is: if this function is to be done in accordance with Shari'ah whereby the Islamic bank is an agent (Mudarib) of depositors, it must reduce risk to a minimum without losing Shari'ah legitimacy.

Let us ask what legitimize return is it ownership or price risk and liquidity risk (taken by a merchant when he buys goods on own decision and wait until the customer comes like Ibn Abbas as you said)let me put the question in a different way: if I can separate price and liquidity risks from ownership does that makes me not owner or does that makes the price I sell for not legitimate. The answer is: only property risk, not price risk and liquidity risk, is what makes profit legitimate. This is why IBs only buy after they get request and promise, i. e., they secure a buyer and a price. This is fully and completely Shari'ah compliant because ownership is the cause of profit not price risk or liquidity risk.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Question 2: Accepting Commission / Gifts**

From: Ayaz

As-salam Alaykum. I work as procurement engineer in a contractor firm. My duty is to find suitable subcontractor/supplier/manufacturer for different jobs/works and then acquire quotations from them and then negotiate with them to have maximum benefit for company.

The best offer is recommended from my side to my management head to approve the recommended or other competitors.

In the meantime if a subcontractor/supplier/manufacturer offers me some gifts or commission to allot some job/work to them, is it acceptable?

It is to be noted very clearly that neither do I forced the subcontractor/supplier/manufacturer to give me something nor does the company lose anything, as all the figures are open to management head and the recommended subcontractor/supplier/manufacturer is complying with company policy. Please, advise. Jazaka Allah. Ayaz, Kuwait

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ayaz

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

In such businesses there are many practices that are hazy and this is one of them.

Accepting gifts from such sub-contractors on occasions such as Eid or the like with the knowledge of the management of your company is permissible while as you said gift to give them business, i.e., whenever it related to a new bid or expected bid is extremely hazy. In such case what I would do is to consider such gift to the business itself rather than to your person and either use it by your company's workers offered to all of them or add it as an income to the business. Personal gifts are inappropriate and Haram to give if the intention is to get a favor from you in the business (even if that favor is not actually given). It is incorrect for you to take it without knowledge and approval of your management. I do not want to say it is Haram for you to take because of what you said that it does not affect the selection but without your management knowledge it is very close to Haram in my opinion.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: How to Calculate Zakah of Price-Unstable Assets?**

From: Abdullah

As-salamu `Alaykum. If I have some money (savings) and at times I withdraw from it and at times I add to it such that it reduces below the Nisab (Zakatable money) sometimes and at times it goes above it; do I count the year period by the length of time I have an amount up to the Nisab? For example, if the Nisab is 2000 and in October I had 1500 and I added to it and by January, I had 2300; but by March I had withdrawn and I now had 1800. Do I qualify to pay Zakah in this instance? Please, clarify. Jazakum Allah Khairan.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,

wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdullah

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The Hanafi school solved this matter long ago (remember the Hanafi school was actually in implementation in real life more than any other Mathhab both in period of time and in geographical area): If you have Nisab at a point of time you are required to pay Zakah 354 days after that point if you have Nisab then or more. Nisab is about US\$1500 in my opinion nowadays. On Ramadan 4 you got Nisab for the first time. This is the beginning. You got more after that and you also came down to 800 several times but on Ramadan 4 the following year you have 1500 or more, you are subject to Zakah on the total amount you have at 3.5%.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 4: Zakah on residential land**

From: Mohammed

As-salaamu `Alaykum. I'm Mohammed from Bangalore, India currently located in Singapore. I have a question regarding Zakah. I come from a Tamil Muslim family from Indian State of Tamil Nadu. My family consists of my wife & my 2-year-old daughter, along with my 25-year-old younger brother & my parents.

We have our ancestral house in my home town registered in my father's name which was built 25 years back. Apart from this house, I purchased an additional empty residential land in my name during Dec. 2011 with an intension of later building a house for my sub-family unit (myself, my wife & daughter). The site amounted to INR 550,000 during Dec 2011& now values 800,000.

Please, advise if I need to pay Zakah for the site which I purchased. There is a confusion among us, since the ancestral house property is in my father's name, & the site is in my name; some of our family members say that, since I'm married & have a family of my own and since the site is registered for my separate family

unit, there is no need to pay Zakah for the site, as a house falls among the basic necessity of life which requires no Zakah. While others say, the site is bought additional to our ancestral property & hence Zakah should be paid. We are hence confused. Please, advise what needs to be done with references from Hadith on this situation.

Do take note that although I'm married, we all live as one joint family together in a rented house in Bangalore. But myself, my wife & daughter are temporarily in Singapore from last 1 year & will be staying here till end this year, Insha'Allah.

If the Shari'ah ruling is to pay Zakah for my additional site, also (which is registered in my name), please advise if I should pay Zakah for the initial amount of the site or should I pay for the current increased amount? I don't have any other property in my name other than the site.

Secondly, please, advise if Zakah is applicable for electronic goods like I-pad, mobile phone & vehicles for personal use. Your early Fatwa is highly appreciated since I'm

already due more than a year of purchasing all the above commodities. Wassalam

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Salin

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

This land is not subject to Zakah as long as it is a first step to have a house of your own, everyone is entitled to choose to live in a house of his/her own even if he/she is single. There is no Hadith on such details but there is overwhelming evidence that a house to live in is not subject to Zakah. If you change your mind and gave up the idea of having a house of your own to live in and decide to sell this property, then you pay Zakah one time as if for past year only when you sell. Iphone and personal computer and Ipad are all not subject to Zakah as long as they are for actual personal use, some people may also have two of such instrument and still not subject to Zakah as long as they use them both on personal basis.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Gifts from persons who bought the using other people's credit card**

From: Suhur – United Kingdom

As-salamu `Alaykum. I got a gift from some of my husband's relatives. But then I have found out that those gifts were haram. It's a gift used by other peoples' card online and all I want to know is: what shall I do to those gifts? Shall I throw them? It's two make ups, and two bags. Please, reply me back as soon as possible. I had argument with my husband about this issue and he knew about it has really broken my heart. Please, any advice will do.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Suhur

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I am trying to analyze it: it is a credit card theft or it is goods theft. The goods definitely were not stolen. This means you did not receive stolen goods which are still owned by the true owner.

But on the other hand credit card theft cannot be done except buy buying goods with it. it once happened against me personally when a thief got a credit card issued in my name and I was during the same in outside the USA. Now the goods bought in my case were lost by the seller because he was determined negligent by issuing a new credit card without asking for an ID that verifies the personality of the person to whom the credit card is issued.

What I want to say is: credit card theft may be equal to goods theft and in this case the presence of the goods in your hand makes them illegitimate. But again you do not know the true owner. My best solution is to give them to a charitable organization which give them to the poor and needy. Definitely it is wrong to accept them knowing their source. Your husband needs a Tawbah and Istighfar. And those who did it need advice and repretment. In addition to Tawbah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: can Zakah be paid to divorced sister with a child?**

From: Faheem– India

My sister is divorced and has a girl child (father is not taking care of the child). She, along with the child, is staying with my parents who are taking care of their needs. However she has no source of income and is dependent on my parents for all other requirements such as child schooling etc. She holds gold jewelry above the prescribed 'Nisab' and is liable to pay Zakah. My question is: can I give my Zakah to my sister?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Faheem

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I say No because you are responsible to help your parents in this new burden they have. further you are responsible for your sister even with the little jewelry she has. Every woman is entitled to some jewelry even above Nisab. the needs of your sister and her daughter who has nobody else to spend on her are like your personal and family needs. You are responsible for her and can't take that out of the Zakah that is due on you.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 7: how much Zakah on checking account?**

From: Umer –Canada

I have money in my bank account since more than a year or 2; how much will be the Zakah on it? It's my checking account and although I am using as a daily transaction, but I got interest from bank as well. Kindly tell me how much is Zakah on it.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Umer

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You are subject to pay Zakah since the day you got Nisab (approximately equivalent of US\$ 1500). If you have Nisab or more after 354 days after the first time you acquired Nisab is you Zakah due date. It is 2.5% of the amount you have, do the same after another 354 day and repeat every 354 days. Remember Zakah is the third PILLAR of Islam and it is the sister of prayers.

The receive interest should be given to Muslim charity or to poor persons directly, it is Haram to keep it within your ownership.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: Giving Zakah on monthly installments**

From: Anjum –Canada

Salam. I know about the Zakah but wanted to know a bit more. I have amount to give Zakah to the lady who is very poor who stays in the village where it's not permissible to give huge amount to her, due to no good circumstances.

I just want to know that if I do the niyah of Zakah and give some money to her for `Eid celebration and keep the rest of the money in separate my account and give her monthly for the whole year for her benefit. Will this be acceptable for Zakah else? Please, advise.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Anjum

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you know that this lady really deserves Zakah and it is better for any reason to give it on several installments, it is permissible as long as it is better for the poor. I have a better suggestion for you: pay the past due Zakah to any deserving and start paying in advance on the current Zakah year to this lady on monthly installments. By the end of your Zakah year you would be close to have paid all the due Zakah. Then when you calculate the due amount for Zakah you only pay the balance. This way you are not delaying a due Zakah which is Haram you rather pay it in advance.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 9: debt to a deceased grandmother**

From: Carrie Canada

Assalam `Alaykum. I came into Islam about 3 years ago. Years before I entered into Islam I borrowed money from my grandmother. I want to pay my debt to her but the problem

is she is now dead. How do I pay my debt to my grandmother now? Do I pay it to my dad, the closest living relative, or do I donate it in my grandmother's name? (can I do this as she was NOT Muslim)? I was told I cannot enter into Jannah if I have outstanding debts. Can you, please, give me suggestions of what I should do?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Carrie

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Paying a debt to a deceased is done to her heirs. Your father may be the only one but you need to determine your grandmother heirs on the day of her death. These are her children and husband and parents.

You may not make a Sadaqah for a deceased non-Muslim.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: taking commission on a friend's buy**

From: Umar – Canada

I am a used car dealer. I had a car advertised at 7500 \$. A guy came, looked at the car, drove it and then told me that he has a buyer, his cousin, who is looking for the similar car. His budget is 8500 \$. He asked me to put a sign of 8500 \$ as a sale price just for 2 hours while bringing his cousin. He told me that he will do the bargaining with his brother and will bring the price down to 8000\$. However after the deal, I have to give him 500 \$ as his commission. Is that ok from Islamic point of view?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Umar

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Definitely no.

Some people make that mistake. When you bring a person on trust basis that you are making him a help, it is cheating to take a commission from his behind. Of course one may work on commission. In this case the customer (in this case his cousin or brother) must know that he makes a commission from you for it. this commission in fact must belong to the cousin not to the person who asked you to do this trick.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 1: Someone who consumed Riba**

From: Yusuf

As-salamu Alaykum, onislam.net. I sent my question on what is the ruling on someone who consumes Riba. Is it enough for him to stop consuming it or is he going to give out as a charity the amount he consumed?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Yusuf

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The principle is that any amount obtained in Riba (here I am specific that is amount given as Riba not a person who work in a Riba organization and not any amount given by a Riba earner for buying permissible things, renting office, etc.) must be returned to the payer because it is still belongs to the person who paid it. if a person you took from him an increment of a debt or a loan you must return that amount to the same person, it is still his property.

Of course this is in addition to repentance to God and seeking His forgiveness.

The exception to this principle is if Riba is obtained from a Riba based institution such as a conventional bank. in this case you do not return it to the bank but give it rather to Muslim charity or poor and needy because returning it to the bank adds more to the evil of Riba.

I believe we should create the habit and courage to give it back to payer and train ourselves to do it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Travel Insurance**

From: Majeda

As-salamu Alaykum. Is it permissible to have travel insurance? How about the person who has cancer and is going to Saudi Arabia to perform `Umrah?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Majeda

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Majority of scholars are of the view that insurance, of all its kinds, is not permissible because of the Gharar (unknowability). A majority say it is permissible. When Islamic insurance is not available and one feels it is necessary to take insurance one may take

the minority view but if you feel it is not no important, better avoid it. whether it is for Umrah or any other travel it makes no difference. I personally do not consider travel insurance that important.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 3: Buying homes on interest in Canada**

From: Qamber – Canada

I was wondering as there is no other way to purchase a home other than through interest in Canada. Is it rightful that we purchase home on Interest? Many Muslims are doing that, so is it right?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Qamber

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you need housing in Canada and there is no Islamic finance available, it is then permissible to go for conventional finance. this a question each person should check between him/her and God. I know in Canada there are several venues to get Islamic finance including the Assiniboine in Manitoba. There are others Islamic finance institutions in Ontario.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 4: Islamic Banking**

From: Burooj – Pakistan

Many people are looking for the Islamic banking for their daily needs in search of interest free banking. I am not sure, myself, whether today's so called Islamic banking is ok or not in the light of Islamic laws.

Many people have different views about it; many say that it is Islamic and many more say it is not Islamic. I want to take a loan from an Islamic bank for the purchase of a property. Please, advise.

From:

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Burooj

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I am of the view that Islamic banks are in fact Islamic, some of them may make some mistakes as you do and I do. They do not give loans they give finance for housing through sale or lease contracts.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Multi-level marketing**

From: Diana – Indonesia

I have many Muslimah friends selling Oriflamme products and earning wealthy bonus. I kind of worried because they recruit other Muslims to be their down lines by persuading them they'll get money, car and foreign travels. How does Islam see Oriflamme multi-level marketing?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Diana

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Multi-level marketing which goes for several layers have a serious problem of connectivity. You may have brought customers but definitely you did not bring the second line and people down them in this multi-level. What moral justification to earn from the effort of second level and other levels down them. On the other hand I don't know what does this Oriflamme sells and can't say anything about its products and transactional relationships until you explain them in clear terms,

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session MARCH 14, 2013**

**Question 1: Is It Ok to Eat Non-Halal Food in Uk**

From: Laura – Female – UK

As-salamu `Alaykum. I have recently been talking to a converted Muslim of 10 years about halal/haram foods. (I also converted 4 years ago). She is Salafi Muslim, I am Hanafi. I do not know much about the difference and to be honest, I had never heard of Salafi until the other day! She informed that she eats from McDonalds, KfC and Burger King here in England. She buys non-halal beef and lamb from supermarkets.

She does this because we are in a Christian country, so she says it is ok because she does not know how the animals were slaughtered. She says it is very cultural to eat only halal foods. Only the Asians eat halal and the Arabs know best so they eat food from 'people

of the book'.

I do not feel comfortable with what she has told me. I feel she is wrong to eat non-halal when I know she has a halal butcher close to where she lives. From my understandings, yes we can eat non-halal if there is nowhere to buy halal meat. And yes we can eat haram if we are starving and there is no other food. But if we have the option, then we must eat halal.

Am I right? There are some weeks I cannot afford to buy halal meat, or I just can't get to the butcher for a couple weeks. So I go without meat until I can buy it. With regards to other foods, I will read the ingredients, if it does not say vegetarian, I will not eat it.

This person I have spoken to, will eat food that does not say vegetarian even though she knows a particular ingredient is animal derived. As she informed me about a jelly I was asking her about! Also she quotes Skaikh Ibn 'Uthaymeen a lot, saying she gets all her information from him.

Please, can you settle this for me? Just for my own piece of mind that what I am doing is the right way or am I doing wrong? Thank you in advance.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Laura

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Explaining the whole issue requires several lectures but I will try to give a very very brief summary: the Qur'an and the Ahadith came in Arabic language, these are the sources of our Shari'ah no doubt about it. These texts very often have several meanings in many minor issues. This is an expression of the mercy of God that He left many details to our understanding. The issue of meat is one of them. the Qur'an permits eating the meat of Ahl al Kitab. Some Scholars took it with the condition that they slaughter same as our way and mention name of Allah at slaughtering some others took it without any conditions. Let us trust each other and let anyone select the view she/he feel more comfortable with, as long this view is authentic. In fact this view that she expressed is not the view of Ibn Uthaimin himself it is the known view of the schools of Shafi'i and Hanbali. What is much more important though is NOT TO ALLOW SUCH DIFFERENCE NEGATIVELY AFFECT OUR SISTERHOOD/BROTHERHOOD. So that we continue love each other, respect each other and live together. If you eat Halal according to hanafi view, she eats halal too according to Shafi'i view and if she invites you and offer food her way you should accept it and vice versa. We must remove such frictions from our relations and realize brotherhood through diversity rather than conformity. Following any of the respected views in Fiqh is not better or worse than following another respected view in Fiqh.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Selling electronics that may be used for Haram**

From: Ali – UK

I am a deputy manager working in an electronic store that sells laptops iPods, speakers, cameras, headphones etc. I know some things like mp3 and iPods are very likely to be used for haram things. I don't sell these myself but am responsible for sales people selling more and more of these. Is my income halal?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ali

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes, your income is Halal InShaAllah. You are selling a tool that is used by many people for many good and informative objectives. Some of them add to their use other things that are shameful it is their problem not yours. Even when you sell them these tools yourself your work and income is still Halal. This is not like selling porno videos, that is Haram for itself. anything in life can have some abuses by abusers, do we stop selling everything?

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: Selling Backgammon-Chess sets**

From: Abdullah - UK

As-salamu `Alaykum. Is it permissible to sell backgammon/chess/checkers boards in non-Muslim countries? The same board can be used to play all three games. Jazaka Allah Khairan.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdullah

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Most people play these games for entertainment not for gambling, especially children. Yes it is permissible to sell them and sell their boards because they are normal games that are used by majority for permissible entertainment. It is not Haram to sell them and the Ahadith that are reported about their prohibition are weak or meant for associating them with Majalis al Lahu (nightclubs situations). Of course it is Haram to go to a nightclub to play such games because of the bad and morally demeaning environment in such places.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## Live Fatwa, OnIslam Session April 15, 2013

### Question 1: money received from insurance

From: I V

Christian woman and Insurance System

Dear Sir, peace upon you and the mercy of Allah and His blessings. A Christian woman worked for two years and one month. During this time, she contributed to the obligatory insurance system. When she applied to receive money from the insurance system, she told the government employee that she was inscribed as a student. She was told that in this case she would not be entitled to receive money from the insurance system. The employee filled out the form in a certain way, and the woman signed it. She did receive money from the insurance system after that. The woman became a Muslim later. Does she have to return the money that she received?

#### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear I V

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The question is not clear. Is it that she took money she was not entitled to under the system because she lied to the official? Lying does not change a reality, if she was not qualified and she took money because of lying, she is required to return it and if that is difficult morally, legally or socially the least is give it to charity.

If she took them money she deserves according to the system or she was a student and a worker at the same time, so that the lie is not a reason for getting it. she just enjoyed what she got and nothing to be done.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### Question 2: working in a car company

Hasan – Egypt

Working in a Car Company

I'm an accountant. I work in a car company that sells cars in installments; they just sign the contract with the customer and then he deals with the bank. Is this contract halal. Also, is my income halal? Or should I change I change my job?

#### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Hasan

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You did not explain how the contract is done your words "just sign the contract and he deals with the bank" is so vague.

Your work and salary have nothing to do with the Haram is you sell cars and the customer gets finance from the bank on his own.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Live Fatwa, OnIslam Session MAY 15, 2013**

### **Question 1: Treatment of Financial Support to Sister as Zakah**

From: Patwary – 40 – Male – Bangladesh

Dear Sir, I have a sister who is divorced with 2 kids. She has some income from savings. However, she is dependent on my parents, myself and my other sister for financial support to run her family.

She is residing in one of my houses, which I could otherwise rented for some income. We are not unhappy to support us, but I was wondering that in this case can I treat the following as Zakah?

1. The cash support that I provide to her,
2. The assumed rental income of the house property.

### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Patwary

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The answer is NO. she is your sister and she has no other support except your family. Those among you who are able are required by Shari'ah to support her as if she is a part of your inner family. You cannot use Zakah for relieving yourself from family duties. You (all family members who can do it) need to spend on her like you spend on your wife and children. Her children are the responsibility of their father and his family, still you cannot consider what you may give them as Zakah unless her ex-husband and his father and brothers are poor, then spending on her children becomes like giving those poor guys who could not shoulder their responsibilities toward their children. In this case only what is spent on her children only can be considered out of your Zakah (because unlike your sister they are not your own responsibility). In all circumstances residence given to her cannot be counted as your Zakah because you cannot benefit yourself (receiving rent) from your own Zakah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam  
Prof. Dr. Monzer Kahf

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**Question 2: Buying a house on Riba**

From: Umm Karem –Canada

Salam `Alaykum. My question is concerning Riba. My husband wants to buy a house. He has no problem with paying Riba. He has no fear of Allah nor belief in any punishment. As for myself, I fear Allah's punishment as He has clearly made Riba haram. I am trying to go with Ijarah loans.

My question: Is Ijarah loans halal? Or do they also get there funds from interest source? Jazaka Allah Khair, may Allah reward you for your answer.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Umm Karem

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Ijara loan is Riba. it is no better at all that conventional mortgage. It is conventional mortgage for a trust they create for you and the trust rents you. But in fact the trust is you no change. It is only a legal trick because under Canadian loan the trust is considered independent from you. This is not correct according to Shari'ah. If you need housing and there is no Islamic finance available (I know there are some companies and the Islamic Housing Cooperative in Canada who give Islamic finance but their conditions are kind of difficult) or it is not accessible to you going for conventional mortgage (Riba) is permissible on the ground of needs.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: Silver and gold ring for male**

From: Owais– 24 – Male – India

As-salamu `Alaykum. I wanted to know whether wearing a ring of silver, of which some portion is made of gold is permissible for a Muslim man or not. Is the ruling the same if the portion of gold is mostly invisible (I mean too small to identify separately)?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Owais

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

This is not a financial question. But why going into hazy area. Gold is prohibited for men and that is it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 4: sale of what you do not own**

From: Asad - 27 – Male – Pakistan

Dear Imam, As-salamu `Alaykum. I work in an internet company where we do sales and handle all consumer related issues. My question is: when we sale a company's product, we get commission. As mentioned in stock exchange related question one Hadith that Hazrat Muhammad (PBUH) said we cannot sell an item unless we own it. Does this make my job controversial?

Secondly, when customer makes a late payment, he is subjected to late fee. Is late fee an interest? Should I look for another job? Jazaka Allah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Asad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Selling item on commission is permissible. Sale of what one does not own applies to specifically identified things such as you cannot sell my car because you do not own it or you cannot sell Big Ben because you do not own it. but sale on description of products of other companies for a commission is permissible as long as you have arrangement with the producer to deliver.

Fines on delayed payment have interest elements in them. from the fine you can recover any out of pocket expenses caused by the delay. If the delay does not cause any out of pocket expense or if the fine is larger than such expenses the difference is Riba and should be given to charity. It is Haram to earn it.

If your company does not abide by this, it is your responsibility to advise it about it. But if the main line of business is permissible this is no reason for changing job. You can still be in this job, do not collect this fine yourself and your Salary for the right work you do is InShaAllah Halal.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Ijara Loan Canada**

From: Muhammad–Canada

Halal Mortgage

Is Ijarah Canada offering halal mortgage? Where they are fixing it 4% or whatever for specific time period or keeping variable mean it will go up if the bank rate goes up and calling it lease rate.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Arshad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Ijarah is Halal for housing we all rent at some time of our lives. What is called Ijara loan in Canada is not Halal it is a trick to take money from you. Ijarah with conventional banks is also permissible provided the contract should not have any non-Shari'ah compliant clause. In Ijara the rent can be variable for future month and can be tied to any external variable including interest rate in banks.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: to whom we give interest money?**

From: Nadia – 36 – Female – Canada

Salam. I had opened a GIC with my bank 15 years ago not to make money on it but to put it away for emergencies you say. I have never personally used any of the interest money it has gained nor was that ever my intention only to save the initial amount.

Who or what place is the interest money best given to, for example an Arabic school to pay off the rent of the building or my aunts in Lebanon who are sick with little money or random poor people I know it is not to be used to feed or cloth people?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Nadia

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Best is to give it to poor and needy. This may include food and clothing to them. If your aunts are poor (meaning their needs for living including medical expenses are more than what is available to them) it is better to give it to them because this means ridding yourself of it and helping a relative. Otherwise general poor better than any Islamic school because schooling is responsibility of parents.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

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**Question 7: Is Health Insurance Permissible in Islam**

From: Ather– 30 – Male - Saudi Arabia

As-salamu Alaykum. Dear brothers in Islam, I would like to ask you a question whether the health insurance is permissible in Islam or not. As I am an Indian National & residing in Dammam, Kingdom of Saudi Arabia since last 2 years but every time when I renew my residence permit simultaneously I need to renew my health insurance else my residence

permit cannot be renewed & its mandatory here. My Father says that is haram & being in Islamic country it's strange.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ather

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Mandatory insurance is permissible. whenever it is not obligatory some scholars argue that all insurance contracts, unless necessary, are not permissible because of the Gharar contained in them. the alternative is Takaful. Therefore when it is not obligatory if Takaful is available it should be taken instead of insurance.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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Question 8:

From: Raheel- 45 – Male – Canada

Clarification on Ijarah Loan Answers

This Question is for Dr. Monzer Kahf; You have two different opinions on Ijarah Loan, I am quoting both of them here. If Ijarah Loan is doing direct contract with you without loan conversion from bank then how it is going to work.

If you, please, clarify your both answers that will be highly appreciated. Thanks.

Ijarah Conversion Product Question: Is Ijarah Conversion Product halal? Ijara is providing the Shari`ah compliant mortgage conversion in Canada. I have also got the Skaikh Mohamed Umer Esm.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Raheel

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I never contradicted myself. At the beginning I did not want to give view waiting for details. When details came to me I determined that Ijara/loan is a trick and Haram to pay the money for it because it does not change a bit in the loan. i.e., putting the interest-based loan in the name of your trust and then the trust gives you Ijara does not remove you from the Haram. You are still the one who pays interest and who have the conventional mortgage with the bank even if it becomes in the name of the trust because the trust represents you.

Ijarah finance is certainly permissible whether it ends with ownership or not. This is a different matter. Ijarah is a well-known contracts in classical Fiqh as well as in contemporary Islamic banking. It is permissible.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 9: Donation to non-Muslim charity**

From: Fareya – 17 – Female – Canada

As-salamu `Alaykum. There is an organization called the World Partnership Walk which is run by the Agha Khan Foundation. As the Ismailis aren't considered Muslims, and they pretend to be, is it okay to donate to them? If I give donations to a non-Muslim charity, I don't feel this, but because WPW portray the wrong name of Muslims. Is it still acceptable to give them donations, as they say they are using them for good? But what if they're using it to fund their lies?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Fareya

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Donations can be given to anybody as long as you are sure it is going to be used for a good cause. Of course, giving donation to an organization implies making it your agent to reach the objective you assign your donation for. This requires a high degree of trust in the organization itself.

For Zakah, it must be only given to individual poor or to Islamic charity that distributes Zakah and you trust it for it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: Age qualification for Zakah**

From: Ninna – 18 – Female – Finland

As-salamu `Alaykum. Is there any age when one must start paying Zakah? When it must be paid (month)?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Ninna

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

No age because even minors are required to pay Zakah, either themselves if they are after puberty or through their guardians. The criteria for Zakatability is having a Nisab (# USD 1500) and passing of one lunar year, if you got 1500 and 354 days passed you are then required to pay Zakah on all the money and other Zakatable items at the rate of 2.5%. of course there are other and more details for Zakah on income and agricultural

products and livestock, etc.  
Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 11: Ijara Loan**

From: Taghreed – 35 – Female – Canada

As-salamu `Alaykum. I'm planning to buy a house here in Calgary and I'm looking for Islamic Financial. I found one on the internet which is Ijara Loan, but how can I make sure that the really follow Shari`ah and not actually dealing with Riba? And is there any place known here in Calgary that follows Shari`ah in financing buying house? Please, if there, inform me, because it is very difficult for me to find house to rent as we are a big family so buying a house is really necessity for me. Thank you.

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in  
Dear Sr. Taghreed  
Assalam Alaykum wa Rahmatu Allah wa Barakatuh  
Ijarah loan is not Shari'ah compliant. It is a bluff.  
Check with other sources especially the Islamic housing cooperative.  
Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 12: investment in mutual funds**

From: Shakeel

As salamu Alaykum . Is it permissible to invest in a sector index mutual fund which has invested 7.19 % of its assets in financial companies? Jazaka Allah Khairan.

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in  
Dear Br. Shakeel  
Assalam Alaykum wa Rahmatu Allah wa Barakatuh  
You need more info than this piece. % of Halal in other companies in the fund. I assume it is an indexed fund with actual holdings of companies' shares. Then add up all the non-permissible assets and non-permissible income. If the total is not more than 1/3 of total assets of the fund, and if total non-permissible income is no more than 5% of total revenues, and if these companies, in total, do not leverage more than 1/3, then it is permissible to invest in this fund.  
Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 13: Multi-level marketing**

From: Ismaili

As-salamu `Alaykum Dr. Monzer Kahf ! My sister has been involved with a Multi-level marketing business. She joined there using a loan. She borrowed 23,000 and it has a 20% interest. I just wanted to ask if it is Riba. If her business is also Riba, what should we do to get rid of this? Should we stop or is there another way? By the way, the business is USANA vitamins.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ismaili

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If these vitamins are not sold above market prices and if the chain of networking does not go down too much it may not be not-acceptable business activities. But the loan is definitely Riba based as you said it is at 20% interest.. getting rid of Riba is by paying the loan the soonest and repenting from Riba with Istighfar and good deed.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 14: Zakah on money given for investment but returned later**

From: Ahmad – Egypt

As-salamu `Alaykum. Dearest Dr. Monzer, I had a sum of money (24000 L.E.). I gave this sum to a brother who works in the field of real estate and building. He told me that they are going to build a block of flats and asked me to participate. So, I gave him this sum which stayed with him more than a year.

Then he told me that the project has not been completed for some reasons. Now I took back this money.

My question is: do I have to pay Zakah for this money? Thank you for your effort.

**My answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes of course, is it not investment money that you intended to make profit of. But it did not bring profit while still above Nisab and a Hawl had passed.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 15: inheritance from father in law**

From: Azra

Salaam. Is it allowed for a widow, without any children, to receive any share of inheritance from her deceased's father-in-law?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Azra

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

No, because she is not an heir of his as heirs are defined in the Qur'an. Even if she has children she still does not qualify.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session June 11, 2013**

**Question 1: Setting a price on life in insurance**

From: Isra

Salam, I am interested in studying actuarial sciences, but a concern that came up, when thinking about pursuing this degree was, Insha'Allah if I get hired with a company here in North America to set a price for life insurance policies.

Since life insurance is haram, if I worked for that company doing that, would that be wrong because I am encouraging people to take advantage of a haram service? However, that's only one side of the job, for bankers also have to advise people about interest, doctors have to prescribe medicine with alcohol in it, etc. Insha'Allah this message reaches you in good health and strong Iman.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br./Sr. Isra

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Let us discuss each matter alone and leave the worry of Muslim doctors and other professional for them.

The actuarial studies are very useful and very much needed in Islamic finance especially in Takaful (Islamic insurance) companies. I encourage you to study this branch of

advanced mathematics.

For career let us begin by first study the matter in depth then make opinions and judgments. Life insurance is an issue that needs study and we cannot determine that it is Haram. First the insurance contract itself, for cars, houses, merchandizes, life, travel, etc. is a new (in a sense that it was not at the time of revelation or at times when the Fiqh writings flourished many centuries ago) contract for Muslims. Over the last hundred years many Shari'ah scholars discussed it and looked into its details and conditions. They came up with two different views basically: 1) some scholars argue that it not permissible because it contained a large degree of Gharar (unknowability) about some of its main components basically the date of accident and amount if its damage (notice it is this unknowability itself is what makes this contract necessary). And 2) it is permissible on the ground of general contracting principles as defined in Shari'ah especially that it is a very useful contract in contemporary world. Of course the second view has 2 conditions that the object of the contract must be permissible and there must be no interest clause in it.

What is important is this discussion is that none raise a point that it is not permissible to mitigate the risk (undesired loss because on a possible incident whose time and conditions are not known). In other words, taking measures to reduce or diffuse the risk is permissible. This made the basis for creating Islamic insurance in the name of Takaful. This means that once we change the structure of insurance provider the contract becomes permissible because all the kinds of insurance, including life, are permissible if they are structured on a way other than "transferring or selling risk to another party." Takaful is based on cooperation between all policy holders to compensate anyone of them who is hurt by an accident.

This long essay means that life insurance is not Haram when offered the right way. please do not hustle to give Fatwa Mr. eighteen year old.

Al Takaful companies offer life insurance (the fact is: it is misnomer, it should be called death insurance) and they name it family Takaful (the word Takaful means solidarity). Please notice that insurance is not a gambling on the will of God and cannot change the chain of incidences, it cannot change when a person dies. It is only a financial arrangement to help the family members at the incidence of death or any other incidence in other kinds of insurance.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 2: Aqiqah while under debt**

From: Firoz – 31 – Male – India

I have a home loan; can I do aqiqah?

### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Firoz

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes, you can make Aqiqah and any other activity as long as you have a plan for the loan payment. what is wrong is to spend on things that can be avoided when one is under due debt and no other plan or resources for paying it other than the readily available fund.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 3: Conflict Between Canadian Law and Shari`ah**

From: Abdul Qader – 49 – Male – Canada

Salam. I was recently asked a question by a co-worker: what happens if there is a discrepancy between Canadian Law and Shari`ah law? I understand, of course, that if the difference is regarding the basics of faith then Shari`ah law would override, but what happens in the case of something such as inheritance or finance, which law supersedes in Canada?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdul Qader

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

There is no conflict unless one puts oneself in an awkward situation. For instance, there is no law in the world that forces you to borrow and delay payment. but Western laws , through courts, force you to pay interest if you delay payment. there is no law that forces you to borrow on interest but if you borrow on interest, it forces you to pay it. there is no law in the world that forces you to distribute inheritance in a given way but if you do not make a valid last will the law distribute the estate in a way that is very often in contradiction with Shari`ah. Also there is no law that forces a special way of funeral and burial but laws in Canada give the surviving kens, especially wife and children the right to determine these matters if there is no last will by the deceased.

What I mean to say is that you can behave in accordance with Shari`ah while living in Canada of the US provided you take appropriate action in appropriate time. But if you fail that then the law interferes and may impose matters in violation of Shari`ah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 4: Rent to Own Home**

From: Mohammad – 30 – Male – Canada

As-salamu `Alaykum. Imam shabb, I have a question in relation to buying home via

subjected option, or going into the leased based rent until deciding to purchase the home from savings. Thanks,

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohammad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Question is vague or does not in fact exist. Give an example in details.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Kaffarah**

From: Mush – 23 – Female – Bangladesh

How many kg of rice do I need to feed to 10 people as kaffarah if I break a swear by Allah for not committing a sin but I end up committing it?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I am not sure about Bangladesh. The rule is feeding 10 poor persons for one day (2 meals). I suppose this may not be more than ½ kilo for the day, then it is about 5 kilos of rice. But better check with a local knowledgeable person in your area.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 7: Diminishing Musharakah**

From: Khalif – 24 – Male – Kenya

Assalam Alaykum. Brother/sister, I'm a business boy and I recently decided to buy a truck (vehicle) for transportation of transit goods but I couldn't manage to get enough cash and asked a local Islamic bank to help me raise the amount needed.

The bank conditioned me to raise 30% and they take care of remaining 70% which I must clear within duration of 2-3 years but after calculating the total amount I am to pay back after the duration stated, it will be more than what they initially contributed. Is this a loan and what is the Islamic stand on diminishing Musharakah?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,

wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Khalif

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I think you made the right decision by going to the Islamic bank to finance your truck, May Allah bless and reward you. You did not mention the exact contract you got but it seems from questioning about diminishing Musharakah that this is the contract you got. You must realize and understand the Islamic principle in regard to finance. Shari'ah does not prohibit finance and does not prohibited its reward. What is prohibited in one way of giving finance that is by loans or debts. Therefore when finance is offered through sale (buying the 70% of the truck say for 100 and selling it to you on installments for 140) or through leasing buying the same and lease it to you for 5 a month plus a condition that you buy a small portion each month along with payment of rent. So that the rent declines and the part you pay for purchase increases until you buy the last small portion, this is usually called diminishing Musharakah) or through venture capital by creating a project together.

In other word what is prohibited is lending with interest because a loan does not create value and therefore it is Haram to claim an increment (interest) on it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## Live Fatwa, OnIslam Session June 25, 2013

### Question 1: Taking Bank Interest

From: Meer

As-salaam `Alaykum. If some lady have no earning person, can she get the interest of a bank as there is no Shari'ah in their country or area? Jazaka Allah Khair.

### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Meer

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The question is not really clear. Is she to get interest received on her own account or interest from other persons who have bank accounts. also is she poor or simply no earning person. Persons who do not earn may be rich.

A poor person, (has no money in the bank which earns interest) may accept interest earned on bank accounts of others. But: 1) it is not permissible for any Muslim to intend to put money in banks to earn interest. In Muslim minority countries which do not have Islamic banks we may put the money in the bank for safety and convenience. In this case earned interest must be given away to poor persons rather than leaving it to the bank.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 2: Is 401k Allowed in Islam?**

From: Saeed

As-Salamu `Alaykum. My company offered me 401k plan. The company will pay 25% what I pay. So, I wanted to be sure if this is allowed in Islam before I participate to this plan. Jazaka Allah! Saeed.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Saeed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

401k is permissible with conditions: 1) you should chose funds for investment with least involvement of Haram, interest and other Haram,

Wa Allah A'lam, and 2) you should estimate the percentage of Haram each period out of the earning in the account and give it to Muslim charity or poor persons.

The part you save and the matching part contributed by the company are Halal to own and take with you when you move on, this is the principal of this 401k account. Only the interest and other Haram part of the return over the principal is what is Haram to take and should be given to charity.

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: Zakah on land bought for sale**

From: Ahmed

As-salamu `Alaykum Bro. In 2010 May, Alhamdulillah, I have bought a piece of land for 8.5 Lakhs INR and in 2012 March, Alhamdulillah, I have bought a flat where my parents are staying by taking an Islamic loan from Dubai.

Then, Alhamdulillah, I have sold my land in December 2012 and got 18.8 Lakhs then that whole money was invested in other plot by thinking that 47500 rupees is for Zakah and whatever profit I will get from 47500 will also be counted as Zakah, which will be given to my relative for helping them in marriage which may happen, InShaAllah, in a couple of years.

As per today I have an Islamic loan of approx. 16.2 Lakhs and approx. 18.3 L have been invested in some plot and 47500 rupees which is 1 year Zakah intention has been done.

Now in total, I have invested the money for 3 years ago and loan has been taken after 21 months. So, in total how much Zakah I have to pay and don't forget 1 year Zakah intention is done already and in second year at 9 month I have taken loan for flat where my parents are staying in India.

So, whether second and third year Zakah has to be paid, if yes, how much? Regards.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Let me suppose that a lakh is 100,000.

The land you bought is apparently for sale as you actually did. On May 2011 (that is after 354 days from the day of purchase) you owe Zakah of  $850,000 \times 0.025 = 85 = 21,250$  unless you know that the real value of it was more than the purchase price, if you know you calculate Zakah on basis of real market price.

After another 354 days approximately shortly after selling it you owe Zakah of:  $18.8 \times 2.5\% = 47,000$

You have no right to invest Zakah amount on behalf of the poor. This money is not yours. Besides is the marriage of your relative really deserving your Zakah payment. I suggest that you should look at a deserving family, preferably relatives, and give them this Zakah and make Istighfar for the delay and the wrong action of investment. If a loss happens, you have to pay it from your own pocket.

The amount of loan you have on the flat is not deductible because you took it against your future income and you will pay it out of future income.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: giving interest money to needy persons**

From: Mariyam

As-salamo` Alaykum. Dear Concern, I have a question? Actually I have a saving account & bank transfer interest money into my account after a certain period. So, my question is: can I give that interest money to some needy person? Because I don't want to keep that money with me or do I have to open some other sort of account in bank? Kindly guide me in this regard. Regards.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Mariyam

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The principle is: you should not use interest generating account unless the amount is relatively large and there are no Islamic banks nearby. Earned interest is according to Shari'ah not yours and you should take it from the bank (the interest practitioner) and give it as soon as it is credited to you to a poor Muslim family or to trusted Islamic charity.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 5: Treasury Bills**

From: Zams

As-salam `Alaykum, brother. I would like to know whether treasury bills are accepted in Islam or not.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Zams

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

No. they are in all countries based on interest. This makes them Haram because interest is the same Riba that is prohibited in the Qur'an.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: Value Added Tax**

From: Ismael – 50 – Male – Viet Nam

There was some halal certification bodies open in Vietnam, and the government wants the fees that we take during certifying goods process must have VAT tax enclosed. Please, let me know how was the VAT tax acts in Shari`ah? Is it halal to take it? If yes or no, why? Thanks in advance!

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ismael

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

In countries which have resources other than taxes, such as oil countries, it is Haram for them to impose taxes if these other resources are sufficient.

Countries which do not have other financial resources for running the government may impose taxes as much as needed. When they do, they may have VAT, in such cases VAT becomes permissible. But this is a civil matter determined by the law. This means that you may try to avoid it without lying in any report but by using loopholes in the system and the government may add a fine on you if you are caught avoiding it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 7: Zakah on Gold while under mortgage**

From: Mol – 23 – Female – India

As-salamu `Alaykum. I and my husband have a huge amount to pay as mortgage. I was wondering about the Zakah that needs to be given for the gold I possesses.

Among the 70 sovereign, 30 are given for a gold loan. My doubt is that whether we are supposed to give Zakah for the remaining 50 sovereign? If so, how much? Waiting for a helpful and informative reply. Jazaka Allah Khairan in advance for helping me out.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Mol

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The mortgage that you have is a long term loan payable from your future income whether salaries or business profit. it is not deductible from present Zakatable items.

Additionally, the loan you give to other persons is a part of your wealth as a debt which is also subject to Zakah as long as the debtor confesses to this debt and she/he is able to pay it back when due.

This means that if the only gold you have is this 70 sovereign they are all subject to Zakah at the rate of 2.5%, you may pay it in kind out of the gold itself or you may look at the value on the due date and pay it in any currency. Please notice that Zakah is due every lunar year. That is every 354 days, the first round begins on the day you got an amount equivalent to 85 grams of gold. Also notice please that gold is not the only item subject to Zakah, jewelry if they are stored as wealth, investment in stocks and other s and debts on other persons among them.

Wa Allah A`lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: Mortgage clarification**

From: Attique

As-Salamu` Alaykum wa Rahmatullah wa Barakatuh. Thank you for taking the time to explain, may Allah reward you for this and guide us all Insha`Allah. I have attached the full documents for you to review after taking permission from the brother who runs this program because I needed to sign a NDA for these.

Please, look into these may be this will help in coming to a better conclusion InShaAllah.

Also then please advise in my situation that now I have the mortgage and I will not say I did not know it is wrong but did not know and realize the depth of the sin.

I am married and have 4 children 3 sons and one daughter. I moved to Canada 3 years ago and we rented a house and then later moved into the basement of the same house and finally my business partner opted to get the mortgage on his name as I still do not qualify because Canadian Status.

I do not have any assets or neither do I intend in making any money from this property. To be honest the only thing it has provided is a sense of security not having the inconvenience to move schools and houses all the time.

Could we have carried on renting from home to home I think yes it would have been difficult but not impossible.

In Canada no other method is available currently unlike the UK where I moved from so any advice would be appreciated.

Once again I appreciate your help in this matter

May Allah help you and reward you for all your ongoing efforts, amen. Jazakallah

Attique

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Attique

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I did not receive any document to review. But reading your email below again I like to warn you against such kind of tricks for taking extra money. Converting a conventional mortgage into Ijarah through a trick of trust does not make it Ijarah, it keeps it conventional mortgage but you lose additional 2000 dollars. This is what used to be called Ijara loan Canada, may be they changed the name into al barakah as a camouflage.

Your explanation seems to qualify you to apply the Fatwa that says if housing is important to the family and there is no Islamic finance available you may go for conventional. However I know several areas in Canada which have Islamic finance, there is the Islamic Housing Cooperative in Toronto area and there is A credit Union Assiniboine in Alberta among others. If you could not take Islamic finance from them and their likes or do not qualify for their conditions, then taking conventional mortgage for reasons you mentioned in your email is not Haram InShaAllah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Live Fatwa, OnIslam Session July 11, 2013**

### **Question 1: buying custom-confiscated booties**

From: Dalia

As-salamu `Alaykum! Is it allowed to buy goods which were withdrawn at customs and are sold by the government? Thank you.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,

wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Dalia

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes it is allowed. Governments in a democratic country, are permitted to make a choice of custom system and impose it as suits the country. Violation of this system is a civil offence which has certain penalties. These may include very often confiscation of violating goods and selling them for the government treasury. There is no Shari'ah issue in my opinion as long as rules are adopted in the country and published.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 2: sale of goods before they possess them**

From: Hasan – Egypt

Some people sell goods in installment although they don't have shops or stores; they just buy the item for the customer and take the installments monthly. I mean they (the sellers) don't possess the item. Is this dealing allowed in Islam?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Hasan

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You just said they buy it. if they buy it and take possession of it, even though giving agency to their customer, they can sell it on installment at a higher than the cash price. One does not have to have a shop to be a trader. It is permissible if they buy and take possession before they sell. If they do not have full ownership, which includes possession, they cannot then sell what they do not own or possess.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 3: Eating blood sausage**

From: Anim

Dear Mufti,

As-salamu `alekum. My question is about eating blood sausage, or black pudding; is it allowed during Ramadan or not?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

This question should be addressed to a food Shari'ah specialist. I am not. I know what is the blood sausage in the United Kingdom, it is real blood and it is not permissible to eat blood according to the Qur'an [6:145], this is Haram in Ramadan and outside Ramadan. There is no difference between Ramadan and other days in regards to what is permissible to eat. I don't know what is black pudding, Wikipedia says it is just another name of blood sausage.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 4: interest loan by stock brokers**

From: Asif- 27 – Male – India

Dear Sheikh, as-salamu `Alaykum. I used to invest in Stock Markets. I would like to confirm if the following activity is permissible. There are two facility available-One Account –Normal Account One facility they can provide additional fund to me and they will charge interest till the time I repay it. In this my brokerage rate is low i.e. 0.15%.

Another Account – MTOF account (Monday to Friday Account). They can also provide me some fund without charging any interest, but I have to pay them back by Friday of every week and again from Monday to Thursday. I can borrow fund but I have to make it zero by Friday.

If I don't pay it, they will sell off the shares in my account and recover their money. The brokerage rate is higher compared to above i.e. 0.25%. This brokerage rate is applicable for all trade even if I don't take any fund and invest in shares with my own fund. Since I am under this facility, the brokerage rate is flat irrespective I take loan or not.

Sir, presently I am investing in shares under MTOF account; I request you to confirm is it Shari`ah compliant.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Asif

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

There are two points in this facility which each alone is a reason for prohibition. 1) it is a loan for a higher commission. This is a form of Riba according to the rule that any loan which brings any kind of increment to lender is Riba. 2) this is a loan for speculation, that is trading within the week. I believe that while stock trading is permissible, speculation and any speculative behavior is not permissible including day trading, week trading and any trading based on very short term watching prices.

The way out is to buy on long term fundamentals and of course if this is the strategy you may find yourself sometimes in need to a quick sale, it is not Haram as long as it is not speculative. Finally I don't know what is your Demat, but it has nothing to do with the

answer as it doesn't matter which share you sell or buy in regard to the question.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## Live Fatwa, OnIslam Session July 24, 2013

### Question 1: Zakah on land purchased for sale

From: Rizwan

As-salamu `Alaykum. Dear Sheikh, We bought two plots (land) last year with an intention that we would sell them one day (say after a period of 3-5 years) to buy a house. Or maybe we will sell one plot and build a house on the other one. Currently we don't own a house and stay in a rented house.

I would like to know if the Zakah is applicable on the current value of such land. Best Regards.

#### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Rizwan

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

These two lots are subject to Zakah, they are bought for sale. By this you become as trader of lands in regard to Zakah application. The amount which is subject to Zakah is the market value every year when Zakah is due. You simply add this value to other Zakatable assets Past due Zakah should be paid as soon as possible.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### Question 2: Zakah on Acquired fund

From: Melissa

Salaam. May the blessings of the Almighty be on you and on all our brothers and sisters in Islam.

I got some funds in early this year as a package, is Zakah due on it?

Is Zakah due on a home that is owned by the owner but they live in it?

If a couple is divorced and the house is under the husband name now, is he required to pay Zakah on the house entirely even though when and if the house is sold in the near future, she will receive a share of the sale price.

Should she contribute to the Zakah even though the house is not on sale at the moment? Jazaka Allah Khayran.

#### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Melissa

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

1. Funds that you got during the year are just incoming funds. On the day of your Zakah if you are already a Zakah payer (or on the 354th day after you got Nisab [# US\$ 1500]) you just add all that you have, money, bank accounts, investments, saving accounts such as 401K and IRA, etc. and multiply the total balance by 2.5%, this is the amount of due Zakah on you.

2. You own a home in which you do not live. If it is for investment its market value should be added to the other balances as mentioned in 1 above. If it is to live in after the previous owner leaves (such as you give him/her free few month to vacate) it is considered home and exempt from Zakah. If you assign it as charity for poor people to live in free and the first such poor people is the family that live in it now, it is not subject to Zakah as actually you are assigning it to uses similar to Zakah.

3. A house owned by divorced couple. If it is their residence and presently under settlement of divorce, both shares of husband and wife are not subject to Zakah. If it is an investment property, each party is required to pay his/her own due Zakah calculated on market value as mentioned above. It does not matter in whose name it is as long as they both know the share of each one.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 3: Pay-Day Loan**

From: Rukaya

Salam. Is pay-day loan haram?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Rukaya

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

YES, undoubtedly. It is interest-based and at high rate of interest.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 4: I Avoiding cigarettes and theory of money**

From: Muslimah

I Don't Smoke But Share the Money, Is It Haram?

As-salamu `Alaykum. Here is my situation and please be clear with me, can you tell me if it is haram or halal?

The money that I got is from his salary. But his job produces medical aids, fabric and something that is in cigarettes. What do I have to do? I don't smoke and I don't give a help in doing that. But I do share the money with him. Is my money haram?

And please, if I get the salary from him, how can I avoid the part of the cigarettes while I know that the field that he is working in is not only for that but for medicaments also.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sister,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you want a clear answer you are expected to ask a clear question. What do you mean by sharing the money? Do you own a part of the business so that part of the money is yours, so you take your share? Do you work for him and get paid a salary from his revenue? Or is he your husband so you share his salary at home?

If you own part of this business, it is Haram to own any part of a haram business. Cigarette producing or selling is Haram, its income is also Haram. You should change business or eliminate that item from your line of business. For the past give to Muslim charity the you share of cigarettes gross revenue (price of cigarettes not only their profit). and advise your partner to avoid it too.

If you work for him, it is Haram to sell cigarettes or handle them (e.g. setting them on shelves), you must avoid that. If you avoid that your work is InShaAllah Halal and your Salary is also Halal.

If he is your husband advise him gently to quit the cigarettes part and promote other items and give to Muslim charity whatever you may estimate as coming from cigarettes, this must be no reason for any family quarrel.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Haram Money Mixed With Halal**

From: Yazan – 27 – Male - United Arab Emirates

As-salamu `Alaykum. I hold a stock market trading account and there is a certain amount of money that is for a friend of mine who also invested. However, my friend is choosing to invest in stocks and doing transactions that are unlawful (haram in Islam).

My question is: since I am not investing my part with him, will my money also be haram since it is in one account? Jazaka Allah Alf Khair and Ramadan Mubarak.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Yazan

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

As long as you use your money in Halal investments, having it mixed with his money in one account does not matter at all. These are two separate funds, you are OK InShaAllah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 6: right of husband in wife's salary**

From: Qudsia – 41 – Female – Canada

If wife is working, can husband take the whole money from wife without her will? If wife does not want to give, how can she refuse? (Husband has very good income as well; basically he does not need money from wife.) This question was asked by a sister. I did not know the answer. Please, reply. Thanks.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Qudsia

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Income and wealth of wife and husband are completely separate from each other according to Shari'ah. Husband has no right, whatsoever, to interfere in what she does with her income and wealth. It is none of his business at all. This is the clear cut Islamic law.

How do you apply that in practice? Most Muslim men know that and they are very clear on it. there are many who abuse their wives unfortunately financially and even physically. This is of course prohibited but also any wife usually weighs the negative effect of resisting against the pluses of her relation with an abusive husband. You may like to have family counseling with a wise knowledgeable Muslim expert.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 7: Islamic Mortgage**

From: Liaqat Canada

Al-amin interest free RRSP and Ansar Co-operative Housing Corporation Ltd. in Toronto Ontario are offering Halal RRSP and Islamic mortgage. Are these two companies complying with Shari'ah? Can I buy a home mortgage from these? Thank you.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,

wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Liaqat

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

To the best of my knowledge YES they are Shari'ah compliant. I looked at their contracts some few years ago. I am not updated on their practices today but I assume they did not change. If so deposit of RRSP and ERSP and other investment with them is Halal InShaAllah so is their mortgage.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 8: is Zakah every year or savings of retired persons?**

From: Alamgir Canada

Any person passing retired life and dependent on his savings for routine expenditure, whether he is liable to pay Zakah on the same amount every year, even if no other source of income?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Alamgir

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If he owns more than a Nisab (# US\$1500) and a 354 days pass, he is subject to Zakah even though this amount may be the source of income for such a person throughout the year. Remember there are many people who do not have such assets and income!

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 9: Buying house in Canada**

From: Naeem. Canada

As-slamu `Alaykum. I have a question about mortgage; is it permissible to buy one house for ourselves on mortgage? I have heard but not sure that there is a Fatwa for this issue. Please, advise. Jazaka Allah Naeem.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Naeem

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes and No. the principle is: if there is an Islamic finance available then no, one must take the Islamic finance. If it is not available and one needs to buy for family, schooling,

etc. then yes.  
Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 10: Saving Account to avoid bank charges on current accounts**

From: Ahmed Canada

Can I open a saving account in a bank in Canada like TD or BOM or I must keep it in normal account which sometimes they apply bank charges on it?

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in  
Dear Br. Ahmed  
Assalam Alaykum wa Rahmatu Allah wa Barakatuh  
If you can avoid bank charges without earning interest that is the best. If you deposit large sums, better put it in interest earning and give the interest to charity.  
Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session Aug. 6, 2013**

**Question 1: Zakah on savings to buy a residence**

From: Muslim

As-salamu `Alaykum. I am married with one child and we currently rent a two bedroom apartment. We are trying to save money to buy a place of our own as we do not want to get a mortgage in order to avoid Riba at all costs.

My question is: do we have to pay Zakah on this money that has been saved whose unique purpose is that of buying a home?

Just to be clear, the amount involved isn't large by any means, just enough to one day Insha'Allah buy our own two bedroom apartment and not a huge residence. If we have to pay Zakah, that's absolutely fine, but we don't consider this money to be extra wealth.

In a way it's the equivalent of our potential home. Your answer would be greatly appreciated to clarify this question which is in my mind every year at this time. Many thanks in advance. Kind regards.

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

As long as this amount is still in the form of saving not committed to a contract with a third party to buy whatever you want to buy it is considered cash saved and is subject to Zakah like any other savings. You should remember that having this amount you are much better than 95% of the globe inhabitants. It is true that owned residence is exempt from Zakah but money saved for residence is not because it is not yet committed (except in your mind as you called it potential) to a house.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 2: Calculating Zakah**

From: Muhammad

Dear Muhtaram, as-salamu `Alaykum. Trust you are fine. I've two questions:

1. Is there any rule of maturing one-year cycle of the amount of money above Nisab while calculating Zakah amount? Suppose I've the wealth that makes me Malik-e-Nisab and I benchmark 15 Ramadan for calculating Zakatable amount. I earn a sum of money on 10 Ramadan. Should I calculate that amount earned on 10 Ramadan for calculating Zakah amount for this year?
2. Should we calculate gold used as ornament for estimating Zakah amount? What is the Hanafi opinion? Thanks.

### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The answer to your first question is Yes. You must include this amount your earned before the end of the Zakah year provided two conditions are fulfilled: 1) you have Nisab at the beginning of the Zakah year, in your example on 15 Ramadan of last year, and 2) the amount you get (on Ramadan 10) just before the end of the year is not committed to a necessary payment such as your regular expenses until you receive following payment or a debt payment or the like.

For the second question gold jewelry is subject to Zakah if, added to other Zakatable items they make Nisab on the day when you Zakah is due (the day 354th after having Nisab for the first time and every lunar year then after). This is according to the Hanafi school.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: recipients of Zakah of al Fitr**

From: Adam

1. Who can Zakah Al-Fitr be paid to? Is it to be paid to only Muslims?
2. Can I pay my Zakah Al-Fitr to children's home?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Adam

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Zakah al Fitr must be paid to poor Muslims, children or adults it doesn't matter. It may be channeled through Muslim charitable organizations such as Islamic Relief International provided you send it with sufficient time for it to distribute before Eid.

I don't suggest given it to children home unless it is specialized for Muslim orphans. In such a case I suggest giving it in the form of food not cash because they may use it for other expenses such as administrations and salaries. BTW, Islamic Relief distribute to poor Muslims if you tell them that it is Zakah of al Fitr.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: Zakah on Cash in Hand**

From: Syed

As-salamualaikum. Dear Brother, I am in confusion regarding paying Zakah on cash in hand. I usually pay Zakah on Ramadan. I am a service holder. Now should I need to pay Zakah on my monthly salary that is accumulating from last few months in my account? Please, let me know ASAP.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Syed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

YES if you had an amount of Nisab last Ramadan and you have accumulated (as a balance now) an amount of Nisab or more. You may deduct the amount you usually spend until you receive following salary (out of this balance). This means that only the save part of salary is subject to Zakah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Purchase of House with mortgage**

Mohammad Huda – 40 – Male – Canada

Is buying first house with mortgage allowed? I heard that buying a house for necessary is allowed? What are the solutions? How can you help?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Br. Huda

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Buying a house to live in for Muslim families in Western countries is permissible to be done through conventional mortgage if the following conditions are satisfied:

1. the house is in reality needed by the Muslim family
2. there is no Islamic finance available or attainable

the argument is based on necessity or important need as Allah Sent down Shari'ah for the purpose of making life easier and better not to make it difficult or hard.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: Working at a Restaurant serving Alcohol**

Hassan Ali – 17 – Male – Canada

As-salamu `Alaykum. I recently got hired by this restaurant as a line cook. During my interview I talked to the main chefs and the manager regarding if there is any way that I cannot associate with the alcohol. This included carrying it, touching it, cooking with it, etc. They all said yes. I am still afraid that I might be getting not halal money. (They really want me to work there too) I really want to know. JAK.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Br. Hassan

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you work as you describe without having anything to do with alcohol you should be fine and your salary should also be ok because the salary is for the work. Beside the income of such a restaurant is mixed not all of it is from liquor sale. And the liquor sale is irrelevant to your job and salary.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 7: declaring bankruptcy**

From: Monika - Czech Republic

Loan From the Bank

As-salamu `Alaykum. Is bankruptcy halal or haram? Jazaka Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Monika

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Declaring bankruptcy for a person who really is not able to pay back debts is permissible, not Haram. Fake bankruptcy is of course Haram. In case of true bankruptcy available assets are distributed between creditors in proportion to their debts after leaving sufficient amount to sustain the debtor.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: Adding the amount of interest to sale price**

From: Adlane– Canada

Fixed Interest Rate

Nowadays banks are offering different mortgage formulas to buy a house. One of these is: 10 years fixed interest rate. This is obviously Riba. If the bank agrees with this formula to add the amount of the fixed interest cost to the loan and the borrower pay at a higher deferred payment because it is a sale price not an increment in a loan.

As loans do not increase but the value of the house varies. Is this kind of agreement permissible if the lender commits to pay the full amount of the loan in 10 years?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Adlane

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You kind of confused the question by the words lender and loan and using lender instead of purchaser.

Let us put it this way: what is Haram is an increment in a loan or debt. Increment in a price because payment is not immediate is permissible because it is real and reflects the utility of the house until payment is done. Variability of fixation of the increment is irrelevant to the prohibition.

A sale agreement at a price higher than the cash price (the difference is calculated on the basis which is similar to fixed interest) and purchaser pays in the future either one lump sum or on installments is permissible and this is what is done by Islamic banks all over the world.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam  
Prof. Dr. Monzer Kahf

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**Question 9: Islamic mortgage in Calgary**

From: Fatima – Canada

Islamic Mortgage

As-salamu `Alaykum. I and my husband are planning to buy a house. In some of your responses to Muslims of Calgary you have suggested Credit Union Assiniboine but they only provide services in Manitoba. We have also contacted ISNA mortgage, Ansar housing, Nur-cop but none have responded. Please, advice which other companies to consider for Islamic mortgage. Thanks, Fatima.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Fatima

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I don't other names but why don't you and other sisters and brothers around you negotiate with one of the credit unions to provide this service? If there is no Islamic finance available and you exhausted this venue you may have to resort to the Fatwa of getting conventional mortgage for the house to live in.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: Saving Account & Checking Account**

From: Wasim – Canada

As-salem `Alaykum. I want to know if it is possible to have saving account in Canada. Checking account also critical, the bank will use my money for charge interest for others. In this case I am participant for Riba. What can I do to evade that? JAK.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Wasim

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Take it easy brother, having bank account is necessity for anyone who live in US or Canada, it has many services that we cannot do without, the least of it is security. Besides for small amounts be assured that the bank loses money on the accounts but it has to do it because otherwise it cannot get the big amounts. It is not Haram to have a current account if there are no Islamic banks around. For saving you may open an account with the Islamic housing Cooperative, it give some Halal return and helps other Muslims getting housing.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 11: Banking Job**

From: Usman

Hi, I work in a bank as a branch manager. I heard that my income is not halal as I am part of promoting Riba (interest). I talked with few people and they have different opinions about that. Could you, please, guide me? Thanks.

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Usman

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you sign interest based contracts and promoting them, this action is Haram. Any Haram action its compensation is also Haram.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 12: Work in a credit union**

From: Amina –US

As-salamu `Alaykum. I work for a Federal Credit Union in the United States and have been working there for the past thirteen years. Unlike banks, a Credit Union is a non-profit financial institution which makes its money mainly from Fees and Interests on loans given out. I know that taking interests is considered Riba. Does that mean my income is not halal since my salary is from the profit that the financial institution is making through interests and fees? Jazakum Allah Khairan.

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Amina

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Your income depends on what you do much more than the source of revenue of the institution that pays you. If you do permissible functions in the credit union, then your income is Halal InShaAllah. If you sign interest based contracts on behalf of the CU or type them or promote them, these are not permissible functions.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam

Prof. Dr. Monzer Kahf

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## Live Fatwa, OnIslam Session Aug. 21, 2013

### Question 1: gift to wife

From: Azra Khan

As-salamu `Alaykum. My husband would like to give our home, which he purchased with his own money, to me as a gift. Is this permissible? Jazaka Allah.

### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Azra

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

From the legality of Shari'ah it is permissible. But any action has other aspects too. If he has children and/or parents and he intend by giving you the house preventing them from getting any part in it should he dies, giving becomes Haram by this intention and it is reversible according to Islamic law especially if he dies within a relatively short period after giving. Also if a man is married to more than one wife he should make justice between them in giving and gifting. Otherwise when there are no ifs giving a gift to one's wife is a great rewardable by God loving act. Gifts between Muslims especially husband and wife are always loving gestures as mentioned by our beloved Prophet, pbuh.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### Question 2: Is Cultured Meat, Made In a Lab, Halal or Haram?

From: Denderawy– Netherland

Scientists in the Netherlands have developed meat in a laboratory after taking cells from a living cow: "Cultured Beef is created by painlessly harvesting muscle cells from a living cow.

Scientists then feed and nurture the cells so they multiply to create muscle tissue, which is the main component of the meat we eat. It is biologically exactly the same as the meat tissue that comes from a cow.

Is this meat halal or haram to eat? Thank you for your answers!  
<http://culturedbeef.net/what-is-it/>

### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Sister

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

This matter requires a collective opinion by the Fiqh Academy. My initial input to such a collective resolution is: we must notice that parts separated from eatable-meat animal are not eatable. You cannot dismember a cow and eat parts of it while alive. If we consider taking muscle cells from the animal a kind of dismemberment then the whole operation is Haram. But taking a few cells in a syringe is quite different from dismemberment and does not hurt or mutilate the animal. According to this consideration producing additional cell tissues from these cells may be permissible especially if we add to it that this may become the future technology of producing meat for the world growing population. This is only an initial thought definitely not a Fatwa.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: Work in a Money Market Company**

From: Golam

As-salamu `Alaykum. I've a question: I am working a money market company, is it haram or not? If it's haram, I leave it.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Aya

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

What determines permissibility or prohibition is what you do. In matters of Riba four actions are Haram: taking it, giving it, writing its contracts and being a witness to it. this includes all parts and ingredient of these four functions. Other activities such as handing cash by a teller or serving the internet accessibility or the like are not prohibited. Money market company undertakes interest-based activities if you do not do any of the prohibited sections or functions your work is not Haram.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: Women Doing Business or Online Course**

From: Zainab

Salamu Alaykum. My question is whether it is essential for a woman to seek her husband's permission if she wants to run her own business only with other women or do an online course with her own money? What if the husband forbids her from doing either of these things, will she have to obey him? Jazaka Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Zaynab

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

This is a very complicated issue and has many diverting opinions. My fundamental solution is: either the law in a Muslim country, or the marriage contract (as the template I suggest which is on my website [www.kahf.net](http://www.kahf.net)) MUST SPECIFICALLY MENTION THAT THE WIFE HAS THE RIGHT TO EDUCATION AND BUSINESS AND GOING OUT OF THE HOUSE AT WILL.

Ulama has different views on these matters. I argue and believe that education at any level, having a career and/or business and going out of the house at will are basic human rights every wife must have and enjoy. It is wrong to consider marriage as a form of prison of house tenure. I also believe that marriage does not include servicing the house or the husband. Marriage is a contract on togetherness and intimacy not on service. This means that wife is not required to cook, clean or do other house work. Husband and wife must share the house work and if the wife does most or all of it the husband should verbalize his gratitude and thanks to her for doing more than her share of it. While the husband is the head of the family to him general decision making is assigned and for him general obedience is due, relation between him and his wife is in Ma'ruf, which means what is known as good from both sides, not in orders and obedience. Children are required to obey their parents, this is a different kind of relation because children and parents are not. Husband and wife are equal in the level of their relationship. It is incorrect to think that Ma'ruf for her means a kind of obedience like the children.

For your case, as there are many prevalent misunderstanding in our society, I suggest that you need to sit with your husband and solve these questions amicably. While my answer is that it is your right to get education as you like it and to have a career and business of your choice (of course all our talk is within the Halal), getting one's right in a society over-ridden by mis-conception requires tactfulness and patience.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 5: Credit Cards and EMI Options**

From: Muhammad

As-salamu `alaykum, OnIslam. A credit-card offering bank with visa offers an EMI option for online purchases on eBay, with no interest (as said in the disclaimer) charged for any number of months opted to pay for the purchase, but a little amount as the convenience fee - as against the purchaser opting for the EMI option other than the regular immediate payment option.

Would this purchase be bound within the Islamic Shari`ah limits or violating it? Please, explain.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

EMI options must be explained to answer this questions.

The rule is: if the sale is effected for a given amount (equal to the cash-payment sale) plus a determined fee for a given date of payment, this sale is permissible and does not include Riba. on the other hand if the sale is concluded for a given amount with an option to delay payment for a monthly fee this fee is Riba regardless of how small or big it may be.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 6: working in government tax office**

From: Ahmed – Kenya

As-salaamu Alaykum. I work with Kenya Revenue Authority which is the main tax collecting agent in Kenya and I heard that whoever deals with taxes takes haram. What does the religion say about this? Thanks.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Kenya is a country which definitely needs taxes for financing its budget as it does not have much of revenue-generating natural resources like the Gulf countries. In such countries it is not Haram to impose taxes and working in such department is not Haram either. However some taxes may not be fair which makes working in such areas not one of the best jobs from Shari'ah point of view.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 7: Clarifications on Calculating Zakah**

From: N – UK

Dear scholars, Assalam-o-Alaykum. Please, clarify some questions for me about Zakah. I have read through many questions and answers previously submitted but I will still appreciate some more clarifications. Please, help me in the light of Hannifi Fiqh. Jazaka Allah Khair.

Some scholars say the Zakah should only be given on the gold/silver jewelry that is worn

every day or very often and the jewelry that is only worn occasionally and kept in safe but not intended to sell is exempt from Zakah.

Other scholars are of the opinion that the everyday worn jewelry is exempt but the one in safe keeping and occasionally worn is liable for Zakah.

Some scholars advise to give Zakah on all gold/silver jewelry regardless of that it is worn every day or occasionally.

I have a good amount of gold jewelry, most of which is not designed for everyday use. I only wear a very little amount of light gold jewelry and have not worn my heavy jewelry in the past 19 years except for once about 12 years ago.

I don't have the intention to wear it or sell it. I am keeping it to pass it on to my children when they get married, Insha'Allah. I also have some jewelry that was given to me as gifts which I never wore and always intend to pass it on as a gift. I have been giving Zakah on all the jewelry that I have (heavy, light and gifts). I am a single mother and recently my working hours have been greatly reduced due to organizational restructure. Alhamdulillah, I and my children live very simple lives and do not have un-necessary expenses but I am finding it a bit difficult to keep on top of things. I do not wish to dodge my Zakah liabilities but reading various opinions have somewhat confused me and also due to my recent tight financial situation, I want to know the correct way for me, please.

Also, when assessing the current value of the jewelry I have always refer to the current purchasing price of gold but I have now come to know that the selling price is different i.e. if someone wants to purchase gold, they pay a higher price than if they were going to sell it; that is they get lower price when selling.

I apologize for the length of my explanations but I hope that, Insha'Allah, it will help you to guide me correctly.

My questions (after this long talking) are that:

1- Is it correct that I keep giving Zakah on all the jewelry in my possessions regardless of I wear it or not?

2- Can I be exempt from Zakah on any parts of the jewelry, for example the one that is in everyday use or the one that is in safe keeping to pass on to my children or other family members?

3- Which price should we consider when calculating the Zakah, purchasing price or the selling price?

I look forward for your kind help and correct Islamic guidance. Jazaka Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sister

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

According to Hanafi school, you are right in paying Zakah every year (354 days) at the rate of 2.5% of the sale price (on the day of Zakah) on all your jewelry as long as they are above the amount of Nisab, no part is exempt. Some other scholars take the view that jewelry used every day is exempt.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 8: Riba in Real Estate**

From: Ishtiaq, US

Salaam. I wanted to look into becoming a bird dog for real estate investors, but first wanted to make sure this was a halal way of making money. Basically what that entails is finding deals for real estate investors, who pay you if you find them a good deal.

In no way would I be paying, taking or witnessing any Riba. However, the real estate investor may use Riba to finance the purchase of a given property if I were to find them a good deal.

Since I myself am not taking part in Riba, nor advising them to use Riba, I'm unclear about whether or not this would be haram. Would I be indirectly involved in Riba by doing this? I want to make sure whatever money I am making, I am doing in a halal way. Thank you for your time. Jazaka Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ishtiaq

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Rather you should be very clear! Didn't you say that you will not be involved in any Riba. you work as described and income from are Halal InShaAllah and if an investor uses Riba finance, it is his problem and sin.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 9: Zakah payment on monthly income**

From: SCB

Assalam `Alaykum. For monthly income should I wait 12 months before paying the Zakah on the wealth that was accumulated during that period, or can I pay the 2.5% as soon as possible? Thank you.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Skander

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

It is permissible to pay Zakah in advance. But remember Zakah is due on the balance you have at the end of 354 days from the day you acquired Nisab and every 354 days then

after, it is not due on the total amount of income you receive every month. But any extra payment is considered Sadaqah and highly rewarded by Allah InShaAllah.

a Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: value of Zakatable investment property**

From: Nadir

Whether Zakah is applicable on flats let out on rent; what is the ruling for Muqtadi to recite Surah Al-Fatiha behind the imam when the imam is reciting loudly or silently Please, advise.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Nadir

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I believe that Zakah is due on the sale value of rented properties every 354 days beginning from the first passage of a Hawl on having Nisab. Whatever cash you got as rent goes into the cash balances and such balances are also Zakatable along with sale value of rented properties.

I am not an expert in the Fiqh of prayers but I follow the Maliki school on this matter: when the Imam reads loud I do not read al Fatiha and when he reads to himself only I read it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 11: Pay back loans after a long overdue**

From: Abdullah – India

As-salamu `Alaykum. I am from South Asia and was master level student in a European university. During my stay in Europe, I took loans from the Riba based banks. As soon as finished my studies I came back and did not pay back the loan as I was so ignorant and thinking to pay back later or whenever possible.

Allah guided me with good religious teaching and realized the importance of paying the loan that is due. Now I am in a good position to pay back the money that I borrowed but I was told that my case by forward to the court by the banks and file has been closed.

I am in no way to pay the loan to the bank as I did not live in Europe last 10 years. Could you, please, guide me what I can do as true believer to settle this loan. Can I give this amount as charity? Please, advise me. May Allah guide all of us in true path.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdullah

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I think you must write to the legal or collection departments of the Banks (the creditors) and offer sending them the money due on you. If they refuse or give you no answer, you just make Istighfar and whatever you give to charity is rewardable by God.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Live Fatwa, OnIslam Session Sept. 3, 2013**

#### **Question 1: can Riba be permitted sometimes?**

From: Mohammed

As-salam `Alaykum. In spite of stern warning from the Qur'an and the Hadith about prohibition of Riba some `Ulama' still think in our modern day we can't do without it and have permitted the taking of loans with interest to solve some pressing needs such as school fees, accommodation, hospital bills, etc.

What is your take on this and for how long should we continue using Kafirs' system claiming it is unavoidable while we are not doing anything to stop it? Does the Ummah have any long-term plan to solve this?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohammed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

When you talk about the Ummah, ask yourself about it. the Ummah is you and unless you and me change the Ummah will not change. You make a difference and I make a difference like every other member of the Ummah.

I am not aware that Shari'ah experts (Ulama as you called them) accept Riba-based borrowing for paying hospital bills, accommodation and school tuition. I rather always suggest that medical bills can always be paid on installments and you don't borrow for them. school tuition is not a reason to borrow you must use alternative means like work and study programs and delaying schooling until be financially ready. Same for accommodation no bank lends you to eat! Food should be sought through charities when one does not have it.

The Ummah has started establishing Islamic banks which to grow need your support!

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: disposing of interest money**

From: Ibrahim

Interest Amount

As-salamu Alaykum. I am from India. I get some interest amount on my deposited money at bank. What should I do with the interest (Riba) money?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ibrahim

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Interest money is not in fact earned because it is Haram as the loan contract (like bank deposit contract) is not a source of generating income. Interest taken from banks must be given to Muslim poor and needy or to Muslim charities which distribute to poor and needy, you don't need to tell them it is Riba and you will be rewarded InShaAllah for preserving your own money from the filthy increment but it is not considered like Sadaqah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: Sending Zakah money to other countries**

From: Naima

As-salamo Alaykum. My question is about Zakah; I live in the USA and I have to pay Zakahul-mal. Is it halal if I send this Zakah to Morocco because there are a lot of people in need because they are poor or do I have to pay this Zakah in the country where I live which is the USA? Jazaka Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Naima

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The principle is to pay Zakah where the Zakatable properties exist. But this principle has exceptions such as where there is more need in other locations, even if they are far away or where one has poor relatives in other areas because paying one's Zakah to poor relative gives the payer double reward as the Prophet, pbuh, told us being on one hand fulfillment of Zakah requirement and being kindness to a kin on the other hand.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: Zakah on Flats Given on Rent**

From: Nadir

What is the ruling if I am living on the rent income & that is the only source of income for me? Do I have to pay Zakah on the rented properties? Jazaka Allah Khair

Whether Zakah is applicable on flats let out on rent; what is the ruling for Muqtadi to recite Surah Al-Fatiha behind the imam when the imam is reciting loudly or silently. Please, advise.

**My Answer:**

Dear Br. Nadir,

I believe that Zakah is due on the sale value of rented properties every 354 days beginning from the first passage of a Hawl (lunar year) on having Nisab. Whatever cash you got as rent goes into the cash balances and such balances are also Zakatable along with sale value of rented properties.

I am not an expert in the Fiqh of prayers but I follow the Maliki School on this matter; when the imam reads aloud, I do not read al-Fatiha and when he reads to himself only, I read it.

Allah Almighty knows best.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Nadir

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

My opinion is still the same. A person who owns a real estate property and it is rented; the rent, by its nature is added to cash balances and whatever is left of it at the end of Zakah Hawl is subject to Zakah provided in the total of all Zakatable items then is equal to Nisab or more. Also the sale value of the rented property is subject to Zakah. If the person does not have sufficient amount to pay Zakah because all cash revenues are used for living expenses, then Zakah is due but delayed without sin until the real estate property is sold or the person has other revenues to pay due Zakah. This means that Zakah accumulate for past year until the person has means to pay it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Zakah on Gifted Plot of Land**

From: Nadir

As-salamu `Alaykum. Please, let me know what is the ruling for Zakah on a gifted plot of land which I may sell later in my life? But for the plot I had not put any money to buy. It has been gifted. Please, advise.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Nadir

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You must remember that getting a gift is one of the ways of acquiring properties. Whether you pay for it or not it is yours and you are wealthy by owning it. being from a gift does not make a difference. If this lot is for building your own residence it is not subject to Zakah but if it is not and rather for sale in the future it is subject to Zakah on the day of your Hawl and every 354 days then after.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 6: giving a loan in other currencies**

From: Mohammed

I live in a country where the currency is freely falling in value against the world major currencies. Now a Muslim brother wants a borrow from me and I know for sure he will not pay any time soon. Can I, therefore, convert to a hard currency say USD and give him the loan in the USD to save myself from the anticipated depreciation of the local currency.

Secondly, I have just paid my Zakah in Ramadan and now a friend approached me for help to pay his child school fees. Can I use part of my next year's Zakah for this noble purpose? Allah SW bless you all.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohammed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes, of course. You may contract him in US\$ and ask for payment in US\$. Notice you must actually hand him the loan physically in dollar. At the time of payment you may accept any other currency at the price of day of payment.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 7: sample loan contract**

From: Mariam

As-salamu `Alaykum. Can you give me a format or sample loan transaction agreement that is in consonance with Islam. The Qur'an asks us to commit loan transaction into writing. Many thanks, Wassalam.

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad,  
wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Mariam

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I don't have one. But it is as simple as Here I borrow from you a loan of +++ in so and so currency and I undertake to pay it on such and such date. If you want to add any security (called Rahn in Arabic) you can add it as a clause 2. You can even make it certified at a public notary.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session Sept. 17, 2013**

**Question 1: Islamic Mortgage**

From: Mustafa – Canada

I am interested to buy a house in Saskatoon, but looking for halal mortgage. Please, guide me.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad,  
wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mustafa

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I only know Assiniboine credit union having Halal contract and the Islamic Housing cooperative and there may be some other companies that you need to search for them.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Zakah on Gold Jewelry**

From: Rifkie

As-salamu `Alaykum. I understand that Zakah is payable on gold jewelry, but I have heard a certain scholar specifically mention that if that jewelry was received as gifts, then such jewelry is exempt from Zakah Nisab computation, i.e. it implies that we pay Zakah only on gold jewelry purchased by us. Please, elaborate on this point. Awaiting for your kind reply. Thanks.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Rifkie

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

There is no such statement that I am aware of. A property becomes owned by purchase or by receiving it as a gift. Further when the Prophet, pbuh, told a lady that she should pay Zakah of the bracelet he saw in the hands of her daughter he did not ask her whether they are a gift or not!

Gold Jewelry are subject to Zakah if the total of it and other Zakatable items reaches Nisab and a Hawl (354 days) passes, and then after every 354 days. However, there is a strong view (not in the Hanafi tradition) that jewelry that are in use like cloth and other personal items are not subject to Zakah at all.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: what is interest? And what is hoarding?**

From: Male – Pakistan

My First Question is About Interest

Please, give me the definition of interest in simple words which help me to understand.

My 2nd Question is about hoarding:

What is this and why this is haram in Islam?

Especially note for this question people give the example of Hazrat Yousaf Aalahe Aaslaam.

I hope this example help you to understand what I want to say you.

Waiting for your answers.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Riba that is prohibited in the Qur'an is any increment in a debt for whatever claimed reason. this means that interest as we know on bank loans and on bank deposits if exactly included under this definition. Of course this also includes any increment in a loan or debt (for its postponement) between any non-banks persons.

Hoarding is keeping wealth unused in the economy but does not includes amounts one keeps for future use. What Prophet Yusuf did was saving grain for future use as he knew (from what Allah taught him) that there will be shortage in the coming 7 years. This is for future use and is not hoarding. This is saving and permissible.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam  
Prof. Dr. Monzer Kahf

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**Question 4: Fiat currency**

From: Sal

As-salamu `Alaykum. In general: when US dollars are created by the Federal Reserve, they are loaned to banks at interest (Riba). These smaller banks then use fractional reserve banking, where they can lend 9 or 10 times the amount of money they actually have, and they also charge interest on top of all that.

So already, we can see that the US dollar is based on debt and Riba (which is haram).

Also, all countries of the world have their own currencies that is tied to the US dollar.

So every time we use fiat money, we are giving more power to this Riba based system.

I'm not taking about taking out loans from banks - I'm saying that every time we use US dollars/fiat to buy something, whether it is using cash or credit/debit cards, we are in fact saying we acknowledge this Riba based system as legitimate.

Do you think that using these interest based fiat currencies is haram? And if they are haram, should not Muslim scholars be looking into gold backed currencies? If gold backed currency is not a possibility in today's world, what about using an alternative currency that is NOT BASED on interest (Riba) - such as Bitcoin?

Sources:

Thank you,

Salaah

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Dakhlalla

Your analysis of the fiat currency is incorrect. Fiat currency is not based on Riba, dollar and other currencies. Fiat currency is based on the authority of government (central bank) to issue currency by law. This is an authority that was practiced in Islamic history from the time of the first Islamic Dinar around the year 70 of Hijrah.

Fiat money is not given to banks (although sometimes it is distributed through banks). Central banks through cash in the market through either the ministry of finance purchases of goods and payments of salaries (called loans to government) or through open market operation by purchasing securities from the capital market. they also provide loans to banks. Even in loans and in buying from the market debt securities (bonds) the principal is not Haram, the principal is the amount of cash the central bank throws in the market. this is not Haram, if it is used for Riba the additional amount (the Riba) is what is Haram.

Fiat money is much better than gold money, it is cheaper, and easier. Further now we passed the age of fiat money into electronic money. There is no going back on human advancements fiat money is a human advancement.

The issuance of credit by the banking system is a controversial matter. I personally go along with the view that it is not in valuation of any principle in Shari'ah if it is done

through Islamic finance. The point is it is not caused by the act of lending on interest but rather by the banking system being based on partial reserves; (banks are required to keep a small percentage of their liabilities in cash form). 100% reserves is not a practical idea and it limits freedom of transaction and reduces financial intermediation functions to become only safe keeping and bookkeepers. This is a backward move in view of the important and developmental functions of financial intermediation.

In Brief, nothing wrong with fiat money, it is not itself Riba based although it is lent on Riba (corn can be lent on Riba; also remember that Riba was prohibited at a time gold and silver were the currencies not fiat money! Gold has been lent on Riba this does not make gold prohibited).

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## Live Fatwa, OnIslam Session Oct. 2, 2013

### Question 1: Financial Help to Non-Muslims

From: Dzenana

As-salamu Alaykum, I find your articles very useful. Can you, please, post something on giving financial help to non-Muslims who are in need, especially when you are not sure that they will spend it on things that are halal? For example, if they need to pay off their debts - loans with interest. Thank you in advance; may Allah reward you for your efforts.

#### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Dzenana

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Helping people is encouraged in Islam regardless of their faith, color or ethnicity. The Qur'an and the Ahadith of the Prophet, pbuh, repeatedly mention al Nas الناس which means human beings in general, it doesn't mean the believers only. In this regard I may remind us of the Hadith that says "there is a reward in [helping] any living liver." Which means any living creature which extends help to all kinds of animals.

Giving charity to non-Muslim is included in the call of general help to all human beings. Of course when you feel that the recipient may use the help for a wrong thing you may give your help in kind or directly to the provider of service to the poor person. In this matter there is no difference also between a Muslim or non-Muslim recipient. BTW, helping a person paying an already contracted interest loan is good even though the help may cover the interest because it is a legal obligation on the debtor.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam  
Prof. Dr. Monzer Kahf

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**Question 2: Zakah on Gold Jewelry**

From: Rifkie

As-salamu `Alaykum. I understand that Zakah is payable on gold jewelry, but I have heard a certain scholar specifically mention that if that jewelry was received as gifts, then such jewelry is exempt from Zakah Nisab computation, i.e. it implies that we pay Zakah only on gold jewelry purchased by us. Please, elaborate on this point. Await your kind reply. Thanks and regards.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Rifkie

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

There is no room for elaboration on a matter that is a pure fabrication. A person who claims that gifted jewelry is exempt is required to produce evidence in support.

Jewelry receive as a gift is part of one's wealth (properties), the Qur'an Says that Zakah is on one's properties [9:60], The Prophet, pbuh, when he saw golden bracelet in the hands of girl instructed her mother to pay Zakah on it without asking her whether it is a gift or not although it is expected that the girl may have gotten it as a gift from her mother or father or any other person. Further, gift may also be given in other kinds of property, would that means that any gift property is exempt from Zakah and what is the difference between gift of jewelry and gift of money or share or cows. All these are subject to Zakah provided appropriate conditions are satisfied.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session Oct. 22, 2013**

**Question 1: Islamic finance by conventional banks, Zakah on received gifts**

From: Ning

Banking

As-salaamu 'Alaykum. Dear Dr. Monzer Kahf, thanks for giving us opportunity to ask about economics & financial issues.

My questions are following:

1. Banking; if a conventional bank sets up a new Shari'ah banking, can we join/ involving with bank. We don't know the sourcing of the capital of a new Shari'ah bank. For example ABC Bank & Shari'ah ABC Bank.
2. Zakah; if I receive a gift for example a laptop or get Umrah ticket for free, should I pay

Zakah when I receive it? And how many % from the value of that good?

3. When we work at the institution (state or private sector), we have to follow insurance (conventional/not takaful), so should we use the facilities we get from the insurance company?

Please, give me clear & detailed answer.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Ning

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

1. It is permissible to have transactions with an Islamic branch or window of a conventional bank. You do not ask the question where did you get your capital from at all as this is not any of your business. Your concern is restricted only to the relationship between you and the bank only and you have no right to interfere in what the bank does with other persons and institution.

If you are in Malaysia, Singapore or any country which has Islamic banking regulations, the central bank does not allow a conventional bank to have an Islamic branch or window without appropriate accounting and regulations which include having independent accounts for the Islamic transaction especially if the bank accepts deposit in accordance with Shari'ah. If you are in other countries you need to be sure that the contracts offered are Shari'ah compliant in reality. This is done by being sure that its Shari'ah advisors are of adequate knowledge and reputation. There are conventional banks which offer only financing but do not accept investment deposits in accordance with Shari'ah. It is permissible to obtain financing from them because you can take a Shari'ah compliant finance from anyone. They need separate accounts when they distribute profits to their depositors

2. Zakah is not due on the examples you gave at all because they are personal and consumable items. But let us suppose you got a gift of US\$ 1000 cash. You just put it in your account and at the end of the Hawl (your Zakah year consisting of 354 days since last due Zakah or the day you acquired Nisab which is approximately about US\$ 1500) you add the balance of your account to other Zakatable item and calculate the Zakah due on the total at the rate of 2.5%. Notice, whatever you used during the year is not included and whatever you earned anew is added.

3. If the insurance is paid in full by the employer, it is a part of fringe benefit and you can accept it regardless of whether it is conventional or Takaful, it is not your who contracted it. If it is fully optional and you pay for it, you may decline if it is conventional. If it is partially paid by you and not optional, you accept it as an addendum to employment and it carries the permissibility of employment in accordance with the axiom that an addendum takes the Hukm of the main action/contract.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Conventional Loan**

From: Sadiq (Maldives)

Salaam `Alaykum, my question is regarding conventional loan. If I took a loan from a conventional bank (which normally gives with interest), but let's say my loan worth is \$100k and there is fixed 5% charge on loan by the bank.

So total amount would be \$105 (loan + charge) for 5 years. Within the time frame I can repay it by piecemeal basis, but the total amount (\$105) will remain same for 5 years even I repay quarterly. Bank don't call 5% as interest but they say its administration or other charge.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sadiq

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Your question is not clear. Conventional banks charge interest no matter what you call it. I am aware that in Maldives you have a problem with words. Some people think that if you call interest another name it becomes permissible. That is incorrect. But if the bank really charges 5% for the whole 5 years which means 1% per year, this amount does not cover its administrative expenses.

Make your question clear and send it again.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: leaving earned interest to the bank**

From: Yusuf

Assalam Alaykum sheik. I am asking regarding interest in Islam. I believe it's haram according to surah Al-Baqarah. What if amount deposited in a bank earned certain percentage of interest, the amount in the bank increased certain percentage due to interest earned.

My question is if I withdraw and consume my original amount and the percentage increased I just left in the bank is what I eat Riba?

Secondly what if percentage earned the interest I send some relatives who are needy?

Thirdly is Riba means when you deposit your money in a bank, the bank invests money into a project, gain a profit then bank returns my original money plus certain profit which me and bank divide among ourselves is this Riba again?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Yusuf

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Whatever conventional banks give or take is Riba. Riba in any increase over the principal of a debt or loan. Banks do not invest in project. What they call investment is loans for interest given to projects. This interest is Riba and it is Haram. Banks do not make profit they earn Riba (interest) on loans they give. And whatever they give to depositors is also interest, they do not divide profit because there is no profit.

When you happen to earn interest from a conventional bank you should not leave it to it as this helps it make more Haram, take it and give it to a poor person, relative or not. This is not considered Sadaqah but you are InShaAllah rewarded for preserving your own money pure from Riba.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: presents from people who earn interest**

From: Wayil

Interest Issue

As-salamu `Alaykum. What has to be done when a family presents us with some clothes or food items, whose livelihood is based on interest (which is haram) or they make use of interest or they work under that.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Wayil

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You just take it either to you if it is a gift or to distribute to the poor and needy if it is charity. They got the sin of earning Riba and you got the benefit of a gift or the poor got the charity. You are not authorized by God to stand in control over what other people do or to investigate their affairs and earning.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: meaning of interest in verse 130 of Surah Al Imran**

From: Adeeb

Assalam Alaykum. The verse 130 of surah Imran mentions about usury or interest? Please, explain.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Adeed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

This Verse explains how ugly is interest as it may multiply with no valid reason because the debt does not generate any new wealth. That is it. it does not say that only interest at a high rate is Haram. Verse 2:275 says that Riba is Haram and Verse 2:279 defines Riba when it says that if you want to repent from Riba you take back only your principal amount. It means that any increase, large or small is Riba. Interest is then Riba whatever its percentage.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 6: Investment in a Non Islamic Country**

From: Anayat

Assalam Alaykum. In a non-Islamic country where no Islamic banking is available, how and where a person having no experience of any business, after retirement from a govt., semi govt. or private concern service can invest the funds received as retirement benefit .

Anayat Ullah Sheikh.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Anayat

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Obviously in real estate, in business of friends and relatives and in permissible shares of companies that make beneficial products like computers and cars. One third of Muslims in the world live in Muslim minority countries, you are not alone! In all countries today there are many Halal opportunities and even many Halal investment funds and cooperatives.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 7: OSAP in Canada and housing mortgage**

From: Fadi

As-salam 'Alaykum. Dears, Jazaka Allah Khairan for all of your efforts.

My questions are:

1) Is OSAP in Canada halal to deal with (it's a kind of grants and loans help students to support their studies); if you didn't apply to get OSAP you will not be eligible for other grants & bursaries.

2) When it's halal to get Mortgage to buy a house? Thank you, regards.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Fadi

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Please give more details I don't know OSAP and will not look into its website because I don't give Fatwa on basis of webs.

Interest-based loans are Haram. They may become tolerable under necessity if they are necessary. Students loan are not a necessity in US and Canada in my opinion because there are other options including work/study.

In Canada there are several institutions which provide Shari'ah compliant house financing, when a Muslim family cannot qualify for any such Islamic finance, it may become tolerable for it to take conventional interest-based mortgage if it really need to buy a house.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: Reward points in credit cards**

From: Hasan

Rewards from Bank

Assalam Alaykum, Jazaka Allah Khair for providing access to Dr. Monzer Kahf to ask financial questions.

Question: I use credit cards and pay off on time without having to deal with the interest. I am planning on moving toward using debit cards in the future to be sure get much further away from Riba based system, assuming that is the right approach. But so far by using credit cards I have accumulated good amount of reward points which I am allowed to en-cash now. Considering the organizations income is solely depending on interest, should I spend that in charity and not use it for my own expense. Please clarify if my assumptions are right. Jazaka Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Hasan

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

It is always good to give to charity and I wouldn't advise not to.

These points are promotional point and are permissible. While it is true that most income of credit card giants is from interest, the income from fees collected from merchants is substantial and these promotions come directly as a deduction from these fees, this is why they vary sometimes depending on what you use the card for. Besides, using a credit card with auto payment does not entail any interest on your side and is in

my opinion permissible. I don't see any reservation in using credit cards with the payment regularly within the grace period and without using it to withdraw cash from machines.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## Live Fatwa, OnIslam Session Nov. 18, 2013

### Question 1: working in a Western mortuary

From: Dalia

As-salamu Alaykum! Is it allowed for a Muslim man or a woman to work in a mortuary of a Western state: to wash dead bodies, dress them, etc.? Thank you.

#### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Dalia

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I don't see anything Haram except in burning them because it violates the principle of Honoring children of Adam. Of course the rule of covering the Awrah (part of body which should be not uncovered to strangers) applies whether in Islamic mortuary or others.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### Question 2: paying wife for intimacy

From: Dalia

Assalam Alaykum! Is it ok in Islam that a man pays to his wife for intimacy? For example, to get more qualitative sex, etc.? Thank you!

#### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. the Prophet, pbuh, discouraged a man falling on his wife like an animal and He, pbuh, suggested to start with a kiss or a touch. If a woman is induced by money why not her husband takes this mean as similar to a kiss or touch. I doubt that a wife would feel comfortable with that! But giving her gifts, in money and other properties is certainly encouraged by the Prophet, pbuh, it is even considered Sadaqah as reported by more than one companion,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh  
Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 3: Zakah On Retirement Investment or 401K**

From: Amina

Assalam Alaykum. Do Muslims have to pay Zakah on their 401K even though the funds are not available to be spent until after retirement? And if Zakah is due on a 401K, how does a Muslim come up with the amount of money to pay for Zakah since there is no accessibility to the funds.

Thanks, Amina.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Amina

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes, the balance of these funds 401K, IRA and their likes should be added to other items of property which are Zakatable. They are subject to Zakah. Zakah can be paid from other sources like income, we all do that on jewelry and their like we don't sell them to pay Zakah. But if a person does not have sufficient other sources to pay from, it is not sinful to delay payment until you liquidate these funds. When one liquidate should then pay all past due Zakah for all past years. This means she/he must calculate each year and keeps records to do the payment when they have sufficient liquidity.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: Dealing with Star Capital Co**

From: Mohamed

As-salamu `Alaykum. Please, kindly, find the link below and check if I can deal with this company or not. <http://starcapitalonline.com> <<http://starcapitalonline.com/>>

Best Regards,

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohamed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I don't give Fatwa on basis of websites. Make your question in details and write it so I can answer your question.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 5: Renting a building to a bank**

From: Khalid – India  
Renting of Property

Is it allowed under Islamic Shari'ah to rent out the commercial property to a bank or financial institutions to run their business. Also Residential properties to the banks or financial institutions for their employees. The Rent will be paid by the banks or the financial institutions.

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in  
Dear Br. Khaled

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes, because you will not be involved in making any interest-based contract. and we do not ask about source of funds when we sell people any good or service or usufruct. If a bank employee does a Haram contract or action his earning is Haram for him but not when he/she buys bread of a usufruct of a property from you

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 6: eating Goat's testicles**

From: Khalid  
Food and drinks

Is it halal to eat goat's testicles? Is it halal to eat crabs?

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in  
Dear Br. Khaled

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Ask this question to a specialist, my specialty is Islamic finance and economics.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 7: interest earned on bank deposits**

From: Shumaila

Assalam Alaykum. My question is so simple and based on interest. My father was a government teacher and died when we were children. My mother got about Rs. 1 and half lakh from his providential fund. She distributed the money among us (brother and sisters) and deposited that money in bank in some bank plan.

Recently we got this amount as double amount. Is this legal money? My mother used to say that if she bought any jewelry or piece of land on that time, so she also got double amount this time. Please, solve dis. Jazaka Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Shumaila

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

But there is a big difference one is Halal and one is Haram. Allah says that in the Qur'an Verse 2: 275.

Of course the reason is that money deposited in a bank account does not itself create any additional value, even when the bank lend it and value is created by a borrower the added value belongs to the borrower not to the bank of its depositors. This is in contrast to when you buy real goods, these generate increments because they generate utility from their own and utility is value.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: selling domain names and offering website hosting**

From: Muhammad

Online Business Halal or Haram

What are the responsibilities in selling domain names and offering website hosting? Non-Muslim customer won't use the domain or hosting according to Shari'ah, will I be liable? Will the money be 100% halal?

Second question on making money from advertising online. There is a website adf.ly which pays for number of ads seen by my visitors. The ads are not images but they are whole web page.

Example: <http://adf.ly/NyW3v> <<http://adf.ly/NyW3v>>

If I make money and take 20% out before spending that money to avoid any doubts, will it be good enough? The problem is I don't if I get paid for a website ad. shown about anything not allowed is Islam, will I be liable? Will the money from that be 100% halal after taking 20% out of it first just to clear doubts?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Selling websites and advertisements of permissible things is permissible. Selling websites and advertisements of Haram things depends on the nature of the Haram. For instance things that are morally condemned such as porno, promoting worships of other than God, liquor, selling webs for them or giving advertisement space for them is not permissible. On the other hand promoting family values even with uncovered women, promoting sale of cosmetics even though many users may use them in non-permissible ways even webs of banks and their activities as Riba is prohibited not on ground of moral shame are not Haram although they are not the best things one does!

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 9: Not Fulfilling Job Requirements; Status of Earning**

From: T.S.

As-salamu Alaykum. I got into a discussion recently with a Muslim I know. By his own admission, he does not always honestly fulfill his requirements at his current job.

For example, he will sometimes arrive late to his job or leave early and then claim to his employer that he was completing some sort of task for work when, in reality, he was simply sleeping at home. He then goes on to be paid for that hour he claimed he was working when he was not.

I am an extremely elementary student of Islam and its Fiqh, so there are a few issues I would like to raise.

1) Of course, we know that breaking our oaths as Muslims is completely forbidden. Would such an arrangement, that of an employee and an employer including the terms of employment and the duties of the employee, constitute such an oath?

2) Based on what I know, his earnings at least for those hours which he was not actually at work would be haram because he was not actually performing the duties for which his employer is paying him for because his employer pays him on the understanding that he was performing his duties at work.

Is this correct? Would his earnings for those hours for which he claimed to be performing duties for work but during he actually was not doing anything for work be haram since his employer paid him based on his false claim that he was performing duties for work? Jazaka Allah Khayran.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. T S

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

What you said is absolutely correct and I do not need to repeat it. I add to it two points, lying to employer to get more money for hours not used for the job is sinful and Haram.

The second point: there is a low amount of negligence, mistakes we all do even in our personal matters, these also happen by employees, that much negligence and mistakes is always forgiven and considered part of the cost of employment.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: Buying House on Islamic finance**

From: Wajeeha – Pakistan

I need to ask this question which we have been probing for few months. As my father is working and as well as my elder brother and to let you know beside their salary we don't have enough money to buy our own home as currently we are living in our uncle's house for past 9 years and soon he will ask us to leave.

So, our family is looking for a mortgage from an Islamic bank. Please, guide me: is this halal in Islam to take a loan from an Islamic bank or not? Please, explain this matter in the light of the Qur'an and Sunnah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Wajeeha

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Financing home buying from Islamic bank in Pakistan is certainly permissible. They finance on either Murabahah or Ijarah ending with purchase, they both are permissible.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 11: real estate agent helping a buy on mortgage**

From: Sana – UAE

Regarding Mortgage in Business

As-salamu `Alaykum. I am working in a real estate company in Dubai as agent. Some people come and buy the property through mortgage, so is it halal or haram for me as an agent work with this buyer?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Sana

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Selling real estate properties is permissible and being an agent in this industry is also permissible. It does not affect you whether a buyer takes a mortgage or not.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 12: Working as a Lawyer**

From: Ramiz – UK

I am a personal injury solicitor. Is it permissible to obtain compensation for clients in personal injury cases where the compensation comes from insurance companies? Also, is it permissible to defend cases on behalf of defendants? In these cases the money for defending the claims comes from insurance companies. This question is urgent. Jazaka Allah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ramiz

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Both are permissible and where does the money come from does not affect this permissibility. Of course you should be truthful in your injury claims.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 13: Inheritance for Children**

From: Najah

My Father (Allah Yarhamo) passed on this summer and my mother is also elderly and now has cancer. They have 13 children, of them 4 boys and 9 girls. They have always favored their oldest son as he has 4 boys and have given him a lot of money at the boys' birth. Yet the girls have gotten nothing for their children.

My brother does not want to give the girls anything as he said my father did not like their husbands although he was the person that chose them. Now maybe he wants to give the Islamic way, because he knows he will get more this way.

Please, explain what is the right way? One of my brothers (Allah Yarhamo) has 1 son and 2 daughters, another brother has 2 sons and 2 daughters, one brother is disabled.

My mother believes that everything should go to the eldest son as he will take care of anyone in need. He is very selfish and greedy and would not help anyone but his own family. What should we do?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Najah

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I assume that your father had no parents who survived him. also I assume that the deceased brother is one of the four buys. Also I assume that you live in a Muslim country not in a country of community property like USA.

Accordingly the estate of the father, after paying al debts and overdue taxes and any expenses of funeral, etc., is distributed as follows: 17/136 (1/8) to the mother although she is old and has cancer, 7/136 (1/17 of the remaining 7/8th) to each of the 9 girls and 14/136 (double share of a female) to each of the 4 boys. The share of the deceased boy is distributed to his children applying the same rule, i.e., 7/136 to his son and 3.5/136 to each of the two girls. This distribution is based on the Qur'an 4:11-13 and the principle of the share of deceased parent to his children.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 14: working in a hotel as chef and cooking port**

From: Sulely – Indonesia

As-salamu `Alaykum. Sorry if there was a question asked about the same concern that I'd like to ask. It's about a friend of mine will marry a man that works in a hotel as a chef assistance. She is worried about his salary is halal or haram as he cooks pork sometimes for the hotel guests. He is a Muslim. Thank you for your attention and answer. We are looking forward.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Sulely

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

His salary is not Haram but cooking pork or adding liquor in any food is Haram, if he does any of that the price of his labor for that action is not Halal

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 15: Islamic second mortgage is expensive**

From: Ahmed

AoA. I live in Canada and we are building a new Masjid in our area because we are in the construction phase so we need a lot of money. Alhamdulillah, donors are doing a great job but we still short on few hundreds of thousands. We tried to get an Islamic loan but we can't because they don't give a loan for construction projects.

Now we came with the idea of getting second mortgage on some of our houses to get the cash, we tried with several halal mortgage providers, but either they don't have the

money (we have to wait few months and we can't afford that), or they don't provide second mortgage.

Finally we found one of them and they are willing to give us second mortgage, but they told us they charge 12% rate for the second mortgage. We are not sure how if it is halal any way.

My question is, if we go to a bank for a second mortgage, we can get way better rates (around 4-6%) versus the 12%. And actually I see no difference between the halal source and the bank if both are charging interest. Can we do that? Jazaka Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

My answer is NO. I don't see that even a second mortgage is permissible to continue building the Mosque. A second mortgage we allow it only for extreme need, otherwise it has a few doubts about its Shari'ah compliance.

What is left for you is to work hard on collecting donations, pledges and loans without interest for the mosque itself.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 16: Working as Security Guard at Bar and Gambling Venues**

From: Kamran

Assalam `Alaykum. Brother, I have a question regarding working as security guard at alcohol serving places and gambling venues; can I work there till I get other job? What is in Islam regarding work at these kind places? Jazaka Allah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Kamran

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

That is not a job for a Muslim. It is not permissible if the main line of business is a bar serving alcohol or a gambling place. In a restaurant which also serves alcohol, a guard job is not Haram.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 17: Using interest to pay for car insurance**

From: Di – Canada

As-salaamu Alaykum. Skaikh I would like to know if it is allowed to use interest from the bank ONLY to pay car insurance. If not, then what can we do with it?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Di

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

NO, it is not permissible because Car insurance is your responsibility and you cannot use interest to discharge your obligations.

The only use of interest is to give it to charity preferably Muslim poor.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

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**Question 18: depositing money in a Bank and living on its interest**

From: Siemone

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Br. Siemone

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes, it is of course Riba and Haram. Does the mother want to feed her children and family from Haram while the Prophet, pbuh, told that any flesh that grows on Haram will go to the Hell Fire?

Alternatively, Bangladesh has several active Islamic banks, she should deposit this money in an Islamic bank she choose and earn Halal profit, it is not less than the interest and the activities of these banks are supervised by some Shari'ah scholars. Why going to the Haram banks? This does not mean that it is OK in a country that does not have Islamic banks, but it means that it is equally Haram in America, there we select other investments than just placing funds in banks.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session Dec. 11, 2013**

**Question 1: Investment with guaranteed principal and a bonus**

From: Iqbal

As-salamu `alaykum, dear brother. I live in India. Here is an organization named Life

Corporation of India (LIC) where I have made an investment.

"I'm supposed to pay a premium of Rs 81000 per year, this premium I have to pay for 10-14 years, after the maturity period of 14 years I will get my money back with bonus which may vary from double the amount that I have invested or zero investment depending upon whether the company has made the progress (as per the version of company's representative). However, in almost all the cases a person receives a handsome bonus."

Now my question is:

I have paid the premium for two years, (the organization rule is that you have to pay premium for at least three years, otherwise you will get only 30% of amount of what you have paid.)

- 1- Please, confirm whether it is permissible in Islam to invest in such an organization & in such a manner.
- 2- I have to pay the third installment; otherwise I'll lose 70% of my paid amount.
- 3- Please, confirm from Islamic perspective whether I can continue with such type of business.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Iqbal

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I cannot answer this question unless I know in details what kind of business this company invest in and what are all the conditions of the contract between you and the company. You did not give me sufficient information to make judgment on it. It seems to me closer to insurance than any other thing but I can't be sure.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: insurance**

From: Abdullahi

Insurance Regarding Property

As-salamu `Alaykum. My question is: is it permissible for a Muslim to register with an insurance company. Jazaka Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdullahi

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The word register is vague. If you mean to buy an insurance policy from an insurance company the answer is no and may be yes sometimes.

It is no because insurance contracts with conventional insurance companies contain ambiguity about cost and time of insured incidence which makes the contract void (this is a majority's opinion). The Alternative is Takaful which is based on a cooperative fund. this is permissible and in Nigeria there are a few Takaful companies.

On the other hand, when Takaful is not available and insurance is necessary or quasi necessary or required by law (as in car insurance) it is then permissible to take conventional insurance.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 3: Fixed rate charge by Islamic banks**

From: Abdul Karim – Malaysia

As-salamu `Alaykum. I would like to know in Islamic banks where they say they follow the Islamic rules and regulations but in reality what made me shock is when they give loan, they charge the fixed rate as an interest but the name changes to profit instead of saying interest. Could you, please, explain how I can know that a bank follows the Islamic rules and regulations properly? Thank you.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Adbul Karim

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Islamic banks do not give loans. In Islamic finance banks buy goods and assets and sell them to you on credit. They make profit the difference between the buy and sell prices. Some Islamic banks in Malaysia give what they call personal finance. they use a trick of buy and sell between the customer and the bank and claim it is not Riba. this is called either Tawarruq or Bay al `Al `inah, it is purely Riba hidden in the name of sale and profit. this is Haram.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 4: working as chartered accountant**

From: Hamza – UK

From: hamza

Working in Certain Companies

Salam. Insha'Allah, I hope all is well. I am in a dilemma. I am recently by the grace of my Lord Allah qualified as a Chartered Accountant. I am so grateful for that. I am now in the process of looking for new employment. However, I am confused as to whether certain industries are haram or not to work in. For me industries such as gambling, banking,

tobacco and alcohol are not permissible.

However, recently I was contacted by a member of the head office of KFC as an accountant and was totally uncertain as to working in this field i.e. fast food whose products are not all slaughtered in a halal manner is permissible.

Though I would simply be the accountant and have no say in the food production etc., what is the permissibility of working in this sector?

The same issue would be in if I was the accountant of a supermarket brand like Wal-Mart. I would love a common scholarly view on this so that I can see what the general consensus is on all this please.

Jazaka Allah and please keep up the good work. And make Duaa' I find a great job.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Hamza

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Slaughtering methods used in UK are controversial among Shari'ah scholars. If you believe their method is Haram do not work in such a place (because it means they are selling non-permissible item which should be destroyed and can't be sold and their income is accordingly not permissible so the whole business is according to this view non-permissible). But if you agree, like me, that this issue is controversial (which means that the business is permissible according to some respected Shari'ah view), it is then permissible to work as accountant especially that you are not in the meals procession part of the business. The general rule is: if the general line of business is permissible, it is ok to work in it and then we look into what do you do in the business. So working for Wal-Mart is permissible provided you do not sell or carry liquor.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Inheritance of a sole daughter with no relatives**

From: Nur

Inheritance

As-salamu `Alaykum. I have a question here from a friend - her father pre-deceased her mother due to stroke and bed-ridden for 8 years. After her father passed away, her mother became the sole owner of the house. Her mother was an only child and been orphaned since she was very young – she was taken care by a few adoptive care givers in another country and migrated when she was a teenager.

Sadly her mother passed away a day after her father's 100th day of death anniversary, without writing any will. My friend is the only child without any siblings or relatives related to her mother. Due to that, the Shari'ah Court release the inheritance certificate and she can only receive 50% [as she's a female] and the other 50% will goes to the Baitulmal (another Muslim government body) – but she was advised by the Shari'ah

Court officer to discuss this with the Baitulmal.

The Baitulmal needs her to sell off the house and will not waive their 50% share to her – though she has 4 young children on her own – they are not a wealthy family and those years both she and her late mother faces a lot of financial constrains trying to meet ends on top of taking care of her sick father and her young children without asking for any financial assistance from anybody.

Due to this isolated case, can she be claimed the whole 100% share as there are no other male relatives related to her mother? My knowledge in this matter is very minimal but I've been doing some research that in the case, where an only child survives both parents, and there was no surviving spouse or parents of the deceased or siblings/relatives, then that child, irrespective of gender, inherits everything of the deceased estate; no other relative may claim rights to the inheritance, which would be more realistic - as said in the Sunni law – can you confirm this?

And I also found this: the remainder of the share goes to the closest male heir (`aseb), son. If there is no son, the father receives all the remainder. If there is no father or son but brother; he receives all the remainder. Husband is not considered `aseb.

In case there is a remainder in the bequest over the ordained shares and there is no closest male heir, then the remainder is to be distributed between heirs in proportion to their shares. Thank you. Was-salam.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Nur

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

What you said is absolutely correct. This is called RADD. It means: when there are no male relatives who deserve the remainder it should be rendered to heirs in proportion of their shares. It does not apply to spouses but it applies to children and others. This is why in my sample inheritance schedule I gave the whole estate to the daughter if she is the only heir. One half as a prescribed share and the other half in RADD to her. I suggest that she should sue Beitulmal. And invite scholarly opinions from outside Singaporean circles

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 6: Affiliate Marketing and payment for referral**

From: Rahimuddin – Nigeria

As-salam `Alaykum. May Allah accept all that you are doing for His sake. I want to know whether affiliate marketing is permissible or not. Affiliate Marketing is a popular method of promoting web businesses in which an affiliate is rewarded for every visitor, subscriber and/or customer provided through his efforts. In short as an affiliate you get paid for referring sales or customers to another business website.

The products we promote on our websites are either digital products (such as e-books or software) or physical products (such as electronic products, health products etc. business owners pay the referral commission in percentage of the sale/profit or sometimes fix commission rate. Is this permissible?

My second question is: I have some companies that pay my affiliate with PayPal account and I don't have a PayPal account as my country is not supported by PayPal. So I make a joint venture with someone who has a PayPal and made a deal with him to pay him 20% of the money he received for me and pay me the remaining 80% via wire transfer. Is this type of transactions permissible?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Rahimuddin

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If this affiliate commission is known as a common practice in this business and there is no misleading of potential customers into the idea that you allure them into buying, it is then permissible. It is also permissible to give a percentage for a person to collect it for you from PayPal

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Live Fatwa, OnIslam Session Dec. 24, 2013**

### **Question 1: Islamic Mortgages and Bonds**

From: Eatsam

Dear scholar, as-salamu `Alaykum. There are many debates are going around the globe about Islamic Finance and economy. Recently the British government announced to issue Sukuk Islamic bonds. Could you, please, advise us what Islam says about this kind of bonds? Also, please, advise on the Islamic mortgages and how it works? I look forward to hear from you soon.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. EATSAM

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Islamic econ and Islamic finance are both sets of principles, maxims and axioms which can be implemented by any person regardless of his/her faith. In finance the essential point is that finance should be provided through real market contracts which are sale on credit, lease and partnerships. Finance provision through loan is purely charitable

activity which cannot generate income or return as it is based on debts and debts do not generate any return.

Islamic bonds or Sukuk ( )it doesn't really matter what you call them are based exactly on the same principles. they may represent assets leased for a long period, then they earn rent, or partnership in projects, even non-voting kind of partnership, then they earn profit if the project generates profit. anyone can do that as long as one follows the pertinent rules and principles.

Mortgage is the same. According to Shari'ah it can be done in a way that generate profit to the finance provider if it is based on credit sale or on lease/purchase. Of course in every contract there are side issues which need to be accommodated.

Sale on credit and lease/purchase are not obviously another way of giving loans because they are intrinsically attached to real goods and services and usufructs not simply giving cash which can be used for anything, good or bad.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 2: Insurance**

Abdullahi Muhammad– Nigeria

Insurance Regarding Property

As-salamu 'Alaykum. My question is: is it permissible for a Muslim to register with an insurance company. Jazaka Allah Khair.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdullahi

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes, if it is necessary and there is no available Islamic insurance (Takaful).

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 3: Eating meat in restaurants**

From: Zeeshan– India

As-salamu `Alaykum. Is it permissible to eat meat in restaurants about which we don't even know whether they are halal or not?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Zeeshan

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The meaning of Halal meat varies according to the view point one adopts. There are two major broad views among Shari'ah scholars: 1) accepting slaughtering of Christian and Jews, the way they do it, and 2) requiring that eatable animals must be slaughtered in a specific manner and with mentioning the name of Allah on it. what is in restaurants in America is normally Halal according to one view and not according to the other. If you believe in the second view do not eat it but you MUST NOT BE NEGATIVE TOWARD OTHER MUSLIMS WHO BELIEVE IN THE FIRST VIEW AND DON'T BE ACCUSATIVE OF THEM. .

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 4: work in stock brokerage**

From: Mohammad – India

Share Market

As-salamu `alaykum. My name is Mohammad. Sir, I want to open sub broker franchise of stock broking (Share Market). I have 5 years' experience as an employee in the same field. Now I want to open my own franchise.

Can you, please, guide if this business is halal in Islam or not? If it is halal, then can I trade in F&O and Derivatives for Non-Muslims Client? Sir, please, help me because I don't get any answer from anywhere for this question.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. SHARIF

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

What is Halal is to broker permissible shares only. This means no shares of companies whose main line of business in not permissible or companies overridden by interest and other non-permissible transactions. No bonds, no derivatives, no futures currencies and commodities.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 7: Canadian Pension Plan and Employment Insurance**

From: Anas – Canada

As-salmu Alaykum. My employer gives the option not to participate in EI (employment insurance) and CPP (Canadian pension plan). Hence it is up to me to join. So is it halal or haram? In other word is CPP and EI halal or haram? And If I can opt out shall I opt out or I can still opt in?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Anas

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I need to know the conditions of the EI before giving an opinion on it. for the CPP I wonder how come it is optional, isn't it like social security in the USA? SS is not optional. Or is this an additional plan over and above social security. Social security is definitely permissible to contribute to it and permissible to take retirement funds and other payment according to law. The idea of it (looking at it from the angle of relation between government and members of society) is: a tax and some benefits related to it. Please explain both in details so that I can make an opinion according to explanation.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Live Fatwa, OnIslam Session Jan. 8, 2014**

**Question 1: Student Loans**

From: Sayad – UK

Interest

Salamu `Alaykum. I would like to ask whether it's allowed to borrow a loan for university; I am confused weather to borrow it or not because that's the only way, and interest is added.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sayad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

In my opinion, education though necessary for income and contemporary living, university education is not itself a necessity and it also has other sources of finance which can be used for it especially in Europe where there are programs and potential of study and work.

Accordingly borrowing on interest for university is not permissible.

On the other hand there are few cases where it may become necessary to borrow for education such as when a person is about to graduate and the final semester needs finance to complete or to be given the certificate of the degree.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 2: Using Haram-earned money**

From: Wasim – Ukraine

As-salamu Alaykum. Out of need, I have earned money through stock trading and gambling (haram money). I will be using the haram money to pay off debts and loans. However, I wanted to know if it's permissible to open a halal business with this haram money? Will the sales earned from the business be haram? What steps should I take to repent for my haram money? May Allah smile upon you always

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Wasim

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Money obtained by means which are Haram should be returned to the person or persons from whom it is taken. This include interest money, gambling and theft and the like, except if returning it helps increase the Haram such as interest obtained from a conventional bank or gambling money from a casino. If the person from whom it is taken is not known, the Haram money should then be given to Muslim charity or to poor and needy persons with the intention of purifying one's own Halal money.

Haram money cannot be used for paying debts or taxes or fees to government or any other way which benefit the person who is giving it away because this money is not owned by you.

If it is not your money keeping it with you is Haram and you should give it away to true owner or to charity the soonest. Using it for business is definitely Haram. The Prophet, pbuh, said "every flesh grows on Haram deserves best be in the Hell Fire كل لحم نبت من السحت كانت النار أولى به .

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 3: High cost of Islamic finance**

From: Khamis

Higher Price for Deferred Payment

Assalam Alaykum Dr. Monzer. What is the Islamic concept regarding charging of higher prices for goods and services whose payment has been deferred?

There is a business practice for hiking prices for payments made at a later date/time. The consumer is made to pay more than when paying at time of receiving goods or services.

Some service providers relate this practice for instance to the access of goods and services for which one is unable to instantly pay, so a higher cost is charged at the time of payment.

There is a divide of opinion where some think this practice amounts is Riba (interest) while others argue that it is an acceptable business practice in Islam. Khamis, Kenya.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Khamis

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

There is no divide of opinion but there are people (even among Shari'ah specialist and mosques Imams) who do not understand the issue.

Getting a commodity without paying for it at the same time means you benefit more than your means, for the other party it means he is deprived from his right to enjoy the benefits of all his property. For both parties it is not just and not fair, it is rather injustice. This is why we find statements in our Fiqh books of all schools stating time has a part of the price إن للزمن نصيبا من الثمن. Fairness require that the price be higher if payment is delayed and commodity is taken at time of contract. by the same token price with be lower if the commodity is deferred and the price is paid in advance, this is known as Salam sale and described in the Fiqh books as sale of persons who seek lower price بيع المسترخصين. This is because goods have utility people derive and benefit from.

Riba is an increment in a debt. Debts do not have utility to derive from. This is why the moment you sell on credit you cannot sell this debt or change it through time. Debt can only be collected but it does not generate any utility from its own.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: how can I perform Zakah and I am a student who has no money?**

From: Guest

Assalam Alaykum. I am a female revert, currently a student with no wealth/money what so ever. I am wondering as part of Islam we have to give Zakah (charity) which is two percent of your wealth if I am correct? Thing is... I don't actually have any money or anything of value to be able to give Zakah. I know this is part of the five pillars of Islam. I am wondering if I don't give Zakah will this be a punishment. I am planning to give Zakah when I start to earn money through getting a job if Allah wills. But for the meantime what else could I do? I'm afraid and I don't want to anger Allah.

Please, get back to me, Insha'Allah. May Allah bless us all Allahhumma Ameen

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Out of the five pillars of Islam the first two are not conditional on any circumstances: Statement of faith or testifying that there is no deity but Allah, the Lord of the Worlds and that Muhammad, pbuh, is a Messenger of Allah, and the prayers.

The other three pillars depend on fulfillment of certain provisions: 1) for Zakah Muslim persons, regardless of age (for a minor it is payable by the guardian) and gender who own at least an amount called Nisab (determined in gold 20 Dinars or silver 200 Dirham = approximately US\$ 1500) and this amount stays with the person for a full lunar year (i.e., 354 days) that is in addition to personal and family expenses are subject to pay Zakah in the percentage of 2.5% of their total wealth after the passage of 354 days. Persons who do not own that much for that number of days are not required to make Zakah. Of course there are some more details regarding income and agricultural produce. 2) for fasting Ramadan, Only after reaching puberty, males and female Muslim are required to fast unless there is a sickness which makes abstention of food or drink harmful or they are traveling. Days not fasted for such reasons should be compensated outside the month of Ramadan. Persons who permanently cannot fast, pay charity instead (food for two meals for a normal person for each day). 3) Hajj is obligatory on each adult Muslim, male or female but contingent on both physical ability and financial ability of making the trip to Makkah. Persons who don't have either of these two ability are not required to go or to make any recompense.

Accordingly since you don't own an amount equivalent to Nisab and obviously not for a full lunar year period, you are not required to do anything in this regard. Paying Zakah is not obligatory on you, rather you may deserve to receive Zakah in order to help you make living. It is obvious that if the conditions of the obligation do not exist, the obligation does not exist too.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 5: Trading gold and silver**

From: Ihab

Salam, I trade in Gold and Silver (physical and paper markets) and don't use derivatives. Is that halal? Salam.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ihab

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Trading gold and silver and other metals is speculative and adds no value. In my opinion any trade which does not generate value is not trade and not permissible. These trades are zero-sum transactions. Add to it that trading gold and silver must be cash for delivery at time of contract, this condition is usually not satisfied even in what is called physical. This a condition the Prophet, pbuh, made on exchanging gold and silver being

currencies of his time.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 6: Husband Playing Texas Holden Poker**

From: Klau

As-salamu `Alaykum. I hope you can answer to me soon because my husband is driving me crazy with this and I don't know what to do.

I'm a convert Muslim from Colombia and my husband is American. His family is from Egypt but no so religious. In fact I have proved myself in from of them that me as a convert hold much more knowledge than them, Alhamdulillah. However, my husband came with a question that I'm not sure and he is ready to go to a poker tournament.

My husband likes to play Texas Holden poker, he said that playing cash game is haram because is a matter of gambling and it's forbidden. What about a tournament since he claims in here is a matter of skills and he is in competition?

He gave me the example of Olympics of sport tournaments. So I don't know what to say now? It will be haram if he compete in a tournament of poker no betting money but using his skills to win a money price? Claudia (27) United States.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Claudia

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I don't know what is Texas Holden Poker and I checked it on Google. It seems that what is called pot is contributed by players. This is then definitely gambling and forbidden. Any income from it is Haram and must be disbursed to a charity to feed poor and needy. If the tournament does not have fees for players to enter and does not have contribution to a pot, i.e., if he enters on skills only (with gamblers who contribute money) and beats them, for him it is not gambling but the money, which he may earn, is a gambling money and should be disbursed to charity.

On the other hand if the money comes from a prize contributed by a company (in contrast to betting by other gamblers or by the attending public), I don't see it then Haram and he may earn it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 7: Islamic finance**

From: Jerry

Just an Insight

Assalam `Alaykum. I'm a relatively new American brother in Islam. I converted August 1st of 2011. I have been doing my own studies on Islam and I have a firm understanding on the difference of what is halal and haram except the financial portion. This section of our religion is rarely spoken of. I see more people worried of hijab, modesty, and code-of-conduct in Islam than any other subject.

From my understanding, you are supposed to practice and observe all matters relating to our religion not just one but that is off of subject. My concern is: could or would you be able to share with me a general understanding of what is halal and haram concerning the financial portion of Islam?

As I said before, this is one area that is hard for me to gain a firm understanding. If you have not the time just sharing some links so that I may study for myself and I shall also share this knowledge among my peers in my community as well. Jazaka Allah Khairan.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Jerry

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

What is Halal and Haram in finance matters relates essentially to protecting one's property. Accordingly cheating to get higher price, giving wrong info, of course stealing etc., are Haram. Interest is also prohibited because it does not represent a real increment. Take an example; borrowing \$1000 from a friend (with as promise to return it after a month), does this increase or decrease the wealth of either one on them. certainly NOT. Then if the lender charges 5 dollar extra, where should this money come from? in other words, debts by themselves do not create any additional value and cannot therefore be assigned any growth or increment. Shari'ah calls interest "taking other people's money in falsehood" i.e., with no increase actually generated. This may be contrasted with giving money as a sleeping partner with an entrepreneur. The project may make profit which may be divided between the two or it may end up in a loss which is born by proportion of capital. This is real economic activity and it is of course permissible.

All interest-based transactions are not permissible in Shari'ah. There are exceptions based on necessity when there is a real need and other non-interest-based options are not available. Other options which are permissible include sale on credit, partnerships, leasing, etc.

If you like to know more about this aspect please check the internet under Islamic finance you will find many articles and check my web [www.kahf.net](http://www.kahf.net)

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session Feb. 4, 2014**

**Question 1: consumed Riba?**

From: Yusuf

As-salamu Alaykum, onislam.net. I sent my question on what is the ruling on someone who consumes Riba. Does it enough for him to stop consuming it or is he going to give out as a charity the amount he consumed?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Br. Yusuf

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Riba is not earned, it remains a property of the person from whom it is taken.

Accordingly when a person repents, the Qur’an says that he should get back his principal only. This means the rule of returning Huquq al Ibad (rights of other people) must apply.

If the Riba giver is known, the amount of Riba must be returned to him/her. If the payer is not known or known but it is a Riba institution like a conventional bank or insurance company the amount should be given to Muslim charity.

Of course what is more important is repentance and seeking Allah’s forgiveness.

Wa Allah A’lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Travel Insurance**

From: Majeda

As-salamu Alaykum. Is it permissible to have travel insurance? How about the person who has cancer and is going to Saudi Arabia to perform `Umrah?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Majeda,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Travel insurance is like any other kind of insurance. If a person believes it is important for him/her to the extent that its lacking creates hardship for the person, he may take it or may be should take it. of course this is when Islamic insurance is not available as for people in America. Let us also remember that in insurance there is a strong minority view that insurance is permissible even with conventional companies.

Wa Allah A’lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## Live Fatwa, OnIslam Session Feb. 18, 2014

### Question 1: selling goods to conventional banks

From: Sameeha

I would like to know: if I sell goods or services to conventional banks, will it make my income haram? Services could mean providing consultancy to make the bank processes run smoother or goods may include supplying lockers/security systems. In both cases usury isn't part of the transaction i.e. I am not advising the bank on interest rates, charging interest etc.

#### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Sameeha

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

As described, this is not Haram, it is permissible, rather it is a good service to people in the final analysis.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### Question 2: preventing heirs from inheritance

From: Essam –UK

Salam Alaykum. Could someone (not married and no children) deny his brother, sister and mum their right in his will to inherit/take any money based on the fact that they are not practicing Muslims and they rejected all the advice that was given to them regarding practicing Islamic worship.

#### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Essam

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Not practicing alone is not, serious as it is, is not sufficient to declare them non-Muslims. To declare a person non-Muslim we must be definitely sure that she/he denies the obligation of basic pillars such as prayers or Zakah or any other fundamental of Islam or makes mockery of them. Then you can exclude them from your last will as you live in a country which does not have an Islamic inheritance law. In a Muslim country the court system determined this negation or denial or mockery.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## Live Fatwa, OnIslam Session March 20, 2014

Question 1: House Through Mortgage in A Non-Muslim country

From: Asim – New Zealand

As-salamu `Alaykum brother. I am a Muslim, Alhamdulillah, living in a non-Muslim land (Wellington, New Zealand) since last 17 years. Can I buy a house through mortgage as there is no Islamic financing or Shari`ah based loans available in New Zealand?

I will tell you briefly about my situation; since 17 years I have been living in a rental house. During this period of time I had to change 4 different houses as they were either too small or not in a safe locality. Now the fifth house in which I am currently living since 10 years, the landlord has increased the rent twice.

I have two sons, Alhamdulillah. My older son has autism (high level of intellectual disability). I am now beginning to face some difficulties in this house as this house doesn't have a big backyard or front yard and there is no gate which makes the house a bit unsafe for my son because when he is unsettled or hyperactive, he keeps running around the house and we have to take him for walks outside.

When he was out for a walk one day, he ran onto the road and was hit by a car. Alhamdulillah, he narrowly escaped with a minor fracture on his leg. Because of these reasons or difficulties, I have to look for a suitable house with a big backyard or front yard which is fully fenced so that my son can run around safely without any danger.

To get such a house in a safe locality is either difficult or the rent is too high. I have seen such a house, Alhamdulillah, which is also near the masjid on sale.

As I do not have enough money to buy this house, the only way I can buy this house is through mortgage. I fear Allah very much and I want your sincere advice in this matter. Do I get sin if I buy a house through mortgage? Jazaka Allah Khairan.

### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Asim

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Buying a house on conventional mortgage for Muslim families who need it is permissible as long as Islamic finance is not available. This issue was discussed at length in a conference held in Detroit in USA. The idea of prohibition of Riba is to remove injustice not to force Muslims who live under Western cultures to remain inconvenient in rental houses. Housing is one of the basic needs of Muslim families and having appropriate safe house is very important, especially in situations as you described. It is permissible InShaAllah to buy a house on conventional mortgage and try to pay it as fast as you can.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Zakah on RRSP**

As-salamo Alaykum. Do I have to pay Zakah on my RRSP account (registered retirement savings plan). I am currently earning and have a percentage of my salary paid directly into a pension fund by the employer. I am not sure if this is similar to the pension plans done usually by government in the Middle East countries. Jazakum Allah Khairan.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Canada has several retirement plans. One is obligatory and contributions in it are a kind of tax. Other plans are voluntary and give you additional tax exemptions. The RRSP is one of these that you save voluntarily for retirement. Funds in this accounts are subject to Zakah, Zakah is due on the balance of the account on the day of Zakah (354 days after the date due of last Zakah, the first time it is due is 354 days after having a Nisab on all your Zakatable assets). The fact that if you withdraw you have to pay tax and penalty does not reduce or eliminate your ownership of the whole balance.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: Sale on credit at higher than cash price**

From: Nesrin– Philippines

Is Loan on Credit Considered Usury?

In trading, if the trader said, "If you purchase the items I sell in cash, the amount will be, ex. one thousand, but if you take it by credit mean to pay after a month, a week etc., the amount will be one thousand five hundred." My question is: is this kind of transaction allowed in Islam or is it a kind of usury? Jazaka Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Nesrin

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Sale on credit at a higher than the cash price is permissible in Shari'ah (provided sale is contracted on one future price not on option of either cash 1000 or after a year 1500). This is the essential difference between Islamic finance and conventional finance. What is prohibited in Shari'ah is increment in a loan, not increment in a price of a commodity because of time. The difference is important: increment in prices are natural because

getting a commodity now has higher utility (value) in eye of people than getting it at a later date. The same does not apply to a loan because the loan itself does not create utility as money is just a means of payment in this regard. Goods have utilities which vary through time but a debt created by loan does not change over time.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 4: Lease to Own Contracts**

From: Anonymous – Canada

Salamu `Alaykum, sheikh. Guidance Residential is a company offering home mortgages which uses a lease-to-own contract. However, several scholars stated that this contract is impermissible because the Prophet (pbuh) forbade combining two conditions in one transaction (renting and buying) in an authentic hadith.

Skaikh Taqi Usmani has said that this contract is permissible, provided that the two conditions aren't explicitly mentioned in the same contractual document(s). What will be written on the contract document(s) is that: the customer will lease the home, and he/she will separately promise to buy the home in installments.

However, isn't this arrangement still impermissible because though the two conditions aren't mentioned in the same contractual document(s), the end result is the same as combining two conditions in one transaction? As the Prophet (peace and blessings of Allah be upon him) said in a hadith in Sahih Bukhari, actions are judged by intentions.

So, even though the contractual documents themselves don't explicitly include two different conditions (renting and buying), the end result is that two conditions are in fact being combined in one transaction.

I highly appreciate your opinion on this topic. Jazaka Allah Khair.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You are right is considering separating them does not change any reality because what matters is collusion to make two together not paper separation.

But you are incorrect is the basic matter because of a little confusion in understanding the contract. Prohibited two conditions in one contract are when there is contradiction between them such as in the following examples: selling and renting a house because sale transfers ownership while rent is due only because you own the house. This is contradiction, or selling a commodity at 100 cash or 120 after a month because the contract transfers the ownership of the commodity for 100 being a debt on the buyer, then the difference (20) is an increase in a debt which is Riba, this is why the Prophet, pbuh, said in this regard that one should get the lower price otherwise it is Riba.

But renting you a house for a payment of 1000 a month plus driving my child to school every day is permissible because they do not contradict each other, driving to school becomes an added part of the rent. Or sell you my car for 10000 and buy from you your neck tie for 20 or buy your house and rent it to you for 6 month. All these can be in one contract. By same renting a house with a promise that each month you buy a small part of the house, then by buying you become owner of a larger part of the house and rent due becomes lesser, here the object of rent is the part I own and the object of sale (the portion you buy) is no more subject to rent. In other words, rent and sale do not fall on the same object but on different parts. Real life always add conditions in contracts, only those contradicting conditions are not permissible, that is where the hadith of two sale applies. It does not apply when the object is different.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Live Fatwa, OnIslam Session April 8, 2014**

### **Question 1: Buying Car Through Bank**

From: Guest

Is it allowed in Islam to buy car through bank on lease?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

No it is not unless there is a real necessity for it such as being a plumber who needs a new dependable small truck for his work which requires him to go with his tools from house to house.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

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### **Question 2: work as a dancer**

From: Awez

Earning by Dancing: Are Zakah & Hajj Valid?

As-salaamu Alaykum. I am a boy and I dance only on instrumental music only and my form of dancing is waving and stunts and it does not contain any vulgar and obscene dance moves and it is just a simple movement of hands and legs and I am a solo dancer so there is no mingling of sexes involved in it.

My question is that:

1- If I earn by dancing on music, will all of my earnings be considered haram?

- If I give Zakah and go for Hajj with that earning, will it be accepted by Allah?  
3- I have asked a scholar this question and he said that your earning will be haram; my question is that:  
If I suppose that my earning is haram, then in that case if I go for Hajj and give Zakah with this earning, will it be accepted by Allah? And if I consume that earning, will it be a major sin? Please, please, answer me. Jazakallah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Awez

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

As you described it I do not see it Haram but I see it not suitable for a young man. Why do you make this dance and for whom, who in the world needs this movement of your hands and what for. Specifically the music and these movements, I cannot call them Haram but I see them not manly and they may lead, God forbid, to other abuses of your body by those who observe you making this dance! If they lead to that it becomes Haram but not because of music!

I definitely don't like it for you although it may not be at present Haram. If it is not Haram, you can use your earning for any Halal things including Hajj, food, etc.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: Interest-based loan for unemployed**

From: Manzoor – India

I am an unemployed person and I need money to fulfill my needs; the only way to get money is to get loan from a bank but we have to pay interest, Riba, sood in return, this Riba is haram in Islam! What should I do?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Manzoor,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Your question has a built-in contradiction. If you are not employed no bank will give you a loan with or without interest. If you really need money to live you find an employment even if that requires you to lower your expectation standards. Or you go for charity and begging which I don't like for you. But be assured that a bank gives you nothing besides being interest-based which is Haram.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Working in a Bank**

From: Ali

As-salamu `Alaykum. I work in a Bank, I have always been doubtful about the job as interest is concerned. I work in the back office where nothing is link with interest. After reading several issues concerning banks on your site, I was convinced that my salary was not haram and I can continue to work there.

After discussing it with a cousin who has just returned from Jum`ah & heard a kutbah, he told me that my salary is haram, as it is mixed with interest and I should quit and abide to the laws of Islam in my country and stay away from all sort of Riba.

With 1 million population and Muslim as minority, it is difficult to have a job and I can't even quit as am the breadwinner of my family. We have big companies which have brought all small ones and Riba is everywhere. Please, advise. May Allah reward you all. Thank you.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ali

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you job does not require you to make any Riba writing or witnessing or signing, it is not Haram. This does not mean it is one of the best jobs in the world from the point of view of Haram and Halal. Of course there are degrees in this regard and you job makes it very close to Haram. In Jum`a discourse Imam usually try to advise people of the best and they may sometimes exaggerate. The Taqwa is to avoid it but the Fatwa, it is not Haram.

Wa Allah A`lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: Zakah to Disabled Brother**

From: Guest

My brother has 5 children he worked with a company after an accident he was disabled and cannot work anymore. His all children going to school and saving is not enough to meet the expenses nowadays. Although he has his home and perhaps has some money which I think not enough to meet the home expense, can I give Zakah to him without disclosing this amount as Zakah?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

As described the answer is YES.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## Live Fatwa, OnIslam Session April 22, 2014

### Question 1: Paid advertising website

From: Nick

I'm looking at starting a new paid online advertising site similar to craigslist. One of the many categories will be any adult section. Is this haram?

#### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Nick

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Very often, when we live in a society that has many Shari'ah violations, we tolerate any wrong doings. The rule always remains that we obey Allah as much as we can as the Qur'an repeatedly advises. In businesses and companies we may tolerate investing in a company which may do some wrong things if it is the least evil available.

But it is quite different when we do a thing ourselves. The rule as expressed also repeatedly in the Qur'an and Sunnah that a Muslim may not do anything wrong intentionally and knowingly. If we establish a company we do it without any violation of Shari'ah and if we undertake a business we also do it fully right. Creating a paid advertisement list as a business of yourself must be fully in compliance with Shari'ah, i.e., must not contain anything prohibited such as "adult section" liquor section or porno section.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### Question 2: Sharjah Islamic bank finance

From: Subair

As-salamu Alaykum. I'm working in university of Sharjah. I want to know Sharjah Islamic bank red carpet personal finance program is halal or haram. You can get details of this scheme from the site of Sharjah Islamic bank: <http://www.sib.ae/en/retail-banking/red-carpet-package.html> <<http://www.sib.ae/en/retail-banking/red-carpet-package.html>>

#### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Subair

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Sharjah Islamic bank is Islamic and like other Islamic banks abide generally by the Shari'ah rules.

Unfortunately some Islamic banks and their Shari'ah advisors fell into a few mistakes especially in area of different forms of Tawarruq. All personal finance programs by Sharjah Islamic bank and Dubai Islamic bank and most other Islamic bank whereby they give you CASH in exchange for a debt of a larger amount are in fact not permissible. The OIC Fiqh Academy (2009) and the Muslim World League Fiqh Academy (2007) determined that all Tawarruq of all forms practiced by Islamic banks under any name are in reality Riba and therefore Haram. Two criteria came out of their decisions and deliberations to distinguish between what is permissible (e.g., Murabahah) and what is Haram: 1) if the commodity is not really intended (i.e., any commodity is used simply as a vehicle to get cash), and 2) if the structure indicates a collusion for obtaining cash against a future debt of a larger sum.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 3: Taking Loan for purchasing Property**

From: Brother – India

As-slam Alaykum, dear scholars. My question to you is: I have seen people taking loan for the purchase of property in India. Is it halal for a Muslim to take loan from a bank run by non-Islamic country which is India?

Many say it is halal because it is a necessity. Some say it is because you are living in a non Islamic country where there are no facilities for a Muslim and there are no Islamic banks available here?

Another question: if someone borrows/takes a loan from anyone without Riba, earning from that money will be halal for the person?

### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Interest based loans for buying land and other businesses and properties is not permissible in Shari'ah, this is clearly confirmed in the Qur'an and the Sunnah, Riba is one of the most grave sins which calls for a war declared by God and His Messenger. It makes no difference whether in India or any other country regardless of country and majority.

Necessities apply and relax the prohibition when they exist. It is not necessary to buy a

land or any property before one save sufficient amount for it. of course there may be individual necessities and each case should be studied and assessed individually to determine how necessary an interest-loan may be. If you have such case, ask please a specific question with a specific case.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 4: Working for Fidelity Investments**

From: Abou Ilyes – Tunisia

Salam Alaykum, sheikh. I work as a computer engineer in Banque Zitouna, an Islamic bank in Tunisia. I've been offered a position in Fidelity Investments, in the same area of expertise. But I don't know if it's halal or not. Kindly reply to my request. Jazaka Allah koll Khair.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abou Ilyes

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Working in IT in an investment company, which has mixed permissible activities and also non-permissible activities such as brokering in buying non-permissible shares or interest-based bonds, etc., is not specifically Haram. But for a person who work in Islamic bank to move to such a place becomes exchange the better for the worst. I don't like it for you..

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Live Fatwa, OnIslam Session MAY 7, 2014**

#### **Question 1: Sale price setting**

From: Shakeel

Assalam Alaykum. Could you, please, explain how a businessman can set the selling price of an item? Also, what is the maximum profit one can take? Jazaka Allah.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shakeel

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

In fact there is no Shari'ah limit on amount of rate of profit, profit is determined by market conditions and competition. We have in the Sunnah that Uthman was offered more than 100% profit on some of his trades but he preferred to donate the merchandise instead, the idea that there was no objection from the Prophet, pbuh.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 2: financing medical expenses**

From: Abbasi – 24 – Male – US

Assalam Alaykum. I used to work part time with enough income to pay off my bills and support my family in some parts. Then I got my Lasik eye surgery which worth around \$3,500. Since I had a steady income, I financed that money for two years. I have already paid more than half of it with 6 months left. Then I bought my father hearing aid worth \$1,500 which I financed as well.

I would have been able to pay off both of that before the promotion ends which would add the interest into my payments. Then I got an offer of job from a better place which paid me much more than the previous one. I resigned my previous job but unfortunately, the other company created some issues which didn't hire me.

Few months went by and got another offer with even better job. I started that job. Because the income was way better than the previous two jobs combined, I bought furniture for my mother and financed that furniture as well.

Bad luck again, day after I bought the furniture, I got an email from the job that they're laying me off. So I lost that job as well. Since then, I have not been able to find work.

Now the problem is that: I owe each company money combined around (\$3,800), promotion has not ended yet but will be soon and then they'll start adding interest (Riba) on it. I fear that I may not be able to pay off everything since I am unemployed.

If I had job, I would have been able to pay off everything before time. I didn't really intend to pay interest to each company. Would I be sinful if I am not able to pay off before promotion ends and pay interest on it? They'll be adding Riba into my payments which I really don't want to and never intended to do so. Please, help me with that problem. Jazaka Allah Khayran.

### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abbasi

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I believe the problem is in your mind. This is a behavioral problem and unless you change your behavior there will be no solution. You need to change your behavior my dear co-citizen. While it is very good and very important to help your parents , it is wrong to time your purchases before you accumulate savings. your purchases must be after you save the amount rather than buying on finance. promotions always come and

you should only buy after you save sufficient money to pay cash.

I am afraid you may be addicted to spending, this may require you to consult a behavioral specialist. It is not a matter of employment and income in as much as it is your financial behavior itself. as for present debts there is no way other than facing it by reconciling with sellers and may be returning some of these purchase, and finally you are the one who should face the music.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: selling 950 gram as a kilo**

From: Md. Motiur– Bangladesh

Dear brother, as-salamu Alaykum. I have recently starting a business, selling ghee. My per kg ghee price is 650 taka and transportation and packaging cost is Tk. 50. I am giving 950 gram and other 50 gram is the bottle weight.

Now, my question is: because I am giving 50 gram is this business, is it halal or haram? And if it is haram, then which step do I have to follow to make it halal. Thank you.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mutiur

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

It is definitely Haram to deliver 950 grams when you say you are selling one KG. if this is what you said in the past you must go and refund the price of 50 grams to all past sale.

On the other hand, you can correct for the future be being exactly transparent. Making clear, visible and apparent that net weight is just 950 gram and make the price of sale is a price of 950 grams not a price of 1000.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: benefits in current accounts**

From: Eatsam

Dear Scholar, as-salamu `Alaykum. I am living in the UK and many banks are offering current accounts with benefits on a certain fee per month i.e. they charge £10 to £15 and they offer free insurance on mobile phones, car breakdown cover, home emergency services etc.

Please, see the following link for more information:

<http://www.halifax.co.uk/bankaccounts/current-accounts/ultimate-reward-current-account/> <<http://www.halifax.co.uk/bankaccounts/current-accounts/ultimate-reward-current-account/>>

My question is: is it allowed to sign up this kind of accounts with the banks. Please, explain in details in the light of the Qur'an, Hadith and references from the scholars. I look forward to hearing from you soon. Was-salam.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Eatsam

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I do not look at internet in Fatwa questions because info on internet are changeable. I only answer according to the words of the question itself. If there are any more info, write it down again and re-ask your question.

According to what you mentioned it seems that these services are against the new fee, these are insurance kids of services which are permissible according to some scholars and non-permissible according to majority. There is no problem of combining the two transactions together, current account opening and this insurance if we accept the view that it is permissible because they are kind of permissible to be combined as there is no contradiction in that. Of course if you take the view on non-permissibility of insurance you should avoid this kind of account and stay with simple accounts.

By the way, if Islamic banking is available to you it is highly recommended to have your current account with an Islamic bank.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Working in IL for insurance company**

Adeeb

As-salaamu Alaykum. I have recently joined a networking company called Vodafone UK as a network engineer mainly for experience as this my first job. But my job also involves monitoring and troubleshooting network provided by Vodafone for a client company called Aviva which is mainly an insurance company. Will my earnings be halal? Please, explain.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Adeeb

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes InShaAllah. Insurance itself is controversial. It is permissible according to some and not permissible according to others. Besides you are not running insurance business but providing IT service for it only. This provision is not Haram.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam  
Prof. Dr. Monzer Kahf

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**Question 6: difference between interest and trading**

From: Mohamad

Taking Interest

What is the difference between interest taken by banks and traders? Please, help me.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohamad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If interest, there is not difference. Both are prohibited. Interest is defined in Shari'ah as in the Qur'an, verse 2: 279 as any contractual increment above principal in a debt or loan. if you buy for 100 cash and delay payment against an additional 5 this is interest with the seller, it is similar to getting a loan from a bank for 100 and pay the bank and additional 5.

On the other hand, contracting a seller for a price of 105 and delayed payment. the difference is that goods have utilities which is a factor of time while debts do not have utilities. Since the day one of writing Fiqh in the second century an axiom has been established and agreed on that "part of the price belongs to time" . loans and debts do not themselves have utility. The fact that they buy goods does not make them produce utility.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session May 20, 2014**

**Question 1: How to Cope with Loan payment?**

From: Adi

How do I cope to pay a loan of around 700 k kshs? Please, advise and advise a way to stay financially stable.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Adi

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

This is not a Shari'ah or Islamic finance question. This is a behavioral matter only.

One thing I know from Shari'ah and real life is that the only way to pay debts is to begin by ONLY TAKING DEBTS IN AS MUCH AS YOU HAVE DEFINITE PLAN AND ABILITY TO PAY THEM. the only way is to save out of your income and liquidate some of your assets. Check with a social and behavioral expert please.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: price determination**

From: Shakeel

Setting the Selling Price

Assalam Alaykum. Could you, please, explain how a businessman can set the selling price of an item? Also, what is the maximum profit one can take? Jazaka Allah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shakeel

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

There is nothing in Shari'ah which imposes any limits. It is the only elements of cost, market and competitors, then you set the price and rate of profit as it suit these three elements. You know better your market and cost.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session June 5, 2014**

**Question 1: Fixed prices or bargaining?**

From: sirajuddin – 35 – Male – India

Assalam Alaykum. I have a business ladies wear suit of saree. In my market there is lots of bargaining. But my shop is on fixed rate shop. In myself beside I have do business with fixed rate. I have lot of inconvenient to do business. Because customers ask for discount bargaining with me, I suffer a lot from this condition. I love my "ALLAH TALA". I don't wants to business with bargaining in fraud. Please, give me and from Hadith and Qur'an.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sirajuddin

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Your sale at fix prices is permissible. Sale on bargain is also permissible. If you feel that giving a margin for bargaining helps your business why not doing it. what is Haram is to sell at a price clearly higher than the market (irrelevant of your cost) as the Prophet, pbuh, prohibited Ghana (sale at a price clearly higher than the market range)

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 2: Halal To Use Technology & Read Books By Non-Muslim?**

From: . . .

Is it halal to use technology when invented by a non-Muslim like computers, cell phones, cars and more technology by non-Muslims? And I asked a different scholar that is reading fantasy books with magic halal by harry potter in another Islamic website and he said it is halal and allowed and nothing is wrong with it even though it was magical.

A new question came up and I had an ugly doubt does that mean we can read and study stories and anything else made by non-Muslims? This question kept me awake due to anxiety and I need a straightforward yes or no question. Thank you. I recommended this website to many colleagues

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br./Sr

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

All that you mentioned is permissible. Especially technology. Technology has no religion and all societies must accept what is beneficial to human being. Without this technology (invented by mostly non-Muslims) we could not reach each other for this question and answer. Harry Potter is fiction fiction stories and movies are permissible, they expand our vision and aspiration. Remember flying was a fiction when it was tried by Abbas bin Fernas, the Andalusian Muslim of the 12 century CE. Now it is a reality we all use airplanes to go for Hajj!

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 3: Umrah while under a loan**

From: Umar – 38 – Male – Saudi Arabia

Loan

Salamu `Alaykum. I have a loan from my brother and I took some time from him to pay this money. During this period I would like to perform `Umrah. Kindly educate me that my `Umrah will be done or not as per Islam. Or should I return money first than perform

Umrah. Jazaka Allah Khair for your reply as per Qur'an and Hadith.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Umar

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Going for Hajj or Umrah while under debt is permissible provided you have future arrangement for the debt which is not due at present. If a debt is due and the money you have cannot take both the debt and the cost of Umrah or Hajj and you have no other resources and the debt is due, then it is better to fulfill your debt obligations and Hajj or Umrah is not required from you because you do not have financial means for it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Live Fatwa, OnIslam Session June 20, 2014**

### **Question 1: sex shops**

Hasan – Egypt

Dutch “Halal” Sex Shop Expands

Dear scholars, what do you think of such shops? Are Muslims allowed to manage them?

<http://www.onislam.net/english/news/europe/473409-dutch-halal-sex-shop-expands.html> <<http://www.onislam.net/english/news/europe/473409-dutch-halal-sex-shop-expands.html>>

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Hasan

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

It depends on what they sell and to whom. If they sell real permissible objects of methods of enhancement and therapy restricted to married people there should be no prohibition in owning and managing them. but if they are open to anyone and/or sell objects and procedures which are not of real benefit, which is common in sex shops they are then Not permissible to own and manage.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 2: 5% interest from parents on money borrowed from son**

From: Alinor

Assalam 'Alaykum! Just want to ask your opinion about this case. My parents want to borrow my savings (money) because they need it for their business. My parents made a deal that in order to help me increase my money they will be the one to use it and in exchange they will give me a 5% interest per month. They are the first to offer it. Can it still be considered Riba even though our intentions are good? I hope you can give a response to this question.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Alinor

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Intention is irrelevant when the contracts reveals its own intention and it does not matter being between parents and their children. If this amount given every month is because they borrow the money, it is interest/Riba and it is Haram. Otherwise parents may give anything and any amount to their children to increase their savings, not in relation to getting a loan from them. BTW, all interest based loans have good intention by both parties. Without intention to benefit both they do not make a contract.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: Zakah for construction of school for poor children**

From: Shakeel

question for Dr. Kahf

Assalam Alaykum ,

Is it permissible to give my Zakah for the construction of a free school for very poor children?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shakeel

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Let me put it this way: you build a school with Zakah money and transfer its ownership (including title) to an organization specialized in educating poor children. Or give the Zakah money to such organization for the specific objective of building a school for them (if they admit any non-deserving child they charge the family market fees which will be used for the poor children). Both these examples are permissible in my opinion because of the exclusiveness of benefit by the poor and importance of basic education for the children's future.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 4: Need to know more about banking and mortgage**

From: Abakar

Salam dear Scholar. I have no idea about those issues Banking and Mortgage before coming to USA. I used to have saving account just pay their fee of service and they keep my money that's it. Now as I am living here I need to know what is the right and Islamic way to deal with banking and mortgage. Thanks

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abakar

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Definitely interest is the same as Riba which is mentioned in the Qur'an whatever its rate may be and in whatever business or contract it comes in. The Verse 2:279 defines interest as anything above principal in a debt or loan (in sale you can always sell any commodity for more than its principal as indicated in an earlier verse 2:275). Accordingly saving account and other deposits in banks with interest, mortgage any any loan contract with a bank or finance company in America are all prohibited being based on interest.

Prohibition of any Haram is relaxed in case of necessity (except killing and sex). Accordingly for any necessity the rule is relaxed in as much as it is necessary. This applies to dealing with banks and housing and all other transaction we make in America. Of course necessity should be clearly determined with no other alternatives available.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Zakah on Locked saving while under debt**

From: Patricia

Assalam Alaykum. I hope you are doing well. I have some long term savings through my work. I am unable to access them as they are locked in for retirement. It equals approximately \$10,000.

My debt however is about \$3000 and I have been unable to pay it off and have not been able to save any other money consistently.

Do I need to pay Zakah on this? Thank you

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Patricia

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes, from your income you have to pay Zakah every lunar year which passes on this amount at the rate of 2.5%. (locked in for retirement means you own it and invest it through a trustee or a depositee but you cannot withdraw it without paying penalty and may be also taxes). If you do not own this money (as the case of contributions to Social Security in America) then it is not yours and there is no Zakah on it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: inheritance of a fetus**

From: Moostapha

Assalam Alaykum. I am married religiously with a Muslim man on January 2013. I was pregnant on September but unfortunately my husband passed away on February during my pregnancy. Now, I have my baby. What I would like to ask is the right for my daughter to inherit her father. My husband has an account in Mauritius commercial bank. Which step should I take? Thank you in advance to clarify my case.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Moostapha

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

According to Shari'ah provided your husband does not have another wife and/children, your daughter inherits (1/2) one half of all the estate of her father (including bank account) and you also inherit (1/8) one eighth of the same. If there is any property (including bank accounts) in both names of yours and your late husband. This rule applies to one half of these joint properties as the other half is owned by you (even if he was the only earning person in the family as long as you both had put your names jointly on such properties). His father and mother takes (1/6) on sixth each and the remaining 1/24 should be distributed to parents and daughter at the proportion of 1/6, 1/6 and 1/2, (i.e., 3/120 to your daughter, 1/120 to father and 1/120 to mother). If no parents survived him the remaining 3/8 ( after the 1/8 of yours and the 4/8 of your daughter) goes to his brothers and sisters. If the case has more details, please give all and full description of survivors and I will give the exact distribution.

Finally what you should do is: take the death certificate and approach the appropriate court for ordering the Islamic distribution. Then take the order to bank and other record changing wherever it applies.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## Live Fatwa, OnIslam Session July 2, 2014

### Question 1: Why is interest is so much hated in Islam?

From: Ammar

Assalam Alaykum brother, as we know from Qur'an and Hadith that interest is strictly forbidden in Islam and Allah and His Messenger have declared war against the person who consume interest, but my question is that why is interest such a hated thing in the eyes of Allah, although I agree that moneylenders charge interest which is absolutely wrong, but this is not always the case, why is taking interest from the bank not permissible in a non-Muslim country from a non-Muslim bank?

#### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ammar

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Interest is prohibited because it is unjust with no difference between low and high rates. The Qur'an says: "and if your repent you take your principal only" [2:279]. It is unjust because it is an increment in a debt while a debt cannot generate increment by its nature as an abstract right. Properties like a cow, a land, a machine or a refrigerator can produce utility, usability and the like, they deserve rent or Ujrah. Notice that interest is not an increment in money, it is in debt not money. Even money itself does not generate increments too. take the case of the borrower, he may keep the money in his pocket and then no increment. He may use it to buy chocolate boxes and when he sells them he may have increment. Notice the increase comes from the chocolate not from the money. Take it from another angle: a loan contract transforms the property of lender from cash to debt but does not increase it unless you add interest. As for borrower, his wealth does not increase by borrowing because he is under liability on same amount. No increment is created by a loan contract.

This is the injustice in interest. It does not mean prohibition of financing as it can be undertaken through approaches of sale, leasing and partnerships.

Yet a loan is useful because it gives the borrower an added degree of freedom of action (e.g., buying, paying previous debt, giving a gift to spouse, or gambling in Las Vegas) but it does not increase his wealth. Freedom is not an object of sale.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### Question 2: Sadaqah Jariyah, Waqf, for a deceased child

From: Aysha

I have a question about Sadaqah Jariyah, recently I noticed an Islamic charity

organization in UK, collecting money for setting a well in Pakistan or India. They were doing this for a child that passed away at the age of 2. Now can anyone please explain, is there Sadaqah Jariyah for a child that passes away so young? Please post the answer on the website so I can share with my friends on the Facebook.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Aysha

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Sadaqah Jariyah is like digging a well so people benefit from it day after day in a way like a running stream. Similarly, planting a tree and pledging its fruit to the poor and needy or building a hospital similarly. The Prophet, pbuh, said that once a child of Adam dies, his/her good deed comes to an end except for three things: Sadaqah Jariyah, a righteous child who will pray for his soul and an addition to knowledge from which people will benefit.

It means that through these three ways additional rewards are obtained even after death.

Scholar differ in two way in regard to making Sadaqah (one time or Jariyah) to the soul of another person. Majority are of the opinion that this is a new non-precedential action which has no basis in Shari'ah, a few say that it may benefit the deceased for whole sole it is intended

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: Is Life Insurance Allowed**

From: Sharafat

Assalam Alaykum. I want to know if life insurance is allowed or not? Many companies are working here. People, submit installments on annual basis and amount is paid back (more than what is submitted) to their family in case of death or accident.

One can claim amount even before death and he is returned amount which is actually more than what he/she has submitted. I hope you got my question. Is this against teachings of Islam? Does it fall in category of interest/Riba? Or is it Okay? Kindly, reply.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sharafat

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Life insurance, in general. Is like other kind of insurance, like car insurance or merchandise insurance. There are two views about it, permissible or not permissible because of the un-knowability of time and amount of accident. In life, of time of death.

This problem is compromised in what is known as Takaful or Islamic insurance which is based on cooperation between the insured rather than an exchange contract between a company and an insured. Takaful companies offer several kinds of life insurance.

There is another issue in some kinds of life insurance contract which you mentioned: a condition of a given amount after a period of time, usually 20 years. this kind of life insurance contract is Riba-based and Takaful companies do not offer it because it is Haram.

Paying a larger sum as death benefit to family than the total of premiums you paid is not a matter of Riba because payment is not contingent on passage of time but rather on the incidence of death. It comes for pooling premiums together because not all insured (but only a small percentage of them) will die within same period.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 4: 5% monthly interest from parents**

From: ali

Family and Money

Assalam Alaykum! My name is Ali, from Philippines. I contacted you because I really need your advice regarding this matter:

I have an agreement with my parents that I will lend them my money and in exchange they will give me a 5% interest monthly. I know its haram since it is Riba. I decided to stop it but one incident happened that destroyed my relationship with my parents. One day my parents got mad with me (through telephone conversation) because I was not able to give them the amount they requested from me. I tried to explain to them the reason why I can't give it.

Sometimes I faced delays in my salary and unexpected expenses come in. My mother however does not understand and instead he dropped my call. I know that the dropping has something to do with their request. After that, I think of a solution to resolve the problem. I really want also to stop the interest based lending since it is haram.

After that call I decided to inform them that I will just get all the remaining money I have on them to avoid conflict. The response of my parents however is bad, it seems that they are trying to imply to me that I don't care for them anymore since I have a job already. Allah knows that is not my intention. I keep explaining but they don't listen. I am really feeling bad now. I don't know what should I do? Please, advice.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ali

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I advise you to consult a family specialist who knows Shari'ah. meanwhile I can tell you the following:

1. what you make of 5% per month is Riba and you should stop it and also refund all past payment.
2. if your parents are in need, you are required to spend on them similar to what you spend on yourself and your own children or better than that. It is your Shari'ah responsibility to provide them with all their need to the same or better standard of your living.
3. If they are not in need you should always be kind to them. people vary some kindness may be by giving them money for their leisure or even to save it, giving them gifts, and of course by nice submitting and kind words,

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Live Fatwa, OnIslam Session July 17, 2014**

### **Question 1: Is Modeling Haram?**

From: Omar

Recently I have graduated from university and I was unemployed at the moment. I asked a friend what should I do and she said try modeling. She said I had the looks and should try out. Couple of days later I was thinking of what she said and decided to send some photos to a modeling agency in my city just for fun. A couple of days later I got a call that I've been hired to model for a company clothing. The wage is high, the clothes are appropriate and will get free clothing with it, should I accept or decline it?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br./Sr. Omar

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Modeling for cloth is permissible as long as it does not require you to be in situations which are in violation of Shari'ah such as sitting on drinking table or being in a social environment men and women overwhelmed with uncovering parts of the body which are decently required to be covered.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 2: Business Ethics**

From: JK – 17 – Male – UK

As-salamu Alaykum. I'd like to ask about business ethics; what does Islam say about it and are we allowed to trade with non-ethical business or not. Jazaka Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear JK

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The Humanly known business ethics are common to Islam and all other religions and common sense people. In Islam the moral values are more emphasized and their scope is expanded to cover a deep sense of justice and respect to human dignity. Telling lies, for instance is in direct conflict with the fundamental of Islamic faith. The Prophet, pbuh, was asked whether a believer may tell a lie and he said never. This of course apply to business and other social relations.

Further, each one of us is responsible of own behavior and actions and we are not permitted to poke our noses in other people affairs. What matter to us is that we deal on ethical basis but we do not interfere with what other parties do with others people except on basis of providing honest and good advices

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: Shill Bidding**

From: Ahmed

Assalam Alaykum. Is shill bidding considered haram?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Shill bidding is not permissible in Islam. The Prophet, pbuh, is reported to have specifically prevented shill bidding. The Arabic word for it is al Najash النجش .

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session Aug. 12, 2014**

**Question 1: Using bank Interest for personal spending**

From: Abdul

I have heard that it is not allowed to spend bank interest. Please, let me know how I can

dispose of bank interest.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdul

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Interest is prohibited in our Shari'ah being Riba (increment on a loan). if a Muslim get unlawfully an amount of money from another person he or she must give back this money to its true owner where she/he got it from unless returning it adds to the evil practices. This rule also applies on interest. It is unlawful and you got it is from an institution which practice the same unlawful transaction. In such cases one cannot earn it because it is Haram and should not return it to the payer because this increases the evil practices. The solution is to give it to charity rather than wasting it by throwing the money in the drainage. For the poor it becomes permissible because he does not earn it unlawfully and for you it is not considered Sadaqah because it is not yours. However, you will be rewarded InShaAllah by God for preserving your own money clean from the pollution of Haram money. By the Way, you must not use this interest money from anything that gives you any benefit or pay any of your obligations because it is not yours according to Shari'ah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Riba and checking account**

From: Ahmed

Riba (interest)

Assalam Alaykum. Is it true that even though I have a checking account where I don't have to pay interest, am I still being affected by it? And will I be accounted for what I'm being affected by on the Judgment Day?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If your intention from having a checking account is to help the bank making Riba transactions, this is true!

But you know nobody ever open an account with the bank for this intention. Leaving money with a bank helps it for its Haram transactions, there is no doubt about this but your leave it with it for your own convenience and safekeeping not to help the bank. accordingly, if there are Islamic banks in your area it is better to have your checking account with it, you are helping it making permissible transactions, I don't say it is then

Haram to have a checking account with a conventional bank where there are Islamic banks but it is close to Haram unless there are other conveniences you got from the conventional bank and you should try to keep minimum amount with it at all times.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 3: Working in Bank Is Halal or Haram?**

From: Zayan

Assalam Alaykum. Banking involves simple interest, compound interest, etc. since interest on money based loan in banks, my question is: is it halal for a Muslim to work in bank and earn from that job?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Zayan

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Working in a bank certainly helps it do its business which includes a lot of Haram. But in Haram matters we should not be liberal in expansion of rules, we rather should be very restricted because the Haram should be very clear and should be supported by doubtless and fault-proof argument. The Prophet, pbuh, mentioned four things in Raba which are Haram: taking it, giving it, writing its contract and being a witness to it. any job which requires a person to be part of any of these four functions is Haram. If one works in a conventional bank in jobs which do not involve any part of these four functions we can't claim that it is Haram. For instance a lawyer who reviewed an interest-based contract is committing a Haram action because this review is a part of writing it but a teller who handles money in a bank is not committing a Haram because this is not specifically a part of them.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 4: Borrowing for medical expenses**

From: Hajji

Interest

Assalam Alaykum. May Allah reward you all for the good work doing spreading the knowledge of Islam through this Internet keep it up.

I have question regarding interest when borrowing, I am missing the two front teeth for nearly two years after falling off a bike and I am wearing a denture for the moment but what I need is implant to be done as soon as possible because the dentist told me that if I don't get it done by now, I might lose bones so might not be to have done later in live

so implant cost about 2500 and I can't afford it now but I can borrow it. If I do so, I have to pay interest and I am aware of that it is haram but the implant is something serious it have to be done so my question is: is the interest permissible in this situation?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Hajji

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I understand that most dental service provider (at least in America) offer you a payment on installment for a higher amount than the immediate cash payment. this arrangement is permissible because it is sale based. But when this is not available and there is no other way to get a loan without interest (which I doubt very much because every one of us must have some friends and family around for such a small amount) it seems this becomes permissible because of the urgency you described.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: what is Zakah**

From: Ubaid

As-salamu `Alaykum. Sir, I want to know what Zakah is; on what things we have to pay Zakah?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ubaid

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Zakah is the third pillar of Islam without it a person is not a Muslim. It is the sister of prayer and is mentioned in the Qur'an very often next to it. It is a right due to the poor and needy imposed by Allah on every Muslim who owns wealth. Details of it came in the Sunnah as the Prophet, pbuh, gave the details of its percentage on different items of wealth such as money and its likes, livestock, agricultural products, etc. he also gave item which are exempt from Zakah such as own residence, own transportation, own cloth, etc. I suggest that you go on the internet and make some reading about it, you may use my website [www.kahf.net](http://www.kahf.net) for that and many others.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: Forex Trading**

From: Abdul-Rahman

As-salamu `Alaykum. My name is Abdulrahman, a low income earner looking for other means to support myself/family financially.

Someone advised me to learn and start Forex trading and I've been hearing different views about how its ruling in Islam.

While I'm trying to check on line, I got to know about an Islamic Forex account. I just wanted to know if it's halal to trade using such accounts in this link <http://halalbinaryoptions.com/>.

If not, can you help in suggesting other sites or other means to make halal money from home? Jazakum Allah Khairan.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdul-Rahman

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Forex is not trade it is speculation and speculation is Haram. It is simply a form of gambling. What is called Islamic Forex is speculation without interest. Which is equally not permissible because of the problem of speculation.

I suggest that you should seek real business like sale on line, providing outsourced services from home any many others.

Wa Allah A`lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 7: Does a mother have right for the money of her orphan children?**

From: Dalia

Assalam Alaykum! Does a mother have right for the money of her orphan children? She spends for them from her own income, but also receives money for her orphan children from the state; can she spend them for herself too? Thank you.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Dalia

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I understand that money given from state for children is given to be spent on them not to be saved. States give child support in small amounts intended for spending, when this money is added to the mother income and spending is done from the total, then any amount left over at the end of the month in fact belongs to the mother because it is the residue of her income not the residue of the state support.

If I did not answer your question, it is because I did not understand it. then please give it with more details and an example.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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## Live Fatwa, OnIslam Session Aug. 26, 2014

### Question 1: Interest and profit

From: Abass

When the bank is not supposed to make interest in Islam, does that mean it's forbidden to make a profit?

### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abass

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Allah Subhanahu Wa Ta'ala in the Qur'an prohibited Riba but did not prohibit finance, what is the difference? Riba is an increment in a debt whether when it is initiated by a loan or when its maturity is extended. Finance can be done through a loan or through other ways such as sale on credit, renting or putting financial resources together to create new companies, projects and ventures.

In the same section of Surah No. 2 of the Qur'an [2: 275-283] where Riba is prohibited with strong words sale is said to be Halal and debts resulted from such sale (being sale on credit) are regulated. In this section 279 defines Riba as any increment above principal of the loan or debt.

Sale on credit is another form of financing where the price is higher than the cash price, leasing is also a form of financing because one gets an asset and use it for the payment of a small periodical amount. So is creating partnership. In all these forms the finance provider makes profit or return. This is the foundation of Islamic banking and their practices.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### Question 2: Zakah on Property

From: Eman

Assalam Alaykum. I have a few questions regarding Zakah on properties. The first property I have is a shop which is not on my name yet and also the builders have not finished the construction for the last 2 years. I had bought the shop with the intention of renting it, but because the construction is not over, I am now planning on selling it but it has not been sold yet. Secondly, I have a house for which I have paid the whole

amount including the registration charges but the builder is neither completing the construction, nor has done the registration in my name.

In fact I am thinking of pursuing court case against the builder. The intention at the time of buying was for renting or selling for profit but I am unable to anything now since year 2008. The third property is house which is paid complete and registered also in my name but the construction is just not getting over since many years. In the above scenarios am I obliged to give Zakah on this?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Eman

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Zakah is due on your wealth with the exception of properties, personal and real, which you and your family use for your own living and convenience.

These properties that you mentioned are all items of wealth which are not for personal and family use. As a principle they are subject to Zakah every year as items of wealth and richness. They are locked in dispute and inability to produce any income or fulfill their objectives for you. This is an issue which is considered in the determination of due Zakah and in its due date.

You need to estimate the present value of all these properties on the day of your Zakah and take into consideration the existing disputes in this estimation. Once the amount of Zakah is determined, its payment maybe delayed until all these issues are solved. The principle is that Zakah due on each property is paid out of it but when you liquidate you need to pay the due amounts of Zakah on all past years.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Live Fatwa, OnIslam Session Sept. 12, 2014**

### **Question 1: claiming a lottery prize and using it**

From: Ahmed

Assalam Alaykum, brother. I have a question. My brother plays the lottery occasionally. One time he won a large sum of money from playing the lottery. But he didn't want to go claim it because he told me he owed the state some money. So Then he told me to go claim it for him and pretend I was the one who won that prize. So I did go claim it for him, and to this day it has been in my bank account. But since I've been using some of it, does this mean I have to pay back what I used even though it's in my own bank account?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,

wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You said that the money is not yours and it belongs to your brother. If so, how come you allow yourself to use some of it. If you did this without prior permission from your brother it is then a betrayal of trust. If the money belongs to your brother, being placed on his request in your account does not give you any right over it.

On the other hand, you made a lie by claiming this money in his name. this is a fraud which is punishable by law and is a sin in Shari'ah.

Yet another point. This money is Haram money and your brother must give it to charity because it came from gambling (lottery). Your brother must give it to charity and you must not keep it with you because that is helping him keeping Haram money.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 2: paying extra for discounting benefits**

From: Mubarak

Salam. I bought something worth dhs20 with dhs30 due to some benefits attached, like raffle tickets, discount vouchers, especially from eateries. I need to know if I have committed Riba. I'm eager to see the answer.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mubarak

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The fact is you paid an amount (the additional amount in the price) for these other benefits. This is not Riba. but this sale is most likely incorrect from Shari'ah point of view because what you bought for the additional ten dirham is not determined in an exact way.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 3: making business in Forever company**

From: Nuri

As-salamu Alaykum. I need advice concerning a business. I entered a company called forever living, and a kind sister who invited me to it researched a lot upon whether it is halal or whether is it a pyramid scheme. From her efforts she found that it is halal. However, to be on the safe side I want to understand exactly how is it different from a pyramid scheme and does the business include any gambling.

I joined the company through buying £100 worth of products; others join through paying £200 and receiving business pack on how to start the business. Either way we all receive a lot of help from mentors in starting our own forever living business.

I was given a fatwa from a very good website (Masha' Allah) and I don't doubt what they say about pyramid schemes, but does it relate to the forever business? This is what I am worried about.

The forever living company presentation:

You can watch the whole thing, which is 40 min long, or skip to 20 minutes in where they describe how people earn a living.

Please, try to help me. I hope the information I provided is enough.

Jazaka Allah Khair Wassalam Alaykum.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Nuri

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I don't give Fatwa on basis of websites. Please write all the details of benefits and payments if you want me to answer.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: Gifts and inheritance**

From: Shehmir

Assalam Alaykum, My name is Shehmir & I am living in Pakistan. I am facing a dilemma & I want your help to clear this.

BACKGROUND: My father had gifted his property share to my mother as "Hiba-Bila-Ewaz" in 1985. At the time of gift my father was well & not facing any illness and given the gift without any sort of pressure. I have three sisters & no brothers.

My father died in 1999. We were living in that property until it was sold in 2002. From the consideration received from the sale of property share, my mother bought a flat in my name (as place of residence) and invested remaining cash in relative's business. At that time I was minor (Age of 15 years) & one sister was unmarried. She got married in 2005.

Now I am living in the flat with my mother. In 2012, we withdrew our investment from relative's business. My mother decided to distribute the cash among her three daughters & one son as per Shari'ah Law. My sisters accepted the cash but also demanded their share in flat as per Shari'ah Law. My mother's wish is that flat should never be sold as this is our place of residence and that why she bought the flat in my name.

But now unfortunately one of my sisters (living aboard) threatened to take us in the court as according to her she has the right in his father's property. I am very puzzled at

this moment. Although the flat is legally mine but I am not sure whether according to Shari`ah law this flat is mine.

As my mother didn't declare in writing that she bought this flat in my name as "hiba" but she is saying this orally. I don't want anything extra if this is against the Supreme Law of Allah. I also don't want to be in any sort of dispute with my sisters but at the same time I don't want to sell this flat as this our sole place for residence and is against my mother wish.

I also currently don't have enough money to give my sisters. I want answers & suggestions on following questions.

**QUESTIONS:**

- 1- Was my father's gift to my mother valid in Shari`ah Law?
- 2- Was my mother's decision to buy a flat in my name correct in Shari`ah Law? Is there is any need to put this in writing that she has done this as "hiba"?
- 3- What should I do now in order to peacefully resolve this matter?

Please, do ask me if you need any further information before suggesting valid answers.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shahmir

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

1. If the property given as a gift to your mother by father is registered in the official records of the city/county, it is then a valid gift and no one has any claim on it. mother is free to do anything and children have no claim of inheritance on this property.
2. If mother bought the flat to you and put it in your name from her own money which is from sale of her property (if the sold property was hers as per official records) this is then a gift to you. Justice (as mentioned by the Prophet, pbuh in regard to gifts to children) requires that mother should give to other children of hers equal amounts like she gave you. Lack of justice makes her sinful but the gift to you is valid. This is if there are no other reasons such as because you take care of her and others do not or you are in need and others are not in need, in such cases she may give preference to you without being sinful. Anyhow the gift to you is valid from Shari`ah point of view whether with a sin on mother's part or not. Further the fact that she record this flat in your name is more important than any written document to confirm gift giving. This means that sisters have no claim on this flat according to the 'if' mentioned at the beginning.
3. For reconciliation mother may tell them that she gave you this flat as a gift because she lives with you and may give them some cash extra token money to please them.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Beautician job**

From: shumaila

As-salam Alaykum. Is that the job of beautician alright in Islam?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Shumaila

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

As a job it is not Haram. If you are asked by a customer to do something Haram (e.g. removing her from areas that should be covered) you should not accept to do it. otherwise beautification of body and surrounding is encouraged in our religion.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: Zakah on providence fund contribution**

From: Ahmed

I am a government employee and I have a compulsory Provident Fund. Should I pay 'Zakah' for the amount deposited in my PF Account?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Being compulsory is not sufficient to determine. Tell me please in details and precisely all your right on the Fund in order to determine whether you own in fact the accumulated money in this Fund or not. This is the criteria for Zakatability. For instance Social Security in America is not subject to Zakah while some Providence Funds in Singapore are subject to it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 7: Receiving commission on fund raising**

From: Mohammed

Salam. Can we receive commission on donations collected for Islamic institutions? In India there is a practice of taking 40 or 50 percent of total collected funds for Islamic institutions. The teachers of the institutions are engaged in this activity. The people will donate from Zakah and Sadaqah considering the service of the institutions and relation of the people who accompany with the teachers.

This collection is happened in the month of Ramadan. Teachers take leave salary for the month as it is vacation for them. Is it permissible to take such huge commission?

If yes, doesn't the people who accompany with them have a share in it? How far is it allowed from the Zakah amount? Within a couple of days teachers make lakhs of money as commission and there are many people who became rich accordingly. Can I also engage in such activities? Please advise me. Thank you.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohammed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I believe this commission as described is immoral and not permissible in Shari'ah.

Alternatively you can hire a person to conduct a fund raising activity and pay him a definite amount as wage.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: Why interest is Hara?**

From: Saazu

Assalam Alaykum. I would like to know why interest is haram in Islam and what sort of interest is haram? Jazakum Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Saazu

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Interest is an increment in a debt (when you create it by giving a loan or when you extend it). it is Haram because of the clear text in the Qur'an [2:275] "and prohibited Riba **الربا** وحرم الربا." Its reason is: it is an increase in a thing (debt) which does not increase. A debt does not generate increments because of its nature. This makes any claimed increase untrue and virtual. Payment of interest is a payment of money for an expectation which may happen or may not happen. This is injustice as the Qur'an describes it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 9: Zakah calculation on a car, giving it to Madrasah**

From: Salem

Assalam Alaykum. Thank you for answering my question which posted the last 3 up to 5 days. Today I have other questions:

1- How can I calculate Zakah for motor vehicle?

2- Can I use Zakah for building madrasa (place for teaching & learning the Qur'an)?

3- I am the employee in a certain place, but I have taken a loan in which I pay it through my monthly salary to deduct a certain amount. Out of my employment I have got money which can be enough to go for Hajj.

So, may I go for Hajj while the loan still does not yet finish to repay? Because I will pay it for every month through my salary?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Salem

1. A personal vehicle which you use is not subject to Zakah. A business vehicle which is a part of the business net worth is subject to Zakah on the net value of net worth on the day of Zakah at 2.5% per lunar year. A vehicle in a car dealer shop is subject to Zakah also as a part of its inventory/ net worth.

2. Zakah may not be used for madrasa, it may be used through the madrasa management (provided you trust it will abide by the rules) to distribute as food, cloth, and books to poor students in it.

3. Going for Hajj while under debt is permissible as long as you have arrangement for payment of the debt and you do not specifically need the money of Hajj for due-debt payment.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: youth Loan programs**

As From: . . .

-salamu `Alaykum. Dear sheikh, my question is: our country gives the youth loans to establish private institutions. But the problem is that these loans are in the following form:

The person shares in the capital with 5%, the agency that the country has founded to create projects for the unemployed youth shares with 25% via non-interest loan and the General Bank shares with 75% on the condition that the state ensures paying all the interests of the bank loan. The loans are in the form of a check directed to the owner of the project "directed check". Please, enlighten us.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Your question has a vague part "ensure paying the interest" if it means the government pays the interest to central bank, then all the loan whether from the foundation or from

the CB are without interest as far as you are concerned. This makes it permissible to benefit from this loan provided you pledge to pay it (principal) back. If it means the government guarantees your payment of the interest, this part of the loan is interest-based which make it not permissible in Shari'ah/

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 11: Zakah on RRSP**

From: Mohamed

Assalam Alaykum. Do I have to pay Zakah on my RRSP account (Registered Retirement Savings Plan)? I am currently earning and have a percentage of my salary paid directly into a pension fund by the employer. I am not sure if this is similar to the pension plans done usually by government in the Middle East countries. Jazakum Allah Khairan.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohamed

The RRSP in Canada is subject to Zakah because you own it and you have authority over its investment although there is penalty for withdrawal. Every lunar year (you may replace it by a solar year and use the rate of 2.578%) you need to add the balance of this account to other Zakatable assets you may have and pay Zakah at 2.5%. you have an option to delay payment on this RRSP until you withdraw at retirement age but this means that you need to calculate due Zakah on it every lunar year and it is considered a debt on you until it is paid.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session Sept. 24, 2014**

**Question 1: Employment insurance and Canadian Pension Plan**

From: Anas

Assalam Alaykum. My employer give the option not to participate in EI (employment insurance) and CPP (Canadian pension plan), hence it up to me to join, so is it halal or haram? In other word is CPP and EI halal or haram? And If I can opt out shall I opt out or I can still opt in?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,

wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Anas

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Please give details of obligations and benefits and management and investment of these two plans so that we can check their permissibility

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 2: Conventional Mortgage**

From: Naeem, Canada

Assalam Alaykum. I have a question about the mortgage. Is it permissible to buy one house for ourselves on mortgage? I have heard but not sure that there is a Fatwa for this issue. Please, advise. Jazaka Allah Naeem.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Naeem

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The Fatwa on conventional mortgage if Islamic finance is not available is correct and adopted by the second international conference on Fiqh held in Detroit in the fall of 1999. However, it has the following conditions:

1. It is for families who require housing for themselves for reasons of security, education, neighborhood, financial, etc.
2. There must be no Islamic finance available for them.
3. It is for residence not for investment.

I suggest that you should check first for Islamic finance, there are several companies which offer it in Canada and US.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 3: Giving Zakah to a cousin for treatment**

From: Samiul

Hi, I have a cousin who is ill and needs money for his treatment. He does have some wealth of his own, such as house, car, and shops. But not even cash for treatment. In this type of cases, can we give Zakah to him? Regards, Sami.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sami

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The way you described him he seems to me no within the definition of poor who deserve Zakah. He can dispose of some of his properties or meanwhile borrow.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 4: Halal meat**

From: Agnieszka

Hello. I'm a Muslim girl from Poland. I used to eat halal meat even though it's very hard to buy it in my country. From few days producing halal meat is forbidden in Poland. Is it permissible for me to eat meat that is not halal? What should I do about it?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Agnieszka

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

There are two definitions of Halal. The Hanafi: 1) slaughtered by a Muslim, Christian or Jew, 2) cutting 3 out of the four lines of blood, food and air, and 3) mention the name of Allah at time of cutting.

The Shafi'i and Hanbali: 1 and 2 only except in case of necessity (e.g., the animal is dying) then condition 2 is replaced by any cut that make some blood spill out.

You may choose the second view comfortably but the 2 conditions especially cutting 3 of 4 are necessary since Poland's people are generally Christians.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 5: Mortgage And Loan**

From: Youcef

Salemo alikom. My question is about buying a house by banks loan and paying mortgage. I am new here in Canada; I need to settle down with my family as we are having a hard time to find a place. Sometimes landlords don't accept children, if they do, you don't have a choice who is going to be your neighbors (partying and loud music...), and also I can't afford to rent a townhouse, or a house. So, I need a clear answer please, and what other alternatives do we have (please provide references).

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Youcef

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The Fatwa on conventional mortgage if Islamic finance is not available is correct and adopted by the second international conference on Fiqh held in Detroit in the fall of 1999. However, it has the following conditions:

1. It is for families who require housing for themselves for reasons of security, education, neighborhood, financial, etc.
2. There must be no Islamic finance available for them.
3. It is for residence not for investment.

I suggest that you should check first for Islamic finance, there are several companies which offer it in Canada and US.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 6: Customer Service in Insurance**

From: Abdul work as a customer service rep with an insurance broker. I take calls from the clients and provide information on their policies and send information on any changes to the insurance company. I do not sell insurance. Is this job halal?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Khan

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Insurance itself is controversial. If you accept the view of permissibility especially in the US and Canada, this work is permissible. Otherwise it is a necessary part of servicing the contract and part of offering it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 7: Interest Money**

From: Siraj

Assalam o Alaykum. Is the earned money (interest) by a saving account halal? Jazaka Allah.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Siraj

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Interest on bank accounts, of any kinds is Riba which is prohibited in the Qur'an. It Haram to contract, take or give and if a Muslim inadvertently to receive any interest, he/she must give it to charity for distribution to poor and needy.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 8: House Mortgage**

From: Nadeem am a new immigrant (just under two years) and been living in rental houses and I am interested in buying a house but not sure whether mortgage is halal or not. I get different views some says that under the circumstances when you are in very much need one can take mortgage. I tried to take Ijara loans but found out that these are banned now in Canada. Kindly advise. Thanks. Nadeem.

### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Nadeem

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The Fatwa on conventional mortgage if Islamic finance is not available is correct and adopted by the second international conference on Fiqh held in Detroit in the fall of 1999. However, it has the following conditions:

1. It is for families who require housing for themselves for reasons of security, education, neighborhood, financial, etc.
2. There must be no Islamic finance available for them.
3. It is for residence not for investment.

I suggest that you should check first for Islamic finance, there are several companies which offer it in Canada and US.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 9: Zakah on RESP**

From: Akmal

Question 1: I have RESP, RRSP accounts. The money in RRSP and RESP is not accessible till retirement. Do we need to pay Zakahul-mal money on RESP & RRSP? Also, the money in these accounts is invested in the stock market. Do we need to pay Zakahul-mal (money) on total amount or gain in given (this) year?

Question 2: Does mortgage on the house I am living is considered debt when calculating Zakah? Could you please let me as soon as possible?

### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Akmal

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

All the your balance in RESP and RRSP is subject to Zakah. On the day when your Zakah is due you should add the balances of these accounts to other Zakatable assets and calculate Zakah on all. All the balances are subject to Zakah including their accumulated profits. This is repeated every lunar year.

Mortgage on your residence is not deductible because the residence itself is not subject to Zakah/mortgage on investment property is deductible from the market value of the property and the net is subject to Zakah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: Is machine slaughtered halal?**

From: Nisreen

Assalam Alaykum, Is machine slaughtered halal, especially for chicken where a single Muslim operator press a button and say one time the name of Allah for a whole batch of chicken(8400 chickens per hour). In other hand, what are the conditions to make a hand slaughter halal (the name of Allah must be pronounced at the time of slaughtering for each animal)? Most of the four veins must cut, the slaughterer must be either a Muslim or from the People of the Book are these a must conditions).

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Nisreen

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you take it literally, the name of Allah must be mentioned individually on each animal at the time of slaughtering. Machine slaughtering with one time name of Allah does not fulfill the requirement. And does not make Halal according to the first definition.

There are two definitions of Halal. The Hanafi: 1) slaughtered by a Muslim, Christian or Jew, 2) cutting 3 out of the four lines of blood, food and air, and 3)mention the name of Allah at time of cutting.

The Shafi'i and Hanbali: 1 and 2 only except in case of necessity (e.g., the animal is dying) then condition 2 is replaced by any cut that make some blood spill out.

You may choose the second view comfortably but the 2 conditions especially cutting 3 of 4 are necessary since Poland's people are generally Christians.

According to the second view machine slaughtering is OK.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 11: ISNA Home Financing**

From: Tanvire As-salamu Alaykum. Could you please shed some light on the home financing option provided by ISNA ([www.isnahousing.org](http://www.isnahousing.org) <<http://www.isnahousing.org>>)? Is it something in accordance with Shari'ah? JJK, Tanvire.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br./Sr. Tanvire

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I don't give Fatwa on website info.

Please describe their contract in detail in order to answer your question

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 12: House Mortgage**

From: Nisrine

salamo Alaykum. We are unable to find a healthy house with good price. We can afford 20% for a modest house just to avoid neighbors who smoke or drink, and to have some privacy. Is it halal to take a mortgage from the bank? The maximum of the house is 250 000\$ or less. Jazaka Allah Khayran.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Nisrine

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The Fatwa on conventional mortgage if Islamic finance is not available is correct and adopted by the second international conference on Fiqh held in Detroit in the fall of 1999. However, it has the following conditions:

1. It is for families who require housing for themselves for reasons of security, education, neighborhood, financial, etc.
2. There must be no Islamic finance available for them.
3. It is for residence not for investment.

I suggest that you should check first for Islamic finance, there are several companies which offer it in Canada and US.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 13: Availability of Islamic finance in Canada**

Islamic Financing

From: Sarah

Salam I would like to know of the availability of Islamic financing institutions in Calgary or Edmonton. My husband and I want to buy a house and are looking for Halal ways.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Sarah

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The Assiniboine Credit Union has Islamic home financing check with it. Also check the Islamic House Financing Cooperative if it offers finance in your area

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 14: Is renting a Mortgaged Property Permissible?**

From: Mohammad

Assalam-o-Alaykum. Is rental property with mortgage on it allowed?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohammad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If I understand your question correct, it applies to any rental property in the U S and Canada. What matters to you is only the contract between you and the other party. it is none of your business to ask about relation of other party with other people. it does not matter to you whatever that relation is.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 15: Zakah on sold gold**

From: M

I bought a gold bangle 2 years back for my spouse, but I did not fit her size. So this year (6 months back) I sold it to a person and with that money I bought another bangle for her. Now, that I sold the old one, but bought the new one just few months back. Do I need to pay Zakah on the new one? Or do I still need to pay Zakah on old one? Or I don't need to pay on both? Please clarify.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. M

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Zakah is on what you have on the day when a full lunar year passes on having a Nisab.

When you calculate the due Zakah you add what you have of gold, silver, cash money, bank accounts, balances of saving and retirement plans, investments in stocks and businesses, debts on others, etc. and you multiply the total by 2.5% .

Gold you sold during the year is something you do not have and its price became part of the cash unless you spent it

Gold you gave to your wife as a gift is owned by her not by you and she is required to pay Zakah on it (of course you may volunteer paying it on her behalf).

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 16: Student Loans**

From: Fareya

I'm planning on applying for a student loan for university, but I don't want a loan in case I'm unable to pay it, or in case I die and can't pay it. Can you please advise because I still need the money to go to university?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br./Sr. Fareya

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Any loan with interest is not permissible whether for studying or any other purpose unless under the conditions of necessity. Interest is Riba which is prohibited in the Qur'an with strongest terms.

If you take a student loan of the kind that does not charge interest or no interest for a period which you are 100% sure you can pay the loan before it expires this makes it without interest. But if you are not sure of ability to pay before it generates interest it is Haram to take it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session Oct. 16, 2014**

**Question 1: Zakah on rrsp**

From: Yusuff

I have an outstanding mortgage 169,000.00 & I have RRSP approximately 15000.00 plus some additional credit card approximately 4500.00. Do I need to pay Zakah? I just need to know, I normally pay every year on the RRSP that I have but I have to borrow money from my line of credit to pay. I just need an honest answer to please myself.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Yusuf

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

To give you a specific answer I need to know your other assets, gold, bank accounts, shares, investment properties, etc. and monthly or yearly savings after payment of the mortgage and family and personal expenses.

For now I can say the mortgage you owe (169000) is not deductible from Zakatable assets. RRSP balances are subject to Zakah and the debt to credit cards are deductible from the total of Zakatable items

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: receiving government money**

From: Sara

I am disabled and the doctors and government have decided that I am entitled to receive disabled benefits. My husband works but at a not a very well paid job. Is it OK for me to collect these benefits? Even though my husband is working?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Sara

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you are entitled to these benefits, yes it is definitely permissible to take them regardless of the work and income of your husband.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: Zakah on gold but have no house**

From: Ihtasham

I have 7 tola gold and 350000 Pakistani rupees but I do not own a house and live in a rented house? Is Zakah wajib on me?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ihtasham

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes of course on all the gold, money and any other investment assets, savings and the like. it doesn't matter if you do not own a house this is your choice. If you buy a house to live in the house you live in will not be subject to Zakah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: Chicken from supermarket, halal or haram?**

From: Idil

Is it haram to buy the chicken from the superstore because some of them said that it doesn't matter?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Idil

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I don't know what is hiken. Probably you mean chicken.

Chicken in the USA and Canada that are sold to public are required by law to be slaughtered and blood drained. The technical way of slaughtering conforms with the Shari'ah requirement even with the electric stunning of the animal. The difference in mention the name of Allah at slaughtering time. This is an ancient difference between scholars. If you believe it is only recommended, not obligatory like me and the schools of Shafi'i and hanbali, you can buy it and eat it. but if you believe it is a must as in the Hanafi, you should not eat it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Student Loans**

From: Habeeba

I have taken tuition fees out to complete a degree. I have also taken a maintenance loan out (I could have still done the degree without taking the maintenance loan out), the following years. I will not take it out. Will my janaza get done if I do not pay all of this

back (I am planning on to pay it back if I get a job); it is a high amount.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Habeeba

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Make all efforts to pay the loans and avoid any interest loans in the future. All interest loan are Haram except in case of necessity.

You Janaza, when you die, is not going to be done by the bank which gave you the loans!

Do not worry about them now. You will cross that bridge then.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: Kosher and machine slaughtered meat**

From: Umar

I have two questions:

Q 1: Is Kosher allowed even when we have halal option? I have read some neutral articles saying it's completely ok to have it while some calling it only in a case where we don't have option of halal available.

Q 2: Can a machine slaughter be called halal as well? In Calgary can we consume machine slaughter if slaughter available? Can you kindly answer with reference to any hadiths, fatwa or belief of specific school of thought/sect?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Umar

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

True kosher is equally permissible. But a Muslim in America should be careful about kosher for two points: 1) some kosher is not true because it was in the news sometimes ago that a Rabbi in New York blessed a whole slaughter house and claimed it kosher without cutting actually the veins of each animal, and 2) some businesses in America donate to the occupying power in Palestine. It is Haram to support such businesses.

Machine slaughter is as Halal and hand knife. Hand knife, after all, is a machine too but it is the machine of the past. You cannot find a hadith on this but you need a Hadith to prevent it. if it is easier for the worker and the animal it falls under the general Hadith that the Prophet, pbuh, always preferred what is easier. Besides, the OIC Fiqh Academy discussed this Issue in its meeting in November 2013 and did not make any objection to using the machine although it stressed the idea of cutting the veins and draining the blood out.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 7: Working as a Cashier at Safeway**

From: Aamer

I just wanted to ask; is it right to work as a cashier at safe way or any other superstore? You have to scan the pork and other haram things with the halal things as well. Someway or other it touches your body. Is it right? Earnings from such job will be considered halal?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Aamer

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I am hesitant to say it is Haram because it is a minor part of the job. But honestly ringing pork, liquor and products in which they exist is not permissible in Shari'ah and is included of the prohibition of their sale, as a cashier you are selling it to the benefit of the owner and this action is prohibited.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: Islamic bank loan**

From: Ouassila

Lately I did a sin of buying a house with loan (Riba). Since then I am contacting all Islamic banks to take over my mortgage and I pay in halal way but I discovered that many Islamic banks actually do the same thing I found this bank: <http://www.ijaraloans.com> <<http://www.ijaraloans.com/>> . Please, advice if they are good to continue with them I want to clear this matter as soon as possible.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Ouassila

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Islamic banks are not same as Riba based banks. Islamic banks and finance companies provide finance for house purchase on the basis of either sale on credit or lease to own. Ijaraloan does not do that. It asks you to take an interest loan and create a trust for you to transfer the loan to the trust. The reality is the trust represent you and is considered your agent in Shari'ah so you still pay interest. The only thing you do with this Ijaraloan is to lose the fee they charge you and change, in fact, nothing. This is a modern way of

cheating Muslims.  
Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 9: renting a part of the house to pay the mortgage**

Mortgage

From: Amne

My question is regarding Riba that we pay on our mortgages. If I were to rent out my basement or my house and it paid the whole monthly payment. So that would be principal and interest, I that way am I still considered paying Riba or not?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Amne

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Apparently yes because you are the owner and you are the person who is required to pay the Riba to the bank whether you rent the basement or not. But if it is your residence and you need to buy a house for family and other reason, and there is no Islamic finance available, this may not InShaAllah sinful.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: interests are built in any profit**

From: Yazan

I met with a financial adviser to get my retirement fund invested. He mentioned that interests are built in any profit I will make from investing in stock market these days unlike the situation a number of years ago. He is not Muslim but has advised me that if I cannot accept interests, then stock market is not the place to go to. I have read your answer to "is stock market haram?" and I just want to see if above fact is true or not and if true, wouldn't it make stock market haram in general?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Yazan

No it is not true and there is a big difference between a company whose main line of business is interest based and a company whose main line of business is Halal but it deals with interest in some of its transactions.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 11: Free Competitions for prizes**

From: Saz

Is it haram to enter this? A competition which is FREE to enter; basically I have to correct predict football scores in matches. Free to enter no fee and prize is money.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Saz

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If there is hidden condition for entrance, it is not Haram to enter this competition, but to me it seems unreasonable, at least why should anyone pay prizes for this kind of competition?

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 12: adding amount of interest to the price**

From: Zacharie

I would like to finance or lease a car, and I would like to know the following:

If the interest rate is not 0% (which is haram), can I ask the car dealer to take over that interest and add it to the final price of the car? In other words, on paper, I would be paying 0%, but the price of the car would go up. Thank you in advance for your time.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Zacharie

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

YES, this arrangement is permissible because it is recognized in Shari'ah that the price on an item on credit may often be higher than its price cash. The difference is against using the item while you did not give up its equivalent. Interest is an increase in a debt and the debt does not, in reality, creates or generates added value through time. Assets and goods generate added value through time. In Our Shari'ah finance is not prohibited, what is prohibited is finance which starts from a debt like a loan not when it starts from a commodity like giving a car as in this question.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 13: taxi driver takes people anywhere and from anywhere**

From: Suad

Assalam Alaykum. Respected scholars, I would like to thank you immensely for your great service.

I would like also your advice regarding this issue: my husband would like to take a job offer from a taxi company. The company sends you to either pick or drop passengers from different destinations. Some of the destinations may include clubs, casinos, airports, stores and many others.

He's confused as to whether earnings from such a job is halal; please advise.

JAZAKA ALLAH. Umm Amina.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Suad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

This job is permissible. It is none of your business where these people go or where they come from or what do they carry with them.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

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**Live Fatwa, OnIslam Session Oct. 24, 2014**

**Question 1: donation without informing mother**

From: Muhammad

I have the problem about donation of Zakah and other money while not hurting his mother.

We are two brothers and one sister. I am the eldest and I have one younger sister and one younger brother. I live in Calgary, Canada. My mother, brother and sister live in a village of Rampur district in Bangladesh. My mother and brother live together and my sister lives with her husband. I want to donate secretly in my relatives and other poor people in my village to get the highest reward from Allah. My mother minds if I don't inform her. If I send money through her, my brother knows that, because he withdraws money from the bank on behalf of my mother.

My brother is not practicing Islam yet. He does not pray salah properly and he has not knowledge about Islam. His wife is also the same thing and she was not practicing Islam. My mother gets fear to my brother and his wife. My mother wants to satisfy them. She cannot speak against them as they do not honor them if my mother goes against them.

If I send money for donation or Zakah to my mother account, they withdraw the money

from her account and make their own judgment. Even they have not knowledge about Islam and even I guide them to distribute the money properly but sometimes they do not follow my guide line.

I heard from my village that a quarrel is made between my mother and my brother and his wife to distribute the money. I just heard this from my village last year. But my mother denied that as my mother does not want to give bad feeling to me about my brother and his wife.

Last year, when we went to our village to visit my mother, my brother's wife made rough behavior with my mother in law. My mother does not tell me the truth about them as she gets fear that if I know about those things, then I will not help them. Even I sent money to my mother and my brother takes money every month from my mother. But he denied to us and tells us that he does not take money from me.

Last year, when I went to visit my mother and I gave Tk. 10000/= to him to pay in shop but he regretted to me about this. He is very much dishonest. If I send donation or Zakah to my mother, if my brother see those amount and he asked my mother to give this money to him first. He is serving in the school and earning good. He also takes my lands to get the crops. Each month, also he takes money from my mother what I sent to her. He is not economical. He expenses a lot of money each month beyond his limit. I also told my mother to inform my brother that my brother should talk to me directly in case of his any serious financial need. In that case I would help him InShaAllah. But he never talks to me about this.

My sister and sister's husband are honest. I wanted to donate all Zakah and other donations through my sister's husband without informing anyone else. But my mother might know that later on from any other source and she might get hurt in her mind. Thinking this, I informed my mother that I would like to donate all the Zakah and donation through my sister's husband. But my mother now wants to engage my brother in donation of my Zakah and other money. She wants that I will send some portion of Zakah and donation to her account so that my brother can withdraw the money to donate and also other portion to my sister's husband account to donate by sister's husband.

As I said my brother and his wife are not sincere and honest, I do not trust them. My questions are:

1- What is the proper way of donation of Zakah and other money Islamically? I heard that I have to ensure that Zakah money has reached the proper place.

Yes, it is your responsibility to make your own Zakah reach the proper recipient and in your case that you do not trust your brother for handling it you must not give it to Him. you may give him other Sadaqah not Zakah.

2- I wanted to donate my Zakah and other money through my sister's husband. But my mother wants me to send some portion to her account so that my brother can be engaged in this work. My mother does not want to confess my brother's dishonesty. In this case, should I stop donating Zakah and other money in my relatives and village?

I rather you should continue give your Zakah to deserving relatives and village persons, it is more rewarded by Allah InShaAllah. Give it through a trusted organization or trusted person and give your mother gifts and Sadaqah and make her under illusion that it may

be Zakah if she insists on Zakah itself.

3- I want to establish a Hafezi Madrasah in my village as village people demands. Should I include my brother in the committee as he has no Islamic knowledge though my mother wants to include him in the committee? If he is involved in the committee, he might use it to fulfill his self-interest. In this case should I establish Madrasah in my village?

Yes, go ahead with establishing the Madrasah and you may include your brother as a member not treasurer. Also include trusted members who will do well InShaAllah

4- Also my mother wants our family graveyard beside the Madrasah? Is this also permissible to establish the Madrasah besides graveyard? Please, let me know about my above mentioned problem to solve Islamically. Jazaka Allah Khairan.

Yes, it is permissible to be beside it not inside it.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohamad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Please see above under your questions in red.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Money from luck of wife**

From: Naheed

I have been married for last 19 years; whenever we are in financial crisis my husband said the money is from the luck of wife. My question is: is it true? Please, explain it in the light of Islam.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Naheed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Does he also say it when he gets high income or profit as it applies in both cases? Specifically no it is not true. This is a known thing in Arabic slang rhetoric and may be in other languages. However, the Qur'an [24:32] advises to accept poor persons when they ask families for marriage of their daughters even they are poor and promises that God will give them wealth. And Some companions used to seek marriage if they are poor in order to benefit from this promise. There is Barakah in marriage no doubt, in this sense yes, a pious wife adds Barakah to the financial means to her husband.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam  
Prof. Dr. Monzer Kahf

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**Question 3: I work hard but my boss is never satisfied**

From: Noman

I am a hard worker and I try my best to do my work but my boss never seems happy and the other workers don't even do much work and he is happy with them. Is there a Duaa' that I could say to seem a better worker. I don't know why my boss doesn't see my hard work.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Noman

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

There is no specific Duaa that I know but keep doing the right thing, explain it to your boss, and keep repeating the BEST Istighfar Duaa ever: اللهم أنت ربي لا إله إلا أنت، خلقتني وأنا عبدك وأنا على عهدك ووعدك ما استطعت، أعوذ بك مما صنعت أبوء لك بنعمتك علي وأبوء بذنبي فاغفر لي فإنه لا يغفر الذنوب إلا أنت.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: I stole from a partnership shop in which is my father**

From: Mashud

I'm 25 years of age. A year before I have stolen money from my father's shop which was running under partnership. I took money two times, now the shop is under partnership problem; I'm not remember exactly how much I have taken, since the money belongs to my father and another partner.

Now since I'm afraid from my Allah I have to inform my father the truth that I have stolen but I'm afraid that my father will be under pressure that he had got son like this. Kindly help me for the sake of Allah? And during my college days I have stolen a mobile of my senior and I have informed him about that and asked his forgiveness, he said that he have forgiven me, but I want to return the money for that. He is saying I don't want money, I asked him many times, he is not ready to accept the money, but I want to return it?

What should I do? Please, help me for the sake of Allah and our beloved Rasool (Sal)?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mashud

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You need to make a deep-hearted repentance as the first thing that you will never repeat any such things ever. Then try to be extra kind to your father, extra helpful and service-full. RETURN THE AMOUNT OF MONEY YOU TOOK TO THE BEST YOU REMEMBER AND MAY BE A LITTLE MORE TO BE SURE THAT YOU GAVE IT BACK ALL if can do that silently without telling anybody. And give some equivalent or higher gift to the person from whom you took the mobile.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 5: Islamic finance to buy a house**

From: ahmad

I am looking for Islamic finance to buy a house in Calgary. Please, if you can help me about it, I will appreciate. Because trusting people and organization without knowing them is not easy job now. Just I am waiting for your help. Jazaka Allah

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Check with Assiniboine credit union, it has Shari'ah compliant offer on house purchase or with the Islamic Housing Cooperative.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 6: Shari'ah compliant house financing**

From: irfan

AOA Skaikh may Allah increase your ilm and daraja as u r helping people with their Shari'ah related issues

My question briefly is that I don't want to involve in interest based mortgage and like to have a halal Shari'ah based financing. So, kindly let me know who is authentically doing this business in Calgary ab, Canada thanks Jazaka Allah.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Irfan

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Check with Assiniboine credit union, it has Shari'ah compliant offer on house purchase

or with the Islamic Housing Cooperative.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 7: can husband pay the Zakah of wife?**

From: Khadiza

I am housewife, but I have Nisab amount of jewelry. Can my husband pay my Zakah? Can I donate my Zakah to my aunt who is suffering from cancer and need lots of money for her treatment? She is not able to bear her treatment expense.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Khadiza

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The answer to both questions is YES and your husband get a reward InShaAllah and you get an additional reward InShaAllah for helping a kin

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: life insurance**

From: idriss

Death and burial can be expensive, is taking out a life insurance policy permissible in Islam? Thank you.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Idris

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Death is never expensive. I assure you that you can die free 100%. Burial in some countries is expensive, this is a worry of the family of the deceased.

Life insurance is a separate issue whether burial is expensive or not. There are two opinions about insurance, of all kinds including life. I believe in the permissibility provided it does not have interest and what you insure is permissible (e.g., insuring a shipment of liquor is not permissible). According to this view term life insurance is permissible while life insurance which gives a definite amount after a number of years is not. If you live in America there is a kind of life insurance for burial which is not based on interest.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 9: Chicken is halal consider it's a bird**

From: Khurram

I have been told that we can eat chicken from places like KFC, McDonalds etc. and the reason behind this was told that in Islam there is no slaughtering of birds and chicken is also bird so it's always halal to eat. Please, clarify it.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Khurram

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

There is slaughtering of birds and chicken like other animals. In hunting if you shoot an animal or bird and it dies before you reach it, there is no need to slaughtering otherwise you cut the veins when you catch it if the bullet does not kill it.

However, chicken sold in markets in the USA and Canada is slaughtered in fulfillment of the mechanical Shari'ah requirement except mention the name of Allah. There are two views here, some argue that this mention is necessary and some argue that it is only better not a must. According to the second view, where I belong, the chicken in the market is Halal as it is slaughtered in accordance with Shari'ah. according to the other view it is not.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: halal chicken**

From: shazia

Lots of Muslims eat chicken and say Allah's name on it. Is it become halal saying Allah's name before eating it.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Shazia

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Chicken sold in markets in the USA and Canada is slaughtered in fulfillment of the mechanical Shari'ah requirement except mention the name of Allah. There are two views here, some argue that this mention is necessary and some argue that it is only better not a must. According to the second view, where I belong, the chicken in the market is Halal as it is slaughtered in accordance with Shari'ah. according to the other

view it is not.  
Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 1: paying student loans**

From: Fareya

I've heard of a hadith that says that a person who dies with debt will be punished in the grave until the debt is paid off. If a person dies and they have student loans, what is the best way to pay them off, and how do we deal with them (because they have to be repaid in four/six months after the completion of one's degree before interest must be paid? I don't understand how to deal with student loans and I don't want debt on myself because I don't know when I'm going to die. What does Islam say?

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Fareya

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The best way is to avoid any loan. student loans like other loans are interest-based and a Muslim should avoid any interest transaction because it invokes a WAR FROM ALLAH AND HIS MESSENGER.

If you have a student loan try to pay it as soon as you can and live debt free so you may die debt free.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session Oct. 29, 2014**

**Question 1: income is not sufficient for all claims and expenses**

From: Yahaya

My Predicament

Assalam Alaykum. I am a Nigerian. My father used to pay my school fees up to my 1st year of post graduate class. It was in my 2nd year that I got a job in one of the state's higher institutions. I receive \$420 monthly. The problem is that before I got the job, I had no responsibility. But now, it's like my salary is just enough for my studies and general upkeep. Because my school fees alone is around \$1700, which I spend about 10 months saving half my salary before I pay. Our post graduate MSc class could take 4-yrs. Of recent my mother throws financial responsibilities on me aside the monthly dues I've fixed for her.

I am also seeking a higher paid job so as to be able to tackle my issues. Whenever my mother confronts me with a financial issue, I try to show her my predicaments, but she starts to call me names such as; ungrateful, miser etc. She also frowns at my refusal to marry.

My questions now are;

- Is it bad to seek more from God considering my condition?
- Is it ok to leave the funding of my education to satisfy my mother's requests?
- Is it bad to complain to my mother of my condition so that she stops throwing those other peoples request as I can satisfy them?
- Can I reduce the frequency of going to her, so as to relieve myself of the tremor?
- Is it bad to refuse marrying because I have my studies ahead of me and also seeking higher paid job? Thank you.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. yahaya

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I suppose you can delay your higher study for sometimes, answer your mother, find a better paying job and kindly convince her to keep your burden light, don't worry about delaying marriage. Most likely you need a better planning of your expenses to make the ends meet.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Driving customers to different destinations**

From: Suad

As-salamualaikum, may Allah reward you for your great work and effort.

I would like to ask advice regarding the following issue:

My husband has been offered a job which involves dropping and picking passengers from different destinations which may include airports, shops , casinos , clubs, and churches. Would earnings from such a job be permissible? Jazaka Allah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Suad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes, he is not involved in what they do.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: no being kind to some poor persons**

From: Zari

Worked at House

Please Sir, answer  
my question!

As-salamu Alaykum brother. I would like to ask you a question. I am confused and I don't know what to do.

A 13 years old girl worked at our house. She had stolen many times before we send her off. Recently, we get that her family is also thief.

Last time she opened our 3 rooms and tried to steal all our expensive things and money, then to move to a different city with her family. Fortunately, I arrested her and handed her over salary. Since that time I have not permit her at our house.

On Eid-ul adah she came to our house with her big sisters. But I did not behave well to them on `Eid day. My intention was just to teach them never to steal others.

But since that time I have not felt well because I know they are thieves but they are poor too.

Do you think what I did against them is good or bad ? Do I have to say sorry to them or not?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Zari

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Please look for the future, I cannot judge in absentia the circumstances and the words you said. Just make Istighfar and look for the future not the past.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: Working in Non-Islamic Bank**

From: Sahad

Can we work in a non-Islamic bank?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Sahad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes, provided you don't do any of the following: writing or preparing or typing an interest contract, signing it on behalf of the bank, be its witness> the Prophet, pbuh,

said that the curse of God is on four in regards to Riba: 1) taker, 2) payer, 3) writer and 4) its two witnesses.

However, although it is not Haram, it is not one of good areas to work in because whatever you do in a conventional bank you will be helping Riba.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## Live Fatwa, OnIslam Session Nov. 17, 2014

### Question 1: Distribution of inheritance

From: Abeer

Aslam o Alaykum. This question is on behalf of my parents. They want to know: what is the proper method of dividing inheritance to the children in Islam? My parents have 5 children in total; two daughters and three sons. One daughter and one son are married. Please, give advice regarding this matter. Thank you. Kind Regards,

### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Kindly notice that the Islamic inheritance system is mandatory like prayers. It is very important to refer to verses 4:101-134 and realize how strong are the closing statements of each of them. it is a mandatory system wherever one may live. If it is not done by law as in many Muslim majority countries and several Muslim minority countries like India and Kenya, a Muslim must do it by a last will as we do in the USA and Canada. You may check my website [www.kahf.net](http://www.kahf.net) for a copy of such last will.

In the case of your parents and based on the info you mentioned and also assuming that both of them do not have any parents the distribution after their death of inheritance should be as follows: if mother dies first; 1/4 to father, 3/32 to each daughter and 6/32 to each son, no difference between married and single. If father dies first; 1/8 to mother, 7/64 to each of the two girls and 14/64 to each of the three boys. This is in direct application of verses 11 and 12 of Surah 4.

You must remember that inheritance distribution is done only after death. Gifts during life time must be equal between all children, no difference between girls and boys, married or single. The Prophet, pbuh, said what means that lack of equality in giving gifts to children is an injustice.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: are all harmless sea creatures halal to eat?**

From: Talha

Assalam Alaykum. Thank you for reading my inquiry.

I would like to know: that are all harmless sea creatures halal to eat? I think a local mufti said that everything with scales from the sea is halal. Also, how about crabs, lobsters and the snakehead fish? These creatures are able to walk on land if need be, are they halal?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Talha

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

This is a matter of differences between schools of Fiqh. According to Hanafi or creatures which can live outside water are not Halal, of other schools they are all Halal, it doesn't matter scales or not.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: Is mutual fund and share trading halal?**

From: Rosna

Assalam Alaykum. Is mutual fund and share trading halal? Burying shares from stock exchange from India (national stock exchange, Bombay stock exchange), similar to Tadawul stock exchange in Saudi Arabia.

It will be Online. I will buy share now, and will sell later after say 5 years at the market rate of that share at that time. If the market rate at that time is more, it will be a profit for me. If the market rate is less than my buying price, it will be my loss.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Rosna

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

It is permissible provided you select permissible shares by avoiding share of companies whose main line of business is not Halal such as banks and also avoiding companies who do a lot of non-permissible activities such as borrowing and lending. Also you should avoid buying and selling in short periods in order to avoid falling in speculation which is not permissible too.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: Earning from medical transcription**

From: Sarwar

- 1) Earning by medical transcription: is it halal?
  - 2) I want to know whether hospital pays a transcriptionist from the money given by insurance company.
- ) From which money hospital pays for transcriptionist?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sarwar

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I don't know what transcriptionist is? Please explain before I make answer, give examples if possible.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: are taxes included in Zakah calculation?**

From: ...

As-salamu 'Alaykum. I want to know when giving Zakah, is the tax paid to the government also included when calculating for giving Zakah? Thank you.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br./Sr.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

In calculating Zakah you include the saved part of take home income. Tax paid to government is already gone!

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: Interest loan for dental plant**

From: Abdi

Assalam Alaykum, scholars. I enjoy this beneficial website and I learnt many things that I didn't know before. Keep it up and may Allah `Azawajjal reward you for it.

I have question regarding going for interest in a loan. I just fell off a bike two years ago and all of a sudden I broke my two front teeth so I wore a denture since then which I

think is one of the worst inventions ever made.

I have to take eat out at night and put it back on in every morning after cleaning it and then I put some cream on it to hold it up like a glue am struggling with it.

But there is a better option I can get implants done; they are like normal teeth once I put it on, I don't have to take it out. It becomes like natural teeth but it's too expensive for me; I can't afford it and the dentist told me a year and half ago that if I don't get the implants done quicker, I will lose bones as I get older.

So, I'm thinking of borrowing the money from credit union but they do interest, now the question is this: is it permissible for me to go with interest when I have no other choice in this situation? I can't find a job and my families and friends can't help. Please, give me some advice. Jazaka Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdi

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you don't have a source of income how are you going to pay for the implants?

You need a source of income. I suggest that you should try to save the amount you would otherwise pay to the loan and interest and when you safe it take then the implants, I don't see a necessity to borrow at this time based on your info.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 7: investment with guaranteed return**

From: Ghayas

My friend is doing business in commodity market. I give him suppose 10 Saudi Riyal and he will give me suppose 40% per annum. He will gain and sometimes loses but he compensates like this. So, is this money halal or not?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ghayas

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If it is real business in goods, it is permissible but if it is in the regulated commodity markets in London and other major cities, it is essentially speculative. Speculation is not permissible.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: Buying Vehicle on Loan**

From: Atheeq

Assalam Alaykum, brother. I am from India. I need your suggestion. My question is about buying any vehicle on loan; I'm planning to attach a truck in a company which will cost me around 8 lakhs but I don't have enough money. Can I purchase the truck on emi-basis?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Atheeq

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I don't know what emi basis mean. If you mean to borrow on interest, it is not permissible because there is no surviving need, this is only for better investment.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session Nov. 28, 2014****Question 1: earning for viewing on line**

rom: Shaheen

Assalam Alaykum! I am a student who earns money from writing online. The situation is like this; I am paid for the number of views, likes and comments that I get. Therefore, I should write an article with a good quality. Sometimes I write articles about Islam, my personal experiences and etcetera. If I posted an article and it has 10 likes, 10 comments and 10 views then I will have 0.30 dollars earned. My question is: is this earning halal?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Shaheen

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The way you describe it this earning is permissible. But how many hours do you have to spend to earn this .30 dollars?

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Networking**

From: Rhea Carag

Assalam Alaykum! I'm a revert from Catholicism to Islam. Now I'm presently engaging into business and it's network marketing. Please, enlighten me if it's HARAM OR HALAL source of living. Jazaka Allah Khairan!

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Rhea

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Sale of goods and services on the internet is permissible. However, internet sales and promotions are sometimes carried in a complicated and very often incorrect way. chain earning from sales of persons you do not know who are in the second and third or more levels in a chain may not be morally justified, how come one earns from activities of other people? also many companies that sell on the concept of chain commissions inflate prices of items they sell to pay for all these commissions and sometimes lack transparency which is necessary for all members. These practices may not be permissible in Shari'ah. if you describe exactly the way you internet marketing works, I can give you exact opinion about it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: What does Islam say about advertisement?**

From: Sufyan

What does Islam say about advertisement? Does Islam permit?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sufyan

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Advertisement when it means describing the characteristics of a commodity is permissible. Use of incorrect information and adding statements and pictures which do not relate to the goods but in order to provoke other desires in potential customers are not permissible.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: Funding from a Gambling company**

From: Najmi

As-salamu Alaykum. Dear on Islam, I just want to ask here about how should we put our perspective about charity funding which comes from gambling industry? In so many circumstances we face with aids for the needy or educational grants which in fact comes from gambling industry.

My question is: is it allowed to take such grants in specific for educational purpose? While government or any other cannot afford such a huge money for that specific educational training (in this case prosthetic orthotic)?

I'm living in a Muslim country while this field (prosthetic orthotic) is not developed yet, so the educational training is such a huge benefit for the disabled people in my country. How should we put our perspective? And also can we live out of the same money, or it may just permissible as a tuition but nor for earning? I really need help to put things in perspective. Thank you so much and appreciate your time.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Najmi

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Scholarships for education are given by government or organizations which depend on donations. The source of donation becomes immaterial for the student or poor person who is given a scholarship or a stipend. When a haram earning transfers hand legally (to exclude collusion for money laundering) it does not remain Haram. For instance when a gambler buys bread, the price paid to seller is Halal for the latter. Similarly when funds are donated to a charity and charity distribute it to poor persons, it become permissible for the latter.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

**Question 5: Is Raffle/Lottery permissible in Islam?**

From: Yusuf

I am living in UAE and concerned whether lottery is permissible in Islam. Since Airport Lottery here in UAE is legitimate and approved, I want to know whether it is appropriate to buy one as per Islam.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Yusuf

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I don't know of any permissible lottery. Lottery is a form of gambling and it is prohibited

in the Qur'an and the Sunnah.

On the other hand giving prizes as business promotion to randomly selected numbers which are distribution in relation to purchases, or other activities is permissible. This is not lottery. Lottery is where you pay for a chance to win.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 6: Sources of Islamic laws**

From: Shiraz

What are the sources of Islamic Shari'ah law and applied principles?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shiraz

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

They are of course the Qur'an and the Sunnah as understood today and throughout history in the Fiqh research and writings. nothing else.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 7: Credit Cards and Bank Bonus**

From: Dara

I appreciate if you answer the following questions:

- 1- Is using credit card haram? Why some says yes and why some says it is OK?
- 2- If it is permissible to use it, how about the reward points that one can get from using credit card?
- 3- The one-time bonus some banks give you as incentive to open an account. Jazakum Allah.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Dara

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

1. The contract of credit cards issued by conventional finance institutions (I am excluding Islamic banks) contains an interest clause if you do not pay the whole balance during the grace period. this condition is Haram to issue but not Haram to accept if two conditions are fulfilled: 1) that you are very sure you will always pay the full balance on time, and 2) that you do not use the credit card for cash withdrawal because interest is

charged from day of withdrawal.

2. Abd 3: bonus for opening an account is permissible and points are permissible, they are for promotion and have nothing to do with any Haram.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: work in a smoke shop**

From: Zakria

Is it haram to work inside a smoke shop?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Zakria

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

It is hurtful in the long run because of inhaling the smoke. Selling smoking materials like cigarettes and the tube and others is not permissible even if you are not the owner. If you work in other areas where what you do is permissible it is not Haram.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 9: Buying a house in the Western countries**

From: Raouf

Kindly I want to ask if buying a house through the loans "mortgage" halal or haram. I found some Fatwa's saying it's halal if there is a necessity and some are saying that its haram. For me I'm married and have 2 kids and renting an apartment. So, I'm thinking to buy a house and I don't have any houses in or outside Canada and sure I can't buy a house in cash. I'm afraid and don't know what to decide between these 2 opinions. So, please, may you advise what to do?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Raouf

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

It is as you said, you only can make the choice. My opinion: it is permissible to buy a house to live in in your case. That is for families who need housing for better safety, schooling, neighborhood and saving.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam  
Prof. Dr. Monzer Kahf

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**Question 10: Job in advertising company-Allowed or not?**

From: Adil

I am an advertising and graphic design professional and working in an advertising agency as an internee to get practical experience, that is unpaid. The company where I am working, has most of their clients related to wine, alcohol and beverages and they ask me every day to work on their tasks like designing promotional flyers, posters etc.

I would like to ask you, although job is unpaid but weather it is permissible for me or not. Also, if they would like to hire me after the internship, then what should I do?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Adel

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Designing promotional flyers for any Haram thing/action is Haram whether you do it for money or unpaid. Find some other designing job please.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 11: Zakah on gold jewelry**

From: Tahir

Just for my understanding, I watched on TV one `Alem saying talking Zakah; a widow should sell her gold to pay Zakah on the gold which she is having if the gold is more than Nisab. My question is: is this is ok?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Tahir

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

An owner of gold in the amount of Nisab (about 85 grams) is required to pay Zakah on it at the rate of 2.5% every 354 days from the day her/his holding is Nisab or more. This is regardless of whether she is widow or not. If she has no other source to pay the Zakah then she is required to sell part of it to pay it. the Alem is apparently correct.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 12: Gift announcing**

From: Sohaib

I have noticed that in Canada after a party, people like to hold a session to announce and display everyone's gift with their name and they say it is to honor those who brought the gifts.

In my mind it is to honor those who can afford expensive gifts and to send a strong message to others to bring expensive gifts. What is the Sunnah? As to display and announce the gifts in this fashion or just to say thanks to everyone for the gifts.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sohaib

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Or maybe it is to show those who were meager and avaricious that they should do better. I personally do not like this way but it is a social habit I cannot say it is Haram. It also exists outside Canada in many villages in the Muslim countries.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 13: ijara usa**

From: abdallah

I want to know if ijarausa.com is halal financing or not.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdallah

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

We do not judge companies. Describe to ONISLAM the contract and we will give you our opinion.

There is a model called Ijaraloan that model is not Shari'ah compliant because the company creates a trust and claim that the trust pays the interest not you while the trust represent you and is your agent in paying the interest. Is this the same model?

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 14: money fraud**

From: umm mumina

When I was 19, I used to work in a restaurant as a cashier. Some boys from my high

school came to me and gave me fake money to switch it with real money from my cashier and so I did it.

I didn't count how much could be more than 100 but maybe less than 300. Also they gave me some fake money for myself and also I stole some money and replaced it with fake money.

Now I am 28 years old the restaurant is long closed, how do I repay this money back so Allah can forgive me InShaAllah?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Umm Mumina

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

May Allah forgive you for all that. If you know the owner try nicely to give him/her some gifts in that amount. For others Sadaqah (charity) and Istighfar will remove them from your records InShaAllah

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 15: Shares of a cable TV company**

From: Israr

I am working for a telecom company (TELUS) which also provides internet and cable TV. I work in the networking department. Can I buy shares of this company as the company matches the amount I invest in their shares and based on this I get an increased value at the end of the year? Also, is my income halal?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Israr

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

As described it seems that your job is permissible so is your income from it. for buying shares the rule is such company whose main line of business is permissible should not have much or transactions related to interest or any other Haram thing. You need to check that. Anyway I suggest that you buy these shares and get the matching company contribution and if the company carries too much interest transactions (it is unusual for such companies because their cash flow is usually high) you sell them in first occasion.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 16: Can Zakah be paid to my brother?**

From: Ahmed

Thanks to Allah, He has given me enough to pay Zakah. I have a question regarding payment of Zakah. I have a brother and his family of four. He is living with my family in country back home who is not earning at all but he owns enough to in terms of gold and property which is inherited from father. I normally take care about his family and do not consider any spending on him as a part of Zakah but our duty. I just want to ask if I can take credits of the spending on him as a Zakah or not.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Zakah cleans you imperfections, I don't suggest to feed your brother and his family from this "dirt". Besides, as you described him he is rich and cannot qualify for receiving Zakah, only he may be mismanaging his work ability and his properties so that he ends up with insufficient income. Keep it as family responsibility. In Shari'ah you are responsible to help siblings who are in need.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 17: Zakah on Money Loaned**

From: Ady

Salaam brother I have Lent money out in the past and haven't had it back. I believe I am liable to pay Zakah on it. How can I pay Zakah as I don't have that much money to pay it and I'm not 100% sure I will get it back. This is upsetting me I do pay Zakah on money and gold I physically have on me. Could you please clarify? Jazaka Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ady

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The rule is as you said you are required to pay Zakah on debts you own on others. This is if you are sure that you will recover the debt. Debts you are not sure about their recovery are deductible in as much as you doubt. Debts that are not recovered in a year may become really doubtful. Make your estimation and deduct the doubtful amount.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## Live Fatwa, OnIslam Session Dec. 11, 2014

### Question 1: Eating Christmas food

From: Abdul Qudus

Salam Alaykum. I have this delicate question as pertained to the so called coming Xmas. Is it permissible to eat the XMAS/New Year food received from one's Christian Friends/Neighbors? I shall be expecting your reply as soon as possible. Thanks.

#### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdul Qudus

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If the food itself is permissible, then it is permissible to eat from Christian and even if it is for the occasion of Christmas, this occasion makes no difference. But if you believe that meat should be slaughtered under the mention of the name of Allah, you should be careful about any meat ingredient.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### Question 2: Fixed Deposit Money in Islamic Bank

From: Mohammad

If I keep certain amount of money in an Islamic bank as a FIXED DEPOSIT and they give monthly some business profit out of it as because they have used my money into halal businesses, InShaAllah, is it haram in Islam? If so, please, explain.

Because my money is used in business purpose and they are giving me profit from that. If it is haram, then there will be very big financial problem/calamity will arise in my family. And at this age I am not capable of doing business with that money and I cannot take risk of doing business with that money because all that money is my whole life asset. And my single sin is still studying and he is not mature enough to run a business. I don't have any alternative option to run my family. Jazaka Allah Khair.

#### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohammad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you deposit money in Islamic bank, that is excellent, it is of course Halal. Islamic banks use money in Halal business and distribute Halal profit to depositors. The Shari'ah name of the contract you have with the Islamic bank is Mudarabah and they use your money

on your behalf and any profit is distributed between you and the Islamic bank.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: work in a bank**

From: Kausar

As-salamu `Alaykum. My sister is a bank employee; is it halal? She buys clothes and food stuffs for me, is wearing it and having those foods halal or haram? If I refuse it, I'll be rude. What to do if it's haram and how to avoid it?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Kausar

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Working in a conventional bank in jobs which do not require the person to sign, write or prepare an interest contract is not Haram. Let us hope that your sister's job does not require her to do anything related to preparing interest contracts, if so her work and income are permissible InShaAllah. Writing and of the preparatory documents for an interest contract is Haram.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: interest on previous education debt for a new Muslim**

From: A Sister (Tarek)

Assalam Alaykum brothers and sisters. I'm a fairly new convert and I was wondering what the deal was with interest in Islam. I know it is haram but I just joined college and they are telling me I have to pay all of this interest. There is no interest free option. So, please, I'm just looking for advice on how to get by without paying Interest.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sister,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Paying tuitions and other fees to a university is of course permissible and has no interest. What you likely meant is taking a loan to pay tuitions and other fees. Yes, as you said any interest-bearing loan is not permissible in Islam and you should avoid it as much as you can. Best solution is work/study programs, try to find yourself a job while you study, many people do that and you may consider joining this approach.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 5: Life Insurance and Loans in the USA**

From: Nizamuddin

Brother, please, do let us know about life insurance policy. Can we go for it in the United States? We really need more details. Another thing is that a lot of things here are with credit. So, like cars, education loans, and many things. Please, give us more details about this business. Jazaka Allah Khairan for everything.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Nizamuddin

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Interest is prohibited in Islam and any Muslim should make his at most effort to avoid it, don't go on loans this kind of behavior is definitely not advisable by all human standards. Life insurance may be taken according to the view of some most leaned Shari'ah scholars. There are other prominent scholars who believe it is not permissible. This applied to all kinds of insurance including car insurance. However, all agree that whenever, it is necessary or required by law (as in car insurance) it is then permissible to take it.

What must be made clear is that while there are Shari'ah scholars who argue against insurance, it is not the idea of insurance and avoiding risk which they object to. The objection centers on the way the contract is done between two parties (you and the insurance company) as an exchange contract. this is why the Takaful insurance companies are founded. They provide same service on insurance but on the basis of cooperation and group associating together. This is permissible as it is in reality based on the encouragement of cooperation which is mentioned in the Quran 5:4. Takaful insurance companies offer all kinds of insurance policies including life, hazards, cars, etc.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 6: Interest in Non-Islamic Country**

From: Ammar

Assalam Alaykum. Can a person receive or pay interest to or from non-Muslim country? What if a non-Muslim government demands interest on taxes or so on? It is sometimes difficult to avoid interest in a non-Muslim country? Will Allah forgive if someone is forced to deal with it?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ammar

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Things you are forced to do by law are of course forgiven InShaAllah. But no government forces you to pay interest if you discharge of your obligation on time. So it is you who delays not a government forces you. Besides all government are alike, there are no differences between Muslim majority countries and Muslim minority countries. Riba (which means exactly interest) is prohibited in the Qur'an and considered one of the gravest sins. Many of us live in Muslim minority countries and avoid interest. Do your best and seek help from God.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 7: Interest Based Loan in non-Muslim country**

From: Ammar

As-salamu `Alaykum. We live in a non-Islamic country and it is definitely a need to buy a house out of necessity. I know that renting is a solution but sometimes we can't fulfill our needs in a rented house. All banks here are interest-based banks. Can we opt for a housing loan with interest assuming that we are forced to take it? Our intention is not for luxury but for necessity? What do you suggest?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ammar,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Housing is one of the necessities, no doubt about that. For some people and families it may be a real necessity to to many Muslim families who live in the Western countries. Shari'ah is not given by God to make life difficult for people, rather to make it easier and more pleasant. The prohibition of interest came because interest unjust. But if this prohibition causes difficulty for some of the necessities, Shari'ah rules themselves call for relaxation in as much as necessary to remove the difficulty. Accordingly A fatwa was issued by the Second International Conference on Fiqh which was held in Detroit in the Fall 1999 to the effect that for Muslim families in America and similar countries, buying house with interest-bearing loan from banks is permissible provided Islamic finance is not available and and the Muslim family needs to buy a house to live in.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: Supplying materials to a business of making dolls**

From: Abdul-Gaffar

As-salaamu Alaykum. I am in supplying business of building materials. Can I supply materials to a customer who had factory of making idols of non-Islamic gods? Please, reply.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdul Ghaffar

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You should be careful with your words there are “no non Islamic gods” there are false gods worshiped by some people and the ONE GOD who is the creator of everything.

Yes it is permissible to sell him building materials to build a house, but not to build this factory.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session Dec. 18, 2014**

**Question 1: Life Insurance policy**

From: Khalifa

I just would like to get religion advice from you; there is an insurance company and it provides personal insurance. They charge 125 monthly. Basically it is like investment, so you will save money in your account and this money increases every year and there is nothing lost. I have spoken to the person and he told me there is NOT interest; the money is growth. So, do you think this money is Riba or not? Is it possible to join this company or not?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Khalifa

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You know that money does not grow alone. This is obvious. You need to collect correct, exact and detailed info of what does this company do, what are your obligations and what are its, then I can answer you.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: right of Mother of orphans on their money**

From: Dalia

Assalam Alaykum! Does a mother of orphan children have the right for their money? What if she fully provides them and spends for herself a little. Thank you.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Dalia

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If the mother is their Guardian and care taker, she may be qualified for a compensation for her work from the children grandfather or uncle; father side. If none of these is available to take charge especially if you live in a country which does not have Islamic family law, this mother is entitled to take her needs from the orphan's funds for her needs and necessities if she is full time for caring about them. if she has other source of income I prefer to abstain from using their money for herself although it is permissible.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: work as Yoga Instructor**

From: Dalia

Question to Dr Monzer Kahf

Assalam Alaykum! Is it ok for a Muslim to work as yoga instructor?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Dalia

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes, it is permissible for a male or female Muslim instructor provided, she/he observes the Shari'ah required dress code.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: food offered by a worker in a bank**

From: Heena

My sister is a bank employee. Is the food or clothing from her money haram or halal? If it's haram, then how to avoid it? I can't tell her I won't have any food from your money

or something like that!!

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Heena

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

In conventional banks, many jobs are permissible and accordingly the income from them is also permissible. If she does any non-permissible work, the income of that work is not permissible too. non-permissible works are matters of writing any step of an interest contract including signing it.

However, Haram income applies to the earner of it not to other persons who receive anything from the recipient as a gift or charity or a price in exchange. This means you can eat food and take cloth she gives you, it is considered as a gift.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Work in a woman store with music**

From: Arwa

I work at a women's store and I'm a girl. Of course music is being played the whole time there. I'm just wondering: is working in that kind of environment haram?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Arwa

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

No, and music itself is not Haram. What is Haram is the environment of most music playing such as dancing, drinking and showing parts of the body that should be covered.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: being unemployed**

From: Mariam

I am currently not working and haven't been for some time. I would like to know if going on unemployment is ok. I will not be working under the table or secretly working. Is it ok?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,

wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Mariam

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You mean staying on unemployment benefits for long. I think it is not Haram but it is much more dignifying to earn your own living. The Prophet, pbuh, praised the Prophet Dawud for he was eating from the earning of his own hands/

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 7: My income in Canada, halal and haram ?**

From: Sarfraj

I have a question that I am from India. Firstly, my wife came to Canada alone on a student visa and at that time she was accommodating with girls and after 3 month I came to Canada on a visit and then I converted my visit visa into work permit as per the rule of Canada.

So, I need to know whether my income is halal or not if I work in halal way.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sarfraj

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I see you are within the law and within the Shari'ah, it is of course much better, if not even necessary that you should work and sustain your wife and make a good family.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: Canada Post pre-paid VISA?**

Canada post prepaid visa

From: Om Alamean

My question is about Canada Post prepaid visa is it halal or haram. It is like the debit card but includes maintenance fees, is that OK?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Om Alamean

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

This card is permissible whether it is with or without fees.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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## Live Fatwa, OnIslam Session Jan. 1, 2015

### Question 1: Zakah to adopted child

From: Mahmuda

A friend has 2 adopted children; one is mentally unstable and unable to earn a living. Can the support given to him in monetary terms, housing, allowance, etc. be considered Zakah? He would be unable to support himself otherwise. The other is female, married with 4 children but need financial support which is being provided. Can this be considered Zakah?

### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Mahmuda

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If the adoption is legal, the law must be respected in matter of financial responsibility. One cannot discharge of legal financial responsibility, even when we may think they are not just or fair, through Zakah. Zakah is the right of the poor and needy and cannot be used to pay one's own financial duties toward the law or the government.

If the adoption is the Islamic way, in the meaning of taking responsibility of orphans without legal bondage as own children but only in the sense of taking care and spending on them, any payment to these orphan, even after they grow up but remain poor and in need can be considered as part of Zakah, rather it may be also more rewarded being reaching really deserving persons as described.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### Question 2: Zakah Due

From: Tarek

I would like to ask about Zakah Al-Maal? How much is Zakah Al-Maal and after how much amount of money I should get out from my money Zakah Maal, and what is the percentage of each one hundred?

### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Tarek

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Zakah al Mal is a duty of each rich Muslim repeated every year Like Fasting in Ramadan is repeated every year. Any Muslim, male or female, minor or major, who owns an amount of Nisab or more is required to pay Zakah. The definition of richness is owning this Nisab. Nisab for money, gold. Other properties (except what is coming later) is the value of 20 Dinar of gold or 200 Dirham of silver. (My own estimation of it was done several years ago and I still hold on to it as I considered recent hikes in gold prices as speculative and should be neglected, it about US\$ 1500). For money, savings, bank accounts, businesses, investments and other properties there is also the condition of Hawl, that is the passage of one lunar year (354 days). This means that Zakah is calculated every 354 days, the first time of it is 354 days after you Got US\$ 1500 for the first time, the rate of Zakah which is on yearly basis is 2.5% of the market value of all these items which are subject to Zakah. The Nisab for Camels and other livestock varies (40 for sheep, 30 for cows, 5 for camels) and the Hawl condition applies, the rate here varies and it has a long detailed list. For agricultural product the Nisab differs and is considered in weight or volume, it is about 653 Kilogram of wheat, etc. the condition of Hawl doesn't apply here as the Zakah and the rate of Zakah is 10% if the farming is watered by rain, rivers or the like, it is 5% if it is watered by expensive means.

Lastly there are items which are not subject to Zakah. These include: live-in residence, personal transportation (e.g., own car if you are in America, household and kitchen items and appliances, personal cloth, books and the like.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 3: Zakah, debt**

From: Lamees

I am in debt, not working. I'm in a second marriage. My first husband never paid anything for kids. I have little jewelry. I wanted to help my kids in debt. My second husband, though rich but does not pay me at all from which I could save or pay debt or Zakah.

I have no option but to sell the jewelry. But getting peanuts value when trying to sell to pay Zakah or debt. What should I do? I wanted to keep for my boys, but I have strong feeling that I must pay Zakah.

### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you are under debt most likely you are not subject to Zakah, the little jewelry that you own if they are within the range of your peers (like sisters, in-laws, neighbors) and you normally use them, they are not subject to Zakah. Whenever you have any funds, start

with payments of your debts, then help your kids from previous marriage and if any extra you get, then they may become subject to Zakah provided you get about US\$ 1500 and they remain with you for 354 days. Do not worry now about Zakah, rather worry about taking care of debts and your children.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 4: Calculation of Zakah**

From: Zulqurnain

I have a serious confusion on how does one calculate Zakah at the end of the year. Actually I had been doing it as it should have been but ever since I have come to Canada. I have read many articles online explaining the method of calculation especially if one has mortgage and other loans which are to be paid over multiple years. I do understand that Zakah is paid and calculated on per year basis. Please, help me understand it early.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Zulqarnain

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The matter of mortgage is much simpler than you think. May be you got confused because you read many article by persons who don't know any real life accounting.

Mortgage on your house, assuming you pay monthly like most people: on the day of your Zakah, you may deduct only the next installment provided it is due before you get next salary. In other words, you deduct the amounts which are going to be paid exactly from the existing money of this day.

For mortgages on business, the amount on which Zakah is due is the business net worth as calculated at market prices and according to the best accounting principles regardless of any differentiation between fixed and mobile assets. In other words all debts on the business, mortgage or others, are deductible. Notice that the equity in the residence is not subject to Zakah while the equity of business is subject.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 5: Zakah on Rental Income**

From: Ally

I have a property that I collect rent monthly. The property is paid off and has few expenses being repairs here and there and taxes. How do I collect the rent for this property for Zakah? I use all the rent in my day to day expenses. Thus I do not

accumulate it for one year. Kindly, advise.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ally

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The principle is that any investment or rental property is subject to Zakah itself not only the rent of it. A property one resides in is not subject to Zakah at all. I suppose you work and earn your own income so that the rent may be for extra. I know that there are cases where some people have cases like yours who live on rental income. In this exceptional case I think that if no Nisab on the cash that you have remains with you for a full 354 days, you are then not subject to Zakah, when you sell the property you pay one year Zakah at 2.5% of the proceeds of the sale.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: ZAKAH ON RRSP**

From: Riad

I used to work and live in Canada, and during that I accumulated around CAD 35000 into my own RRSP. I am now living in the Middle East and I stopped contributing to RRSP for almost 9 years. Do I have to pay Zakah on my existing RRSP which 35000? Knowing that I "think" I have to be in Canada to cash in my RRSP and I have to return the tax I already benefit from and I do not know how much.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Riad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The principle is that the RRSP is subject to Zakah on yearly basis, this applies on active and functional RRSP accounts. your case seems to be special. I suggest that you must check with the law to determine the amount you still own of the RRSP (remember there is return on investment added, part of it may be Halal and part may have to be given away to charity being generated from non-permissible investment such as in government bond). The amount you are entitled to (after applying the purification as mentioned) is subject to Zakah. This also applies to the past 9 years since the Zakah is yearly. Due Zakah does not die out by passage of time. If you decided to desert Canada and forsake this amount by considering it non-recoverable, then you write it off from your Zakatable assets.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam  
Prof. Dr. Monzer Kahf

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**Question 7: Claiming Charity (Zakah) amount while filing taxes**

From: Zubeda

My question is: is it permissible to claim the amount you give in Zakah when you file your taxes?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Zubeda

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes, you may deduct it from your taxable income. Didn't you factually gave it away? The law says that anything you give to charity can be claimed in calculating your tax. And the Shari'ah has no objection whatsoever to reducing your tax! This claim does not require you to give more Zakah since what you calculated if correct is a done deal for Zakah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: Zakah for brother's tuition**

From: Nazia

I have some doubts regarding Zakah. I am an engineer and my family is mostly dependent on me and they are searching for a groom. There are chances that I may quit my job after marriage (depends on the groom). My father has less income which is insufficient for their basic needs. My parents say that since you are a girl and we are depending on your income, the fees paid for my brother's studies can be considered as Zakah. Can I give Zakah for my brother's studies?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Nazia

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You do not seem to have asset which are subject to Zakah. Zakah on income applies to the saved part provided it reaches Nisab (# US\$ 1500) and after 354 days (a lunar year) if you have that much at least you pay Zakah at the rate of 2.5% per year. Besides, Zakah cannot be paid to your father or to your brother for whom your father is responsible. It is you present and future responsibility to help your father as much as you can now and in the future after marriage, from your own income and properties.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam  
Prof. Dr. Monzer Kahf

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**Question 9: Zakah and Mortgage**

From: tayyaba

Me and my husband's mortgage a home jointly. When calculating Zakah, how should I subtract the mortgage amount?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Tayyaba

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Mortgage on your house, assuming you pay monthly like most people: on the day of your Zakah, you may deduct only the next installment provided it is due before you get next salary. In other words, you deduct the amounts which are going to be paid exactly from the existing money of this day.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: Zakatable home equity**

From: Haidar

I don't have any savings or cash in hand that Zakah is due for. However, I have equity in my home worth around \$110,000. Knowing that properties that one lives in are exempt from Zakah, is the equity in my home counts towards my Zakatable wealth? I.e. do I deduct it from my debts which total is around \$90,000, and pay Zakah for \$20,000 (\$110k-\$90k) though that \$20,000 is not money in hand but equity in the home?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Haidar

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Let me put it this way: the house you own is worth 110 on which there is still unpaid balance 90. Your net equity in this house is 20. If this is a house you live in or you have any of your family members live in free, this house is totally exempt from Zakah. You do not count it at all and you do not deduct the debt that is on it. let us assume that on Ramadan 1, last year you owned US\$ 1500 (# the Nisab), and on Ramadan 1 next you have in the bank 3000, and it happens that Ramadan 2, id the due date for the house mortgage payment in the amount of 1200, your next pay check comes after the second on Ramadan 17. The Zakah is due only on 3000-1200= 1700. This is to be multiplied by 2.5% to get the amount of Zakah.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 11: Amount of Zakah ul Fitr**

From: Parvin

How much is the amount of Zakah-ul Fitr per person?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Parvin

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

It is the price of ½ Sa' of wheat you should check that in Ramadan next in your local community. The ½ Sa' is about 2.3 Kilogram per person in the family young and adult . Many people (and unfortunately mosque Imams) make the mistake of equating it with the Kaffarah (payment to replace fasting for persons who cannot fast). The latter is two middle level meals (that is food for a person one day) which is approximately in America between 10 and 10 US\$. Zakah of al Fitr came in the Hadith as giving in kind wheat, barley, date or dried yogurt, its payment in equivalent money is permissible especially when it is more convenient to the recipient poor (as is the case in America). We must make it clear that it is different from Kaffarah and make this Hadith known to our community members and learn to estimate it every Ramadan in our communities. Last Ramadan was about US\$ 6 in California.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 12: discharging Zakah for loan payment**

From: Tariq

I have a question regarding Zakah. Can the Zakah be given to pay off a loan that I owe to a bank? Also, can Zakah be given to pay off a loan that a relative (or brother) owes to someone?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Tariq

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You cannot pay your own Zakah to yourself! Paying it to discharge an obligation on you to a bank is equivalent to paying it to yourself.

Also for your relatives, we must first establish their need as deserving recipient of

Zakah, then establish that this debt has a priority over the about 35,000 Muslim children who die every day out of malnutrition!

The answer to your two questions is: NO.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 13: Zakah payable on money that has been loaned out?**

From: Madiha

Do I have to pay Zakah on savings that are loaned out to family and friends (obviously interest-free)? There is no concrete date as to when I will need/receive my money back. The amount of money I have loaned out is about 65% of my total cash savings. Please, advise.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Madiha,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Let us apply the criteria: two conditions make a debt on other persons part of your real wealth and then included in the Zakatable items: 1) the debtor is able to pay it back and 2) she/he is trustworthy and recognized being under debt. If these two criteria apply, yes you should pay Zakah. Of course you are rewarded by giving these loans giving a loan twice is equivalent to giving the amount as Sadaqah, as we are told by our beloved Messenger.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 14: ZAKAH on saving for sister's marriage**

From: shabana

I am staying in a rented house. I have my ammi and one unmarried sister. I am a lecturer. I am collecting money for my sister's marriage. And I have 5 tola gold for my sister marriage. I did not have sufficient money for my sister marriage. Is Zakah compulsory on my collected money?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Shabana

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The fact is: unless there is a confirmed commitment for an expense, all balances

available of the day when Zakah is due are subject to be included in the calculation. From what you said in the question there is no marriage yet which means that all balances you have are subject to Zakah on your Zakah date (which is 354 days after you had Nisab = approximately US\$ 1500) provided the total you have on the day 354 is Nisab or more. Same applies to your 5 tola according to the Hanafi school provided they equal 85 grams. I don't know how much is a tola!

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Islamic Finance and Economics

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**Question 15: Zakah to married sister**

From: ansari

My sister is married and her husband is working as daily wage worker, he sometimes does not have a job; his income is meager. Can I give Zakah money to my sister to help her financially? Does Islam permit?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ansari

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes you can. This is also highly rewarded, as our beloved Prophet, pbuh, said that it is a kindness to relatives and Zakah at the same time so it collects Hasanat on the two sides. I see it better though if you can manage to give it to her husband who is responsible for her expenses and he is the poor as you mention unless it may embarrass him.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 16: can car loan be set off for owned jewelry in Zakah?**

From: Nahla

I have gold jewelry back home and few ornaments which I use here. I am not earning an income. My husband has a car loan and not much savings. Should my Zakah be calculated and given separately or is it permissible to set off the car loan value as he is paying the Zakah of my jewelry?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Nahla

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The Zakah on your jewelry saved back home is definitely obligatory. For your Jewelry used by you in your present residence they are also subject to Zakah according to the Hanafi school but if you actually use them they are not subject according to some other schools. The car loan is not deductible from balances subject to Zakah as it is usually long term, 3-5 years and payable normally from future income not from existing savings. This means that paying the Zakah due on the savings and jewelry is necessary and leave the car loan for its monthly payment. This is of course if the conditions of the Nisab and Hawl are met and the car loan is as described. But if the car loan is from a friend, start with its payment and delay the payment of (every year due) Zakah on jewelry and savings until you complete loan payment. Then you make up the payment of Zakah for past and then present years.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 17: Zakah on House in which parents live**

From: Khalife

I own a property (house) in India and my family is staying in the same that is the only house we have. Do I have to pay Zakah on that? Also I have taken a loan to buy that which is due to finish in 2016.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Khalifa

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The house used by family members free of charge is considered as if it is your own residence, it is exempt from Zakah. But notice that interest-based loans are Haram even for housing in India unless there are necessities.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 18: Giving Zakah to own sisters**

From: shahed

Can I give my Zakah to my own sisters if they have better condition but still some problems? I have 13 tola gold how much my Zakah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shahed,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If your sisters are not married, they are your responsibility to provide for and to help your father, if alive to spend on their needs. If they are married, the responsibility shifts to their respective husbands. You may help their husbands using Zakah due on you for that unless giving the husbands directly may embarrass them, then make it through the sisters.

The 13 tola you have are subject Zakah at their sale market price in your locality and at the rate of 2.5%, this is due on you 354 days after the first day you acquired an amount of Nisab (in gold and other properties like business, savings, investment and their like). it is repeated every 354 day (a lunar year).

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 19: Amount of Zakah ul Fitr**

From: Shakir

I want to pay Zakah-ul Maal and Zakah-ul Fitr altogether. Can you mention the amount of Zakah-ul Fitr for 2014.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shakir

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Zakah of al Fitr is due in the last few days of Ramadan, it is sinful not to pay it then. Its amount is the price of 2.25 Kilogram of wheat or rice in you are for each person in your household, including servant if you have live in servants.

Zakah on property is due 354 days after you acquire an amount of #US\$ 1500 for the first time. Generally it is at the rate of 2.5% and repeated every year. There are much more details to it, please check my website for some details.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 20: Giving Zakah to married sister for medical treatment**

From: Shahzad

My sister is married; she has recently been identified a breast cancer patient. She and her husband cannot afford to bear the high treatment expenses. Can I donate her with my Zakah for the treatment and medicines?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,

wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shahzad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes you can if are sure that they are really unable to provide for the treatment. This will also have double reward InShaAllah as mentioned by our beloved Prophet as a kindness to family and Zakah at the same time.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 21: Zakah calculation**

From: Emran

I am trying to figure out how to calculate my Zakah and I would very much appreciate if you could help me out. I own a Condo (no mortgage on it, call this C 1) and I also own a house which has a mortgage on it. I took a line of credit (loan) against my condo, let say \$100 000. I am invested \$50 000 of that \$100k in stocks and I am currently in profit. Let's say if I sell those stocks today I would be making \$10 000 profit. The other \$50 000. I have used to buy another Condo.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Emran

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

All these investments are subject to Zakah annually (lunar years= 354 days) at the rate of 2.5%. The residence you live in is exempt and any mortgage on it is not deductible in the calculation. Any debts on any of your investments are deductible. For more details please see the calculation of Zakah for Muslims in North America on my website [www.kahf.net](http://www.kahf.net) <<http://www.kahf.net>> and on the website on ISNA, [www.isna.net](http://www.isna.net).

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Live Fatwa, OnIslam Session Jan. 15, 2015**

### **Question 1: Halal meat in some food chains**

From: Mohammad

I have observed these days large and famous food chains that are run by Muslims have their own butcher houses where animals are slaughtered every day in a very high number. Since the demand of non-vegetarian food items is very high, it is not possible for a man to slaughter so many animals in one day.

So, these food chains use automated machines to slaughter the animal. Does it still remain halal because there is no one to read the name of Allah onto the animals while they are being slaughtered? Or is it Haram to eat such animals?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. MOHAMMAD

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

SHEEP AND COWS CAN BE SLAUGHTERED BY MACHINES BUT THIS IS UNUSUAL EVEN IN THE MOST ADVANCED COUNTRIES. WHAT IS NORMALLY DONE IS THE THROAT CUTTING IS DONE MANUALLY, EVEN FOR CHICKEN, AND PROCESSING IS DONE WITH HELP OF OR BY MACHINES. ANYWAY A SMALL KNIFE IS A TOOL AFTER ALL, AND IT IS POSSIBLE TO MENTION THE NAME OF Allah at the slaughtering when done by machine if it so happens. If the sellers say it is Halal there is no reason to accuse them of lying unless you have evidence.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Loan to Avail Hajj**

From: Ismail

I am Govt. servant, take loan from bank & Co-operative society and repay it in monthly installment for the period of 48 month from my salary. An amount of Rs. 4.5 lacs yet to be paid. My provided fund and other fund are sufficient to repay even my absence. Can I performed Hajj?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ismail

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you have a plan to pay the debt when it is due, you can use available cash for Hajj. The idea of preventing is when you can only do either of them. BTW, you should be careful of such loans are you sure they are interest-free? Taking interest-based loans is Haram unless in case of necessities, and then you should get rid of the Haram as quickly as you can and do not go for Hajj!

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: Working for Freddie Mac**

From: Lynda

Salam Alaykum. Is working for Freddie Mac and Fannie Mae is halal/allowed in Islam? Please see below article for more information on the companies.

Fannie Mae, the common name for the Federal National Mortgage Association <<http://www.fanniemae.com/index.jhtml>> (FNMA), and Freddie Mac, the common name for the Federal Home Loan Mortgage Corporation <<http://www.freddie.mac.com/>> (FHLMC), are both congressionally authorized government-sponsored enterprises (GSEs). They are hybrids in that they are privately owned by shareholders but enjoy government backing. The U.S. Department of Housing and Urban Development <<http://www.hud.gov/>> (HUD) is charged with regulating both Fannie and Freddie.

The mission of Fannie and Freddie is virtually the same -- "to provide liquidity and stability to the U.S. housing and mortgage markets," according to the Fannie Mae web site, and "to provide liquidity, stability and affordability to the housing market," according to the Freddie Mac web site. They both pursue this mission by purchasing residential mortgages that conform to certain standards from lenders. They then either hold these mortgages or use them to issue mortgage-backed securities to be traded in the capital markets. Currently, Fannie and Freddie hold or guarantee about 50% of the nation's outstanding HOME MORTGAGES <<http://www.bankingmyway.com/real-estate/mortgages/fannie-mae-vs-freddie-mac-what-are-they>>

The major difference between these two enterprises is in how and when they were created. Fannie Mae was created in 1938 during the Great Depression. Originally it was a government agency charged with making mortgages more affordable for low-income families to help improve the economy. It was made private in 1968 at which time it stopped guaranteeing government-issued mortgages. In 1970, Congress created Freddie Mac to help improve the secondary mortgage market by adding competition. Freddie has always been a privately owned company, but it still enjoys the same government backing as Fannie Mae.

Fannie and Freddie do not operate directly with consumers. Their role is to work only with lenders in the secondary market. Consequently, most homeowners do not know if Fannie or Freddie owns their HOME LOAN. A large percentage of conforming mortgages are owned by Fannie or Freddie, however.

The major problems with Fannie and Freddie started as a result of falling home prices and rising mortgage defaults <<http://www.bankingmyway.com/article/mortgage-delinquencies-8th-straight-quarter>> . Because lenders could depend on Fannie and Freddie purchasing their mortgages, lending standards were severely relaxed. Consequently, many borrowers who could not conservatively afford mortgages received them anyway often using subprime and exotic LOANS. When these borrowers began to default on their mortgages, the housing market began a downward spiral. Because all of Fannie and Freddie's assets are tied to mortgages, these two firms suffered major losses.

In September 2008, the government initiated a rescue plan to deal with Fannie and Freddie and prevent these two firms from failing. Both firms were placed into the

conservatorship of the Federal Housing Finance Agency (FHFA). U.S Treasury promised capital support of up to \$100 billion for each firm in exchange for \$1 billion of senior preferred stock with a 10% coupon.

Recently, the administration announced the Making Homes Affordable program targeted at preventing foreclosure. This program is available for Fannie and Freddie mortgages and offers a refinancing opportunity for homeowners who owe more than 80% of their home's current value. By refinancing at lower interest rates, monthly payments will decrease. Homeowner's can check with their MORTGAGE SERVICERS Description: or with Fannie or Freddie directly to see if they are eligible

Thank-you for your service, May Allah Bless You!

Best Regards, Shaheen Khan.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Lynda

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Both these institutions are interest-based in their activities. Even though we still apply the same rule we apply to banks. Working in area where one does not write, sign, legally review, and similar action of interest-based contracts is permissible and the income received from such permissible jobs is also permissible. The Prophet, pbuh, mentioned that the Wrath of God is in the writer and witnesses in addition to taker and giver of Riba.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: Zakah on jewelry given as lien**

From: Syeda

I have about 7.7 tola of gold jewelry from that 6 tola is in the mortgage in the bank since 3 years because we have taken loan on that, whether I am liable to pay the Zakah. And we also have an open plot nearly 2.5 lac whether Zakah is also liable on that property.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Syeda

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If the debt you are under is been paid out of your normal regular income and you do not intend to use the gold mortgaged to the bank for its payment, it does not matter whether this gold is mortgaged or not. You are still the owner and if a Hawl passes on the first time you got an amount of Nisab, i.e., about 85 grams of gold you are subject to Zakah at the rate of 2.5% ever 354 day (Hawl). For the land, if it is intended to build your

house on it, it is not subject to Zakah but if you bought it with the intention of keeping it until prices go up or for any investment purpose, its market price is subject to Zakah on same principles as above.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: banking job**

From: muhammed

I live in Calgary, Canada. I have a concern regarding my job. I lost my job last month. Since then I was applying for many jobs, but I didn't get any. I have two kids and my wife is working. Till February I have employment insurance. But once it is over, it's difficult for us to move forward. Now I got a part time job in a bank in customer service, which includes sales of banking products. Is it halal to do this job until I find another job.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If your job is promoting interest-based products or filling or receiving applications from customers, this is part of writing interest which is covered by the Prophet, pbuh, Hadith of prohibition. If you do not do any of activities related directly to the process of creating an interest-based contract the job may not be Haram.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: working at a car dealership**

From: ..

I have currently accepted a job working at a car dealership and am just curious if it is haram.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Selling car is of course permissible, you must not be part of making the finance contract of it, e.g., filling the application for your client.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam  
Prof. Dr. Monzer Kahf

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**Question 7: Working as a Human Resources Manager in a resort which serves alcohol**

From: Ibrahim

What is Islamic view regarding working as a Human Resources Manager in a resort which serves alcohol and pork. Here I would like to mention that the main source of income to my country is from tourism sector. Most times guest staying these resorts are Non-Muslims.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ibrahim,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Serving alcohol is not permissible for a Muslim whether one serves Muslims or non-Muslims. But you said your job is in human resource not in serving alcohol or pork. Working in human resource department in a resort place is not Haram and the salary of it is not Haram either.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: is working as a physiotherapy assistant Halal or Haram?**

From: Zainab

Is working as a physiotherapy assistant a haram job?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Zainab

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

What can be Haram in helping other people get better? It is rather favored jobs, of course it is better to specialize in women being a female unless under necessities.

Wa Allah A'lam

W Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 9: Unable to pay student loan**

student loan

From: shayat

When I was in college I took student loan for undergrad studies. My father died; we

were living with my elder brother but he was also struggling financially. I wanted to become a dentist & my intention was to repay my loan before interest start. However, I could not pay my loan. I got married & could not become a dentist. Now, my loan reached to almost \$16000. My husband cannot afford to pay that loan. I am scared of Allah's anger because of interest & loan. What if I couldn't pay back my loans?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Shayat

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

God does not question us for things we cannot do. We need to always do our best to fulfill our obligations and leave the rest to Allah. Try to take a job that is in your capacity.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: Unintentionally Entered into a Riba loan contract**

From: Babar

My friend bought a used car at 0% interest by asking the dealer to increase the price of the car, instead of charging interest, and he paid installments at 0% but on a higher price.

I thought this is halal so I tried to do the same but failed. I made the contract with the dealer to buy a car but after at the time of financing it, I told the dealer to do it at 0% like my friend did but the dealer disagreed and I had no choice but to sign the Riba contract. Should I sell the car now or can I keep it?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Babar

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I don't think you can now undo what was done unintentionally, just try to pay this contract as soon as possible, expedite payments for it and mad Istighfar and Sadaqah.

Allah promised in the Qur'an that Hasanat wipe away Sayyi'at.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 11: loans to friends never paid back**

From: ouassila

I have been in some problems and I just feel its growing. I am scare it will go bigger. Few

years back we lent few friends' money. Between 3000\$ to 10000\$ with the process to return in a couple of months maximum 6 months. Money never came back. At that time it was not a problem yet, this year we bought a small town house we have a mortgage to pay, so our financial start getting tight and expanses got higher plus our debts start growing.

So, I am asking all of them to return the money after 4 years, of course no one did till now. Some are my friend's some are my husband's friends'. My husband is very shy and nice personality; he can't force or argue, I am way too stressed about it, I start seeing counselor, taking anti depressions.

I never was in depths. Out of anger I texted everyone my friends and his friends, that this is too much we need our money we are in need too. That made my husband angry, it's kind of /I reduced from his men personality. I am feeling I will never see this money and even if it comes, it will not cover my depth, but all I want is to clear my depth be clean with Allah, and keep my family connected.

I love my husband and I care about his name, but in most house staff I handle because he is a quite personality. Dealing with his friend was a sensitive point. Please, advise. No will help I am sure, but also no one want to even return my money, so what to do?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Ouassila

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I think the best you can do under the circumstances that you described is to come back to yourself and leave all these worries behind you. Leave it to God to take care of and care about your house and family and husband. Simply get that off your shoulders and do not think about it anymore.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Live Fatwa, OnIslam Session Jan. 29, 2015**

### **Question 1: Supporting brother and parents more than wife and son**

From: Zoya

It is 3 years that I'm married and have a son who is 2 years old. We are living in a join family and my husband feels that his family (parents and brother) is more important for him and it is sawab.

But my husband is failing to fulfill the duties and responsibilities towards me and our son. How far can he support my brother in law who is married, because of supporting him financially we are stuck under heavy loans; can you please help and guide my husband on this.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Zoya

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Supporting parents and sibling when they are in need is not only a religious duty but also an important fulfillment of human dignity and self-respect. Of course this support should be fair and to the extent which does not make sibling more comfortable than other members including wife (or husband) and children. If your husband is exceeding this standard, he should be careful and come to fairness which is to make them as comfortable as his small family is. By the way, this principle applies to males and females, single or married when their parents and sibling especially young ones are in need.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Are we allowed to purchase a foreclosure home from banks?**

Foreclosure Home Financing

From: Farhan

Are we allowed to purchase a foreclosure home from bank on fixed or variable mortgage rate? If yes, then how is this different than conventional mortgage?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Farhan

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Interest is not permissible (unless in case of necessity and its likes) whether in regular mortgage or in foreclosure purchased from banks and whether the mortgage interest is at fixed or variable rate. There is no difference in the prohibition. When there is necessity, one should try to have the fastest to pay and the cheapest possible mortgage in order to reduce the Haram practice as much as possible because the necessity cannot be expanded beyond the limit needed.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: buying a house on conventional mortgage**

Lease a house

From: Salman

I am new immigrant and I want to mortgage a house for personal living. Does our religion allow us to do so?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Salman

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Interest is prohibited and our religion does not allow indulging in it unless under necessity or its like. the issue was studied several times and an opinion was adopted by the Second International Conference on Fiqh held in Detroit in the fall of 1999. That Muslim families who live in the Western societies and need to buy house to live in for reasons of finding decent places, good schooling, reasonable safety and security and also financial suitability may go for interest-based mortgage provided there are no permissible ways available to buy a house for residence without interest.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: Cost of Hajj**

From: leeban

Why does Hajj in today's world cost so much money back then it did not; it was free?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Leeban

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

At all times, Hajj cost money and it varies depending on what facilities available. Thanks to Allah now it cost less time! When my father made his Hajj in the first few years of 1900 he spent three month walking from Damascus to Makkah (about 1800 kilometer) in addition to the cost. now when my son made Hajj from California to Makkah (about 20,000 KM) in just two weeks.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Money saved from tuition**

From: akram

I am a student and married. I have a kid and my wife is pregnant. My family sends me money every month of which I feel is not enough as for them they feel is enough thus they don't want to increase. I'm left with only a third of the money for food for the

whole month after spending the rest for rent and other utility bills.

The university gives me 15% discount and on top I add some little money on the fees to cater for my needs without the knowledge of my parents. Is this money halal for me?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Akram

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Lying or cheating is not permissible even to parents. You should know that you are better off than at least 95% of Muslim children whose parent are not able to support their living. I think you need to convince your parent or at least not lying to them. you also should recognize the difference between lying and not giving all the info you have. you seem to have forgot the third option which is to find yourself a part time job along with study. As a husband and a father it is about time that you earn your living rather than depending on parents...

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: payment of Zakah on gold held static**

From: Jaseel

I have question on giving Zakah. I have a debt to bank which I took for house renovation and sister's marriage. My parents are completely dependent on me. I have some gold which my wife has received from her parents during marriage. As local tradition, I can use this gold with my wife's permission on need basis (only if wife allows).

Can you please help me understand, do I need to pay Zakah for this static gold?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Jaseel

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Please leave the tradition aside. The gold owned by your wife is hers and you have nothing to do with it. if you have income that is above the amount you spend on yourself, family, parents and the debt to the bank (remember taking interest-based loan is Haram and one of the most severe sins in our religion whether for renovation or for sister's marriage) so that you save some part of it, once these savings (added to any other investments and properties used for investment) reach the amount of Nisab (approximately USD 1500) you are required to pay Zakah at the rate of 2.5% once 354 days pass and repeat it every year.

Also if the amount of gold is more than 85 grams, she is required to pay Zakah on the total at the same rate of its value first time after 354 days from the day she had them

and every 354 days then after. It is permissible for you to pay the Zakah due on her with her knowledge because Zakah is a worship like prayers.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 7: difference between a loan and Murabahah**

From: Mohammad

I need to buy a house and don't have enough money to buy it without the need for a loan. I seek your answer about that case:

- 1) The bank really buys the house or the car, and once it is in its possession sells it back to the customer by a higher price.
- 2) The bank does not really buy the house or the car, but it just pays the money on your behalf in return of repaying (the bank) a higher price.

I have been searching but can't find a halal loan; do you know a real halal loan?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohammad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The first case is Halal and the second is Haram. An important difference between them is that in the first case it gives you a car or a house and its fair price is higher when payment is delayed. In the second case it gives you a loan (debt) and the debt does not have a difference through time. A car or house or any other property produces utility through time (which has a price) but the debt does not.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 8: multi-level marketing**

Business and Income

From Mujeeb

These days I have been approached by several Muslim brothers and sisters who tell about this great way of much extra money as a side business.

Amway combines direct selling with a multi-level marketing strategy.

<http://www.amway.com/about-amway/business-opportunity>

Is the income through this business model un-Islamic? Folks use this business by showing different expenses as business expenses to save taxes on their main source of income. So, is this a valid way of cutting taxes?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mujeeb

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Please explain this business in word. I do not answer on basis of websites.

You may reduce taxes by claiming any expense that the law allows provided you do not make a lie.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 9: donating on line, does it have same reward from Allah?**

From: Recep

I have a question regarding online donation; let's say I donate online in one website (Muslimwebsite). However, I believe that your intention must be right.

Therefore my question is: am I getting the same deed when I donate online and other person goes to the poor's/orphans and give them a donation in person? The question came up during conversation with my family member.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Recep

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

There is no difference as long as you trust the people who run that donation on line. There is no added virtue in going personally to the poor unless you offer some additional personal help.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 10: sales agreement validity**

From: Khaldoun

I listed a car for sale for 29,000. A prospective buyer bargained and I agreed on 25,500. Then I saw the buyer and met with him at my friend's place where the car was, as my friend was helping me out with the ad and answering emails. The buyer was impolite to my friend. On the next day, he sent me a message asking me to get a proof of warranty from the dealership and prepare the sale agreement and he will prepare the check. He was also rude, so I decided to withdraw my offer; halal?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,

wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Khaldoun

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you concluded the sale verbally, it is a done deal. But if you did not conclude it and you agreed on the price waiting for seeing the car and make final sale at the friend's house, then you have right to back up, from what you said, it seems to me that it is a done deal and you better not back up.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 11: Living in the house of deceased parents while having other heirs**

From: sameeha

I am living in the house that my parents had and now they have both passed away, there was no will and I have 2 brothers and I am the only daughter. Please, advise me how would the house be shared amongst us.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Sameeha

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

It is a straight forward case. Upon the death of the owners (I assume it was owned by both parents together) the house and all other properties of theirs became owned by the three of you (provided your parents are not survived by any parents of their own, i.e., your grandparent) on the basis of one share to you, and two shares to each of your brothers regardless of any of you being married or single. If you have not income or wealth and you need any financial support, your brothers are responsible to provide you with it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session Feb. 10, 2015**

**Question 1: What to do with existing conventional Mortgage?**

From: Mouloud

I bought a house in 2010 using traditional banks mortgage. I learned later on that this is Riba. El Ansar cooperation in Toronto offers the option of financing people who have mortgages with traditional banks. It takes at least one year to get the financing. There is also the option of selling my current house and asking the cooperation for money to buy

a house. Here also waiting time is same. Which option do you recommend? Currently I have 3.5 years to pay mortgage.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mouloud

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I see the option of transferring to Islamic finance asap, if it is one year so let it be. Meanwhile make Istighfar, try to maximize the amount you pay on the present mortgage and make more Sadaqat, as Allah promised that good deeds remove the effect of bad actions.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Stolen money**

From: Dina

I'm too ashamed of telling my story but I have to. I stole some money from my mother and I really regret it now. She found out that some money was missing and she was so upset which made me feeling so guilty. This is why I want to give it back to her but I don't have it all. She's going to buy me a dress with same price that I took from her. Well if I tell her not to buy me that dress, does it mean that I gave it back to her? Will Allah forgive me?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Dina

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Replacing refusal of a gift for returning the money to her is not a way of paying back that money which is hers. Just put your own finance together and pay mother the amount or more than the amount, even without mentioning the story of stealing it from her. Accept the gift, repent to Allah only between you and Him, make more Istighfar and be kind to your mother much more in the future.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: giving Zakah to father and calculating it**

From: Haniyya

I am married since a year. It's time for me to pay my gold Zakah. I need to know 2

things, may Allah be pleased and reward you the best:

1) While calculating Zakah amount, I am supposed to give 1.60 pavan of gold as Zakah. If I am giving this as money, the rate of gold of which day am I supposed to calculate? Because the rate keeps changing every day.

2) Is it allowed to give my Zakah to my father who is on debt, so this money can be used to pay them which might be a relief?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Haniyya

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I don't know what is pavan. The amount of Zakah due after 354 days of obtaining gold of 85 grams (the amount of Nisab) or more is 2.5%, this is repeated every year. The Hanafi school does not make any differentiation regarding whether the gold is in normal use or not. The amount of Zakah is due on the completion of 354 days. It can be distributed in money at the price is on the day it is due.

Zakah cannot be given to parents because you are responsible for their living and welfare even as a female, if they are in need. You may help with his debt from your own money not from the money which in fact belongs to the poor.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: Zakah on sold land**

From: Safiya

I sold a land back home and I want to pay Zakah. How much % do I need to pay? And can I send the money to my poor relatives back home?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Safiya

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you got the land, when you got it, for the intention of selling it. it is subject to Zakah from the time a Hawl passed on it (that is 354 days after obtaining it) at the rate of 2.5% every 354 days.

If your intention was to build on it your own home then you changed your mind and sold it, Zakah is due on the net amount you received by adding it to other cash you have and pay the Zakah on the total you own on the day of your regular Zakah on other cash as same rate and repeated every Hawl.

Zakah may be paid to relatives other than parents, children and minor sibling (an preferably all siblings). It is rather better to pay it to them as told by the Prophet, pbuh,

it becomes Zakah and kindness to kin.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Buying a house in Canada**

From: Fazal

I have four kids ages 11, 09, 06 and 02 years. I am working as an engineer and earning 6600 CAD per month, while I am paying 1000 CAD for kids Islamic school fee and send 1000 CAD to my parents to my home country. I am paying 1800 CAD rent including utility, 1000 CAD for food and other stuff. I changed 3 houses in a year and get hardship every time due to moving and searching houses. My question is about buying a house on mortgage; I am confused in this situation and need your advice.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Fazal

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

It is on your situation and similar that the Fatwa of permissibility to buy a house for own residence in Western countries applies. Try first to find a house finance through Islamic organizations in Canada, there are a few of them. If their conditions are difficult to meet, go for conventional mortgage and try to pay it off asap.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: Leaving all estate to one of the children**

From: a Sister

My mother has decided she would like to have an Islamic will. She has 3 boys and 3 girls. But because of family issues she has decided that she wants to leave everything to me. The only reason is because the other five do not speak to her or acknowledge her. The 3 boys decided to go their own ways they act like my mom is the enemy which she is not. And the other 2 girls don't have any communication with her at all. I am the only one that is with my mom. How does she do the will?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sister

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

It cannot be Islamic will with preventing the other boys and girls. I understand her

feeling. If she wants to give you any edge over others she can do it while alive not in a will but in a gift. She can give you everything as a gift. But once she dies, the property moves to the heirs as mentioned in the Qur'an ( assuming no husband and no parents, nine shares, two to each son and one to each daughter). An Islamic will must reflect the Islamic obligatory inheritance system. A gift is up to the giver as long as she is alive.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 7: A last will that violates Shari'ah**

From: Fatima

Let's say someone dies and leaves a will that does not comply with Allah (SWT). The children of the deceased decided to change the Will to comply with Allah (SWT). Does the deceased get punished for writing a will that is wrong or will he be forgiven because the children changed it to be correct?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Fatima

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Let leave the reward and punishment of the deceased to God alone. We are told by the Prophet, pbuh, that good actions and prayers and Istighfar of children benefit the parents. Their action in correcting the will benefits the parent accordingly.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: Not-paid Zakah for past years**

From: ASHEKIN

I read the article about RRSP and RESP, we must give Zakah for those. But my question is to you is: before it didn't come to my mind, not somehow I asked myself and check this web site and come to know.

1- What about the past? Which I missed since 15 years for my son RESP? What do I have to do at this time?

2. Is it acceptable, if I paid my Zakah to my family member to do his business and slowly he'll pay all the money which I give him for my Zakah? Please, let me know?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br./Sr.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Zakah dues do not die out by the passage of time. You need to estimate at best educated guess the amount due for all past years and pay it, also be a little more generous because you are dealing with God.

You can pay Zakah to family members if they are in need and the criteria of Zakah recipients apply to them with the exception of parents, children and minor siblings. Paying it with a loan concept is not valid. If the person deserves it. whatever she/he does with it is his/her business and you have nothing to do with it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 9: Dividing a House among a Sister and Two Brothers**

From: Sameeha

I am living in the house that my parents had and now they have both passed on, there was no will and I have 2 brothers and I am the only daughter. Please, advise me how can the house be shared amongst us?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Sameeha

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Assuming no grandparents, it is straight forward mentioned in the Qur'an Verse 4:11 as follows: you get one fifth and each of the brothers two fifths.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 10: Donating Interest Income**

From: ABDUL

Can I pay interest earned on my saving account to a mosque?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. ABDUL

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes, and better tell them, so they do not use it in the prayer hall maintenance.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 11: Halal meat for prisoners**

From: a Deputy

I work in a local jail and when I get a person practicing Islam and wanting a special diet, we are having some difficulty. We are unable to accommodate the exact halal requirements; due to its cost it puts a great burden on the kitchen budget. Kosher is easier to do for some reason, but we are working on that.

Until we have a better option I have a problem. From what I have read and understand it would be preferable to serve a vegetarian diet then have something that is kosher. All the meat that we do serve is turkey, but there is nothing that says that it is slaughtered in the right fashion. Can you give me some guidance in this matter?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I think you must provide Halal definitely. This is the law and the human right of the person in jail.

Meanwhile you may serve vegetarian with explicit info and transparency. Kosher is not recommended because of the controversy around it nowadays especially in Western countries.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 12: Giving false info**

From: Saeed

I desperately want to apply for affordable housing under Calgary Housing Company. One of their eligibility criteria says that the total household assets should not exceed \$7,000.00 including but not limited to \* Bank accounts \* Investments \* Equity in property or vehicle. Our bank a/c. is \$2,500.00 & vehicle value \$1,800.00. The thing is that we have saved a cash of \$7,000.00 in a money box for our back home trip and my wife owns gold ornaments valuing \$4,000.00. DO WE QUALIFY to apply?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Saeed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I think you do qualify. They do not care about what you have hidden for emergencies or what your wife wears as ornaments.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 13: Health insurance**

From: Ahmed

I have epilepsy and my doctor said I need to get a MRI and an EEG scan in order for him to be able to diagnose my seizures. And MRI cost like \$2000 and an EEG cost like anywhere from \$200-\$700. But I don't have any insurance. Is it permissible for me to apply for health insurance?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Health insurance for Muslims living in the Western countries is permissible, rather it may be necessary in most cases. you are already late in taking it, and you may take it the soonest possible.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 14: gift in life time**

From: Fatou

My sister-in-laws is an only child. She also had one child a daughter who died recently. She has one landed property and has told me recently that she is going to give it to my daughter and a cousin. My sister-in-law's father is alive but she was unfortunately born out of wedlock. She is also not married.

Can you, please, tell me if it is right for her to dispose of her property this way even though her father is alive? Please, advise me on whether my daughter should take this gift. She has also said that the property should never be sold by the two recipients even though this would have already been gifted to them.

I am confused and not keen to let my child inherit anything that is not in accordance with Islam/Shari'ah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br./Sr. Fatou

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

From the legality point of view, according to Shari'ah she can do whatever she likes with

her property as long as she is alive and capacitated. Potential heirs have no right and cannot limit a person's actions. Also from legality's point of view, if she was born out of wedlock her father cannot inherit her because of lack of formal marriage. (such a child has inheritance mutual relation with her/his physical mother only).

But from good-relation and kindness to father, she better make a will to give him part of her estate when she dies (as he is not qualified as an heir). It might be advisable that if she decides to give the property to your daughter and her cousin that she may consider giving a part to her father.

On the other point, the condition of no sale in a gift is not permissible and not valid in Shari'ah because that is an interference with an owner's basic human rights.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 15: betting**

From: Hina

I was having a conversation with my cousin when I bet some money on something. I lost the bet and now she is demanding that money from me saying that since she won, she deserves to get that money and if I don't give her the money, I'll remain indebted to her. Later, I also came to know that betting is haram in Islam.

Keeping all of this in view, do I owe her that money and will I be accountable for it if I don't pay her? A quick reply would be highly appreciated.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br./Sr.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Betting is not permissible according to majority of scholars. I think you should convince her not to take such betting seriously.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 16: keeping part of ticket price paid by employer**

From: Tufel

Using Travel Allowance Paid by Employer

As-salamu Alaykum Sheikh. My company wants to send me for an official duty and will pay me the money required for premium class train. However I wish to go in the economy class train and keep the difference of money to me. Is it Halal?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Tufel

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If they give allowance you can go by any class and pocket the difference but if they give ticket or ask for the ticket receipt according to the company's system, you may NOT pocket the difference.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 17: Property distribution in inheritance**

From: ubaid

I want a detail description about house (property) share among the family members according to Islamic Shari'ah (Sunni). Family has 3 sons and 1 daughter; the eldest son has only 2 daughters both married. The middle one has 2 sons and 1 daughter. The last one has 1 son and two daughters, one of them married.

Their father has died but their mother is alive. The father has given half of ancestral house to his wife as her share. The eldest son has shifted to other place leaving his ancestral house, and has died some years ago after death of father.

The middle one and the last one are living in their ancestral house. The father has given 10000 as a share to her daughter before some years but she and her family did not accept that share that time and told we will take it in future now she has died.

Now sir, I want help from you. What share does everyone have to be given according to Islamic Shari'ah (Sunni). Please sir, reply as soon as possible, as it is an urgent matter.

### **My answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ubai

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Anything given while alive and accepted by recipient is a gift, valid and permissible in Shari'ah. this applies to whatever is given and registered (or acknowledged by all other heirs if not registered) in name of wife or to daughter.

All estate of the deceased father is distributed as follows: 1/8 to wife, the remainder is divided into 7 equal shares (actually in this case each share is equal to 1/8 of the original). One share to the daughter and two shares to each of the 3 sons.

Then the share of the son who died later (along with his other ingredients of his estate) should be distributed to his own heirs as follows: 1/6 to his mother who survived him, 1/3 to each of his daughters, 1/8 to his wife if she survived him and the remainder to his 2 brothers and one sister (this is 1/24 if the wife survived and 4/24 if she did not. It should be divided into 5 share one to the sister and 2 to each brother).

After death of daughter her estate is divided between her heirs as follows: 1/4 to her

husband if he survived her, 1/6 to her mother and remainder to her children if they include a male at the rate of 2 shares to the male and 1 share to the female.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 18: Deceased Parents Unpaid Loan**

From: Zahra

If after parents' death one finds out about any unpaid loans, are the children obligated to pay of that loan? Secondly, if one is unable to find any trace of the lender, can that loan be paid off as charity to a needy deserving person?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Zahra

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Children are not obliged legally according to Shari'ah to pay the debt on their parents. Debts are taken from the estate before distribution to heirs. If the deceased left nothing they are not legally required to pay the debt.

The deceased is questioned for the payment of his/her debt because debts do not die out according to Shari'ah. If the children pay the debt of their parent from their own properties, this is a good deed on their part. It is good to do it and a relief for their deceased parent. It is very much rewarded.

Giving charity if the creditor cannot be located is a good action, but if the creditor is found later, he/she is better be paid.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session Feb. 27, 2015**

**Question 1: Credit cards issued by conventional banks**

From: Aiman

Salam,

My name is Aiman and I'm a student. I would like to know the Islamic rulings on credit cards that issued by conventional banks here in the US. Is it permissible to use them or not?

JazakAllah Khayran

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,

wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Aiman

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Let us always remember that using a credit card means that you purchase goods and services and ask the issuer of the card to pay on your behalf. Then the issuer will come back to you at the end of each period, usually a month to pay the whole accumulated amount. Lack of paying it in full allows the issuer to charge you interest until the date of payment. This means that using it beyond one's ability to pay is in reality an act of taking a loan on interest from the issuer. There are no Islamic credit cards in America. Signing its contract represents an acceptance to take a loan on interest when you do not make full payment within the grace period that is usually 25 days from the date of the monthly statement.

Accordingly:

1. Signing the credit card contract is permissible only if you are sure that you will not make any delayed payment beyond the grace period. The best way is to give authorization for automatic withdrawal from your account in full payment of the bill.
2. Using it for all purchases a Muslim makes is permissible provided you have sufficient funds to pay all the accumulated balance each month. It is Haram and interest-generating to use it without this assurance.
3. Withdrawing cash through the card charges interest immediately from the date of withdrawal. You must be sure not to make any cash withdrawal from the card.
4. It is useful and sometimes necessary for every Muslim who lives in America to have at least one credit card because it adds confidence and identification for making many beneficial transactions such as hotel and travel reservations, buying online, etc.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Can't save money**

From: Jubril

Dear brother,

I'm a spend drift and I can't save money. Please help me out.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Jubril

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Go to a psychological therapist. I can't advise on such a matter.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: Psychological effect of not having a job**

From: Afeez

Dear sir,

I have a serious financial issue because currently I have no job and is affecting me psychologically.

Thank you

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Afeez

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Please resort to prayers and Istighfar and go to a psychological therapist. Don't ask me please.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: Buying a house on Interest in France**

From: Adnan

Salam. Sir, my name is Adnan. I live in Paris France. I have one question, is it allow in Islam to buy a house by taking credit from bank. I know interest is haram in Islam, but some people say rules are different in dareul harab. So you can take credit from bank to buy a house. Plz help me and guide me, because I am confused. Waiting for your reply. Allah bless you

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Adnan

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

1. Rules are not different in countries of Muslim minorities from countries of Muslim majority, there is no country of war except the occupied Palestine in our world of today.
2. The prohibition of Riba is the strongest compared with all other sins. Allah tells us that dealing in Riba invokes a war from Allah and His Messenger.
3. God sent the Islamic law including all His ordinances as a mercy to human being not to make life difficult and He told us in the Qur'an that all the religion does not have any thing that makes our living difficult or inconvenient. Therefore the rule of relaxing a prohibition under certain circumstances when it is difficult to observe it is an important part of the fundamentals of Islamic Fiqh and Shari'ah.
4. Shari'ah scholars in many conferences and meeting discussed the issue of buying houses for residence by Muslims in the Western countries where there are no Islamic

banks and finance companies to provide Shari'ah compliant finance and conclude that: when a Muslim family living in any Western country needs to buy a house for its own residence and does not find means of finance that are consistent with Shari'ah, it may go for conventional mortgage although it is based on Riba because the prohibition is not intended to deprive such families of housing as long as they need it.

5. Purchasing a house for own residence is then permissible if it is necessary for the family. The personal necessity of each family can only be determined by the family itself on the basis of availability of other ways including renting, security, children schooling, financial situation and ability, etc.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Women Working under stress**

From: Muskan

As-salamu Alaykum. ....I am a working woman for the past 2 years. I have 2 kids. ...since past few months I am under immense stress at work....this is affecting me and indirectly it's affecting my family also as I under stress and being lively as I was before. My husband who is very loving and caring asks me to be patient, but who is not so much agreeing my idea of giving resignation. Do I need his permission to resign my job as I know woman doesn't have any financial obligations in Islam and working and earning is not her responsibility. But I am scared that by doing so will I be disobedient to my husband? Please help me as I really wish to resign my job and can't make a decision.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sister,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

It is true that a wife is not responsible for family expenses and it is true that you are fully entitled to take you own decision regarding working or not. It is also true that all of us must not waste our time so if one of us does not have a formal job or resigns a job will certainly find many useful thing to use one's time for.

At the same time relation between husband and wife is based on live, caring and cooperation. While it is not disobedience to take your own decision to resign on your own, it is also part of caring and loving to discuss the matter with him and reach a consensus on what to do for him or for you and to solve any differences amicably.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## Live Fatwa, OnIslam Session March 14, 2015

### Question 1: Inherited house that was built on interest loan

From: Shah

Location: Sri Lanka

As-salamu `Alaykum. My father used to work at an interest based bank. He took a loan from the bank to build a house; it belongs to me now. Is it halal for me? If not, what should I do? It was built on my mother's land.

#### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. SHAH

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Your father bears its sin, if you still have any payment on it, try to pay it all off as soon as you can to avoid any further interest. If your father already died make Du'a for his forgiveness and give charity on his behalf, may Allah forgive him this big sin of dealing on interest.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### Question 2: Halal Meat

From: Abdur Rahman

I used to eat chicken and beef from non-Muslim outlets. After some research, I realized that I made a big mistake. I made Tawbah and stopped eating that kind of meat. Is this my responsibility to enforce this on to my family?

I tried to enforce that on my wife and children. However, my wife said if she says "Bismillah" then it's ok to eat (I didn't agree). We argued over it that turned in to a big dispute. She told me that she wouldn't change or enforce on children. Please, advise.

#### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdur Rahman

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You did not mention where do you live and what country do you buy meat in (US, Canada, Japan, France, UK) all these have different systems of meat slaughtering.

There are several issues in regard to your email/question:

- a. Having a dispute with your wife may be a bigger sin than eating meat of any kind; you should be kind to her and don't have a dispute with her. This is stated in the Qur'an as work of evil to create difference between husband and wife,

b. On the issue of Halal meat there are two opinions:

1) if it is slaughtered by cutting and bleeding as in the USA and Canada and UK for all meat (chicken, beef and mutton) presented in super markets for sale (in contrast with what is done by farmers in their own farms as they usually shoot the animal) this is Halal and permissible according to Shafi'i, and Hanbali. Hanafi require the name of Allah to be mentioned at slaughtering moment.

2) This kind of meat is thus Halal for some and not for others. In all controversial matters we do not take hard position on one against the other.

3) If you are in Japan (mostly non-monotheistic religion) or in France (where the law does not require cutting and bleeding) the meat there is not in compliance with Shari'ah criteria of slaughtering.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 3: Is ISNA Housing Halal**

From: Farhan

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Farhan

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

To the best of my knowledge is that Ansarco and ISNA-Canada have similar contracts for house finance which are in compliance with Shari'ah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 4: Interest and Gambling**

From: Muhammad

I know interest is haram but can one pay off interest with gambling money?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Both Are Haram and sinful, it doesn't matter from what source interest is paid. What matters is involving in interest contract is a great sin and involving in gambling whether one gains or loses a grave sin is already committed. The question does not reduce the sins in either way.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 5: Working in an Insurance Company**

From: Ather

I got a job in an insurance company as a group benefits examiner. It involves reviewing analyzing health and dental claims. Is this type of job forbidden?

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ather

Assalam Alaykum wa Rahmatu Allah wa Barakatuh  
Insurance itself is controversial. Although the majority is on the Haram side especially that the Islamic alternative is available in many countries. Whenever Islamic insurance (often called Takaful) is not available and people need usually insurance it is then permissible to take when needed and consequently permissible to offer it according to the view that sees it not prohibited.

However, working in areas not related to promoting the conventional (in contract to Islamic) insurance such as claim adjustment is not Haram anyway.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 6: are mutual funds Halal?**

From: Asif

Can you confirm if a mutual fund is halal & Shari`ah compliant as long as the total extent any of fixed interest funds (e.g. bonds) do not exceed 33%? Hikmah Capital ([www.hikmahcapital.com](http://www.hikmahcapital.com)) has conducted several seminars in Calgary mosques and promoting the above noted concept while selling their (halal) mutual funds. They are showing some fatwas as well.

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Asif

Assalam Alaykum wa Rahmatu Allah wa Barakatuh  
For a Muslim company (mutual fund) to buy any debt-based security such as a bond of any kind is definitely not permissible. The relaxation of prohibition is based on great inconvenience for investment in shares, i.e., a share of a company that may own bonds to the extent of tolerable percentage (the 33% is definitely incorrect because it varies

from one market to another) may be purchased by a Muslim investor. But it is definitely not compliant for any Muslim to buy any interest-based security.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 7: Promise to Allah to pay Donation**

From: Dawoud

I made a promise to give charity several months ago; I made this promise while I was in consideration for job position. I ended up receiving the position. I made the promise that if I would receive the job, I would pay charity to a certain group of people who are enduring hardship overseas.

I've yet to give this charity and have found out that I have immediate family who are enduring financial hardships and would benefit from the charity. I would like to know if it's permissible to send that money to family instead of sending it to the group of people I had intended of giving it to or would this break my promise with Allah. Please, help me with this situation.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Dawoud

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

No, that does not break the promise to

Allah, if you divert it to more deserving persons especially close kin > if your pledge to Allah to make that donation to that specific charity, divert it to family but make a Kaffarah for the pledge by feeding 10 restitutes.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 8: Zakah on Haram Income or Property**

From: Asif

Does one have to pay Zakah on haram income (e.g., RSP, mutual funds etc.) or property (rental property through conventional mortgage)? I have seen clear instructions to pay Zakah on such things in other fatwas on this website whereas the real issue I think is whether Zakah on haram items is required or not. Will someone also ask a thief or dacoit to pay Zakah? Please, clarify.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Asif

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Take it easy brother. Zakah is on the asset not on the income so if you have as asset (whether mutual fund or a property bought on interest) the asset is subject to Zakah (unless it is exempt because it is for personal use for the house). Haram income should all be distributed to recipients like those of Zakah. It is not that it is exempt from Zakah which is only 2.5%, it is the 100% that should be distributed.

What is more important in your question is the mix up between Haram and others. Many mutual funds are not Haram even some that may have some Haram income only the part of income that is Haram should be given to charity not kept, and a property financed on interest its income (say rent) is not Haram. I don't know what is RSP.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 9: Accounting and auditing Job**

From: Rana

I am Inter Qualified and now going to start my career in the field of accountancy as an Auditor (CA) from Pakistan. Auditors work is to check out the transactions of firms and banks which usually base on interest and loans from banks but they are not in the agreement of the firm and banks they just look out for the blunders and mathematical calculations.

So, my question is: is it right to join this field? The whole system is based on interest.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Rana

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You just said it. if you are not going to write or sign interest-based contract your auditing job is permissible, rather recommended because it reduces wrong doing.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: Trading Marijuana companies' Stock**

From: Abdual

Can I buy and sell stocks related to Marijuana companies like AEROGROW INTL INC. (AERO) ALTN FUELS AMERIC (AFAI) etc.?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,

wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdul

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If the company is specialized in anything Haram including marijuana, it is Haram to buy its stock because it means you become a partner in it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 11: beef and chicken Halal**

From: Arshad

Please, let me know eating beef, chicken at McDonalds or KFC is halal or not. Note they may not be slaughtered by Islamic procedures.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Arshad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Please see my answer to question 2 above.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 12: giving Zakah to Mother**

From: Nora

Can someone give Zakah to his mum who has debt? My mother is not working and only gets money to buy food for the family and nothing for herself; can I pay my Zakah on her debt?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Nora

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Your mother is rich by you because you are defined as rich having money to be required to pay Zakah. Are you aware of the Saying of the Prophet that mean "You and your properties belong to your parent" you are responsible for the living expenses of your mother is just like yourself and you are encouraged to make her live better than you. Zakah cannot be paid to persons for whom you are responsible. These include parents and their parent no matter how up you go, children and their children no matter how low you go and according to many scholars your siblings too especially when they are

minors.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 13: buying a car on zero interest**

From: Tabinda

Is it permissible to buy a car on 0% interest? The deal I am being offered is that I pay certain amount every month and at the end of that fixed term, I will be close to paying it off with very little left over. So, I intend to pay a little extra every month so that by the end of my term of 8 years, I will not owe anything. Please, let me know.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Tabinda

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes, the way you describe it is permissible whether the total amount you pay is equal or higher than the cash price, it is a sale on installments.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 14: Religious Events**

Missy

I work for a residential treatment facility for at risk youth. We have recently gotten a new consumer who follows the Islamic faith and we are trying to make the transition for him in our facility easier by giving him all the opportunities needed to follow his religion. However, we are not too familiar with the religious events followed. If you could provide me with a list of Islamic events/holidays including fasting and all other specifications it would be greatly appreciated.

**My answer:**

I am not qualified to answer this question

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**Question 15: exaggerations in the CV**

From: From: Mohamed

I was wondering about the issue of resume/cv. I am a young man still starting his work career. My question is: is it haram to include exaggerating in my resume, for example saying I worked somewhere longer than I really had, or saying I worked somewhere which I totally haven't? And if it's haram, is it a major sin.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohamed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

It is Haram to tell lies. Please do not start your career this way!

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 16: is apple vinegar Halal?**

From: Mohammed

I want to know whether Apple Cider Vinegar is halal or haram in Islam and as per the Shari`ah Law.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Akhter

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

In America apple cider is just plain orange juice it is non-alcoholic. Its vinegar is also permissible.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 17: Father's gifts to sons**

From: Rubina

My question is very simple but the whole issue has been made very complicated by the family. So, I need a clear answer in the light of Qur'an .

My father in law sold some property and gave the money to his 3 sons. My sisters in laws (3) are married and very well off and were given whatever was reasonable during their wedding.

Now one sister is creating a problem and says that she should get the share or else we all will burn in hell. Our belief is that it is his property he can do whatever.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Rubina

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Any person is free to do whatever he likes with his properties. However, a father/mother when giving gifts to children they are required to give them equally,

regardless of gender. This equal giving may be in kind like spending on wedding for all or in money, when it is in money it should be equal unless for special reason like medical treatment or travel or the like.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 18: payment time of the Mahr**

From: Mallik

When should the mahr be paid? Please, answer with references so that I can read in details from the original source.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mahmud

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The principle is to be paid at the time of marriage contract as the Qur'an stated it in 4:4. In the Fiqh schools, it is permissible to agree on a different date of payment for all or for a part. If it is delayed and no date is set in the marriage contract, the obvious thing is to consider it due at the earliest of either divorce or death. However it never dies out by passage of time.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 19: work as Real Estate Agent**

From: Saad

I was wondering whether becoming a real estate agent would be permissible. I know that dealing with interest or working for a business that deals with haram items (i.e. liquor) is not permissible. I understand that business of buying and selling real estate itself is fine but do the circumstances that we live in here make it permissible or not? It is inevitable that one would direct clients to banks for financing, so is it possible to do it the halal way here?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Saad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes, it is permissible to work in real estate and as agent of real estate and to inform client of best finance supplier. What is haram is to write the finance application for the

customer.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 20: Selling Tracking Software**

From: Beslan

I have a question regarding spy software; I want to join affiliate program where I can promote spy software and get commissions by promoting their spy software (tracking software). You can visit their website; they are developers of the spy soft mspy.com. I have had already promoted their spy software, but I have stopped, because I was not sure if this business haram or halal to promote spy tracking software. Please, also ready the "Disclaimer" bottom of this page.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Beslan

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

In my opinion all spying is not permissible as the Qur'an prevents it (49:12). It is immoral. The exception are very rare and limited, only in case of war.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 21: Saving to buy a house**

From: Mohamed

I've read many fatwas that claim the house of residency should not be taken into Zakah - no matter how expensive it is - (and few that require doing so). My question is: if I can't afford a house but I'm saving to buy one, am I still obligated to include these savings in my Zakah?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ameen

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The answer is YES, these savings are subject to Zakah unless you are committed to a purchase contract of a house or land for building it. the reason is obvious, these savings can be used for any objectives.

Further, my opinion residence is exempt from Zakah as long as it is residence of the Zakah payer and family even extended. But not no matter how expensive it is. If it is

beyond the use of the person/family, the extra is subject to Zakah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 22: Truck driving of a trailer that may contain pork**

From: Abdi

I am a truck driver for Wal-Mart. I go to work and find the trailer was already loaded by someone else. I don't know what is inside till when they unload at Wal-Mart super center stores. When they unload that is the time I see may few boxes of different type of meat of one pallet and the rest of pallets in the truck are mixed vegetables; yogurt, ice cream etc. so is ok me as a Muslim to work with Wal-Mart.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdi

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I don't think that is Haram to an extent to quit your job especially that you do not handle it. yet I suggest that you keep more Istighfar and charity, the worst of it that this is a small thing and Allah promised us in the Qur'an to forgive the small thing as long as we abide by the big matters.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 23: flavoring dissolved in Alcohol in food**

From: Fareya

Almost all of the manufactured foods that we buy in stores contain flavoring and many of these seem to have alcohol used as a solvent in some process. Does that mean all of those foods are haram? Some people say that it is permissible to eat them because the amounts are trace, and others disagree. Can you, please, give a more Islamic perspective on this?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Fareya

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Please do not make life difficult for everybody and do not ask such questions or indulge in such irresponsible arguments. If there is alcohol eve as dissolvent it will be mentioned in the ingredients. If it is not in the ingredients do not raise such issues.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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## Live Fatwa, OnIslam Session March 19, 2015

### Question 1: Working in a Bank

From Fayaz

I am 42 years old & is working in a Bank (non-Islamic) from the last 16 years. Recently I realized that working for interest banking is Haram & I intend to leave the job. But my family & friends does not suggest me to leave the job as they think that I may not be able to survive the livelihood of my family which consists of 3 daughters & spouse. Kindly guide me accordingly. Further, what about the assets which I have created from the said income.

### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Fayaz

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The Prophet, pbuh, mentioned clearly in regard to Riba that the Wrath of Allah is on the taker, giver, writer and its two witnesses. There is no doubt at all that Riba is interest as we know it in banking and finance today. It is definitely prohibited in the Qur'an and the wrath of God applies as mentioned. Working in a bank in areas that do not make you a writer or witness on a contract is not directly prohibited. Therefore the general Shari'ah attitude is not to expand prohibition unless there is complete similarity to warrant analogy.. In other words, the exact answer is that working in a conventional bank in areas other than typing, drafting and signing interest contract is not Haram. Of course this does not that such works are not close to the Haram, they really are but still they are not prohibited although the 'dust' of Haram reaches them as expressed by the beloved Prophet, pbuh. I do not suggest that you leave this job before finding a better one. But I suggest that you should make serious effort for that, meanwhile as long as you perform your job duties without doing anything that is directly prohibited as mentioned above your salary for the works that is in the peripheries of Haram is also permissible InShaAllah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### Question 2: Personal loans from Islamic Banks

From: Syed

Assalamualaikum. My question is some Islamic banks in UAE lends personal loan to their customers and they charge fixed percentage as profit rate. Is it permissible to take these loans and is it permissible to work for these types of banks. These banks give one month advance salary to those who have salary a/c and charge fixed amount as service charge. Is this permissible to pay service charge on advance salary?

I would be grateful to you if you could provide the names of Islamic banks in UAE which are 100% Islamic.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Syed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Personal finance in the form of cash given by some Islamic banks is based on Tawarruq which is trick to go around interest. It is Haram as clearly declared by more than one Islamic Fiqh Academies including the international on that belongs to the OIC. It is Haram to offer it and Haram to take it and any increment in it is declared as pure Riba.

Islamic Banks that do it are making mistakes but that does not drive them outside being Islamic to become conventional, they are Islamic with some mistakes, like me and you who make many mistakes too. working in them is definitely permissible and it is definitely much more Halal than working in conventional banks.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: Fees for sending Zakah**

From: Shakeel

Assalam Alaykum,

I send my Zakah to another country. However, the beneficiary's bank deduct a small fee from the funds. Do I have to send/spend that fee again?

Jazaka Allah Khair

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shakeel

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

As an individual payer your responsibility is to make it reach its proper destination and whatever you do for that you do it on the basis of Wakalah. If I were in your place I would send a little more in the first place for anticipating such transfer cost. I suggest to give some additional amount to repair that. Although you may find some scholars who may argue otherwise.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf  
Islamic Finance and Economics

**Question 4: Advancing Farmers with increment**

From: Mushtaq

I am a business man doing fruit [apple] business. I give money, fertilizers etc. to farmers at different times of the year. The total amount of money which they lend from me remains to them for more than a year. At the time of the harvest of fruit I charge them @30 per peti [fruit box] and 6% to 10% to the amount of money which they have taken from me during the year. Am I doing right as per Quran and Sunnah. Please, guide me.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mushtaq

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I am afraid not.

This addition of 6-10% is pure interest which is forbidden in the Qur'an and Sunnah in clear terms.

Besides there is another thing you are also doing which is not less of Haram. That is the implicit (or it may be explicit) that because you give them these loans during the year, when they need money, they should bring their product to you at the time of harvest and may be you are giving them a price lower than the market, only God knows! Regardless of the price the requirement to bring the harvest to you is a benefit from the loan you are giving, this benefit itself (giving your business) if Riba because Riba is any increment in a loan even when this increment is merely a benefit not an amount of money of goods.

NOW THE ALTERNATIVE: Buy forward fruits from them at a price you agree on at the time of buying (contract) and pay in full for this quantity you buy. You can repeat this sale contract several time during the offseason period. the farmer then becomes a debtor to you for the quantity(ies) you purchased. The contract must specify future date and place of delivery in addition to description of item and quantity and payment of its price must be in full at time of contract. this contract is called SALAM SALE and the Prophet, pbuh, said that it is permissible.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session April 8, 2015**

**Question 1: Umrah using credit cards points**

From: Naima

As-salamu Alaykum...

I would like to ask if it is allowed to go to Umrah or Hajj using my reward points I acquired thru my credit card? My reward points can purchase 2 way ticket to Makkah.

Please let me know if it is allowed or not. Jazakallah,

Naima

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Naima

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes of course, it is permissible. You own these reward points and you can use them for any purpose including going for Hajj or Umrah.

(BTW, I hope that your credit card use was without any interest because interest is a grave sin as the Qur'an declares although the point are not accumulated on interest but on purchases, i.e., they are not affected by delay of payment).

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Leaving the Middle East before fully paying my loan**

From: Meriem

Salamu Alaykom brothers and sisters, Will you please share my question? Kindly do not show my identity! Thank you very much and jazak'Allahkhair!

I am a Muslim living in the USA before I used to live in the middle east and I had a job and my whole life was there so I took a loan from the bank and I was working and paying back but something happened and I had to leave and of course I left a debt behind now the bank is chasing me and I can't afford to pay since I don't have a job and I have no income! What is the best way to deal and talk to the bank? I can't afford a lawyer and this problem is affecting my whole life! I know these loans and credit cards are haram and I did my Tawbah and I will never ever take any loan or credit card, I am also giving this advice to every person I meet who think about getting loans! My life has turned to hell, I am suffering, my husband is suffering and our little boy too. I can be jailed any time I go to visit my parents in my home country! This is just sad and all that money is not worth all this stress we are living!

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Meriem

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I find no solution other than contacting the bank and reconciling with it on payment. it may accept to cancel some of the accumulated interests. We all must stand to bear the

outcome of what we do, don't we? Sell some of your assets? alternatively declaring bankruptcy in the USA may not be recognized in the country of the loan/bank and may not relieve you of its burden.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: balance salary hike**

From: Johnsaída

As-slam Alaykum Warahamatullahi Wabarakatuhu

My dear brothers in Islam; I was working an Engineer in an organization. By work I was sincere and hard worker my department and my manger was fully satisfied with my service and I was saved a big amount of company with my knowledge skills. And my manger was proposed to hike my salary 15-20% at that time of my contract renewal; by officially he did everything and said to me while back from my annual vacation I will get my hike salary. After my return our HR management were fixed 10 % hike only. Then my manager went and quarreled with them why they did like this, but they don't want to accept more than this (As per company policy discipline manger is holding all authority of their candidates) but in my case they ignore my manager command. So finally my manager decided he would like to give me his proposed hike balance (5-10%) percentage as an over time (OT). Now after adding this OT percentage I can get my proposed salary by my manager. So every month I need to be adjusting my time sheet and some other activity until to reach my proposed hike by my manager along with his approval. Please let me know to getting this balance percentage hike like this way is it HALAL or HARAM.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Johnsaída

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I find no reason for this increase to be not Halal as long as you put this small number of extra hours in your work. You may have already been putting more hours to your work than the legal working hours. I don't suggest to forfeit the work sheet by adding hours that you do not work.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: working in a Bank**

From: Guest 2

I need your guidance on the following matters:

1. Is it ok to work in a bank (non-Islamic), the salary one is earning from working there is halal or not?

2. If one's only source of income is that salary, the Zakah that we pay out that salary is Ok or not?

3. If it is halal to invest in mutual Funds

4. Shares on stock markets....

is it ok to invest in shares with the aim of earning dividends and if it's a long term investment.

Jazaka Allah

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Brother

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

1. Working in a conventional bank is permissible provided you do not contribute to writing or signing an interest contract. of course this is not the best job in the word, Shari'ah-wise. Working in an Islamic bank is much better but that does not mean that the work and salary are Haram.

2. Zakah is still payable on savings one make out of one's salary, even from a conventional bank with the above condition. Of course with other conditions of Zakah. What is not subject to Zakah is Haram income because all of it must be returned to payer and if not advisable then given to charity on the ground that it is not owned by its recipient, i.e., it is not yours and according to Zakah on it.

3. It is permissible to invest in mutual funds that invest in permissible shares, not those which invest in bonds and prohibited shares such as conventional banks shares.

4. It is also permissible to invest in Shares on stock markets provided 1) the main line of business is permissible, 2) the company's haram deals make a small tolerable percentage of its total deals, 3) its Haram income makes a small tolerable % of its income and 4) you apply the purification principle by calculating the % of Haram income (dividends and capital. gains) and give it to charity because Haram income is not tolerated by all means.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: fixes amount every month like a profit**

As-salamu Alaykum Warahmathullah,

Dear Sheikh, my question is regarding interest (Riba). The situation is like I have invested some money in a business where I am getting a fixed amount every month as the profit. But in the contract, it is agreed that if I withdraw my share, I will be getting the principal amount after the depreciation of machinery etc. i.e. not the same amount that I invested. Is this monthly return considered as Riba?

If this was Riba what is the best way to get rid of this as a repentance? Someone says that I can give this money to somebody who are really struggling to pay interest due the loan that is taken in a compulsory situation like repairing home etc.

Jazaka Allah Khairan.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Investment means you are exposed to profit and loss. Fixed return in an investment turns it into a loan with Riba. but it seems to me that your contract may not be exactly as you mentioned because of adding the depreciation of machines.

The following arrangement is permissible: you buy machines for a business, own the machines, rent them for a fixed monthly payment, when you withdraw sell the machines to the same business or to another one. Bearing the depreciation seems similar to the above. And your contract should be adjusted to this to make it Shari'ah compliant and Halal if is not already exactly like this.

Any earned interest should be given to Muslim charity to feed hungry stomachs. Should not be given to pay interest because one who enters an interest based contract should face its music himself not be given interest earned by others. There is hardly any acceptable necessity for getting a loan for home repair except in extremely rare cases which practically do not exist except in natural catastrophes.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 6: high market prices**

From: Valentino

I saw this cool show called hazrat Umar/Omar series and in the show he said that it is illegal (haram) to sell items with the price too high. is that true? like what the malls are doing making things expensive are they going against the fairness of Allah and is it haram? Like does the price must not be too expensive?

### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Valentino

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The price must not be high relative to the market. high/low pricing is in Shari'ah considered in relation to other sellers in the market not to cost on producing/acquiring the item. Our Islamic economic system is based on the market and does not accept charging high prices relative to the prevailing market price. Excessive raise in any price relative to market price is called Ghana and it is Haram and may entail voiding the sale in a court.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 7: Foreclosure with Fixed Mortgage**

From: Adil

Please advise if under the following scenario mortgage would be considered halal? Purchasing a foreclosure house directly from the bank (no 3rd Party involved) and then signing a mortgage with 10 years fixed interest rate and paying off the house within those 10 years (no fluctuation in interest rates). My understanding is interest is haram due to two primary reasons, taking money from a 3rd party and interest rates fluctuating with time. In the above scenario, both issues are being addressed.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Br. Adil

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Let me begin with your understanding. Interest is prohibited because it is an increment of a debt and the debt in plain reality (think carefully of it) is not able to increase or decrease because it does not generate increment by its nature (compare it with owning a cow!). fluctuation of the rate and three parties are COMPLETELY irrelevant. In fact most people think interest is prohibited because it is fixed (which is wrong too), from where did you get that variation is what makes it Haram? Also Riba exercised at the time of the Prophet, pbuh, was almost only between two person (a debt is due and extended for increment).

Let us come to foreclosure: 1) In foreclosure you buy from the owner not the bank. foreclosure is a sale forced by the bank on an owner. 2) in foreclosure you buy for a cash price, i.e., you create a debt then you add interest for the period of this debt/loan. Did I answer you?

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: Should I quit my job?**

From: Lindsay

I am a very new Muslim and taking things very slow and steady. The biggest problem I have is my job; I work with dogs. Sometimes 20-30 at one time and it's very dirty. I am happy there because I really love these animals, but I am really worried that being in such an environment (especially in up-coming Ramadan) is going to be very bad for me. Should I stick with it and clean myself very well before prayer? Or should I just stay away from this job all together? I am so confused.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Lindsay

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

There is nothing Haram in caring of dogs or other animals (although I don't accept caring for pigs because their only use is for meat which is prohibited). You may stay in your job

in Ramadan and outside it and clean for each prayer. But I like to add: you said it is very dirty. If it is so why don't try to have another job that is not so, such as working in a perfume shop? It is clean and with good smell.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 9: Zakah on bank balance and Gold**

From: Issa

As-salamu Alaykum I saw the database and found that the Zakah on gold is 2.5% on the amount after the Nisab which is 85 grams. But I am not sure about how much I should pay on my bank balance. In one place I read that the money has to be in your account for one full lunar year to be eligible for Zakah, I don't have that much money that stays in my account for one year. So how should I calculate my Zakah. My balance right now is about 10,000 CAD monthly income 1800 CAD Jazakallah Khair

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Issa

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Zakah on money is at the same rate like gold and silver 2.5% every lunar year. The first year begins on the day you acquired Nisab for the first time. Nisab is about US\$ 1500. (I understand you mean by CAD Canadian Dollar, it is almost about same price)the rule applies as follows: once you have 1500 total of cash, shares and stocks, bank accounts balance. This is your first day of the lunar year. After 354 days if you have a total of at least 1500 you are required to calculate Zakah and distribute it to deserving poor and needy directly or through a Muslim reliable charity. Whether this total goes below 1500 during the year or not it does not matter.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: RDSP (Registered Disability Savings Plan)**

From: Amir I am a father of special children. I wanted to inquire if it is permitted halal to invest in RDSP In this plan you can invest maximum of 1250 \$ per year. The government matches your deposit and adds another 1250 \$ The problem is there is also a 0.05% interest per year. i.e 1.25 \$ for 2500 \$. My question is if I remove this small amount from my account will the remaining amount be halal for me or the complete investment is haram. Kindly guide.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Amir  
Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I think Shari'ah does not want you to give up the government matching contribution. You may take this program and benefit from the matching funds. Any generated interest you should give it to Muslim charity for distribution to poor and needy.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 11: Cleaning myself from Reba**

From: Hazra

I was lost for about 26 years and I did not pray, fast and pay Zakah. Last year I repented. I am lost on how I can clean myself from Riba. I have two investment properties (both with mortgage) , 1 principle resident (with mortgage), RRSP, 2 visas with some owing, a large amount of owing on line of credit and gold in bank. Do I need to pay Zakah since the day I accumulate all the Riba or pay it starting the day I repent. I need you to recommend me God fearing person to help with accounting.

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Hazra  
Assalam Alaykum wa Rahmatu Allah wa Barakatuh  
I cannot recommend any person.

Due Zakah does not die out with the passage of time. In your situation now, try to liquidate gold and other properties that can be liquidated to pay loans and credit cards (which usually have very high interest rates). Investment properties are subject to Zakah on the net worth, resident you live in is not subject to Zakah. Meanwhile pay as much as you can to the poor and needy especially among your kin and relatives and always make your intention that it is for past and current due Zakah.

May Allah help you untangle out of interest and go straight on the right path.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 12: actuarial studies**

From: shamina

Is working as actuary halal?

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,

wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Shamina

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

No it is not especially if you take your career in an Islamic insurance.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 13: buying a house through Ijara. Canada**

From: NABIL

Recently, we found Ijara. Canada, a company that purchase houses through Islamic way!!!! I discuss with them, and I still not sure if it's haram to deal with this bank to buy a new house for my family, please ; could you tell me if that is halal contract or not before I buy the house and sign the contract. Jazakum Allah Khayran, we jaalahou fi mizan hassanatikum.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Nabil

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I cannot advise you unless you tell me exactly the conditions of this proposed contract. send exact condition and I can give you my opinion.

I can mention though the following two points:

1. There used to be in Canada and US a company that called itself Ijara loan. its model was fake and fully interest based: buy a house with a bank loan and the company charge you an amount to create a trust for you and transfer the house and its loan to the trust, the trust rents you the house on Ijara and pay the interest to the bank. it is wrong because the trust is in fact you? nothing changed by what was done other that the few thousand dollars it takes as a fee for bluffing you.

2. True Ijara is permissible: the bank buys the property (with or without you also buying a share of it like 20%) it rents you its share in the property and you promise to buy a small portion of the property with your rental payment. the rent declines with these purchased until you become fully owning the house. This is perfectly permissible.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 14: Inheritance**

From: Griselda

I have 2 daughters ages 17 and 15 and a 22 year old son and a 14 They are not good kids last time they hit me they call me names they destroy my home I complaint to their father but it he does not think this is very serious .... He blames me he says I should not tell them anything... I been very depressed ....we have a house and I want to call my lawyer

and have my will and I am thinking I don't want to give them any thing from my share ..... My question is can I do that without getting punished by God

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Griselda

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I feel sorry for you and the dilemma you live in. May Allah give your children the wisdom to respect, cherish and honor you.

You cannot make any will in violation of the text of the Qur'an (4: 10 and 11). Alternatively. If you live in any Western country you can give your house now and transfer its ownership to a Muslim charity with the condition that you keep using it until death. This is permissible in Shari'ah because as long as one is alive one can do whatever one likes with his property.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Live Fatwa, OnIslam Session May 5, 2015**

### **Question 1: performing Umrah from real estate commission**

From: Reshma

As-salam-Alaykum-wa Rahmatullah wa Barakatuh

Dear brother,

I have a question to ask you regarding performing UMRAH. My husband works for a private company and he also does real-estate business (helps seller in selling his land to a buyer). From this real-estate business, he gets some commission amount (brokerage money). Can UMRAH be performed with this money? From the salary what he earns, it is not possible to perform Umrah but from the commission/brokerage amount Umrah can be performed. Also from this brokerage amount he gives 2.5% of the total amount to a needy person in the name of Allah.

Please let me know, ""IF UMRAH CAN BE PERFORMED FROM THE BROKERAGE/COMMISSION AMOUNT""?

I will be grateful if you could kindly reply and help me with the answer.

Allah Hafiz,

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Reshma

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

As long as what he does is Halal (permissible), his Salary is also Halal. It is Halal to do this real estate side job that you mentioned and his commission from is is also permissible. Then Umrah can be performed using this money from real estate brokerage

commission as well as from salary of any Halal job.

What he give (the 2.5% of the commission) is Sadaqah and It is InShaAllah rewarded by Allah. If he intend to give it as Zakah (Zakah is due on the saved amount on income and calculated on yearly basis) he must make the intention (which needs not be told to the poor) that he is giving partial Zakah in advance and at the end of the year he should calculate the due Zakah and distribute the balance. Of course the recipient must also be a really deserving poor or needy.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Giving Zakah for building a hospital for the poor**

From: Shakeel

Assalam Alaykum,

Is it permissible to give Zakah for building a hospital which will give free treatment for the poor and needy?

Jazaka Allah Khair

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shakeel

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If the hospital is specialized in treating the poor at free or subsidized cost or if it treat poor and rich but for the rich it take regular fare, it is permissible to give Zakah for its building, of course the building will not be in the name of any private person (rather it should be owned either by government, NGO or a Zakah organization).

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: One ceremony for marriage**

From: Shakeel

Is it permissible for the families of the bride and the groom to hold just one ceremony for nikah and valima and share the expenses?

Jazaka Allah Khair

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shakeel

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

For the ceremonies of Nikah and its Velima, it is permissible to make them anyway the two persons and their families agree as long as they do not do anything not permissible

during them such as mixing men and women without appropriate clothing for all or serving alcohol, etc. it is also permissible to cancel the ceremony and make a small private meeting with only two witnesses. The velima is Sunnah but it is not Haram to cancel it too.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: is Comic Figurine is halal or haram?**

From: Farid

Is comic figurine like this one:<https://no.coolshop.com/produkt/nintendo-amiibo-figurine-luigi-super-mario-bros-collection/AD9Z2H#> Haram or halal to buy and collect? Jazakum Allah Khair for the answer.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Farid

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

I don't know what do you mean? Are these cartoon movies for children? If they are then they are permissible in principle. However one should be careful in selecting appropriate movies for kids because some of such movies carry habits and cultural values that are not appropriate for raising good mannered children although there are many very good children movies produced by people from non-Islamic cultures.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Difference between Zakah and Alms giving**

From: Liva

Salam Alaykum, I would like to know as much details about Islam. I would like to know what is the biggest difference between Zakah and the alms giving (the tenth part) in Christianity? As well I would like to know the correct order, manner and where I can give my Zakah? I read about it so much in internet, but the picture did not get any clearer. I would really appreciate your answer. Baraka Allah Feek. Liva

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Liva

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The matter is simple: Zakah is a financial pillar of Islam. It is a right of the poor in the wealth of the rich (Alms is not really obligatory) it is to be given to the poor and needy (not to any religious hierarchy). Its rate is determined by the Prophet Muhammad, pbuh,

as revealed to Him from God. Except for livestock and agricultural product, it is at 2.5% of the balance of wealth and savings at the end of every year. (we use Lunar year for it as done by the Prophet, pbuh). Also the Prophet, pbuh, determined items that are exempt from Zakah payment such as the residence, cloth, furniture, books used for study/learning etc. every Muslim. Male, female, major or minor (for the latter by guardian) is required to pay it if he is rich enough (this is defined by having an amount called Nisab and this amount stays with the owner for one year, this amount of Nisab is determined by the Prophet, pbuh, as 20 dinar of gold or 200 dirham of silver which were the currencies at his time, according to my estimate this is now about US\$ 1500). For some more details on calculation please consult my website, [www.kahf.net](http://www.kahf.net) the publication called: Calculation of Zakah for Muslims in North America. Finally Zakah is a yearly duty, must be repeated at the end of every lunar year, the first such year begins on the day you acquire Nisab for the first time.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: Zakah on residential land**

From: Umm Suleiman

I have a question about Zakah on a residential land owned by me and my husband. My husband and I do not own any other house of our own or land. As such we collected money and we could afford to buy this residential plot which is in a still underdeveloped suburbs of our city. Our intention for this investment is that we will build a house on this particular plot or maybe sell it later on for a better price and when we can afford, buy a plot or house which is in an area more suitable for living.

We bought this plot of land in 2011 and paid back loan we were given by a helpful uncle by 2013. Could you please advise us, if we should pay Zakah on this land even if we plan to sell it in future to buy another residential plot or a house itself? If Zakah is incumbent on it, then should we give Zakah from 2014 which is after we paid back the loans or from 2012 (i.e 1 year since ownership)? May Allah guide us in the straight path! Jazaka Allah Khairan! Sincerely,

Umm Suleiman

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Umm Suleiman

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Buying a land for residence is a first step to obtain a residence as such this land should not be subject to Zakah. If this intention is the main one.

On the other hand, buying a land (i.e. any property real or personal) for the purpose of selling it later in order to accumulate wealth for buying residence or anything else; this action puts you in the category of a trader who buy with the expectation of sale at a higher price. In this case you are subject to Zakah, even though your intention is to accumulate sufficient amount to buy a residence (which is obviously exempt from

Zakah). Traders are required to pay Zakah on their trading net worth, i.e., market value at the end of the year minus any debts on the trading inventory/assets.

It is you who decide: if you think that the intention of building a house is dominant, there is no Zakah, but if you think that the intention of buying to sell at a higher price, then it is subject to Zakah from one lunar year after the buy on the net worth only (= assets - liabilities).

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 7: Borrowing haram money**

From: Ahmed

InShaAllah, in the near future, I will be getting married and me and my spouse will be living together. Currently, I'm living with my family and we're self-employed. I don't get any salary since it's for the whole family. Since I don't have any income whatsoever, Will it be permissible for me to borrow haram money from my family that was gained from the lottery or income that was gained from selling prohibited items such as alcohol, pork, cigarettes, lottery, etc. in order to find a halal job? I'll try my best to pay them back once I get everything situated Insha'Allah

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmed

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If you are sure that all the family's money is Haram and a matter of survival for you it is permissible to borrow it, also if not all of it is really exactly Haram and it is not a matter of survival it is also permissible. Lastly. Please notice that a price of Haram items such as alcohol, tobacco or port is not earned and not owned by the seller and should be given to charity. The Prophet, pbuh, warned that any flesh raised on Haram earning is destined for the Hell Fire.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 8: Parents insisted on having a doctor career for me**

From: Aminah

Previously I had wanted to become a doctor and went into a university degree based on that goal. Now I have changed my mind and am planning to try for another career (engineering). However, my parents keep pushing me to try to be a doctor and they say that I have to listen to them because they are my parents. They don't listen to me when I try to reason with them. Do parents have the power to decide their children's career?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad,  
wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Aminah

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

No adult, including parents, has a right to decide for another adult his/her career. Yet reconciling with parent and their obedience is very important as much as you can.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 9: Interest payments can be claimed in taxes...**

From: Aqsa

Salam, The interest we pay on our student loans is tax-deductible, we can get some of that money back from the government or use it towards lowering our income tax. In regards of that can someone pay this interest on their student loan (knowing some of it will be returned). More info at: <http://www.cra-arc.gc.ca/tx/ndvdl/tpcs/nctm-tx/rtrn/cmpltng/ddctns/lns300-350/319-eng.html>

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad,  
wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

In my opinion interest-based student loans are Haram except in case of necessity (such as a person who started his study on definite non-interest arrangement and during the study circumstances changed and the his/her program changed and become in need of the loan to complete).

But claiming any interest paid on the tax return reduces the amount of taxes and this has nothing to do with the Haram/Halal matters.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: calculation of Zakah on Savings**

From: ZABI

My question is with respect to how much Zakah is needed to be paid every year based on 2.5% of total savings. My savings for end of 2012, 2013, & 2014 were as follows \$50000, \$65000, 80000. Was I supposed to pay \$1250, 1625, & \$2000 respectively OR \$1250, \$375, \$375. Looking forward for your reply, Thanks

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad,  
wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Br. ZABI

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Taking you assumptions and adding that there are no other assets subject to Zakah and that the years you are talking about are lunar (354 days) not solar, the Zakah due on the balances 50000, 65000 and 80000 is 1250, 1625, & \$2000 respectively. Zakah is on the amount of wealth one owns not on the increment only. Of course if you use solar years you should adjust the rate to make it 2.5778 (=2.5%+2.5X11/100X354).

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 11: Giving Zakah to real brother who is under debt**

From: Qamar

As-salamu Alaykum, I have few quick questions about Zakah, Can I give my Zakah to my real brother who is in debt? If yes then do I need to tell him that this amount is Zakah? When a person is eligible to receive Zakah? Can I give whole of my Zakah to brother or only a portion? Do I have to pay Zakah on RRSP?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Qamar

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You can give your Zakah to your adult brother if he is in need, I personally do not like it because Zakah is a cleaner of your wealth and you may be liable to support your adult brother if he is in need according to some scholars. Also in our time, there are much more need of people literally dying out of hunger, this is more eligible than paying debts!

You may give all or part of the due Zakah to one deserving person.

A person is eligible to Zakah if his normal expense are more than normal income or has extra necessary expenses such as medical care that makes him in the red.

You do not need to tell recipient that it is Zakah.

Zakah is due on the RRSP balances every lunar year.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 12: Giving Zakah without telling recipient**

From: Muhammad

Is it allowed to give Zakah without telling recipient?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You do not need to tell recipient that it is Zakah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Live Fatwa, OnIslam Session May 12, 2015**

### **Question 1: Playing poker online**

From: Faldi

Assalamualaikum. My friends always sent me a request to play the game Texas Poker in Facebook. I know that playing poker is haram. But what is the Islamic ruling of playing online poker or poker game? Sorry for my bad English, because I still studying English.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Fadli,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Any game that involves payment of money on the basis of chance is not permissible in Shari'ah. poker like any others may or may not involve losing/gaining money. If it does not involve that and used for mere entertainment at times that do not take over any prayer, work, study or doing any useful service, is not then Haram.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 2: Bank transfers money to seller of car directly**

From: Leila

Assalam Alaykum sheikh am a Muslim lady working in a commercial bank that lends loans as well as asset finance I wanted them to buy for me a vehicle and they accepted to transfer the money to the vehicle seller meaning am not receiving the money directly from them however when am repaying the money they will charge me an interest at the rate of 5 % kindly clarify for me if it's haram to take such a loan?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Leila,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Interest-based loan are not permissible in Shari'ah. the Prohibition is clear and obvious in the Qur'an and Sunnah. A loan does not create additional value and cannot earn any increment. Payment directly to car seller is a practice of all interest-based banks not only your bank, this is a payment on your behalf after the loan is decided to be given to you. It does not affect the fact that it is an interest-based loan. what makes a basic difference that

the bank must buy the car for cash and sell it to you on installments at a higher price, this is permissible and this is what the Islamic bank in Kenya does.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 3: Adding assets together in Zakah calculation**

From: Haris

I have little amount of gold (4gm) and silver (10gm) and some cash. My cash is still so much that it can buy the stipulated amount of silver as per ZAKAH. So my question is Do I need to calculate Zakah by adding the amount of gold, silver and cash. My main concern is do I need to calculate Zakah on Gold as well as it is not much with me. I am little confused about this.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Haris,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

All such Zakatable items must be added together in determining the Nisab (criteria for Zakatability). You add gold, silver, cash, bank accounts of all kinds, stocks and shares, debts that you own on others, any investment property that you may have, etc. together if the total is equal or more to the amount of Nisab (my estimation is still about US\$ 1500), you should pay Zakah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 4: Investing Illegal Money**

From: Abubakar

Assalam Alaykum I am a public servant working in a government organization. In my office our directors used to collect kickbacks and gifts from contractors and when they are sharing the money they give some amount to us. Is it allowed in Islam for us to collect such money and if it is haram what about collecting the haram money and invests it and then when it matures I return the capital and keep the profit.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abubakar,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

It is of course Haram to collect this bribe, it is Haram to take it and to be silent about those who collect it. they must be reported to appropriate authorities and be punished by law and by Shari'ah.

Any funds generated by such bribes is also Haram. Their receipt is not permissible, their investment is HARAM and any profit generated by them is also Haram. The Prophet, pbuh, told us that any flesh raised on Haram deserves to be in the Hell Fire.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Can Zakah Be Calculated Now And Paid Later?**

From: Iqbal

AS-Salam- Alaykum, dear scholar, I was wondering if we could calculate Zakah and pay it in the later months when we have money, the reason is we are constructing a house and once we lease a house can have the amount to pay? pls reply. Allah Hafiz.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Iqbal,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

As a principle Zakah is due on the day 354 after Nisab is acquired. Delaying it simply for making business is not permissible. Here the suggested delay is to complete an investment (in fact business) property. I don't see that point as normal. Of course, I know that while conducting your own business, it happens sometimes that you may be short of liquidity because of lack on sale or delay in collection of debts or many similar real reasons it is then permissible to delay payment of Zakah to the poor and needy until one has adequate liquidity for that. But delaying the right of the poor simply to make our business better is not part of that. If you fall under any such necessity, it is then permissible to delay its payment without sin until cash is available but if delaying payment is simply to keep money for investment (and it seems from the question that this is the case. Of course you know your needs and situation better than me) is not permissible.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: Zakah to Non-Muslims**

From: Faaiza

Can Zakah and Fitrah be discharged to poor non-Muslims?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Faaiza,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

My answer is NO except in case of urgent emergency. Zakah and Fitrah are worships like

prayers and should be discharged the way we are informed by the law Giver.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 7: Wife's Zakah to husband**

From: Humaira

Assalam Alaykum I have two questions

1. My mother has 8 vori (1 vori = 11.3 gram) gold and about 1 lakh taka. My father has home loan and he needs to pay about 55 thousand taka every month for 14 years to the bank. So should my mother pay Zakah for the money and the gold considering my father has to pay the loan. If yes, then how much?
2. A lady has few lakhs money in the bank which she does not use but this money is used by her brother for business purposes. Is Zakah applicable on her? JazakAllah Khair!

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Humaira,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The debt that is on your father is against his future income, it is not going to be paid from his present funds and accounts. let me assume that your father has a bank account, some stocks and shares, a business the total of all of which on the day of Zakah is more than the amount of Nisab, Zakah is due on him on all this balance as long as the debt is not going to be paid out of these items. Debts on house are usually and always to be paid from future income not present items.

Add to that the fact that your mother is, according to Shari'ah, financially independent from her husband. She is required to pay Zakah on her own property while he may be considered poor.

For the lady who has money in the bank that she lets her brother to use sometimes, she is definitely required to pay Zakah on the balance of total money and bank accounts and debts on her brother.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: Pirated Academic Books**

From: Sid

halal and haram

I would like to know if we can use pirated academic books to study. What if the original are either unavailable in nearby bookshops or they are expensive? Also I would like to know what is the status of the degree obtained as a result of studying from such books? And what is its impact on job and income?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Sid,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Pirating books and other intellectual properties is not permissible. If you do not pirate but find it on the internet or someone sends it to you, you may use it. degrees and future income are not caused by the books but by your hard study and work so future income is not a part of pirating.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 9: Zakah while under home mortgage**

From: Humaira

Assalam Alaykum. My mother has saved certain amount of gold and money which is of from my father's money but has been with her from a long time. My father had taken home loan from the bank, so he needs to pay 55000 taka every month to the bank for many years. So in such a case, should my father pay Zakah? Should my mother pay Zakah for the gold jewelry and money she possesses?

Also, if the gold jewelry is old, that is it is sold in the market now, the price would be less than for what it was bought, so should the Zakah for the old jewelry be calculated according to the current value of the jewelry in the market?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Humaira,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

First part is answered. For the additional question, Zakah is always calculated on the current price on the day when it is due.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: Interest on Fixed Deposit Account**

From: AbdulHadiy

Assalam Alaykum, is it permissible to collect the interest on fixed deposit account in the bank?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. AbdulHadiy,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

No, it is not permissible. This is exactly a pure Riba, you should deposit in Islamic banks and you may then earn Halal profit. any such interest obtained must be given to Muslim charity for distribution to poor and needy.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## Live Fatwa, OnIslam Session May 19, 2015

### Question 1: Insurance

From: Nijamuddin

I am from India. My name Nijamuddin.

My question is - Can Muslim people use LIC policy or any Insurance policy. ?? It is Allowable or not.?

And also how to destroy interest money if someone have?? Thank you. Please reply.

### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Nijamuddin

1. Insurance, in general and all its kinds, is ruled by a majority of contemporary scholars as not permissible because it contains a great deal of Gharar (unknowability of main obligations in an exchange contract). A minority find it permissible because they see this unknowability as contained by applying the actuarial science.
2. But both groups of scholars agree that when Islamic insurance (based on cooperation and contribution to a cooperative fund) is not available any kind of insurance one needs may be taken from conventional insurance companies.
3. I do not know what is exactly the KIC that you asked about and I cannot give an opinion on it without knowing it. but if it is a kind of insurance and if the two conditions mentioned above (lack of Islamic insurance and need for it) are satisfied, it should be permissible to take it.
4. Riba (interest) is prohibited in Shari'ah. any interest which comes in the hand of a Muslim for any reason should be given to a Muslim poor (not destroyed because what is wrong in it is the way it is earned not the corpus of the money obtained). Giving it to the poor keeps one's own money pure and not mingled with the Haram money at the same time, it is permissible to the poor because of a combination of need and being given as charity. Remember, you will be rewarded for the intention of keeping your own money pure because this giving cannot be considered for the giver as a charity since a charity must be from a property one owns and earned interest is not in reality owned according to Shari'ah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: paying a loan back**

From: Matiullah

As-salamu Alaykum. One of my friend got loan from me few years ago. He is not in a position to be able to pay me back. If I ask him to borrow some money for me from someone else for a short time let's say a week (which he is able to do). At the end of the week I count that money as my loan returned but give him some money from my Zakah and tell him that it is Zakah for him and that he can pay the loan he has got from another person with this money. In this way, I would get my loan back as well as pay my Zakah as well. Is this a permissible way to pay my Zakah. Jazakumullah Khairan.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Matiullah

Whom are we cheating by this way? the rule of Zakah is that the payer must not benefit from its payment other than reward from God. This is not a Shari'ah consistent way out but a cheating of God. I believe it is not only invalid but also sinful although it looks as if you do not get the loan back from the Zakah you paid.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: Borrowing to renovate my old house**

From: Anna

Dear Dr. Monzer Kahf...

Let me introduce myself, I am Anna, a single parent, mother of 3 kids...( they are 18, 12 and 5 years old - two daughters and one son), I live in Indonesia.

Firstly, I ask you to forgive me, because my English isn't good...and I do hope you would understand what I want to share here, InShaAllah.

Since my divorce with my ex-husband 4 years ago, I do my best to afford all my kids' needs, from their school expenses, our life expenses and many more. I wrote books, but my income is not worth the cost that must be spent.

My ex-husband helped me very less and only if he remember us... I never ask him, because he has a new wife and they have 2 sons, that he should afford their life expenses as well.

Last December, I sold out my house, I really want to make a new step to improve my financial issue.

I gave my ex-husband his share...and since that time he totally stop helping us.

Some part the sale of my home, I sent to Gaza, because they need it more... I helped my siblings and relatives and fixing my parent's grave.

I am sorry I have to tell all this to you so you may see my real problem, didn't mean to show off what I did.

I rent a house for 1 year, and with biggest hope, I can renovate my other house that very very long we left off and it is not feasible to live. I am now working on to make all house legal documents under my name, to apply to loan money from bank, to fix my house... Because my part is very little, so it is impossible to renovating my house.

I start to do small business... selling snacks on the street.

But till now, nothing seems going to be good.... I lost much, I deceived by street thugs. My snacks selling unsold...not much I got.

And my saving is empty now....

I am really worry with my kids future, if this condition keep like this....I really pray and ask Allah to help me and send His miracle .

I don't want to ask help to my ex-husband, his life is miserable already, and he will blaming me about this.

I would do anything for my kids as long as it's halal way...but seems all door is closed to me....

Dr. Monzer, what should I do?

I often crying when I do night prayer...may Allah listen....

I do hope you would find me a good solution...and may Allah rewards you with many blessings, Ameen.

I looking forward for your kind reply....(Please if I may ask you, please keep my story private...please)

JazakAllah Khairan Katsira. As-salamu'alaykum.

Best Regards,

Anna

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Sr. Anna,

Your situation seems very impressive and you are intelligent and good-hearted person. It is difficult to suggest any try of a solution from distance. How about trying one of the small Islamic banks in an area near you and going for a small business or employment in a decent job. please contact any micro finance institution in the area, most of them in your country operate according to Shari'ah requirements.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: Loan to buy a house**

Assalam Alaykum,

My query is related to taking loan, as I am living on rent & not having enough money to own a house or leave on heavy deposit with less rent, so facing some financial issue, so could u please assist that as per Islam in any conditions we r allowed 2 take loan & as I am from India all banks are dealing with interest & I had also confirmed with imam of our masjid he had told me loan is not allowed in any condition, so kindly solve my query

from the light of holy Quran & Sahih hadiths.

Regards

Adnan Ansari .

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad,  
wa ‘ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Adnan,

I agree with what the Imam said; loans with interest are Haram. I suggest that you should try family and friends, or create an association with some friends to help each other with loans.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Live Fatwa, OnIslam Session June 4, 2015**

### **Question 1: giving Zakah without telling the recipient**

From: Sahara

I wanted to ask that in Islam, is it more good deeds if you make Zakah for someone without them knowing or making Zakah for yourself? Also how should it be done? Private or public? Assalam Alaykum

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad,  
wa ‘ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Sr. Sahara

Zakah is a person obligation on any person who has income or wealth more than his/her personal and family needs with a margin exempt if the excess amount is below what is called Nisab (approximately equivalent to US\$ 1500). Person means that each person who satisfies this condition must pay it to be a Muslim in the sense of the word. One person may pay it on behalf of another, such as a husband paying the Zakah on behalf of his wife. When this is done the other party must know that and authorize, implicitly or explicitly this payment. this is because it is one of the worships that are required of every Muslim similar to prayers.

Paying it without publicity is better unless one knows that publicizing it encourages other people to give their own Zakah, i.e., when publicity becomes like a reminder to others. The Prophet, pbuh, said for general charity that it is better to be without publicity and the same rule applies to Zakah too because it is a charity although obligatory.

The recipient needs not be informed that it is Zakah especially when it is paid to people who are really poor but they do not look so to an extent that superficial persons may think of them as rich as described in the Qur'an.

Of course one cannot pay Zakah to himself or any one whose expenses are the

responsibility of the Zakah payer. For instance while a wife may pay her Zakah to her husband if he is really poor but he cannot pay his Zakah to his wife or parents or grandparents because he is responsible for their expenses if they are poor. Lastly you should remember that Zakah is a yearly obligation that is due every lunar year where the firs start on the day one acquires the amount of Nisab.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Zakah on rental income property**

From: Vali

I have rental income property. Do I have to pay Zakah on rental income or value of the property by which I bought?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Vali,

I know there are some classical Ulama, who do not know the full reality of modern life and economies, claiming that rental property is not subject to Zakah but I believe that is incorrect and in violation of the term properties that is mentioned in the Qur'an [9:103]. My view is that the market value of the rental or investment property on the day when Zakah is due is subject to Zakah which you may pay from its rent or any other source. This must be repeated every year.

The rental income is treated like any other income one receives during the year: anything spent for maintenance of person, family and properties is gone and only the saved amount is subject to Zakah provided it is above the exempt threshold (Nisab) which is approximately US\$ 1500.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: inheritance of property**

From: Sameera

As-salam Alaykum scholars, we live in Sweden and we have two daughters. We have property in India which was bought by my husband with his earnings. Neither property came from his father nor his brothers helped him. Some property is on my name and some on my husband's. So my question is does all the property belongs to my daughters or somebody will get share of something happens to us. Is it possible to make a will so that all property goes to my daughter's...if yes how to make will...can I write all property on my daughters? names as gift to them as I know no one helps them financially if they need. My husband have two brothers and one sister and they all have sons no daughters and I have one sister having one daughter and one brother..plz help me. ..eagerly waiting

for u r reply...jazakAllah..

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Sr. Sameera,

The Inheritance law as mentioned in the Qur'an, especially in Surah 4, is mandatory and violating it is a big sin regardless of where is the property, where one lives and whether siblings are good or bad to you.

On the other hand, any person who owns property can do whatever one likes with one property as long as one is alive and fully capacitated. If you believe that your daughters may be left to suffer should you both die you may give them any property as gifts which means you have to transfer the legal ownership to them.

There is an alternative which you may consider but it does not work under the laws of Sweden: you may give properties in India as Waqf with the condition that its revenues/benefits be given to you and your husband for life and then to your daughters for their life and after they expire the revenue/benefit goes to a charity that you specify in the document. India has a law about Waqf while endowments in Western laws are limited.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: Are credit cards Haram?**

From: Lydia

salamou Alaykum I am confronted to a big issue that is credit cards, on one way we are told it is haram because of interests, on the other way you understand that it is very important to possess one here in Canada because nearly everything is paid with it and sometimes only with it (like TV purchases), actually I'm trying to use it and pay the due amounts in time is it allowed . if sometimes I got some annual interests to pay I always assess them and give the same amount to the poor is it ok

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Lydia,

Please notice the following carefully. Credit cards in Western countries all have interest clause that if you do not pay in full within the grace period you are charged interest. They also charge interest on cash from the day of its withdrawal from the machine. This is definitely Haram to issue. Accordingly some Islamic banks issue credit cards without such a clause and they require payment within the grace period otherwise they cancel the card. I personally have one like that from A Qatari Bank in Doha Qatar. They only give it if you have accounts with them.

What does that mean? If one allows one's use of the card to generate payable interest it is also Haram to use and take it. But if you pledge to yourself that you pay in full on time every month and do not withdraw cash from it (of course you can withdraw from the ATM card with very often gives you all the advantages of credit cards except delayed payment) it is permissible to sign the contract of credit cards and use it. the reason is: with this commitment the condition of interest becomes redundant. You will not invoke any interest in your use of the credit card.

If one cannot make this pledge to oneself, it is Haram to sign its contract and have it and use it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 5: Halal food**

From: Mohammad

Assalamualaikum, I have recently noticed that a lot of Muslim brothers and sisters eat chicken or beef from McDonalds and other fast food restaurants. Can you tell me if this is permissible through Hadith and Quran Ayahs. Jazakallah.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Mohammad,

The issue of meat has two opinions since more than a thousand year. The Qur'an the requirement to mention the name of Allah when slaughtering and also mention that meat slaughtered by Jews and Christians is permissible to eat and of course we have no authority to impose on them such a condition. Scholars in combining these two Qur'anic statements have the two views as follows: 1) mentioning the name of Allah is preferred but missing it even by a Muslim does not make the meat Haram, and 2) Jews and Christian should also mention the name of Allah if we are going to eat the meat they produce.

Let us leave it free for people to choose because both views have strong support from the texts. I personally follow the Shafi'i view in this regard and eat the meat slaughtered in America and Canada.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 6: Zakah for uncle suffering from Cancer**

From: maha

My uncle (80 years) is suffering from cancer. He gets pension of rs 18000 per month but have a divorced daughter depending upon him and a poor son with 4 kids now he took loan from relatives for throat operation that is in lacs but for radio therapy and medicines

he does not have money can I give him Zakah for his treatment. please reply me immediately as it is urgent

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Sr. Maha,

If I were in your place I would give my uncle help to his medicine not from Zakah but from my own resources. Majority of Scholars including Hanafi and Shafi'i see you responsible for his living expenses. I know there are some views that allow giving him from Zakah. But Notice Zakah is described by the Prophet, pbuh, as the cleanser of people's dirt, do you like your uncle to live on that? One other thing you may do is to relieve him from the burden of his divorced daughter or poor son, to them, being farther to you, you may pay your Zakah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 7: Zakah calculation**

From: Zahra

60gr of gold worth 300mt grass. It has 150gr silver worth 100mt grass. 5000mts have cash. He gave lent to his brother 1000mt It has 1 debt 2500MT. Have stock merchandise worth 9000mt. As he would have q pay Zakah if the Nisab of Zakah is 14000mt?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Sr. Zahra,

I did not understand your question because I do not know what is the mt that you repeated in the question. Anyway, you either explain in terms understood to people from outside your currency or apply the principles that I mention here: 1) items subject to Zakah must be added together, i.e., gold, silver, cash, stocks, debts on others, inventory, saving accounts, etc. should be added together. if the total exceed the amount of Nisab then Zakah must be calculated and paid, 2) debts on persons who are able to pay them back are also subject to Zakah, and 3) debts on the payer are deductible provided they are going to physically be paid out of existing assets not from future revenues/incomes.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: Buying Home through IJARA CANADA**

From: Mohammed

The following is the information I have received from IJARA CANADA a company which is providing Shari'ah compliant house financing. The Ijara system works very simple. Ijara Canada creates a trust and the trust becomes the owner of the property. Subsequently there will be a lease-to-own agreement between you and the trust. Each month you will pay rent and part of the rent goes to ownership until the customer owns it for 100%. But in Ijara, suppose you want to buy a property, you walk to Ijara and fill the application. We will create a trust and the trust will purchase the property (funds from the investor) and each month you will pay rent to the trust. A portion of that rent will go towards your ownership until you have 100% equity. Rent on money is Riba (haram) but rent on property is rent, which is halal. A trust is an independent entity; there is no ownership over the trust. So there are 3 elements in a trust there is : The Grantor, the Trustee and the Beneficiary. The Grantor is the person that grants something to the trust and in this case it will be you since you are granting the trust permission to purchase the property. The Trustee is the person that oversees the daily activities of the trust/ or the Manager of the trust. This will be Ijara since we will handle the payment processing of the rent and you will also be a co-trustee. So if something happens where Ijara is not able to maintain its role as the trustee, the trust can still function since you as co-trustee and take over the role of manager of the trust. Then there is the Beneficiary, which is the person who gets benefits from the trust (gets benefits from the usage of the property). And in this case it will initially be you but you can also add on your husband/wife or children and you can also decide what percentage they can have over the property. The role of the bank is basically the investor in the trust, it is not a main element of the trust thought. In the whole Ijara process though you don't have any direct interaction with the bank, your direct contract will be between you and the trust. The rent to own contract is the contract agreement of you and the trust that stating at the end of the term, you will be able to gain the property 100%. The lease contract is rent agreement. Our transaction adds the following documents to a traditional mortgage process: Intervivos Revocable Trust, Lease , Promise to Purchase , Deed to Trust You will have to sign the normal mortgage documents with the bank as they represents the security for the lender, and because it is required by the Law to disclose everything to you. However signing these documents does not make it non-Shari'ah compliant , it is the structure of the transaction in general is what makes it Shari'ah-compliant and which differentiate it from a normal mortgage, and as indicated below, Our transaction adds the following documents to a traditional mortgage process: ? Intervivos Revocable Trust ? Lease ? Promise to Purchase ? Deed to Trust This change you from renting money (Riba) to renting a house which is Shari'ah-compliant.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Mohammed,

PLEASE DO NOT BE CHEATED/ this is exactly the old cheating of this company. They did not mention to you that the property which is in the name of the trust is financed by the bank on interest and that according to Shari'ah the TRUST REPRESENTS YOU, IT IS NOT INDEPENDENT FROM YOU. You are the founder and grantor. IF THE

TRUST PAYS INTEREST, THEN IT IS YOU WHO IS PAYING IT. THIS FORMULA YOU DESCRIBED IS PURE INTEREST BUT THEY ADD TO IT THAT THEY TAKE MONEY FROM YOU TO DO THIS OBVIOUS TRICK.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 9: Currency Exchange in FOREX**

From: Ahmed

Salam Alaykum, I want to inquire regarding the foreign currency exchange in the internet through FOREX. Is it Halal or Haram? Appreciate your reply, thanks in advance. Salam Alaykum,

Ahmed

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Ahmed,

Forex and similar internet platforms for currency trading are in full violation of the requirement of 'hand to hand' that is mentioned in the Hadith. Internet currency trading is made in pairs (asset/liability) while your money is considered a security. This is in addition to the margin which is another violation of the same requirement. Besides, the lack of objective of taking possession in the internet currency transaction makes it purely speculative and the OIC Fiqh Academy ruled that it is Haram.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: Zakah for Nepal Earthquake victims**

From: Ahmad

I have recently given my Zakah for Nepal earthquake fund. But someone told me that Zakah cannot be given to non-Muslims or for their use under these emergency situations. Can you please clarify. Appreciate earliest guidance please. Thanks.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Ahmad,

As a principle I agree with what you are told. Zakah should be distributed to Muslim but if there are no Muslim needs you give to others. On the other hand in case of huge disasters like the Nepal's and urgent needs of saving lives it is permissible to give Zakah regardless of religion.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 11: Investment in treasury bills**

From: Guest 1

From: Guest 1

Assalam Alaykum Wa Rahmatullah wa Barakatuh! I wish to know if investing in treasury bills is permissible in Islam? If no, what other investment options are available to Muslims? Thank you in anticipation.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Guest

Treasury bills are interest-based debts on the ministry of finance. they are Haram to issue and buy and any interest generated by a person who unknowingly invested in them should be given to charity.

Shares are permissible provided the company's line of business is permissible and the company does not indulge in many non-permissible activities. And real estate and all other businesses.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 12: can I accept donation to help paying for medical treatment?**

From: Guest 2

My daughter is undergoing medical treatment in another country. The treatment is costly. Can I accept donation in terms of money to pay for the treatment from a non-Muslim family who runs a winery.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Guest

The money itself is not intoxicant, is it? if there is need you may accept donation from anyone who gives it as long as you do not know that the money he is giving you itself is stolen from its owner.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 13: best prayer for financial problems?**

From: Guest 3

what is the best prayer for the financial problem and solution?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad,  
wa ‘ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Guest

Good deed, good heart and the Master of Istighfar the Prophet taught us, check it?

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 14: Can U take commission on hotel reservation I make to others?**

From: Guest 4

salamalaikum,

I have a doubt. I am from India, and I have some friends in other countries and they ask me check out for doctors to treat their sick relatives. so I collect the reports from them, make consultation with doctor, arrange hotels and tour arrangements for them. these people are totally unknown to me and I spend my money and time to make the arrangements for their visit and I don't charge them anything. my question is , can I make agreement with the hotel, hospital and taxi people for some commission like 10% of cost, if I refer people to them. will the income be halal income for me.

is it necessary for me to inform the tourist that I will get commission for referring them. please clear my doubt as I don't want to do anything haram.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad,  
wa ‘ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear

If you are not in the business of making referrals on commissions it means they take you as a confidant. You cannot make a commission from behind their back. You have to inform them that you do not work for free and inform them about the amount of commission you get from each of these third parties.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 15: Investment in money market**

From: Guest 5

As Salam Alaykum wa Rahmatullah wabarakatuhu

I must confess, I really appreciate all your effort on this platform .May Almighty Allah reward you abundantly.

My question is that is it allowed for a Muslim to invest in money market fund example like Mutual fund that has profit in every unit bought by the investors. Or to participate in it as their wealth representatives.

Thanks

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Guest

Money market in America is all based on interest.

There are many mutual funds that are not based on cash lending or bonds and other bills that generate interest. There are conditions for investing in shares of course and the same applies to mutual funds that invest in shares. In America there are several Islamic mutual funds, please check them out and make some research on this idea before you actually invest. Umar the second Khalifa said that he who does not know our laws must not stand in our market. please make some reading in the item of stocks and shares in the Fatawa of OnIslam.net and kahf.net.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 16:**

From: Mirza

Islamic state allowed to print pictures of Holy Place (Like Ka'bah) on their currency notes.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Mirza,

I don't see any reason why not, a picture is a picture!

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 17: the world economic crisis**

From: Umar

Salamualaikum! Please I will like you to brief me on the solution to economic crisis of the world from Islamic perspective. Thank.

Umar

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Umar,

Please you need to enroll in a Ph. D. program of Islamic economics.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 18: punishment for refusing to give Zakah**

From: Umar

salamualakum? It a pleasure for me to have the opportunity to communicate with you. I must congratulate you for the good work you are doing on your website to enlighten people about Islam. May Almighty Allah help you to fulfill the cause. My question is: Is there any punishment according to Islamic Shari'ah for a person that refuses to give out Zakah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Umar,

Shortly after the death of the Prophet, pbuh, the Khalifa Abu Bakr led the Islamic army in fighting those who refused to pay their Zakah. Denial of its obligation is equivalent to going out of the Islamic religion but refusal to pay it without denying its obligation is one of the greatest sins in Shari'ah because it is a pillar of this religion which stands like prayers.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 19: interest-based mortgage**

From: ali

Assalam Alaykum Warahmatullahi Wabarakatuhu,

Is it permissible for a Muslim to apply for mortgage where the financing institution (Bank) will buy the house and the individual will pay the institution on installment with an interest on top of the principle amount?

Ali B from Kenya

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad,

wa ‘ala Aalihi wa Sahbihi Ajma'in  
Assalam Alaykum wa Rahmatu Allah wa Barakatuh  
Dear Br. Ali,

Islamic banks buy the property for cash and sells it for a higher price on installments. This is permissible and called Murabahah. The difference between lending and this double sale is that in double sale there is always a property that is exchanged. in lending there is no such condition. A loan may be used to pay a previous loan. this does not add any value of new utility to the economy. In sale there is always added value, wealth or utility. Loan with increment is Haram and called Riba in the Qur'an while sale is always permissible as long as the item itself is permissible.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 20: wearing football jerseys**

From: Corey

Assalam Alaykum,

I am writing a research paper about football and Islam. I tried to "ask a scholar" On Islam website, however, it will not let me. I wanted to know if it is permissible in Islam for a Muslim to wear a football jersey which sponsors an interest loan company (Newcastle Football Club's sponsor is Wonga - a payday interest loan company) or gambling companies such as 888 or 12bet? Also is it permissible for Muslims to wear jerseys that have crosses on them (i.e., England's National Football Team jersey) or Manchester United's jersey which has a "Red Devil" on it?

I would appreciate any wisdom you can provide me on this subject.

Sincerely,

Corey

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Corey,

This is not a money or finance question. I cannot give answer to it as I need more time to research it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session June 7, 2015**

**Question 1 : Wife's share in inheritance**

From: Guest 1

I am an adopted kid. Few months back my father died .Now my uncle claims that my

mom will get only 1/8 From her husband property. is this so? Will my mom get only 1/8 From her husband's property

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br./Sr.

If your adopting father has no children of his own, his wife inherits one fourth because an adopted child is not considered in the determination of shares of inheritance. This one fourth is calculated out of the net estate, i.e., after deducting funeral expenses, taxes, debts and any Wasiyyah (I suppose your adopting father has left for you and may be others or charities some amount as Wasiyyah).

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Zakah money to build a school for the poor**

From: Moiz

ASSALAM ALAYKUM, Can Zakah money be used to build a school for poor children and can it be used for Iftar in Ramadan of orphans, homeless in relief centers? And can it be used to pay medical expenses of deserving families or buy food for needy families? I am confused, please do clarify them to me.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Moiz,

Kindly notice that disbursement of Zakah requires giving it to the poor so that he/she owns it in the full sense of the word. Offering it on a table for a poor person is not equivalent to making it owned by him whereas putting food in a dish or box and giving it to the poor is making him an owner of what he is given.

Apply this rule: giving it to the doctor who provide the service does not fulfill this condition while giving the poor the doctor-prescribed medicine does, building a school for the poor does not while building it and handing the title of ownership to poor families does, paying tuition of a poor child to the school does not while paying it to his guardian who pays it to the school does fulfill this condition. I believe we need to be strict in applying this rule in order to avoid any abuse.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: Zakah of an old person**

From: Bassam

Assalam Alaykum I would like to know if an old man with some money left, but unable to work should continue to pay Zakah, if he fears he will no longer have any money left for his own survival? Of course he does not know how many years he has still to live, so is there a cut off age at which one is excused from paying Zakah? or does it depends on the amount of money one has left in his bank account before he dies? If this old man does not have any children who could provide him financially, should he burden his brothers and sisters to provide for him, so that he keep paying Zakah until he is left with nothing?

Thank you for answering

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Bassam,

You are tightening the matter too much, life is much wider than you are assuming. First, there is no and there cannot be an age cut off simply because none of us knows tomorrow!

If one is rich (defined as a given amount of money/assets [except personal and family needs for a reasonable period until next income (of course something like for a month, a quarter or a year not for expected average life expectancy) and used assets including a residence, etc.] called Nisab which is about US\$ 1500) one is required pay Zakah.

Also if one needs help, close family members, neighbors, community, NGOs and government are required to help.

This is the way life works.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: ethics in advertisement**

From: Anis

advertising

salam my question is about advertising . if I were to advertise my eBooks or other product in Facebook, I would kind of rent a space in the newsfeed or in the right part in Facebook or mobile ads ,I mean the ads can also be displayed in the cellphones of people but before advertising, I would set a budget in other words how much money do I want to spend in my advertising (of course the more money you spend, the more people you would reach and you would have the priority over the other advertiser because this system of advertising is called bidding, it is an auction) so after setting my budget I would target people by keywords and likes or their interests, for example you are a Facebook user and you like a field of study or food recipes or whatever thing, so you are going to like pages of those things that you like and show interest in them, so Facebook would enable me to target you thanks to your interest shown in Facebook, and when you would use Facebook you are going to find my product displayed to you specifically because of your interests. So sometimes when you target people in Facebook you would

kind of bet, I mean If I want to sell you an eBook that talks about healthy foods, I would try to target the keywords healthy diet and people who like pages of healthy diet but if I saw that the cost of the advertising is expensive because there were not a lot of people who click on my ads and didn't buy my product, I would try to do the advertising again and target other people with another keyword I mean instead of healthy food, I would target people who like pages of healthy diet and of course set another budget for this campaign of advertising and it goes on until the cost of advertising would be cheap and I make profit. So is this gambling or Gharar, haram?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,

wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Anis,

No. Gharar and gambling are two persons relationships not one person planning and deciding to spend on whatever he wants.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: Zakah on money saved for house construction**

From: Mohammad

Assalam o Alaykum Dear Scholar, I am saving money for construction of my house. Can you please guide that if Zakah is applicable on this amount or not as I am saving it with the intention of buying a commodity. Jazaka ALLAH.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,

wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Mohammad,

Yes, it is subject to Zakah from the 354th day after the total of your Zakatable assets/items reach Nisab. Once you make a contract in which you commit an amount to be paid to seller or contractor, this amount become for debt payment and it is then removed from the Zakatable items. Rationale: now you are rich by that amount, the future is not known even with best intention what is exempt is a house one lives in not a potential house.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: inheritance of a man died with no children**

From: Ahmad

As Salamu Alaykum, my question is regarding sharing of inheritance of a late young

man. He died without getting married (24yrs old) he died leaving his mother, father and siblings, a female and a brother. So the question is how is what he has left going to be shared according to Islamic principles.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Ahmad,

The Answer is given in the Qur'an 4:11. All his asset belongs to his parents, mother takes 1/6 and father takes 5/6.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 7: I live in a rented house and I own a house that is rented, how about Zakah?**

From: Sonia

Salaam I am living in rental house but I have another house mortgaged with some down payment and rented out for the reason that it's far and my kids don't want to live in that city. My question is do I pay Zakah on that houses down payment I made or the rental income if at all. Note: the rental income is only enough to pay the mortgage every month and I am left with about \$100 each month. Please reply to my email only. Jazaka Allah

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Sr Sonia,

The present net worth of the rented house is subject to Zakah at 2.5% every 354 days (lunar year) since you got it. net worth is present value minus amount of mortgage principal. Had you live in the house it would be exempt for being your residence.

Whatever saved amount out of the rent goes to your bank account and the balance in it is of course subject to Zakah with its normal conditions.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: Provident fund saving for retirement**

From: Azs

working professionals save a fixed amount every month from salary which is known as provident fund and they get this amount in their hands ONLY at the time of retirement. is Zakah payable on this saved amount every year or only after we get this in our hand on retirement?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Sr,

Pension funds may be subject to Zakah if they are owned by the contributors. There are different systems of providence funds in the world and you did not describe your providence funds. Accumulated Payments to social security in America, Europe and most Arab countries are not subject Zakah because they are treated by law as taxes whereas payment to providence pension fund in Singapore as subject because they are considered owned by the contributor and one can borrow from them in emergencies or use them to buy a house or the like. this makes them more similar to IRA, 401K and other retirement funds in America which are subject to Zakah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 9: gifts from persons working in banks**

From: Sania

Can we take gifts from those who are working in bank. especially gifts in ramzan and gifts are rice dates and other food items

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Sr. Sonia,

Yes, it is permissible as their salary is for their work, it the work they do is not Haram (there are many jobs in banks that are not Haram) the income they get is not Haram too. Additionally, to you it is a gift out of friendship which is Halal and we no right to ask people about their sources of income anyway.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: is it allowed to recruit people to get bonuses?**

From: Shurainna

Assalam Alaykum..my friend is inviting his friends in Facebook (that includes me and may other Muslim friends) in this new business of him..in this business, you only have to invest 1800 Philippine pesos, invite/recruit new members to join the group, then after completing the number of slots for new member needed, the 1800 invested will become 10000 Phil pesos. Now, as a Muslim, I doubt that this business is allowed in Islam. Can you help me understand what Islam says when it comes this kind of business. Thank you.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Sr. Shurainna

You did not explain what is the business. If it is only inviting people to become member and then distribute to old members the fees paid by new members this is a fraudulent business. Membership in it is Haram and inviting people to it is also Haram.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 11: gold meant for dowry, is it Zakatable?**

From: Zsamima

Assalam o Alaykum My father passed away 5 years ago & bought gold for my dowry. While he was alive, he paid Zakah on it for years even though that gold was not in any body's use, my mom never wore it either. Now, that he has passed away, somebody told us that gold meant for daughter's dowry doesn't have Zakah on it, is this true? The second issue is that our monthly income is, thought sufficient, nowhere near to pay the amount of Zakah my dowry gold has, how can I pay? Can I wait for next Ramadan & ask my husband to pay for it from then on? Thank you!

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Sr. Zsamima,

Since the day you became owner of it (either when it was given to you at your wedding or when you inherit it from father, provided other heirs consent to give it to you) it is subject to Zakah according to the Hanafi school. Its Zakah is yearly (i.e., every 354 days since the day it became yours) and at the rate of 2.5%. if you do not have cash from other sources including what your husband may give you to pay its Zakah you may delay payment until you ultimately have to sell part of it for liquidity to pay Zakah or distribute gold in kind. Of course your husband may volunteer to pay it on your behalf and he is rewarded for that InShaAllah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 12: Borrow credit on sim cards and Riba**

From: Abdul

Assalam Alaykum wa Rahmatullah wa Barakatuh!!First of all I would like to thank all of you guy u are giving a great support to the society and to the ones who don't know what

is Islam may Allah grant you Firdaus Janat. My question is about Riba. most of people get confused about Riba may be because of not getting enough explanation like me I get confused when it comes ""to borrow credits on sim card"". It is the way we borrow credits to call when you are running out of credits and you are far from any shop u can't find where to buy airtime but after a certain time when you buy an airtime they take back the credits u have borrowed and a surplus of 5% of service. like you borrowed 500 frw and when you reload like 600 frw they take 550% to pay the borrowed airtime. So I would like to know if that 5% will be considered like Riba. or service cost. thank you.  
Ramadan Mubarak

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Abdul hakim,

The extra 5% charged on this loan is Riba. Riba is any increment in a debt or loan. when they lend you say 5 Dollars the collect it whence you recharge 5.25 or 5.50.

This transaction can be done in a different way that is not Riba if they sell you units of air time such as 100 minutes local at a price higher than their regular price of pre-paid cards/sims and they allow you to use it either for local calls or other services they offer such as messaging, international calls.

The difference becomes apparent if tariff changes while under this arrangement. New rates apply if it is a loan of 5 Dollars but old rates apply if you already own airtime minutes and you still can use the owned number of minutes.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 13 : Stolen Goods**

From: Simon

Assalam Alaykum, I was wondering if a person steals money from a bank with help from a person who works in the bank, to whom should the person pay the money? It's hard to know if the person should give it to the bank because it's hard to find one owner for the money so should I go to the bank and just leave it in a bag and then go out out because I'm afraid that I will get caught or should I just give the money in charity because there is no real owner? Also if I have stolen something in the past and I called the owner and told him/her that I got their property (without telling my identity) and asked if they wanted it back and they said that I could keep it, is it okay for me to keep it then? JazakAllah Khairan, Baraka Allah feek.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Simon,

Money stolen from a bank should be returned to the owner which is the bank. It is stolen from a safe box then to the owner of the same safe box. In both cases it is owned by somebody. The bank is a legal person and it owns its money. It is incorrect to think that money of a bank has many owners. If you repent, I pray to Allah to accept your repentance and guide you into the right path. As a repentant you should not reveal your identity and if you can return the money to the bank through a money order or cash and say when and from what it was stolen without telling who you are it is OK as long as you were not caught in the first place.

Similarly for money or any other property stolen from any person, it should be returned to that person. I don't feel comfortable with a phone answer to keep it yourself. I think such an answer is given out of fear, confusion, worry, avoiding potential trouble. I suggest that it should be returned even with such an answer to the true owner, it is OK to stay unknown as long as you repented between you and Allah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 14: Payment for surfing online**

From: Anis

Assalam my question is about whether it is permissible or not to have a kind of e-wallet where you would receive money from merchants that you work for, this financial services business that provides online money transfer is called pioneer and their headquarter is in the united states ,considering the fact that depending on Wikipedia and other sources online ,the founder of pioneer is from Israel and I have watched him on a video in YouTube ,he was interviewed in fox news, depending on the video that was uploaded in 2011 <https://www.youtube.com/watch?v=Vpi1BBHzQyI> if I am not mistaken on the interview they said this founder used to be an Israeli soldier and on Wikipedia I found that He served in the Israeli Defense Forces as a special operations commander, the interview was about an Israeli Helicopter Crash in Israel-Lebanon Border and the founder supported the Israeli soldiers in his interview. So my question as being a freelancer online ,a lot of people get paid for their work online with pioneer through a prepaid debit master card and the fees for having this pioneer account are 39 dollars a year or more or less ,I don't remember . I don't know if the fees are for the MasterCard or for the account . so my question is it permissible to get paid through pioneer .And there are a lot of people who make a living online and get paid through pioneer.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Anis,

I don't feel comfortable with this arrangement because of the same reason mentioned in the question. But I do not see it as Haram as long as you can convert your pay into real cash that you can use freely through internet or outside it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Question 15: Calculation of Zakah on minimum of the year of max?**

From: Sarwar

I calculate Zakah I take the minimum balance that I have every year. I calculate on the same date every year, 27th Ramzan. Is this the correct way, e.g. if I have 3000 on 27th Ramzan and during the year it keeps on growing and decreasing, going down to say 2000, should I then calculate on 2000 or 3000, since whole year has gone only on 2000(minimum balance) right now I calculate on 2000. If at the end of the year I have 5000 should I be paying on 5000, if so one year would not have passed on this, I am in a dilemma, kindly respond

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Sarwar,

The rule is clear: Zakah is due on the amount you own on the day when it is due. The passage of a lunar year is described especially in the Hanafi school as follows: You got Nisab say on 27 Ramadan of 1434, then of 27 Ramadan 1435 you have an amount of Nisab or more, you pay Zakah on the amount you own on this day regardless of the passage of a year on each penny you acquired, the last one you may only have for one day. What matter is you established yourself as a Nisab owner in 1434, now you own that much or more. It also does not matter if during the year you went down to zero or more or less. What matter are the mentioned two days in this example. The day of establishing Zakatability and the day of 354 days later. definitely the Zakah is not on the minimum balance but on the amount owned on the day when it is due because this is your wealth then.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 16: How to avoid Riba when your parents use it?**

From: Eman

AoA. My father is currently jobless. We have deposited our savings in the national bank of our country and we use the monthly profit/interest to run our household. I understand that this profit is Riba and it's haram. A few days back I read the ayahs about Riba in surah al Baqarah. I tried to persuade my parents to leave this practice but I failed to do so. Now I'm in a fix. What shall I do? I have tried many times to persuade my parents. I pray to Allah after every salah to help us get rid of this fitna. Please give me a suggestion. Thank you.( If you publish this please publish it anonymously.)

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Sr. Eman,

This is definitely Riba and it is Haram, it is not profit. If you are in a country that has any Islamic bank, the solution is simple: convince them to transfer to an Islamic bank, its profit is Halal and it is usually about the same rate per capital. If you do not have an Islamic bank convince them to use the money is safe stocks such as utilities and similar income shares. Meanwhile you should tell your parent, very gently of course, that taking Riba is one of the worst sins and that the Prophet, pbuh, said that any flesh raised on Haram deserves to end up in the Hell Fire. You should minimize your intake of this Riba income to the bare survival minimum.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 17: ZAKAH ON MORTGAGE**

From: afzal

Respectfully Sir !I have a question and want Islamic answer for. I have paid 40000USD for a house on mortgage and I paid this amount to house owner. now I have question that however I am homeless and this amount I have invested on temporary home (Mortgage home 1 yr. mutual agreement) to be settled in that. I have immigrated from my hometown to capital due to security and war conditions. Since last couple of year I have taken several houses on mortgage with this amount and its the amount which I have invested for house to live . Well I have mid-incomes which I just can afford myself and my family including my parent family life expenses on monthly basis. Please let me know about Zakah on my mortgage amount. am I reliable to pay Zakah of this amount or not?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Afzal,

I don't understand your question and apparently you use the term mortgage is a different meaning that is common here in America. If you mean that you give this amount of \$40000 to the owner and he lets you live in the house for a year then you give the house back and get your money at the end of the year. This is clear Riba in kind that is the use of the house and this practice is Haram, no doubt about it. You should rather buy a house and live in it, period.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 18: How can a salary earner pay Zakah?**

From: Abdullateef

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Abdullatif

Zakah is due on salaries but not on all the salary, it is only on the saved part. If over a lunar year period your savings reach Nisab (approximately US \$ 1500) or more you are required to pay 2.5% of the total savings by the end of the year. For all future year you pay then Zakah on the accumulated savings at the end of each 354 days (= lunar year).

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 19: Islamic mortgage finance is more expensive than conventional**

From: Guest

assalamualaikum, I have house loan with interest try to convert to Islamic loan, but all Islamic finance co are not able to refinance because there rate is higher than regular bank ,what should I do?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Essam

Just try to pay it as soon as you can by accelerating your payments. Meanwhile make more Du'a and Istighfar for forgiveness.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session June 17, 2015**

**Question 1: Zakah calculation**

From: Guest 1:

Assalamualikum:

What should be my Zakah under following situation:

I have student loan approx. \$26000

Credit Card loan \$ 9000

I do not have any any balance in my bank at the end of Month. I have gold- approx. 700 gram with my wife.

Please provide me your in-depth analysis on it.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Brother

According to what you said and provided you have not have other assets such as rental property, shares and stocks, etc. you are not subject to Zakah especially that credit card's debt is due immediately.

However if the gold is yours, you are still not subject to Zakah because its amount can hardly pay for the immediate debt but you are making a very bad decision by holding it while you have a big debt that accumulate high rate of interest. You must sell it to pay the debt.

But if the gold is owned by your wife, she is subject to Zakah at its market price every lunar year (354 days) the first year begins the day she obtained the first 85 grams (amount of Nisab) at the rate of 2.5% and this is repeated every year. Remember she is total independent person and has her own independent finance.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question: Need a car for his wife, can it be financed on interest?**

From: Guest 2

Salam Alaykum, I got married in April 2015 to my lovely wife and best friend. I worked hard and saved a lot of money to make sure I make the house comfortable for her as well as make her happy. But each time we have to go to a function together, I see that it is not usually a pleasant outing because I don't have a car. She keeps telling me that we will get our own car in due course, but looking at my income, it is very unlikely that I would be able to save enough to buy a car in 3 to 4 years, except if Allah decides to surprise me (I really wish He does). Given this background, I am thinking of a car loan where I can make monthly payments to the cost of the car, but it is not something I can do within my income. Is it right (Islamically) to have her contribute to the monthly repayment costs? she has a good job as a lecturer in the university.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Ramadan Mubarak and Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Brother

Interest-based car loans are prohibited in Islam. Allah prohibited interest (Riba) with strongest word in the Qur'an and there is no necessity for a car to warrant breaking this strong prohibition. You can live without a car for years and also forever.

On the other point, it is permissible to accept any contribution, given voluntarily, to family expenses by your wife.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam  
Prof. Dr. Monzer Kahf

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**Question 3: using interest money to give favoritism donations**

From: Saif

My question is whether we can use the interest money in bank for the purpose of paying donations for our children to get admissions in a reputed school or college? What is the Islamic point of view? I will be obliged if my question is answered

Jazakumullah Khayran

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Saif,

Interest you get on bank deposits is not owned by you according to Shari'ah. what is not owned by you must be given away to charity and cannot be used in any way that benefit you including paying it to your children or their tuitions or donation to the school that facilitate their admission. It is like using this interest for own food and cloth.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: Offer to work in a bank**

From: Esmat

Salaam Alaykum,

I am a Muslim man, 43 years and married with having 2 children Alhamdulillah. I am living in Afghanistan.

In the past I have worked for around 10 years in a bank here in Afghanistan and then I left that job because of Riba/sood involved in that job (based on some fatwas I read/heard). After leaving the bank I have joined a trading company where I work now here for almost 2 years.

Currently due to weak economy and market situation my employer is reducing its staff and I am also informed by my manager to look for another job as my employment agreement will be terminated soon here. Therefore since 2 months I am actively searching for a job in various organizations outside the banking industry but with no success so far. Recently the bank where I used to work 2 years back has offered me a job and they want me to rejoin them.

Now I am very much confused whether to rejoin the banking industry or not due to Riba/sood issue?

If I reject the bank job then I am not sure whether I will get another job soon or at all as the employment market here in Afghanistan is not optimal. Besides I fear that when my current job is terminated then I will have no job and thus no income and in that case how to support my family. So I am very much stressed and worried and I can't decide what to do.

You are kindly requested to give me an advise which is best for my current situation and whether I rejoin the bank job or not.

Wa Salaam,

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Esmat,

I cannot give you a personal advice whether you go back to working in a bank or not. This is a decision you should make on your own.

Jobs have different rates in Shari’ah some are Haram, where the job requires you to do any prohibited activity such as signing or even typing a Riba contract in a bank. some jobs are permissible and advisable such as teaching Islamic studies in a school. Working in a bank provided you do not do any Haram activity, is not Haram although it has a sense of supporting the Riba activity.

Wa Allah A’lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: I work in a Bank, would my Ibadah be accepted?**

From: Abdwasiu

Salam Alaykum please I want to ask would Allah accept my Ibadah coz I work in a bank where interest is being received would my Ibadah be accepted coz I always think of an hadith which is narrated to the companions which talk about a man desperately in need of help from Allah but the prophet narrated that what he consumes his from haram, what he cloth with is from haram so how can his prayers be answered this make me grief when I remember this Hadith jazakumullahu Khairan

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Abdwasiu,

This Hadith is correct reported by Muslim. Each one of us must be keen to make our source of income pure and clean from any non-permissible tint. Working in a conventional bank in areas that require you to write, type, check or sign a Riba (interest)-based contract. However, working in other areas in a bank is not Haram although not the best job in the world as it helps the Haram institution itself.

Wa Allah A’lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: Zakah on shares**

Mohammed Feroz

Zakah is to be given for shares according to the market value + annual dividend or is to be given for the dividend amount only?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Mohammed,

Zakah is due on the market value of all shares owned on the day when Zakah is due. This is to be added to other Zakatable assets in the calculation and the rate is 2.5% every lunar year. Dividends, if reinvested they are then included in the balance of shares owned. If taken cash they are included in the amount of money and bank accounts since the Zakah on the latter is also on the balances on same day.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 7: Need to make more money**

From: Shaheed

As-salamu Alaykum Sir. I'm SHAHEED, Nigerian, Single. I studied Computer Engineering at Polytechnic here in my country but, no employment opportunity and these has really affected me financially because my plan was to do my Nikkah after my school activities because I don't want to enter into fitnal but due to these I was unable to fulfill my plans. What should I do sir in order to achieved my aims.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Shaheed,

Nothing more than work harder on finding a job. Meanwhile try to improve your qualifications by looking what is demanded in the market of employment and improve the same in your training and CV.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: Calculation of Zakah on gold**

Assalamualikum wa Rahmatullah wa Barakatuh

I would like to know the ruling on Zakah on the below said gold:

we Indians usually have a tradition of gifting gold during the wedding to our daughters. the quantity mostly satisfies for Zakah and above that we get mahr in gold too

my query here is what is the ruling on paying Zakah ?

keeping in mind the gold is not often used and it is kept in a safe locker, so basically it is an unused asset expect at times where there arises a need for (wedding function etc.)  
does the Zakah rules apply to it and how?

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad,  
wa ‘ala Aalihi wa Sahbihi Ajma'in  
Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Sister

According to the Hanafi school of Fiqh, jewelry, if they reach Nisab or more, are subject to Zakah whether they are in daily use or stored as assets. Some other schools differentiate between being used or not. Used: means for their suitable occasions not daily.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 9: I owe some money to a person I don't know now**

From: ....

Assalamualaikum. I'd be grateful if you answer my question. When I'm in first grade on elementary school, I've owed some money to my friend. The next year, she moved, and I haven't payback the money yet. The problem is I don't remember her name and I don't know where she live now. How should I payback my ""debt"" ? And second, will Allah forgive me and delete my sins for being addicted to ""porn""? I'm trying so hard to stop but sometimes I still lose my mind. I really want to stop but it's so hard. I'm afraid I won't be forgiven.

Ps : pls keep me in secret.

Thank you! May Allah reward you !

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad,  
wa ‘ala Aalihi wa Sahbihi Ajma'in  
Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Sister,

Just pray to Allah to take up this debt on your behalf. And in any future date if you come to reach that girl again send her the money. Giving a similar amount to charity also helps. For porno, seek help from Allah by making more Du'a to help you avoid it. it is not good for your future life when you get married. And by the way try to get married soon.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session June 24, 2015**

### **Question 1: Interest-based loans in India**

From: Guest 1:

Assalamoalaikum Sheikh,

Ramadan Mubarak to you and your family. May Allah swt grant us goodness and peace in this holy month of Ramadan, Ameen.

My name is Mohammed and I am from India. My question is pertaining to the interest based loan, in India we do not have Islamic banks and at times we have to deal with the conventional banks in order to fulfill our financial needs such as buying car, construction of home, higher education etc. For which these banks charges interest. I Alhamdulillah know that it is haram to deal in interest based transactions however, in order to fulfill the urgent requirement for which we cannot arrange money, would we be allowed to take interest based loans?

Also, if someone has already taken the loan, is he be considered to be an infidel in the light of Shari'ah

JazakAllah Khairan,

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Muhammed,

Interest-based loans are not permissible and Muslims in India and other countries are required to create adequate institutions to provide financing without interest. I do not know of any general rule that may apply in India and many other large Muslim communities. It is a duty on all Muslim in India to provide these facilities. Individual real necessities can make individual reasons for relaxing the prohibition. But in most cases there are no necessities in the examples mentioned in the question such as buying homes, cars and higher education.

Wa Allah A'lam

Prof. Dr. Monzer Kahf

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### **Question 2: Jewelry Kept by Father in-law, who pays Zakah?**

From: Guest 2

Dear brother Assalam Alaykum

I have a question regarding Zakah to be paid for jewelry. I am married for three years. At the time of my marriage I got gold jewelry in gift from my parents (around 300 grams) as well as from my in-laws side (around 200 grams) making it a total of 500 grams. But it after marriage the whole of it was taken by my in-laws and put it in their personal bank locker, though against my wishes. Since then I have neither seen it nor used it. Currently I am not working. I want to ask, at first is it lawful for them to keep that jewelry in their possession and, 2) who has to pay the Zakah that is due on that jewelry, me, my husband, or his parents (in whose custody that jewelry is)?

(I have the ability to pay Zakah only on the portion of jewelry that my parents gave me; although that too is in their custody)

Thank you.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Sister,

The jewelries are all yours and you are required to pay their due Zakah. Your husband, or any other person, may volunteer to pay it on your behalf.

On the other hand, definitely, it is your right to have hold and dispose of your own properties, jewelries included, no other person including your husband has any right to keep them or put any limit on your rights in this regard. I suggest that you should deal with this matter cautiously and gently keeping in mind social habits in your area. Discuss it clearly with them and raise the issue of your right and desire to use them in front of your husband and any receptions you may attend. Also raise the issue of Zakah payment.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 3: Zakah for past years**

From:

Assalam u Alaykum,

My question is : I would like to know about what if I couldn't remove Zakah last year.. Is that I will have to remove the Zakah for the last year and the current year as well? What is the Islamic ruling on this?

Jazakumullah Khayran

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Brother/Sister

Due Zakah does not die out with the passage of time. Any Zakah due for last year is still due on you and required to be paid as soon as you can. YES, you are required to pay past due Zakah along with current year due Zakah as soon as it is due.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 4: Can a Woman give her Zakah to an Adult Daughter?**

From: Sister Nur

as salaam Alaykum. I am under the impression that a Muslim cannot pay Zakah to relatives they are obligated to support. But, can you address this for a Muslim woman. Specifically, can I give my Zakah to an adult daughter. I assumed I could because as a father, not a mother, is responsible for children's financial well-being. Am I mistaken?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Sr. Nur,

Yes, you are mistaken! While it is true that a father is responsible for children, minors or adult if they need, when the father either cannot or does not fulfill his obligation a financially able mother becomes responsible for her children, minors and needy adults. If you are rich enough to pay Zakah, your needy adult daughter is rich by you if her father is not able or does not help her.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: what to do with bank interest**

From: Mubarak

Assalam Alaykum, I live in a place where I don't have access to Islamic banks. Could you please advise on what to do with the interest money that is accumulated in my account? JazakAllah Khayran

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br.

Interest obtained (credited to your account) from a conventional bank is considered not-earned according to Shari'ah. this means that you do not own this money although it is in your control and laws of many lands consider it owned by you.

The question becomes: what to do with a thing that is in your control but not yours and no other person has a claim on it. if this thing is harmful in itself such as tobacco or liquor, it must be destroyed. But if that thing is in itself useful but the wrong is in the way it become under your control, then you give it away to charity, preferably Muslim because there are extremely many needy Muslims all around us.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: mother left in a will all her estate to her 3 daughters**

From: Hana

ASA, my question is about Shari'ah inheritance law and wills. My mother recently passed away Allah ya rahma leaving 3 daughters, however in her will she left her whole estate to us and we realized that her will isn't Shari'ah compliant. My father and grandparents passed away many years ago and she has no sons. My mother has 2 full sisters, 4 paternal brothers and 6 paternal sisters. Before my mother passed away her

intentions was to use her money to pay off our mortgages due to interest/Riba. My older sister suffers from mental problems and someone took advantage of her so she had a baby (3 yrs.) who I am raising and in the will my mother split my older sister's share with her daughter which we have to put in a trust fund for them both. Throughout my mother's life she has never relied on anyone and worked extremely hard to provide us a better life and opportunities. My parents got divorced when we were very young and my mother didn't receive much help from her family when it came to raising us. A. Are all her siblings entitled to a share of her estate whether paternal brothers/sisters or full sisters? What would her siblings share work out to be? B. Can we act on my mother's intentions to pay off our mortgages with her money? We want to do the right thing by not dishonoring my mother's wishes to reduce our mortgages/Riba, ensure my mentally ill sister is provided for, however we are also fearful of consequences of not correcting the will to ensure it's Shari'ah compliant. JZK

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Sr. Hana,

I suppose the mortgage is in your mother's name. paying the mortgage debt has a priority over distribution any heirs. Please notice that although the mortgage debt was to be paid by your mother on monthly basis it becomes now due (from Shari'ah point of view) as she died and her income is cut off. Add to this the issue of removing the sin of interest from her and the heirs in addition to fulfilling her intention and desire.

Next if her last will specified anything for the child of your sister, this is valid within the limit of one third of the net estate (left over after all debts? payment and expenses, taxes, etc.). the amount left after the valid willed-share of this child is to be distributed 2/3 to the three of you (daughters) and 1/3 to the two full sisters, nothing is left to parental siblings of your mother as they are disqualified by the presence of 3 daughters and 2 full sisters.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 7: Zakah to Nepal earthquake victims**

From: Ahmad

Zakah

I have recently given my Zakah for Nepal earthquake fund. But someone told me that Zakah cannot be given to non-Muslims or for their use under these emergency situations. Can you please clarify. Appreciate earliest guidance please. Thanks.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Ahmad,

Yes, Zakah is only for Muslim except when it is a matter of life saving as in major disasters like what happened in Nepal. If you gave your Zakah to a trusted organization that spends it on basic relief it fulfills the obligation InShaAllah. As you know most organizations that work on relief have highly qualified managers with high privileges and benefits and also high level of corruption. In Zakah payment, except when collected by a government, giving it to a charitable organization is a kind of assigning it as your agent to distribute your Zakah, if your agent is not adequately trust-worthy you are still responsible to pay the amount that the agent did not give to poor and needy but used for other purposes. It is responsibility to give the amount due to deserving persons.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: Mortgage**

From: MOHAMMAD

I want to buy a house with mortgage. Is it haram?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Br. Mohammad,

The quick answer: yes, it is Haram.

The detailed answer: when buying is very important for family and financial reasons including good schooling for children, security, quality of neighborhood, affordable cost, etc. in this regard the International Conference of Fiqh held in Detroit in the Fall of 1999 determined that for such reasons there is a public need that is treated as necessities and the prohibition is relaxed provided there is no Islamic house finance available. Now Islamic house finance is available in most states and provinces in North America. If you exhaust these opportunities and could not qualified for Islamic house finance the conventional may be permissible under mentioned circumstances. Canada has several companies and credit unions that offer Islamic house finance, check with them first.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 9: can I take Zakah from my sister to pay off my education loan?**

From: sumya

Assalamualaikum,im 23yrs girl,i took a student loan in ignorance in 2009 after education I didn't work, not working for 2 yrs. it's very difficult to get a job in a good company, my mom is searching a groom for me so that I marry soon, my mom is paying 3k every month for my loan but it's a 3lac loan amount to be paid, so paying 3k will take a long time to finish the loan as the interest keeps piling up, so I wanted to know if I can take

Zakah money from my sister and pay the loan amount, plz help

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Sr. sumya,

If your sister is rich to pay Zakah why don't you take a loan from her to pay that large amount of debt and then you and your mother start paying her these 3 thousands a month. You can save the interest and avoid the Haram. Besides, if she is rich on her own (not husband) to the extent of having to pay Zakah, whether married or not, and you guys are in need for debt payment and may be others, she may be responsible to financially help you and your mother for the debt and for other expenses.

I do not see that in this case sister's Zakah can be used to pay your loan, it becomes as relieving her from her responsibilities by using the Zakah which is a right of the poor.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: Fraudulent**

From: Guest 5

What is the verdict on somebody who is a MUSLIM and a fraudster and he uses his fraud money to buy Iftar food for people who are fasting. Can they accept the food and what is the state of their fast. What is also the state of the fraudster who have out the food to them.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Brother

Fraud is definitely Haram and money earned by fraud should be given to the people who were burdened by it.

If you are fully certain that this food is from fraud money definitely, it is Haram to eat it, whether in Ramadan or in any other time.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 11: Investment in real estate**

From: Guest 6

Assalamu'alaiku m wRH, wBH Prof. May this mail find you in the Best state of Being InShaAllah. Please Prof I need clarifications on Investment in Properties? For instance, I invested my savings in a property [as is the tradition here in Nigeria, one can buy a

property from property-developers with installments payments]. Now the house is finished and I've completed the payments and have also put the property in the market 'FOR SALE'!

Please Prof. is it True that I'll have to calculate Zakah on the value of the property (from the date I started the Installment-payments till when I've completed payments and Pay out Zakah)?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Brother

YES, it is true with capital letter. Do you notice that although you may be a salaried person who works for government or company, in regard to this property you have become a real estate properties trader? This property is subject to Zakah from day one as part of your Zakatable items at its market price at end of each Zakah your of yours, like any other items such as stocks, saving accounts, etc.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 12: Buying food from Zakah for distribution to poor**

From: Guest 7

Assalam Alaykum

Is it permissible to buy stuff like clothes or food items with Zakah money and distribute it to poor people or you will have to pay Zakah in cash only.

Amanzai, Afghanistan

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Dear Brother/sister

Yes, it is permissible. It may also be advisable if you think that distribution food and cloth is better for the poor and his family especially when you doubt that if you give money he may use it for cigarettes instead of getting food for his family.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session Aug. 6, 2015**

**Questions 1: inheritance of wife, three daughters and a brother**

From: Guest 1

Assalam Alaykum,

Someone we know just passed away, leaving a widow and three married daughters. However, there is a deceased's, adult married, brother who is telling the three daughters that according to the laws of Pakistan, he will also get a share of the inheritance. Is this according to the Islamic laws of Inheritance? If not what can they do?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Guest

The Islamic system of inheritance is mandatory, please read verses 4:13 and 14 and the closing phrases of 4:11 and 12. Most of the rules of inheritance are given in the Qur'an itself, especially verses 11 and 12.

Verse No. 4:11 mentions that if the deceased leaves more than one daughter, they share two thirds of the estate (this and all others net after expenses and any last will to non-heirs) and verse 4:12 mentions that the wife has a share of 1/8 as long as there are children this makes a total of  $(16/24+3/24=19/24)$ . The remaining goes to closest male and female relatives. If he has only one brother (I assume he is not survived by any of his two parents) as you said his share is then the remainder  $5/24$ . It is true that the brother inherits in this case and the law in Pakistan is derived from Shari'ah. let us remember that if he left young children who need financial support the brother is obligated to support them and their mother who takes care of them the same way as he supports own small family. This is also the law in Pakistan as derived from Shari'ah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Questions 2: medical billing job**

From: Guest 2

Assalam Alaykum, I wanted to ask about medical billing jobs. medical billers send claims to insurance companies for reimbursement. I heard conventional insurance is haram and I was thinking sending claims to these companies and making them pay for the services rendered for a patient would be haram too. is it considered as assisting them to do evil?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Guest

Not exactly. Insurance is a very good and rather important service all societies need it and it is a great invention. In fact some of its early application are approved and done by the Prophet, pbuh, as in the case of blood money required for man-slaughter.

Conventional insurance contract is objected to by majority of scholars on the basis of unknowability of the obligations of the insurance company. This unknowability is called Gharar in Fiqh.

There is a minority of great scholars who approve insurance with some conditions. What is important to know is that since the service of insurance, health, cars and others, is very useful and may be necessary all scholars allow it when Islamic insurance (which is based in the concept of cooperatives). Unfortunately, today most countries do not have Islamic insurance, a matter which makes conventional insurance of any kind permissible for those who need it.

The conclusion: working in medical billing to insurance companies is not Haram on the following grounds:

1. insurance is not conclusively Haram especially wherever Islamic insurance does not exist,
2. medical billing cannot be prohibited even if insurance is prohibited because it is not directly related to contracting insurance. The contract is between the insured and the company. Here we are dealing with the right of the service provider in getting the price of the service he already provided, you are not signing an insurance contract.
3. medical billing is a service that exist in countries that normally do not have Islamic insurance such as US and some western countries. Islamic insurance exist in some Muslim countries and it is still very small that cannot provide service to majority of people who need it in these Muslim countries. This makes other insurance is permissible for those who need it even in countries that have Islamic insurance.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Questions 3: Buying a bike on installments**

From: Guest 3

Asalamalekm Sir,

Please do tell me that buying a bike in installment is halal or haram in Islam?

Waiting for your reply..with anticipation

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear guest

It is Halal whether the price is the same as the cash price or more.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Questions 4: rights of husband on wife's salary**

From: Guest 4

Assalam Alaykum!

I want to ask if do we have any hadith or daleel regarding the salary of wife not to be used by husband? Does the wife has the right to send money from her salary to her family without her husband approval? Shukran!

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear guest 4

there is more than Hadith. There is the Qur'an that establishes clearly that husband is the only one responsible for expenses of his wife. He is required to spend on her matters not only while marriage is going on but also after it for the period of Iddah and also while she is taking care of their children. This is established in verses: 4:34, 60:10 and 66:6.

The independence of her finance from her husband is established by 4:32 and the Hadith of Zainab, wife of Ibn Mas'ud who asked the Prophet, pbuh, whether she can give her Zakah to her husband even though he is going to spend on her and the Prophet, pbuh, said: yes.

Her financial independence is also established by Verse 4:4 which indicates that the Mahr becomes owned by her and the husband has no say on her properties.

According to the above and many other evidence from the Sunnah, like the Prophet, pbuh, who spent on his wives, even for Umm Salama he spent on her children from her previous marriage by a condition she made at her marriage, the Shari'ah establishes undisputable principle that: husband has no right whatsoever on her properties whether those existed before marriage or those acquired while married. He salary is hers she can do what she likes with it including giving it to her parents not only without permission of her husband but also without his knowledge. There is a view attributed to Imam Malik that a married woman cannot dispose of more than one third of her property without husband permit. This view is rejected with strongest words by Imam Abu Zahrah saying that Malik has no evidence from text or Shari'ah rules at all to support this view. Please refer to the book al milkiyyah wa al 'Aqd in Shari'ah by the late Imam Muhammad Abu Zahra.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 5: Inheritance and family Waqf**

From: salim

India

Waqf of family

Can u please explain that when Qur'anic law states the exact inheritance of family members and allows for one third will only, how can family Waqf of whole property be done and the eldest son and not daughter be made the Mutawalli of the whole property??

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Br. Salim,

Your question is important is as much as it is easy to explain. Waqf is an action done by a person in one's life time and full capability to contract. it is an expression of economic

freedom that is strongly declared in Shari'ah, ?people are fully authorized over their own properties and no one, including government, has any right to restrict them in any way that is not mentioned in Shari'ah.

On the other hand the right of ownership is a grant from Allah to human beings while they are alive. It is withdrawn at death. When a person dies the property goes back to the owner. The Owner, who is most Graceful decided to distribute it to the closest kin of the deceased. This is why Islamic inheritance system is mandatory; please read carefully verses 4:11-14 and notice the strength of the mandate. Even the Will is limited to one third and also provided it does not disturb the mandatory terms given in the Qur'an. This is why the Prophet, pbuh, said that a will cannot be to an heir. This concept is summarized beautifully By Abu Bakr al Siddiq when he expressed the will as a charity given to us by God make us gain additional reward at the last chance.

Appointing the Mutawalli (manager) of Waqf is a matter of personal choice because it relates to right of disposition, it could be any person, male or female. I may recall that Umar bin al Khattab appointed his daughter as his Mutawalli. Yet we must notice that the authority of the manager is limited to implement the instructions of the founder. Also scholars argue that some conditions that may be made by the founder may be restricted or revised if they are proven as in violation of basic justice. One of such rejected conditions is excluding the females from family Waqf benefits.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Questions 6: family strained relations**

From:

Hungary

scholar's opinion needed

I have a question regarding marriage and I am seeking Islamic advice. I got married in 2007 and alhumdulliah although my marriage had many ups and downs and hardship my husband and I survived them.. Things changed dramatically when I got pregnant with our daughter in 2011, my relationship with my husband became strained, main reasons for this included I don't get on with his family particularly his mum and financial issues which have always been a difficulty, often I have been the main breadwinner. After I had my daughter things got worse between us, my husband did not take his responsibility as a father seriously and talking to him was not helping, he appeared to be having a midlife crisis - unhappy with his job, wanting to travel and see the world, literally wanting to travel to every continent and he became upset with me as I found it hard to allow his mum to take control of my home and parenting of my daughter.. In the end he divorced me in 2013, reasons including I was disobedient wife and his parents felt I was disrespecting of them when they came to my house..only Allah swt knows what is in my heart and what I suffered through being their daughter in law. Since this time I have bought a house and have been supporting me and my daughter whilst working full-time and completing renovation works on my house..my ex-husband has given child maintenance payments and we have an agreed contact arrangement for him and his family..In the two years he has not really changed his spending habits, and continued on

his midlife crisis where he indulges in going out and travelling and enjoyed being single.. Now he has decided that he is sorry and would like me to do the nikkah with him again so that he can be a father to his daughter on a full time basis. I recently found out that he is broke, and possibly losing his job, he has no savings or any investments..so essentially I will have to take him on and again be the breadwinner..I'm just not sure what to do, even though I do not have any love towards him, and he will not be able to support me and my daughter financially and the relationships with his parents are non-existent, should I still agree to remarriage, purely for the reason my daughter will have her father in her life and we will be a family..I am disappointed that even after 2 years of having his freedom he has not thought about becoming a stable individual who can provide for a family. Even if he was to be seeking another rishta those parents/women would also be looking at his income and potential to provide for their daughter. Seeking answers and advice please Jazaka Allah

Ms. Zobiah

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr.

I am sorry to say that I am not the right person to answer your question and I am handcuffed by my lack of knowledge in this area of marriage and family matters. My expertise is in finance, property and economic matters. this question was addressed to me by mistake and I am asking On Islam to readdress it to a right expert.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 7: selling feed of pigs**

From: Mubin

Philippines

selling feeds

Assalam Alaykum ,> Respected brothers,> we have a brother living in northern Philippines His business is> selling feeds for chicken and fish his inquiry is if he can sell the> feeds using to feed a pig or hogs..what is the correct ruling> regarding his business...Jazaka Allah Khair

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mubin,

I think he should avoid selling feed that is specialized for pigs. Any feeds that are common to pigs and other animals he may carry in his store and sell to anyone even if he knows that the buyer most likely will use it for pigs. The matter is when it comes to pigs that are raised for their meat we are advised to avoid them including selling and raising them. selling feed that can only be used by pigs makes one very close to raising them.

there are pigs that are raised for medical experiments and for the valves of their hearts, these are permissible to raise and feed.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 8: company I work in offers different payment plans including interest**

From: Sahin

Austria

Is working as a software engineer haram?

Assalam Alaykum. I apologize if you have received this question before, because I have written a question in the ""Ask the scholar"" section a week ago but have received no notification. So I am working as a software engineer in a company and I am maintaining the online-shop. We offer a variety of payment methods, including installments financing which runs over banks. We are not making the contract but I had to place a button which directs the customer to the contract and it also transfers personal data like the name of the customer, the country, street, etc... However, they are not sent to the bank, they are rather like those auto-fill function in online-forms, this is intangible and the customer can change that before sending the contract. It is mentioned in a hadith of the Prophet, Salallahu aleyhi we selem, that people who take usury, give usury, write it down or witness it are all the same. Do I fall into any of these? If that is the case than I won't be able to work in this field ever again, because I am not aware of any company which does not offer any kind of installments financing. If my job is haram, could I stay in this company for 1 year until I can go studying something else?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sahin,

I don't see your job as included in any of the four functions mentioned in the Hadith of Riba. most scholars argue that working in the IT of a bank itself is not Haram as long as one does not write a Riba contract or be a witness to it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 9: salary is small and need loans**

From: Ferzalim

Philippines

Salary loan

Assalamualaikum, I am a fireman, a government employee, my parents earned money from their little business that are only enough to sustain our daily basic needs including my younger brothers and sisters' educational expenses. I myself planning to get married with my girlfriend whom I have committed for more than 2 years. Only from my salary

where I can get money for my dowry. My most concern of myself is I don't want to commit sin (fasad) to Allah in dis relationship. My question is that, am I allowed to avail salary loan for me to be able to get enough amount to dowry my girlfriend? Please respond this. I am truly and badly needed your help

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ferzalim,

Most salary loans are non interest based. Of course if the salary loan is not based on interest it is permissible. If it is based on interest it is not permissible and you should find another way to finance the Mahr.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 10: Zakah to traveling father for Hajj**

From: Ali

Pakistan

Zakah

Asalamoalikum..My name is Ali and I am from Pakistan..Alhamdulillah my father is going on hajj this year but the government has raised the prices of expenses just month before hajj..we sblings are financing our father hajj.. now he is in need of some extra money and my all sblings are denying to give money..even I also have a little amount..but I have save my Zakah which I suppose to paid in December by this year..as my father is a traveler and in ISLAM we can give Zakah to traveler who is in need of money..my father is really sad by the policy of our country..I saw him crying..I am sad too..can I give Zakah to my father..they are not many but are sufficient for my father expenses..please do reply..I have lost my mom 2 years ago..my father is 65 years old..I cannot see such situation of my father...JAZAKALLAH

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ali,

of course you can give him now this money that you are saving to pay your Zakah in December. We are not in December. What you give him is definitely not Zakah. Your father is not poor he has all of you and you have money. He does not deserve Zakah and even if he deserves it you cannot give him your Zakah because you are his son and this makes you responsible for his expense that means by having you he is not poor. Give him the money now and let him be happy going for Hajj.

When the time comes for your Zakah payment you calculate what is due on you, pay it and if you are then short of money delay a part of the due until you can pay it, it is not sinful to do that.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Questions 11: Family relation strained and wife is the bread winner**

From: anne

Pakistan

Family Issues

It's been 16 years since I converted to Islam and my husband being jobless and me taking care of the income. He gets a job and then for some reason something happens and he loses it. I have four daughters and Allah has blessed me with a good job but now I have started feeling as though this will be a part of my life. before I got married to him he was financially well off. He is a very nice person never been rude to me all these years. I feel sorry for him but now I feel as though the relationship is tearing apart . What do I do ? I sometimes even feel I was better off in my past life as a catholic although I am aware that morally this is a much better life.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Anne

Please consult a family specialist, I am not able to answer your question, my specialty is finance and economics not family and marriage. I am sorry.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 12: given more change back than deserved**

From: Harun

Netherlands

What to do?

I had paid for fried that cost 2.50 and I had 10 euro and I received 17.85 back.. I don't want to use it for haram things so can I donate it to a good charity in a mosque?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Harun,

Although I do not understand your question you can always donate to charity. If you like to rephrase the question and make it a bit clearer I may be able to answer it, try again please.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 12: adjusting a loan toward Zakah**

From: From: SHAFIQUE

One of my colleagues who is a labor got some money as a loan from me but I feel he is unable to return it. Can I adjust this loan in my Zakah (charity) amount. Is it mandatory to inform him that I am deducting it from Zakah or It's enough to tell him that I've written his loan off?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shafique,

the answer is a big NO. you cannot pay your Zakah in any way that benefits you. Here you are giving it to yourself as recovery of the loan!

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 14: gifts to children**

From: Umm Huda

Assalam Alaykum My father would like to gift me a house that is in his name. Currently my grandmother lives there but she is moving to a smaller house, and so my father wants to gift it to me as an investment and security. The problem is my husband. Do I need his Permission to accept this gift? Does he have to have knowledge of the gift? I have a feeling he will object to this. There is another purpose to this, and that is that I have always wanted to run my own school and my father hopes to eventually help me convert this into an educational center. I would normally not have the funds for this but if I have the property, it will be much easier! The second problem is that for tax purposes, my husband's business is in my name. Now if it is a gift, don't have to pay any tax when I get this property except for a small yearly tax on the property. I know my husband will also object on these grounds, but I am satisfied that InShaAllah I have enough savings to pay for this small tax. Pls advise me if my husband needs to know (because of his business, he might need to), and whether it is his right to object to it or not? Jazaka Allah Khair

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Umm Huda,

in brief. Husbands have no right to interfere in wives properties and income. What she gets and what she give. This is the formal rule that every husband must know, accept and abide by. This is our Shari'ah and if husband know it well they will realize their limits

On the other hand courteous relationships between husband and wife makes every one of them to inform, consult and keep the other in the loop. You need to make a balance. I would suggest that while it is your full right to accept this gift without any knowledge of

you husband and do whatever you want to do with it without his knowledge too, you may like to consider best way that sets him to rest on this issue without negatively affecting your relation with him.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 15: failing in business**

From: Saheed

Nigeria

Family related

Salam Alaykum, All praise and adoration belong to Allah. Pls bear with me if my question seems lengthy. I am writing to seek your advice for an issue which I am quite confused about. I graduated from the university about 3 years ago with a degree in life science. Excited and expectant to get a good job. Alhamdulillah, I got a teaching job which I did for a few months. Though I love teaching but I realized while on the job that I wanted to do something more... I always felt like I was operating below my true potential. So all the while I was always making du'a to Allah to grant me something better...InShaAllah I came across a business not long after which caught my interest.. It looked like the perfect opportunity that would give me the chance to be able to benefit not just myself but also my family and the society. And this is what I have always wanted to do. So I gave up my job to start a new business..I struggled as an entrepreneur, probably due to no prior knowledge in business and because I let my fears prevent me from taking some actions. I had to consult my family for help occasionally. Till it came to a point that they kept pressurizing me to get a Job and quit the business. Although I have struggled so far in my first year in business but I always have the feelings I am in the right place. A place where I can put my creativity to place and develop my skills. My family thinks am under a kind of spell(Naothubillah) and they also say am disgracing the family engaging in such kind of business. They also say it's not going to work, but I know it's Allah who is the disposer of affairs. My parents have also resorted into what looks like an emotional blackmail( saying am heartless to be engaging in a business that is not profiting me) and they are also insisting that I must obey them and go on to look for a job. My Dad has taken it up on himself to search for jobs not and make me apply for them not considering if am interested or not. I understand the importance of Obedience to Parents In our deen and I know they have been doing all this because they want to see me succeed. I have played along with them so far so as avoid incurring the anger of Allah. But sincerely I do not have any interest in any of those Jobs.. I wanted to able to own my own business. I want to return to figuring out a way to succeed in the business I started. I feel misplaced doing something else and I have continued to pray every day for Allah to guide me and provide me a way to return to my business and to be able to achieve excellence and breakthrough. I don't want to sever the ties of kinship but I feel restless doing something else. I will be grateful if you can advise me on how to go about it. Jazakumullah Khair

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Saheed,

I am sorry of not being of any help in this regard, I suggest that you need to consult a business expert about this business that you have now and its potential. You need also to consult a family specialist of how to deal with the insistence of your parents to get a job.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Questions 16: gifts to children**

From: Ammar

Austria

Gifts/presents

Assalam Alaykum One short question to you: if I have two kids and I give 10.000\$ as present to one of them, because he needs it to expand his little business and The Other kid would also Appreciate this Amount as a present but doesn't need it that much, because he is older and could start a small business years before everything became more expensive (some years before the world-crisis). Is it allowed to give one kid more than to the other? Or is it the same way of splitting that I have to do as it would be after my death?

### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ammar,

Gift giving by a parent to children should be on equal footing and equal basis regardless of gender, i.e., sons and daughters are all equal unlike inheritance. This is based on the famous Hadith of the father of al Nu'man who wanted to give once of his children a gift and asked the Prophet, pbuh, to be his witness on that, the Prophet asked him whether he is giving all his children the same and when he answered no the Prophet, pbuh called the action Zulm (injustice) and refused to be a witness on it. gift giving is on equal basis not like inheritance where a male takes two shares and a female takes one share.

Equality may be in kind such as paying the expenses of marriage which may be different, assuming similar level, from time to time, or may be in amount. but of course equality does not refer to caused giving such as when a child is sick you give him medicine but you do not give all others the same!

Of course children are not the same in business abilities and success, this is not an excuse to give one more than the others, but if one is poor, giving him to sustain himself is an obligation on the parent if the latter is able, this is a caused giving that does not require equality.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 17: Halal ways of making money**

From: Abdallah

Canada

Making Money Online

Salamualaikum, I've always wanted to start some sort of online company or earn money online at a tender age. I started going into it, and I started noticing how much prohibited things can get in the way. What are some halal ways of making money online? Can you please clarify the rulings on uploading files/writing for a website and getting paid from advertisement revenue. I don't own the website, but I wanted to write for them and they choose the ads, and sometimes they are halal, and sometimes not. Jazakullah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdallah,

I cannot tell you what are the Halal on the internet and what are the Haram because both are plenty. If you are earning from writing drafts of advertisements the advertised substance/action and the use of words and shape must be acceptable to Shari'ah. for instance for advertising a car it is Haram to draw a girl in a bikini standing beside the car. If you write articles the subject must be acceptable and useful and the use of word decent, etc.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 18: can furniture be given as Zakah?**

From: Muslim

Assalam Alaykum My question is that I bought a furniture for myself but while purchasing that it was in my mind that when my maid she is an orphanage will get married I will give her .now my question is can I give that furniture in Zakah Because it was in my mind that I will replace it by Zakah or Sadaqah so can I do that .and utilize that amount of money by myself or it is haram for me.plz reply me urgently .

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muslim,

giving any useful property as Sadaqah is of course permissible. What is not permissible is to give a harmful thing because that is not considered a property in Shari'ah. examples of such harmful things are a pack of cigarettes of a bottle of liquor. As Sadaqah you may give new or old items, furniture, clothe or others.

Zakah can also be in kind or in money whatever is more useful to the recipient poor. If the poor person who deserves Zakah is in need for furniture more than food, you better give him furniture. Additionally, giving used furniture or any other used item as Zakah must be valued at its present value on the day of giving, you cannot value it on the day

you purchased it new.  
Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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## Live Fatwa, OnIslam Session Aug. 18, 2015

### Question 1: Debt is cheaper than equity and interest is tax deductible

From: Ibadun, Sri Lanka

I understand Riba-interest is haram, but practically debt is cheaper than equity and interest cost attracts tax benefit also interest cost is not added to calculate a price of product which is based on variable cost. I believe that Allah made this haram for some great reason not just like pricing issues. Please, clarify me. Thanks.

#### My Answer:

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ibadun

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Answering your question requires a book. Yes definitely it is a matter of paradigm not simply a change of pricing method.

Prohibition of interest and Islamic finance affects the whole economic system, its performance, historical development and crises.

I suggest that you make some homework by reading some of the writings on the issue, you may find some of my books on Amazon and on the web for pay or for free.

For a small point, remember that the tax system is built to privilege interest structure, is this a normal practice of human being while interest contracts themselves do not produce added value as they only transfer wealth while any added value that may be created comes as a result of the borrowers decisions and actions not from the contract itself, think of it please from outside the box!

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### Question 2: Marrying the sister of one's wife

From: Guest 2

Aselamaleikum. Is it permissible in Islam to marry two sisters (marrying a sister of one's wife)? What are the preconditions if it's allowed?

#### My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear questioner,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

No, it is not permissible to marry two sisters. It is absolutely prohibited. No exceptions.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: selling the house to invest in business**

From: Guest 3

Assalam Alaykum. Is it ok to sell house and invest all money in business, while the family has to rent a flat?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear questioner

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

This is an economic decision one may take, no Shari'ah issue in it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: can one who owns Nisab deserve Zakah?**

From: Guest 4

As-salamu Alaykum. Can we give, from our Zakah, to someone who meets current Nisab and they themselves should be giving Zakah?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Questioner

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

As a principle, No it is not permissible to give Zakah to a person who is required to pay Zakah. This person is rich by owning Nisab and being to pay Zakah. One may find some odd hypothetical cases in some Fiqh books of this kind of a person being deserving Zakah and at the same time payer of Zakah. These odd cases result from wrong Fatwa not from correct situations.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 5: My father took loans on interest and he pays my education tuitions**

From: Muhammad

Using Parent's Money while he is paying interest

As-salamu Alaykum. I am 23 years old and recently graduated college. So I decided to go

to the US for my higher studies in the US and Alhamdulillah I got an admission to a university in Ramadan itself, which I believe was a blessing from the Almighty.

But since I haven't started earning money by myself, my father will be paying for my education in the US University. My father resides in the Middle East and does business there. But he has taken loans both in the middle east and in India for purchasing either vehicles or land. I tried to convince him to pay up and finish the loans but he insists that the loans in Middle Eastern banks are Islamic Finance and that he will eventually pay the loans in India. But the fact is that he is paying interest for the loans in both areas.

Now my question is that since I am living off my parent's money and he is paying interest, If I go to the US to pursue my education, will my livelihood be Haram as it has its base on Interest and Loans? Should I cancel my plans to study for now until I find a Halal way to finance my education? It was a big dream for me to study there but I am willing to give up on it for the sake of Allah. So please do give an answer at the earliest as I am preparing my documents for the travel already.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammad

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Please first notice the following:

1. Finance that your father is getting in the middle east may very well be Islamic, you cannot make a statement before you study them specifically. BTW, Islamic finance cannot be on loan basis, this means there cannot be Islamic loan as you mentioned in the question.
2. You said that your father makes business in the Gulf. So his income is from business not from interest. Your question shows that your father pays interest not earns it. is his business to give loans on interest. If not as it is apparent from your statements, his income is not Haram.
3. If you are going to finance your travel, education and living expenses from an interest-based loan you or your father will contract with a bank, I suggest to you to avoid that and postpone your study. But if your father is financing your study from his income (and wealth) not from a bank loan, I suggest to you to take this opportunity and go for it.
4. Keep advising your father very gently to avoid interest transactions anywhere in the world and to keep all his business on Halal basis. There are several Islamic banks in the Gulf that offer Islamic finance. and remember it is Haram to pay interest as much as it is Haram to take it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: online pirated textbooks**

From: Oumer

Online Textbooks

Assalam Alaykum. Is it permissible to get online textbooks from websites that post them for free, as long as they were obtained by legally legitimate means? I believe an analogy would be giving away a physical textbook for free or lending it out after buying it yourself.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Oumer

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

As you described it, yes it is permissible.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 7: Financing graduate studies**

From: Muhammad

Islamic Finance for Education

As-salamu Alaykum have been trying to find an answer to my question but couldn't find it anywhere in the Internet. I am planning to pursue graduate studies but the fee for it is too high. So I am looking for a way to finance my education through an Islamic Bank.

But the problem is that I could find how Shari'ah and Islamic finance can be applied to purchase of commodities, but I could not find it in my case where I will have to get the whole amount and pay it back in installments. Please do let me know how Islamic Finance works in such a scenario.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammad,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Not all things may be finance according to Shari'ah but in fact most things.

Education may be financed by an Islamic bank (it is actually done in many countries today) as follows: the IB buys the service of education from a university and sells it (credit hours) to the student on deferred payment basis. Air-tickets, renting apartment, even food purchase can be done similarly. The basis of this is Ijarah contract which applies to usufruct of assets and to services of person (with or without their own assets like a car with a driver).

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 8: Giving Zakah of al Fitr to her Christian mother**

From: Nacer

Assalam Alaykum. I have a question about Zakahul-Fitr I had a talk with a Muslima reverts , she lives in Ireland, she wanted to give her Zakah to her Mum who is in need , and her Mum is a Christian I want to know if it's permissible to give it to a non-Muslim?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Nacer,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

As a principle NO. Zakah al Fitr should only be given to Muslim needy. Besides she must always give to her mother from her own not from Zakah if her mother is in need. She is responsible to support her financially and make her live like herself, regardless of whether a parent is Muslim or not. As she is responsible for her mother, she cannot give her from Zakah at all.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 9: Investing in Art Gallery**

From: Meharab

Investment

As-salamu Alaykum what is the opinion about investing in art gallery? I would like to buy some shares of an art gallery. There are five artists working in that gallery, they produce paintings like landscape, and portrait and sale through their showrooms. Investing this type art business is halal? Please, answer me.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Meharab,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

It is permissible as long as they do not produce obscene paintings or paintings of adolescent religions.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 10: Installment financing on interest**

From: Serif

Location: Austria

Company Which Offers Installment Financing

Assalam Alaykum. I am currently working in a company as a software engineer. We have an online shop and we offer installment financing (which includes interest) as a payment method (the contract is with the bank, not with us).

I will have to reinstall the online shop in a few months and I will also have to reinstall the installment financing payment method (a button where customers can be directed to the banks website/contract).

The problem is that even if I leave this job I won't find a company where this is not involved. My father even told me that in the case I leave this job for the reasons mentioned above, he will point out a million things where interest is involved at my next working place (he is a lawyer). Can I work as a software engineer at a company which offers installment financing?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Serif,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You certainly do not expect me to say that it is OK to install a program that is used exclusively to apply for an interest-based loan. this is not OK , it is rather Haram. This does not mean that you should leave your job as most of its functions are within the permissible range. I suggest that you should have this part be done by a non-Muslim colleague. I understand that working in any Western country may expose you to such Shari'ah violation, please keep always your effort to avoid the Haram as much as you can and seek help from God to be always obedient of His commands, keep Istighfar and Sadaqah which always remedy minor sins.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 11: Zakah on Residential Plot**

From: Muhammad

Aslam o Alaykum I have purchased a residential plot in a city where I am not residing at the moment. My intention is to sell the plot at an appropriate time and use the money to build or purchase my own house. Do I have to give Zakah on the for the plot.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammad,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Yes, it is subject to Zakah, please notice that you purchased it for the purpose of selling at a profit, so that makes you one time trader of lands and this is your inventory of properties purchased for the purpose of sale on profit. isn't it so clear?

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Question 12: physicians taking commissions from pathology labs**

From: Guest 5

Many doctors take commission from the hospital or pathology lab but it is from the profit of hospital or pathology lab owner. They are not taking any extra money with patients. So, is it halal to take commission?

### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear questioner,

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

This is a kick back, claiming it is from the pocket of hospitals or labs is incorrect. It is in fact from patients. If it is eliminated rates of services will go down! It is against the law in many countries such as US and Canada and most European countries, but I know it is unfortunately practiced in India and Pakistan.

As long as the patient is not informed it is not permissible to take. The patient must be informed of it it's a kind of bribe and not permissible to take or give.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Live Fatwa, OnIslam Session Sept. 2, 2015**

### **Questions 1: Way of paying Zakah**

From: Guest 1

Assalam Alaykum,

Following is how I pay my Zakah. Please let me know if I'm doing the right way.

-On the last day of Islamic year, I add up balances and values of my bank accounts, gold jewelry, mutual funds, IRA account, and then I pay 2.5% of the total to my own Charitable Foundation which will spend that amount throughout the year as need arises. I do not deduct any amount for my household expenses, because in the past I did not pay Zakah for many years. However, I spent on general charity.

Jazaka Allah Khair

### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Guest

What you are doing in calculating the due Zakah is correct. Probably, you do not have other investments in addition to mutual funds and IRA, if you do you should add any investments in real estates, shares and the like and any debts you own on others like friends and family if you believe that these debts are going to be paid back to you. Not deducting any expenses is correct as your expenses are already gone from bank accounts and the like. apparently you are still working and earning income; professional income or salary so that your expenses for the short period after the beginning of the year will come

out of this new earnings. This correct too, you need not make any deduction from the total on which you take 2.5%.

Additionally, since it is your own charitable organization and I assume you runs it, I suggest that you start paying to it the Zakah of the current year, not the past year as you are doing now. My reason is the following: since you run it, it is still under your control. This equivalent to being not paid until the charity actually distribute it to the poor during the year. Zakah, when it is due, must go out of your control into the ownership of the poor and needy. On the other hand it is permissible to pay Zakah during the year and make the calculation at the end, then you only pay the balance. In this case you are not delaying its payment as the balance will be small and can be disposed of shortly.

Finally I like to advise you that whenever you pay other charity to persons who are deservants of Zakah make the intention that this is for past years Zakah that you said did not pay. Zakah is due on every Muslim and does not die out by the passage of time. You really are still required to estimate the due Zakah for all these past years and pay it, it is the definite and determined right of the poor as the Qur'an describes it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Questions 2: increasing financial gains**

From: Guest 2

Asalamalaikum ! How can a person increase his financial gains within legal limits what are the ways how one can get profit and up bring their children and family when a husband is not responsible for the future of children do how can a wife as well mother help them in a right way.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sister

Of course you can do a lot for them. Most important is to raise them as efficient active performers so that they can earn their living and gain good and pure income. Of course you can also work whether from home or outside and help them financially through paying for good schooling and good social environment. Wives are not confined to stay home without work and without income.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Questions 3: What % share of husband's salary goes to his mother?**

From: Guest 3

Assalam Alaykum , I want to know that what %of share in my husband ""s salary will go to his mother? And %for his wife and kids? My husband gives 70% of his salary to his mother, married sisters and brother, is it justified in Islam ? I have all time mental

sickness due to this, what Allah says, I want to know with reference to Quran and Hadith

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Sister,

The Qur'an does not give percentages. It give a principle that is a guidance and people implement them. in this regard, the Qur'an requires that every person must spend according to his/her ability (the Qur'an 66:6 and 7).

If one's mother no income or wealth to spend on herself, her child is definitely required to spend on her to make her live as good as him/herself and his own children and wife. Spending on all is based on fulfilling their needs and providing them good quality of living depending on his financial ability. It is not appropriate to make some (whether mother or wife) live higher than the other. This is the application of the rules of the Qur'an.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 4: is leasing my farm permissible?**

From: Guest

for livelihood for the movement for my family. Allah has blessed me with obedient compatible wife bearing when I am like this. With a rental income and some other source by giving general school tuitions my wife manages the household. I had a farm which bore coconut fruits as good income source for family. Now as the trees got older and taller I have removed the trees from the farm. Now I have kept the farm idle without any crop activity. I intended to lease the land on annual rent for good tenant. I have shun this thinking because this is not Islamically correct. I have the water source and its infrastructure intact. Question is if leasing for rent is un-Islamic how can I bring in ... trusted prospective farmer who will bring in income to supplement my income. Whether be it by sharing of income and methodology to do so

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Brother

I am surprised that you are still young and do nothing for living. A person of your age is in a prime time to work and earn!

On the other hand. Renting a farm land for an amount of cash is permissible in Shari'ah. what is not permissible is to rent it for the crop that comes in a determined section of it because in this case this section may not give adequate return. Renting a farm land for a

given amount of money is as permissible as renting a building a car. This is the ruling of all four schools of Fiqh. There is a Hadith narrated by Rafi' bin Khadij about prohibiting renting land but its interpretation is limited to the practice of renting it for the crop of a specific portion of the farm.

Of course you can also give the land on crop sharing: determining a percentage of the gross value of the crop to you provided you also determine who is going to pay for seeds, fertilizers, pesticides and hired labor. Of course if the farmer will pay for all that his share of the gross value will be higher and if you will pay for some of these your share will be higher. The share should be determined fairly according to the market norms in your area.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Islamic Finance and Economics

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**Questions 5: Buy a house on mortgage**

From: MOHAMMAD

I want to buy a house with mortgage. Is it haram?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammad,

Yes, if Islamic finance is available to you. If Islamic finance does not exist in your area and you live in Western countries and you have a family and children to care for, etc. it may be permissible out of necessity depending situations

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 6: Donations to local hospital and educational foundations**

From: Abdul Chaudhri

Can we donate Fitrah and Zakah to local hospital, homeless shelters and educational foundations. I'll appreciate your response.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdul,

Zakah and Fitrah must be made owned by deserving Muslim recipients. It is the responsibility of the payer to be sure that it is given to poor and needy on ownership basis. Giving it to organizations is equivalent to assigning these organizations to distribute it on your behalf. Therefore if you are sure that an organization has the knowledge and ability of determining the deserving Muslim poor and needy and give your Zakah to them, it is permissible. If you are not sure you should either give it to a

charitable organization that is well reputed of such knowledge and ability or distribute it yourself.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Questions 7: Zakah on shares held in the company**

Shares not for trading Zakah

From: Mohammed

I owned shares at two companies I worked for. The company put a condition on me, if I want to be promoted to be one of the senior managers, to buy the company's shares. I wanted to do that as it will benefit me with my job and financially if and when I sell. Didn't have full control to sell the shares all the time I owned them as this was tied to the internal market. Do I have to pay Zakah? if I do, can I claim the Sadaqah I paid in the past to my brother as I didn't know I had to pay z

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammad,

Shares, at their market value on the day Zakah is due are part of your wealth and subject to Zakah whether you intend to sell them or not. (I am fully aware that there is an opinion otherwise but it has no evidence to support it and it is incorrect).

On the distribution side, your brother cannot be a recipient of your Zakah because if he is poor, you are responsible for him and if he is not poor he does not deserve Zakah. Whether you give him assistance in the past or in the future. Besides, Zakah when paid requires intention because it is a worship like prayers. If you give a Sadaqah in the past without intention of Zakah, that is a Sadaqah and cannot be later deducted from due Zakah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Islamic Finance and Economics

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### **Questions 9: Zakah calculation**

How to calculate Zakah with home & car loan?

From: Mohammad

Salaam Alaykum I have around \$50,000 cash and gold. I also have \$250,000 bank loan for my home and car. Do I need to pay Zakah? if yes, please let me know how much.

Mohammad Rahman

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohammad,

You did not tell me the full story, my dear, I will complete it to you?. You also work and have income of xxx amount out of which you pay the installments of the loans on the house and the car. With this addition, here is the way you calculate Zakah: on the Day when Zakah is due (the 354th day after having Nisab for the first time) you add up all bank accounts, cash, gold, investments, etc. Suppose the day before you got you monthly salary, you deduct from that total your estimate payments for car and home and expenses and any other payments until the next salary day. The balance should be multiplied by 2.5%. the rule is: you deduct only amounts that are going to be paid out of the existing total you have on the day of Zakah not any amounts that are going to be paid out of future incomes.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Questions 10: Mortgage agent earning commission**

From: Mohammad, Canada

As-salamu Alaykum, respected scholars. I would like to know whether it is permissible to earn commission income working as a mortgage agent in conventional western banking (Toronto, Ontario, Canada)? is it halal lawful or unlawful? provided dear respected scholars, Islamic finance institutions are scarce here in Ontario and mortgage agent acts as a middleman between the company seller and customer buyer, hence remuneration are based on sales-services. Jazakum Allah Khayran.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammad,

Providing info about mortgage to customers is not Haram although it may be exactly on the border of Haram. But helping a customer writing an application for a conventional mortgage is not permissible in Shari'ah. this is a part of writing Riba which falls under the curse that is mentioned by the Prophet, pbuh.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Questions 11: inheritance of grandfather**

From: Yunus, Kenya

Assalam Alaykum, My Grandfather passed away and left some property which needs to be distributed. He left the following relative/sibling: No Parents, 1 daughter, 3 sons (from 3 wives meaning each son from different mother)Unfortunately all sons are deceased. Two of the deceased sons were not blessed to leave any children. but one son who shares mother with remaining daughter left several children. The two sons who never left any

child, have sister and brother who were never sired by my grandfather. kindly help me to know the proportion share of each person. using example of 1,000,000 (one million shillings)Maasalam, Yunus

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Br. Yunus,

Siblings from mother side only are irrelevant to the inheritance of your grandfather. In short your grandfather is survived by a daughter and children of a son. If he is survived by any wives; one or more, they take 1/8 of his net estate after expenses, debts and taxes if any. Out of 1000 that is 125 which should be distributed equally between the wives if they are more than one. The remainder is divided in two halves; one half goes to the deceased daughter, i.e., out of the said 1000, she takes 437.5, the other half should be distributed to the children of the deceased son (you and your siblings) on the basis of 2 shares to a male and one share to a female. If he is not survived by any wives, the share of the daughter becomes 500 so is the share of grandchildren.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 12: Loan from an Islamic bank**

From: Sam

I have seen website of Qatar Islamic Bank. They have facilities for personal loans and it is written that the loan is Shari'ah compliant as well and it is an Islamic bank. Now I want to know

that whether taking that loan would be permissible or not. The link is <http://www.qib.com.qa/en/personal/financing/personalfinance.aspx>. This is the link of an Islamic bank in Qatar. they have Shari'ah supervisory board also which you can see in their website. I want to know whether taking loan from such a bank is allowed or not. They claim that loan is fully Shari'ah compliant

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sam,

This is a thorny issue in today's Islamic banking in Qatar and in some other countries. Some, not deep Shari'ah scholars approve such loan on the basis of a trick (buying local shares or platinum from London Metal Exchange, selling them to the customer on credit, then selling them again, on behalf of the customer for cash to give it to the customer). The OIC Fiqh Academy which has more than 200 great Shari'ah Scholars and other Fiqh Academies consider this a dirty trick and any increments in such loans are pure Riba which is prohibited. I believe this is absolutely Haram and those Shari'ah boards that approve it are totally wrong.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Questions 13: Employment in an Insurance company**

From: Zara

As-salamu `Alaykum. I wanted to know if it's okay from Islam's perspective to work in an insurance company (that doesn't provide Islamic insurance), provided we don't handle the interest documents in the business? For e.g. can we work as underwriters?

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Zara,

As a principle, it is not Haram but it is certainly controversial as there are many scholars who consider conventional insurance not permissible.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session Sept. 17, 2015**

**Questions 1:**

From: Guest 1

Assalam Alaykum

Is it OK working with a bank coz I believe that whatever the salary comes out of it is truly interest accumulated and I've seen myself how people get entangled and pay their dues...

Allah Subhanahu warns us about Riba(interest) paying it, taking it or even testifying between the both...

Secondly is it permissible to take a life cover like, health insurance life insurance etc...

Please clarify

Jazaakum Allah Khairan

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu `ala Sayyidina Muhammad, wa `ala Aalihi wa Sahbihi Ajma'in

Dear Guest

While working in a bank in areas that do not include writing a contract, signing it, verifying its application and the like, is not Haram, it is very close to the Haram. Obviously it is helping the Haram. As for the salary it is received against work. If the work you give is permissible so is the salary, it is none of your business where the payer gets the money from. you receive a salary not Riba of a debt or a loan. this is the Fatwa and the Taqwa is to stay away from Riba and its touching lines.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Questions 2: what do I read to become rich?**

From: Guest 2

Assalam Alaykum! What surah or ayah can I read to become rich (to get more Rizq)?  
Jazakumu Allah Khairan.

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear guest,

Read anything but add with it hard work and good planning and spending behavior.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Questions 3: Charity box in a Mosque**

From: Guest 3

Is it allowed to place in a mosque charity box? Imam of our mosque refused us in this  
without any explanation.

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Guest

It is permissible, there is nothing to prevent it. sometimes if the mosque is not in a  
Muslim majority country it needs such a box to collect for its own expenses as  
government do not spend on mosques.

Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Questions 4: who is responsible to pay Zakah of al Fitr?**

From: Guest 4

As' salamu Alaykum,

Who is responsible for paying Zakah al Fitr for adult, unmarried, working children, still  
living with parents? Father or themselves?

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad,  
wa 'ala Aalihi wa Sahbihi Ajma'in

Dear guest,

Exactly they earning children living with their parents should spend on their parents, and it is only a generosity of the father if he let you save your income and he takes care of all expenses. If the father is generous to spend on you he will also pay Zakahul Fitr. But it is permissible for either of you to pay it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Questions 5: Online Forex**

From: Guest 5

Please advise me is online Forex trading halal or not

JazakAllah Khair

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Guest.

No it is not permissible: on the minute details it has no real sale and purchase with possession of each in between. On the macro level it is harmful.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Questions 6: Zakah on advance payments**

From: Guest 6

I'm a Finance Manager for a private company, so that I would like to ask you about if it's obligatory to pay Zakah on our advance payments i.e sometimes we receive money as an advance for the next six months.

Please advise.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Guest

You mean paying Zakah. For the company Zakah is on its net worth only. This means that advances it receive from customers are deducted.

For advances on Salary, the matter depend on the balance you have on the day when Zakah is due, it does not matter whether this balance is from advances or others as long as you own it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 7: Money changers and checks cashers**

From: Haya

Philippines

Assalam Alaykum admin I would like to ask if Islam allows money changer business like a money changer change a check from individual like a check contains 10 thousand pesos has a charge 1% each check as service charge instead of going to an issuer bank they come to our office because we don't practice three days clearing only that we charge 1% each transaction. since my partner is the one who runs our office she gives me half of the 1% she gains in every transaction she had. I want to know if Islam allows that kind of a business

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Haya,

The business of money changer is changing one currency for another, like pesos for dollars or the reverse. This is permissible provided both currencies are delivered at the same time of contract, i.e. hand to hand. The Prophet, pbuh, Made this requirement in a highly authentic Hadith.

The question is apparently about check cashing not money changing. Some money changer make also check cashing. Check cashing for a small fee is permissible provided it does not hide interest for the three day clearance that you mentioned. Accordingly, it seems to me that 1% includes an interest for the three days, looks like too much for simply helping the cashing of a check. Cashing check is a matter of sending a person to the nearest branch of the bank and getting the money. In may be for a fee that is equal the cost of this action plus a small overhead charge, but certainly not 1% of the amount of the check. If it is done against a fixed reasonable fee, it is not Haram and if the amount of charge contains interest for these three days, this part of the fee is a prohibited Riba.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 8: Inheritance as Mothers**

From: Saima, Canada

AA, I have just the one question. My husband and I built our home overseas where we have allowed his mother and siblings to live with their families for some time as they try and save their money for their own home. My question is that since his name is the only one on the property, in Pakistan, should anything happen to him, God forbid, will his mother and siblings have any right to an inheritance? Please respond as soon as possible. Respect and duas to you for this information.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Saima,

His mother is a definite heir, his siblings may inherit if he has no children and no father. If you contribute to the property together better have it in both names together on any % that you like between yourselves. According to Shari'ah parents of a person always inherit whether the deceased is male or female and whether they left children or not. If the deceased left at least one male child or no children but a father, no siblings may inherit at all.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 9: Online trading**

From: Ayub, India

Dear Scholar ASAK I would like to ask about online trading whether it is permissible in eyes of Islam Please explain me elaborately Thank You in Advance Jazaka Allah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ayub,

Trading of commodities on line is permissible, you can make the sale and purchase for spot payment or on credit. Buying or selling currencies on line or by telephone with a bank is permissible if debit and credit is done immediately in your two currencies accounts with the bank. if not it is not permissible because taking immediate delivery is a must in currencies.

Trading currencies on line with exchange platform like FOREX is not permissible because it is harmful on the macro and no real delivery is ever done although they make fake credit and debit.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 10: Zakah on plots of land**

From: Sam, India

Zakah on Plots

dear sir, if I have bought two plots of land for residential purposes on which I intend to make house for me in future. then I think I don't have to pay Zakah on them as they are for my personal use only not for trade. but if in future I buy some more land but I don't know in advance what I will do with that land, either that will also come under personal use or I can sell it later to get money to finance something , say for example my children education or marriage. So do I have to give Zakah on those plots as well as they will be there but without any intention of their use?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sam,

You are correct about the land for residence. For other lands you certainly know their use: now they are a store of wealth and in the future they may be added to residence or sold. But definitely now they are a store of wealth like the Bedouin at the time of the Prophet, pbuh, who owns a herd of camels. These are definitely subject to Zakah every year. Owning them makes you a rich man.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 11: Is Sacrifice is obligatory if one has paid Zakah**

From: Umu Fatimah, Pakistan

Sir, It's been 2 years I'm married with a 6 months old baby. I paid Zakah this year as I had savings and jewelry from my wedding. Zakah was taken out from my savings. Our monthly income only meets our monthly expenses. My question is whether it is obligatory for us to do animal sacrifice on eid ul adha or it is still considered as Sunnah?!Thank You!

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Umu Fatimah,

In Hanafi school, it is Wajib if you any extra above your needs. If your income does not leave you any extra, you need not to make the sacrifice for Eid al Adha.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 12: Reward for the deceased by Sadaqah of his children**

From: Muhammad, Malaysia

Assalamualaikum...my father has passed away a few months ago. My siblings has agreed to give me trust to manage all money donated by crowd and his account savings. We used that money to organize feast for our late father. At the same time, every Friday, I have withdrawn a few of his (my late father) money donated to the mosques. I'm hoping that my late father getting rewards from Allah s.w.t. My question is, is it allowed in Islam? Thank you.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammad,

Of course it is allowed to give Sadaqah for the mosque expenses or other good causes.

Remember this money now is owned by the heirs; his children and wife(s) and parents if any is alive. The Sadaqah is from the property of the heirs and their prayers to their father is good and I am sure with their prayers and giving Sadaqah from what they inherit from him a lot of reward will definitely reach him InShaAllah.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Questions 13: Loan/Permissible to take loan from Islamic bank**

From: Syed

Dear Sir, Assalamualaikum, My question is some Islamic banks in my country lends personal loan to their customers and they charge fixed percentage as profit rate. Is it permissible to take these loans and is it permissible to work for these types of banks. These banks give one month advance salary to those who have salary a/c and charge fixed amount as service charge. Is this permissible to pay service charge on advance salary? I would be grateful to you if you put highlights on above questions. Regards Syed Ameen

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Syed,

They do that in a way called Tawarruq. They buy a commodity from any market, sell it on credit to the customer and then sell it for cash in the market back to give him the cash. They claim

that this is permissible. The OIC Fiqh Academy said clearly in a decision 2009 happen then to be meeting in UAE, Sharjah, that this Haram and pure Riba. It is not permissible for any Muslim to take this kind of loan. it is wrong for the Islamic bank to do this but it is not Haram to work in an Islamic bank, just do not accept to do this kind of transaction. Same this is the advance on Salary.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Questions 14: prizes for opening a current account**

From: Abdullah, Nigeria

As-salam Alaykum, I open an account in one of the banks in my country, before I open the account I was told that they are doing a kind of promo, they (one of the bank official) say if I can deposit a certain amount I will be qualify to win a million naira (Nigeria currency) . Now my question is that, win such amount is it not a Usury

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdullah,  
No, this is not interest, it is a promotion prize.  
Wa Allah A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Questions 15: Interest loan for marriage**

From: Abdullah, Nigeria

SALAMU ALAYKUM WARAHAMATULLAH.HONESTLY I AM UNDER SERIOUS PRESSURE OF COMMITTING ZINA, FOR THAT REASON IS IT PERMISSIBLE TO COLLECT INTEREST LOAN TO MARRY? OR IS THERE ANY OTHER CONDITION IN WHICH ONE CAN COLLECT INTEREST LOAN?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdullah,

Just read the Qur'an and practice more frequent fasting you will InShaAllah avoid Zina. Riba if collected cannot be used for other than giving to charity with no Sadaqah reward simply because it is not owned by you. Besides, are you kidding, if you do not have money how can you collect Riba, to get Riba from banks you need large deposits? use these large deposits to get married!

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 16: pirated eBooks**

From: Star, Pakistan

EBooks and Media

Sir I used to download music and eBooks. My intention was not of theft and I never benefited financially from these. Sometimes I shared them with family. I have repented. Do I have to pay them. I am unemployed . And since these are un-Islamic , is it ok to buy them . If so how much should I pay, the price which was at the time I downloaded or current price.? Is there any other way, if I can't pay.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Star,

What has been done in the past is done. It is a past now, if you are unemployed and have no money just repent to God and do not repeat these acts.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 17: Giving wife's jewelry to his father**

From: Rukkiyah

Assalam Alaykum I'm a married Muslim woman from India. it's been 5 since we've been married. My dad given a quite good amount of money and gold as dowry. my gold had been with my hubby since then. recently when I ask about my jewelries he revealed that it's not with him but with his dad. he had given my jewelries in custody of my father in law as he was a man which loads of debt. he promised me he would give everything back to me when his dad feels to. he had given everything to my father in law without my permission and said that he wouldn't ask anything back as he loves his father a lot more than anything. Alhamdulillah now my husband is on hajj pilgrimage. my question is whether his hajj be accepted because he has not cleared his debt with me. what he did is right or wrong? pls reply. It would be better if it is not posted.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Rukkiyah,

If you gave the jewelry as a trust to him he did wrong but this has nothing to do with the Hajj matter. InShaAllah his Hajj is OK and he will give you back your jewelries.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 18: Zakah Calculation**

From: Abdul, India

My monthly salary is 2,500 USD from Ramadan 1st of the year 1. After meeting my all expenses I am saving 1,000 USD per month. If it is like that, on 1st day of Ramadan of Year 2, I will have total cash/bank balance of 12,000 USD. On 1st Rajab of Year 2 I bought one small land for USD 10,000(out of my saving) as an investment. Every month I am continually saving 1,000/- USD and I will have cash/ bank balance 14,000 USD (calculated as below) as on Ramadan 1st of Year 3. 1st year Saving:  $1,000 \times 12 = 12,000$  USD 2nd Year saving:  $1,000 \times 12 = 12,000$  USD Less: Invested in Land: = (10000)USD Balance on Ramadan 1st of Year 3 = 14,000 USD I have questions in this scenario'

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdul Jelil,

As you notice the three question did not come to me. But I may save your time.

If at the beginning of having salaries you have a Nisab (approximately US\$ 1500) your Zakah at the end of first 12 lunar month is  $2.5\% \times 12000$  and you Zakah after 24 month that is end of second year is  $2.5\% \times (14000 + \text{the market value of the land that you bought for investment})$ . buying for investment means you buy it to sell it in the future for

a higher price, it is then subject to Zakah at market value.

If at the beginning you have zero, start your Zakah year when you have accumulated 1500 Dollar.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 19: Using the child benefits**

From: Masooma

Salam, I have some issues between my husband which I wish to discuss. He works full time as a gas man and I am a stay at home mum. We have 4 children. We are in receipt of child benefit and child tax credits which most people in uk receive. I receive these benefits, paid into my bank account each month. My husband states that these are not for the children and should be shared by the family. I am responsible for all the children's expenses since I am a housewife. I also pay for the upkeep of my car, petrol road tax, mot, insurance etc. I also purchase food with the benefits(not all but some). My husband states that since I receive benefits he doesn't have to provide me with clothing, shoes and anything that I need for myself. I was under the impression that the husband is responsible for his wife financially. Am I wrong in asking my husband to cloth me if I am receipt of benefits. Obviously not all the money I receive is spent, I am saving for my girls education and marriages since my husband is very unreliable. Many thanks

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Masooma,

The principle is as you mentioned. Husband/father is responsible for the expenses of the family including personal expenses of his wife. The government is not responsible as a matter of fact. It is only when he is not able to undertake all the expenses that government step in to help. These children benefits are also meant to be spent (not saved). This is the objective of the benefits paid by government. The government benefits are meant to support his income not to replace and gets out of the hook. Now if you take care of all expenses and still save some, what does he do with his income, he should save it for the children education and girls marriage. He is the one who is responsible for all that. If this is what he is doing I think you should cooperate together on these savings. If he does other thing with it like cigarettes and may be gambling there is a serious problem . He must stand to his family responsibility toward you and his children.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 20: giving false info in the CV for employment**

From: Zahid, Bangladesh

AssalamuAlaikum. I am doing a job for a couple months in a Korean company. But

during interview, in my CV I added some experiences which I didn't have. And for getting that job this fraud experience was crucial. Now my performance isn't that good but my boss is using me in other fields where I can work. Whatever my output I really work hard. I am planning to leave the job next month. Will my two month's income halal or haram? I'd also like to tell the truth to my boss but if I do it my friends who helped me to brought here may horrible hassles. Still I have plan to seek forgiveness from my boss after a long time when my friends will be safe. I am always in tension that if Allah don't grant my Ibadah for this mistake. I want to be tension free as my mind is so delicate. I don't know what to do. Please show me a way out. JazakAllah

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Zahid,

Since you are leaving this job, just hide your secret to yourself. The salary you receive is for the work you are doing not for the lie you made in the CV. Itself is the price of the work hours and you said you work hard, MaShaAllah. Keep making Istighfar and do not tell anyone including your boss about your sins and go on new to a fresh job with a corrected CV and without guilt feeling>All is the Greatest forgiver.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 21: Gift to his niece**

From: Muhammad, UK

Hiba or inheritance

Assalamu'Alaikum, My grandfather (paternal) died around recently. A year or so before he died, he gifted some land to his niece (Brothers daughter who is also his daughter in law). Her husband (my uncle is alive). The land is very expensive and my father was expecting this to be passed down to the heirs (including himself) so that they can sell this land in order for the less well-off heirs to be made financially secure. Aside from this land, there is other land which is of considerably lower value. Is this a valid Hiba considering that the land provided to the niece is so valuable and the nieces brothers already own the surround lands. It would also mean that my cousins will ultimately own the land (through inheritance when their parents die) which my own father financially contributed towards (but legally owned by my grandfather). Without this land, some of the heirs will continue to struggle and be dependent on family donations which cannot continue indefinitely and family ties will be undoubtedly broken. I appreciate this is not a straightforward case. Please advise as we want to ensure that there is fair distribution of remaining wealth.JazakAllah'Khairan

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammad,

An owner is free to do whatever he pleases with his own property. If your grandfather gave a gift while in normal health not on the death bed whatever he did is absolutely valid and all the heirs, poor or rich, have no right whatsoever to interfere in what he did, if they are poor or will remain poor that if their own matter, they should work harder and wiser and become rich. Grandfather is not responsible to make them rich (all your lengthy argument means nothing to the freedom an owner has). This is a gift from him to anybody which does not give you or your father or any other heirs any right to interfere in.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Questions 22: Jizya and Kharaj**

From: Muhammad, Canada

Salamu Alaykum I have a few questions first about kharaj tax how much was it and what was it applied too? and also regarding jizya and kharaj are they required to be collected in the 21st century? and does it make one a kafir if he doesn't apply some Shari'ah rulings in an Islamic state please help me as these questions are causing me to question my faith thank you

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammad,

Kharaj was the rent of land that is owned by the whole society. When the Prophet, pbuh, conquered the land of Khayber which was in the hands of some Jewish tribes (now in northwest of Saudi Arabia) the international law was that land becomes owned by conqueror and defeated people become slaves. He, pbuh, was more merciful that he did not take them as slaves and he left them to farm the land which his State became owner of on the condition of 50/50 of the crops and fruits. He made « of this land as a permanent property of the whole society to be a source of finance for the public budget. This rent is the Kharaj. Umar, the second Khalifa, applied same principle on lands of Syria, Iraq, Iran, Egypt and other lands conquered in his time. The Kharaj may be a percentage of the agricultural output or may be a set amount. it is the rent of such land. It does not apply to any land that was not conquered in war. In other words, land of people who became Muslim like in lands of Bangladesh, Malaysia and Indonesia cannot be considered owned by the society, and they are still owned personally by their own respective owners and there is no rent (kharaj ) for them.

Another factor should be added: time passed many of the lands conquered by Umar was occupied by European armies in the first part of the 20th century. Later people fought for their independence and freedom and they got them. do we start anew in these land? Yes. In other words even the land of Syria, Iraq, Iran, Egypt, etc. is not more necessarily a Kharaj land. Some scholars argue though that they are still as we go back to the way it was before foreign occupation.

Jiziah in mentioned in the Qur'an. It is a toll (head) tax on conquered people which

should be imposed when the Islamic state conquers a foreign land. It is considered as a price of administrative and military services provided to the conquered people (when Khalid bin al Waleed felt that he was unable to provide this protection he returned collected Jiziah to the conquered people in Syria who were not Muslim). Of course it applied to non-Muslim because simply it is unacceptable to conquer a Muslim people/country. Now if we create an Islamic rule in any area of the land by voting and by constitutional process and apply the rules of Shari'ah in such a country, the non-Muslim citizen are already existing with us in that land, they are not conquered. Accordingly you cannot apply the rule of Jiziah on them, you rather have to apply the rule of equality between them and Muslims because they are partner in creating and managing the country. Notice when the Prophet, pbuh, migrated to Madinah and established the first Islamic state peacefully not by a fighting army there were Jews and pagans and he did not impose Jiziah on them, they were partner in that state as the constitution (By the way, it was the first written constitution in the history of humanity, it is well known and documented and quoted in full text in the Book of the late Professor Hamidullah who died just a few years ago) he issued for the country mentioned specifically.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 23: Shares of married and unmarried daughters in inheritance**

From: Rasheed, India

Assalamuallikum, Is the share of the property to given to a married daughter and unmarried daughter same .If not what should be shares? Please reply by e-mail

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdul Rasheed,

In giving gifts during one's life time, a parent should give his/her children equal value regardless of their gender or marriage. It should be the same for boys and girls and no difference between married and single. In Inheritance, that is distribution after death, a boy gets twice as much as a girl also regardless of marriage.

Another issue may relate to this, if a parent spent for the marriage of a child, and there are other children not married yet, he/she should also spend on their marriage in a similar was as the earlier ones. You cannot make this in a last will because it disturbs the obligatory shares, I believe that one must make a gift to the unmarried equivalent to what she/he spent for the marriage of others.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session Sept. 30, 2015**

### **Questions 1: Inheritance and will**

From: Hana

ASA, my question is about Shari'ah inheritance law and wills. My mother recently passed away Allah yarahma leaving 3 daughters, however in her will she left her whole estate to us and we realized that her will isn't Shari'ah compliant. My father and grandparents passed away many years ago and she has no sons. My mother has 2 full sisters, 4 paternal brothers and 6 paternal sisters. Before my mother passed away her intentions was to use her money to pay off our mortgages due to interest/Riba. My older sister suffers from mental problems and someone took advantage of her so she had a baby (3 yrs.) who I am raising and in the will my mother spilt my older sister's share with her daughter which we have to put in a trust fund for them both. Throughout my mother's life she has never relied on anyone and worked extremely hard to provide us a better life and opportunities. My parents got divorced when we were very young and my mother didn't receive much help from her family when it came to raising us. A. Are all her siblings entitled to a share of her estate whether paternal brothers/sisters or full sisters? What would her siblings share work out to be? B. Can we act on my mother's intentions to pay off our mortgages with her money? We want to do the right thing by not dishonoring my mother's wishes to reduce our mortgages/Riba, ensure my mentally ill sister is provided for, however we are also fearful of consequences of not correcting the will to ensure its Shari'ahcomplaint.JZK

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Hana

As the case is described and as the mortgage debt is on the deceased (your mother, Rahimaha Allah) you start with payment of funeral expenses, then the mortgage debt. Then the Wasiyyah, which is valid for the baby because he is not an heir but not valid for your sister because she inherits as an heir although she has mental problem; of course this Wasiyyah must not exceed one third of the balance after expenses and mortgage debt. The Balance after payment of these three items is divided in three equal parts one third goes to the two full sisters to be divided equally between them and the two thirds is to be divided between the three of you daughters of the deceased, also equally between you. Other siblings of the deceased are all blocked by the presence of the two full sisters. Please remember that this distribution is mandatory as it is simply an application of verses 4:11-14. Please read especially verses 13 and 14 and realizes how strong their obligation is.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Questions 2: Leasing Contract**

From: Guest 1

As-salamu `Alaykum. I am a business man in Spain and we need to buy some machinery

for manufacturing purpose. As I don't take loans because of Riba, it's very tough for us to work because no bank has interest-free plans here. So, we are looking for leasing options but I have my doubts on leasing in Spain here. They make a leasing contract in which they are the owners but after the leasing period finishes, I don't have to pay anything and I can stay with the machinery. Is it halal?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Brother

Leasing as a principle is permissible with or without ownership at the end of lease. Of course to give an opinion about a specific contract I need to see that contract for checking any side conditions and usually there are such side conditions some of them may be hard to overcome from Shari'ah point of view.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 3: Is it ok to place a box for alms in our mosque?**

From: Guest 2

Assalam Alaykum! Is it ok to place a box for alms in our mosque? Imam of the mosque refused us in it without any explanation.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Brother

As a principle, it is permissible provided the mosque management uses the funds exactly as it promises in what is written on it. unfortunately many mosques do not fulfill such promises and his may be the reason your Imam resists it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 4: prize for referring a new bank account customer**

From: Guest 3

Assalam o Alaykum sir ,  
pioneer is an American Bank Account and it is free for everyone to create it and whenever you referral it to someone your friend then Pioneer will give you 25\$ and my question is that Is these 25\$ are haram or halal.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br.

It depends on what kind of account is it and also on how much is this \$25 disclosed to the referred persons. I need more info before giving an opinion.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 5: Organ donation**

From: Muhammad, Pakistan

Is it right to donate the body organs at death? Isn't that is the disrespect of dead body?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammad,

Please remember that helping the living is more important. It is disrespect to the dead if we play with these organs. But if we use them to help a living person it is a glorious work. The OIC Fiqh Academy resolved that it is permissible and encouraged except for the sex organs because they are very private.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 6: Sale of cigarettes**

From: Murshid

Assalaamualaikum varahmathuLLAH I own a grocery shop which also sale cigarette, I understood that income from the sale of cigarette is haram. But, if I stop it, it will affect my business. So, what if I calculate the percentage of profit which I get from sale of cigarette and I use that much percentage of money from my income/profit which I individually make to be spent in charity? Can I do it. I know I can't expect to have any reward from that charity but, I can make sure that I am not consuming haram. Is it possible? If not, tell me that too.InShaAllahMail me.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Murshid,

That is not right and not appropriate. Cigarettes are Haram and their price, all of it is Haram not only the profit. this is one. Second, once you own such a Haram harmful item you are required to destroy it. this means the action of selling it is itself Haram. Please abstain from selling cigarettes and Allah will not let you down, Whatever Rizq is assigned to you by God will reach you wherever you are.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam  
Prof. Dr. Monzer Kahf

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### **Questions 7: Student loan**

From: Amina, UK

Assalam o Alaykum currently planning to go University this year September to study Accounting and finance Bs. I had applied for tuition fee loan from 'student finance England?', but as soon as I found out that the loan would charge interest I refused to take the loan. For past few weeks I've been trying to find an Islamic bank or organization, where I could apply for a halal/free of interest loan, but I fail to meet their requirement such as providing a guarantor. I then started looking for scholarships and I came through the National Zakah Foundation Scholarship. Now My Question is that I can apply for such a Scholarship? Because my parents and brother are saying that 'we cannot apply for Zakah as we are not poor?'. But we don't have any money or saving to fund my education. My mum is saying that it is OK to take a tuition fee loan with interest as you are in need of it. Also one of my friend told me to take the tuition fee loan and don't pay back the loan at the end or just pay back £27,000 and don't pay the interest. I am very lost what should I do? I wait to hear from you soon. InShaAllah

### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Amina,

I think the solution is to find a work study program that may suit you. A Scholarship from the Zakah fund is OK if you qualify for it. Just give the fund the true info and let them take a decision. They should know how to determine your eligibility. If there is a legal way that you may take a tuition loan and avoid paying its interest, this may not be a bad option too. BUT DEFINITELY I DO NOT BELIEVE that an interest-based loan is permissible to start education.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Questions 8: Working in the IFC**

From: Imran, India

Working in IFC

Assalam Alaykum Wa Rahmatullah Wa Barakatuh, Sheikh I have a question regarding accepting an offer from one of the Financial Institutions (International Finance Corporation) Group of World Bank. I have been offered a role of IT Analyst Data and Information Management position in IFC (World Bank Group) wherein below is my role is IT Analyst who analyzes the data for Measure the countries poverty. Poverty mapping Analyze the countries investment sector in order to development of the country i.e. with a concentration in the infrastructure, human development, agriculture, and public administration sectors. Investment on the under developed country government projects. In this company we have investor across the world including GULF countries like Saudi

Arabia, Qatar, USA & other developed countries who help other under developed countries. Waiting for your respond. Regards, Imran

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Br. Imran,

Working in the IT department in the IFC is not Haram although it is an interest-based corporation, rather what you described may make recommended.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 9: working as admin in a brewery**

From: Naz, UK

Assalamualaykum Is it haram or dislikable to work as admin in a brewery? I will not be involved in any selling of alcohol just the administration of the company. Jazakallah

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Naz,

I believe it is covered by the 10 areas of prohibition that the Prophet, pbuh, referred to in regards to the prohibition of liquor even if it were in the human resource or IT departments.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 10: I stole in the past**

From: Ali, Pakistan

Sir my problem is that my age is 24 and when I was in high school and school I used steal a lot. Mobile phones, cash and everything else. Total usd around 5000. Now my problem is that I am unable to find those People and I cannot repay them. What should I do now?

Please Help

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ali,

These are rights of people. and let us remember that As God kept your secret all these days do not let it be known now. First do whatever you can in case that you can identify those individuals, send them gifts or drop money to their places. Those that you cannot identify compensate for them by giving Sadaqah to the poor and needy and pray to Allah

to make the reward reach them. He will InShaAllah deliver it on your behalf. With all that make sincere Istighfar and do not let anybody know about it.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Questions 11: Can any person buy his sacrificial animals on credit?**

From: FEROOZ, India

Asalaamualikum.... Sir/ Madam.... Can any person buy his sacrificial animals on credit, by giving him any date for money...

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmed,

As long as you can pay it on due date, what is wrong with that? The answer is yes.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Live Fatwa, OnIslam Session Oct. 29, 2015**

**Question 1: Zakah recipients**

From: Guest 1

Aoa I want to ask who is eligible for Zakah in Islam specially people in family or surrounding s

**Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br./Sr.

The Poor and needy are the first deserving recipient of Zakah. Of course when Zakah is paid individually without government collection and distribution other six categories are included as mentioned in the Qur'an, 9:60 (we exclude the category of workers on collection and distribution which applies only to government). Preference within the categories of poor and needy is to the most pressing basic survival needs. Also there is a preference to kin relatives and close neighbors. As mentioned by the Prophet, pbuh.

There is a fundamental rule that MUST be observed when one distributes one's own Zakah: he/she must not benefit from the distribution directly or indirectly. This rule implies that wherever the financial responsibility lies on the Zakah giver, that person should be excluded from being an eligible recipient. This exclusion covers: wife (not husband because she is not required to spend on him), children, parents any grandparents at any level, minor siblings, female adult siblings and according to some schools of Fiqh Aunts and uncles are also included. Also excluded according to this rule a debtor of the

Zakah payer, if it is implicitly understood that the debtor is going to pay the debt out of Zakah money received from the creditor.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: what price of gold to calculate amount of Zakah on jewelry**

From: Guest 2

Assalam Alaykum,

Please explain, what price of gold should I take in calculating the Zakah on my wife's Jewelry. That day's closing price of gold on the stock exchange or the selling price from the store where my wife purchased the jewelry, because there is a difference in price.

**Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Yes, there is a difference but please when you pay Zakah do not deal with Allah to the penny! Take the highest among the two prices unless you actually sell the jewelry. Also make some extra few Dollars payment above what you calculate to be on the save precautionary side. Whatever extra is considered Sadaqah that is rewarded too!

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: What Surah should I read to become rich?**

From: Guest 3

Assalam Alaykum! What surah or ayah should I read to improve my financial state?

**Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Brother

You should do hard and good work and with it depend on God. Reading Ayahs and Surahs while sitting do not bring food on the table. It is hard work with high qualifications that do. Start working on improving your abilities and qualifications, then do hard sincere and honest work throughout the process always remember that Allah is the true giver/preventer, depend on Him always ask Him to make your earning Halal and bountiful.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 4: Wife pays husband's Zakah without his knowledge**

From: Guest

Salamuleikamo I have a question regarding Zakah my brother is eligible to pay Zakah but he doesn't want to, but his wife wants to pay the Zakah on his behalf from his money without his knowledge is it permissible? Please replay thank u

**Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Neia,

This is always permissible and let us pray that this relieves him from the obligation or at least helps him change his intention. Zakah is a form of worship like prayers. It requires full aware intention. If one stands and make all the movements and readings of prayers without intention it cannot be considered Prayer. Same applies to Zakah and other worships. You know that the place of religion is always in the heart and the expressions of it (all worships) must always be consistent with what is in the heart.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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#### **Question 5: Zakah on inherited investment**

when my father died we had got 10lacs rupees we had invested it in a gold making company. The amount getting return from it only can finish our day to day expense and it is the only income source for us. My mother is giving Zakah for her amount because she has other source but we three children will get the remaining according to Shari'ah. Whether we want to pay Zakah on the invested amount. The amount we had gotten from company.

**Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ameer,

The rate of Zakah is very small, just 2.5% per year and you are much better than many people in the Sub Continent that are very deprived. Paying this amount of Zakah to people who are in harder needs is a Shari'ah requirement and should be done by any Muslim who owns more than the exempt amount (Nisab) and apparently the share of each of the sibling is abundantly more than the Nisab. It is an obligation like prayers. Even if you are minors it is still required to be paid because IT IS THE RIGHT OF THOSE PEOPLE WHO ARE IN A WORSE SITUATION THAN YOU. Try to make the payment gradual whenever you receive any income so that you may not fee its burden and give it with sincere intention to obey God and remember always that He will not let you down.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 6: Interest on saving account, is it Riba?**

Interest on your savings

Assalam Alaykum Wa Rahmatullah, I have a very Important question to ask I have a savings account in Indian bank, I get Interest on my savings. I was in understanding till now that we are not allowed to use this. but a Imam has said that since you are dealing with a non-Muslim bank and you are not fixed the amount of return on your savings. This is not Riba and you can use as well as give charity to your Muslim brother. Please clear my doubt created, Jazaka Allah Khair

**Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Br. Syed,

I do not agree with this argument. Interest is Riba as long as it is an increment on a debt (the amount in the saving account). This definition comes from the Qur'an itself (2:279). There is no exception of being in America or India or Saudi Arabia. Such exceptions are fabrications of people and have no source in the Qur'an or Sunnah. And Riba spoils you good money when it is left with it. the Prophet, pbuh, told us that any flesh raised on Riba deserves to be in the Hell Fire. You should keep your own money clean by giving the earned interest to Muslim charity or directly to Muslim poor and needy.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 7: Invoices, factoring etc.**

Assalam Alaykum. Is all types of invoices haram? Which types are haram or halal? Is it haram to work in a company that deals with invoices and are factoring there customers, even if you are not the one that is dealing with invoices or are witnessing them? Barak' Allah feek Assalam Alaykum.

**Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Sara,

You should have explained what do you mean by invoices as the word and its use in business does not include anything that is suspicious. May be in your area it is used for another meaning.

Factoring is not permissible because it is plain interest (Riba). it is simply a form of discounting invoices issued on future payment to customers to get the present value of the debt that is created on the customer by the sale on credit. In other word it is a kind of discounting the accounts receivable for a present value and the difference is just interest..

Of course there are Shari'ah compliant methods that achieve providing the seller with liquidity. This is not a place of discussing these methods.

Working in a company whole business is permissible like textile or computers, is permissible even if the company does some non-permissible actions such as factoring while it is not permissible for a Muslim to do the Haram function itself (you may work in such a company as long as you do not do the factoring) and the salary received for the work is Halal as long as one performs duties required by the contract with the employer.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Live Fatwa, OnIslam Session Dec. 3, 2015**

### **Question 1: Zakah-ul-Fitr amount Differences in two mosques**

From: Noman

My question is with regards to Zakah-ul-Fitr. Why is there difference in amount of Zakah-ul-Fitr recommended by two bodies in Calgary? I usually pray at 8&8 Musalla which is affiliated with iisc.ca. They say it is \$10 CAD. Whereas Muslims of Calgary say it is \$15 CAD. How is it calculated and why is there a difference?

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu 'ala Sayyidina Muhammad, wa 'ala Aalihi wa Sahbihi Ajma'in

Dear Br. Noman

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

The Prophet, pbuh, imposed Sadaqat al Fitr as one Sa? of wheat, barley, date, raisin or dried yoghurt. This is almost an exact translation of a correct Hadith. Ulama explained that the choice is for the payer but it must be one of these items that people use as a main foodstuff in the area. So that if people normally use wheat it is better to give wheat and if they use date then better give date. It is also almost agreed upon that you may pay the price of that main item used in the area in cash especially if this is easier and better for the poor. Please keep in mind that the Sa? is a measure of volume used for all these items at the time of the Prophet, pbuh, it equals 2.25 KG.

Unfortunately, in most mosques in North America Imams forgot this Hadith and use instead an amount that is sufficient for one day fast food (2, 3 or 4 hamburger sandwiches because on day is defined in Fiqh as 2 meals) (btw, this is the reason of differences between different mosques) which is used in Kaffarat of broken oath or broken fast in Ramadan.

I believe that we, in North America, must revive this Hadith and its Sunnah (very few Imams do that) by informing people in Ramadan of this Hadith, explaining it and suggesting the Market retail price of about 2.5 Kg of (= 5 pounds) to be on the safe side as it is in local markets.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 2: Buying foreclosure home from non-Islamic bank on fixed term installments**

From: Saqib

I am looking for little guidance as I want to own a home in Calgary for my family. I am unable to find a 100% Islamic mortgage option so far and now one of my close Muslim brothers told me that we can buy a foreclosure home from a bank on a fixed 5 year term. In my case TD bank is the owner and they will do the 5 years installments for me including base price portion and their profit (interest)...is this allowed in Islam? If not, then what other option do I have to buy home on installments?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Br. Saqib

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

If the Bank accepts to sell you a house that it owns on installments for a larger price than the cash price, you should accept it, it is not Haram at all.

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 3: Costco membership fees**

From: Nora

To be a member in Costco you must pay \$55 per year but there is another membership that costs \$110 and it gives cash back at the end of the year (3% of money spent during the year). If one does the \$110 membership to get cash back, is that considered a form of gambling (giving money to get money)? Or it is permissible? Knowing that, if one does a lot of shopping, he could get cash back over \$140 which covers the difference in membership cost and the rest is profit for the member.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Nora

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

You are raising an interesting issue I never thought of it. If the only benefit of the executive membership is this cash rebate I wouldn't like it as it seems to me like Riba; you pay \$55 to get undetermined amount which is usually more than 55. If there are other advantages in addition to this I don't mind it as this makes this rebate a side benefit..

Wa Allah A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Question 4: Working as a Cashier receiving payment thru credit cards**

From: Jalal

Is it haram to work as a cashier in a store that sells none-food items such as furniture, office supplies, ?households,? etc. taking into consideration that many customers pay by their credit cards and most ?probably paying outside the grace period (i.e. committing Riba). Is my job in this case halal as I receive ?their payment through their Credit Cards.?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma’in

Dear Br. Jalal

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

As a cashier, you receive payment, by any means, on behalf of employer for permissible items sold. You have no right to follow up on people what they do with these permissible items or with their finance between them and other entities including the credit card bank. you have no right even to ask or check or make any interference in other people business. This is the position of Shari’ah which has more respect to privacy than any other moral system. You have no right even to ask about the source of money unless there is a government requirement to do so. In our Fiqh, we do not check on other people and do not intrude in their privacies.

Wa Allah A’lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Question 5: Car Lease**

From: Zakir

Due to job market condition, I can't find a suitable job for me here, so I took a job outside Canada. My wife with two kids live in Calgary, InShaAllah, my son will get into University this year. Since the car I have become old and my job outside Canada pushed me in a situation to have another reliable car to commute. I do not have sufficient cash to buy a car in full amount. My question is: shall I opt a car for lease putting down payment the amount I have to reduce finance exposure?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salamu ‘ala Sayyidina Muhammad, wa ‘ala Aalihi wa Sahbihi Ajma’in

Dear Br. Zakir

Assalam Alaykum wa Rahmatu Allah wa Barakatuh

Lease for cars and other assets is permissible. Car lease in Canada and the US usually have two closes that violate Shari’ah one is filling the gap which is rare and applies in case of an accident that may happen shortly after taking the car (you may neglect it out of necessity). The second is interest for payment delay. This you should be careful about and be sure that no delinquency happens. You can do that by authorizing your bank to make regular payment on time or the car dealership to charge your bank account on time.

Wa Allah A’lam

Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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## FATAWA LIVE 2008-2012

### Islamonline Live Fatwa Session April 20, 2008

**From: Ahmed**

**Sent: April 20, 2008**

**Question: Investing in mutual fund**

As-Salam `Alaykum!

I have invested in equity linked saving scheme, a form of mutual fund where company invest in stock maple and give dividend (profit). Company is investing in so many products, from infrastructure, mines, petroleum, to film also. I have no clue whether my money is being used in halal or haram thing. In fact when I tried to ask the representatives, they said it's simply impossible to trace the small money in such a big multinational company. Will accepting this money be right for me? This company is also providing me health insurance in ties form of bearing any medical or surgical expenses of illnesses, source of money is not interest based but profit based from stock market, but always guaranteed (whether in loss or in gain). I'm worried accepting such money will be right or wrong? Please help!

**My Answer:**

Wa `Alaykum As-Salam wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Ahmad,

I did not understand your question. What do you mean by "always guaranteed (whether in loss or in gain)?"

Here is a generic answer about investing in stocks. When we invest in stocks of companies without being able to have control on the management action and decision we must apply the following criteria:

- 1) We select companies whose main line of business is permissible.
- 2) We look at the financial statements of the company and avoid companies that are over-loaded with debts on the liability side, whose income from non-permissible activities is small relatively and whose cash, securities and receivables do not make more than half of their market value.
- 3) We still apply the purification principle by estimating the percentage that came from haram in both capital gain and dividends and give it away to Muslim charity.

When we invest in mutual funds, we cannot apply these criteria because we have no say in managing the fund. This is why we have to invest in Islamic mutual funds that apply these principles.

There are many countries like India that have no Islamic mutual funds, then if we invest in Mutual fund, we have to select these funds that specialize in industries that are permissible such as health care, technology, etc. even with this we still have to look at the report of the mutual funds and study the components of its investment and apply the purification principle to the best we can. Br. Ahmad, you need to apply this to the mutual fund you have and next time be more selective when you choose a mutual fund to invest in.

Allah Almighty knows best.

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**From: sajith**

**Sent: April 20, 2008**

**Question: Stock market and day trading**

As-Salam `Alaykum!

In real estate, especially land, some people give advance for the land and search for another buyer means without buying a land, just give advance then find another person and tell bigger price and take profit out of this deal. Is this type of trading halal?

In stock market, just buy big quantities of shares and sell those shares after 5 minutes, trade like this so many times, some profit and some loss, out so many trades. Is it similar to gambling? Just buy and sell company shares on assumption basis? Some cases order for huge number of IPO shares to take profit out of listing day. Please explain in detail.

**My Answer:**

Wa `Alaykum As-Salam wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Sajith,

The description is not complete in real estates. If the advance is given as a down payment in a buy contract, then you can sell a real estate on the plan. In other words, reassigning the contract is permissible. Another form that is also permissible is when you take a word from a seller that she/he accepts a certain price and any addition is yours and then find a buyer and make the contract between the seller and the buyer directly with your commission being the price difference between what the seller accepted and what the buyer is giving.

A form that is not permissible is when you sell and you do not have a purchase contract already made verbally or in writing with original seller.

For stocks, day trading is essentially permissible as long as the stock is permissible to buy and sell (2 criteria apply: 1) permissibility of the activities of the company and 2) the assets of the company must be majority non cash non debts). But I personally have a lot of reservation on day trading and also on the huge amount of transactions in the secondary market. The problem is that it is difficult to separate the first market of creating new companies from speculative trading on its shares. I always call for government action to reduce the heat of day trading and of secondary market in

general. To me there is a lot of immorality in profiteering from pure speculation even though it is done on permissible things like apple and banana and permissible stocks. Allah Almighty knows best.

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**From: Um Khaleel**

**Sent: April 20, 2008**

**Question: Buying property by bidding on government sales**

I was wondering about the permissibility of bidding on tax liens.

**My Answer:**

In the Name of Allah, most Gracious, most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Umm Khaleel,

Please explain.....

If you mean bidding on properties sold by government while these properties are confiscated because owners did not pay taxes, I believe it is permissible to bid and buy such properties because when you live in a land you have to abide by the rules and laws of it. A land that has taxes on real estate requires people to abide by them and face the consequences of their own failure.

Allah Almighty knows best.

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## **Islamonline Live Fatwa Session March 12, 2008**

**From: Anwaar**

**Sent: March 12, 2008**

**Question: Islamic home finance in America**

As-Salam `Alaykum!

In the US we have the Islamic Mortgage companies that claim their co-ownership programs to be halal. In this program you must pay mortgage payment that is interest free, but you must also pay co-ownership fee and fair market rent. At the end of the year the IRS sends you a 1099 to claim the co-ownership fee as a tax deduction (this is the same as the deduction for regular interest bearing mortgages.) Two questions please: isn't this co-ownership fee another way of earning interest (Riba) by another name? Given the exorbitant amount of money that one has to pay per month (rent, loan payment and fees) would not that also be considered usury (Riba) as well? Thank You!

**My Answer:**

Wa `Alaykum As-Salam wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Anwaar,

In US Islamic home financing, there are no double fees. It is either, occupation fees, profit or rent, different names of the same return on financing.

We must realize that financing in Shari'ah does not mean that people are going to give you their money to use for free. Only your mother or a person who loves you for your own sake would do that. In business there are no such things. Then what is Islamic finance? Is it another name for interest? The answer is: no. Islamic finance is providing facilities to obtain houses, goods and other things in manners that bring RETURN to the provider, but by methodologies other than giving money and charging interest on a LOAN. This is what is prohibited in Shari`ah whereas providing and facilitating getting properties by other than loans is not prohibited and is called normal business. Therefore, the essence of Islamic house financing in America is provision of finance on sale or lease basis not on loan basis. This is what makes it halal. Further IT SHOULD NOT BE HIGHER IN COST THAN INTEREST BECAUSE THERE IS NO REASON TO CHARGE MORE THAN INTEREST since the market of finance, Islamic and conventional, is integrated. Finally, the form 1099 that gives you a tax deduction with the IRS is a benefit that the law gives to any person who uses finance for buying a house and there is no reason that this privilege should be given to users of interest method and not to those who use other methods for financing their home purchase. Allah Almighty knows best.

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**From: Ahsan**

**Sent: March 12, 2008**

**Question: Side benefits of some credit cards**

My question relates to credit cards and their usage. I am aware that use of credit cards is permissible so long as I ensure that I pay the total amount due and do not default on payment, thereby activating the interest clause. My question relates to the benefits that some banks give on the usage of their cards.

**My Answer:**

In the Name of Allah, Most Gracious, Most Merciful,  
All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
Dear brother Ahsan,  
these benefits are permissible because your use of the credit card is beneficial for the issuers and they give you a part of their benefits in gratitude; it is a marketing gift.  
You can also read: Using Credit Cards  
Allah Almighty knows best.

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**From: Tom**

**Sent: March 12, 2008**

**Question: working as a night guard**

As-Salam `Alaykum. I have 3 children, and in order to provide for family I work as a guard, and 3 days in a week I don't sleep at night. I feel my health becomes worse. Is it haram for me to work there?

**My Answer:**

Wa `Alaykum As-Salam wa Rahmatullah wa Barakatuh.  
In the Name of Allah, Most Gracious, Most Merciful.  
All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Tom,  
Working at night is fine and many people do it, you are not the only guard in the world. But if your work, whatever it may be, negatively affects your health you must seek changing it the sooner the better. And you must keep working in any job because you are required, by Shari'ah, to provide for your family, as long as you are capable to earn their living and yours. Remember that every job you take shall consume a part of you, this is life!  
Allah Almighty knows best.

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**From: Layla**

**Sent: March 12, 2008**

**Question: Life insurance**

As-Salam `Alaykum, dear respected scholar, my husband and I are wondering what the fatwa is regarding having life insurance and/or disability insurance?

Jazakum Allahu Khairan.

**My Answer:**

Wa `Alaykum As-Salam wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

**My Answer:**

Dear sister Layla,

Like any other contract that was not there a thousand years ago, when our classical Fiqh was developed, Insurance contract is controversial. I belong to the Camp that believes it is permissible because of its tremendous benefits that makes it even necessary in many cases, including life and disability and because it does not violate any of the tenets of our religion. For more details please look at the Fatwa bank of Islam online.

You can also read: Life Insurance from an Islamic Perspective and Disability Insurance

Allah Almighty knows best.

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**From: Ahmad**

**Sent: March 12, 2008**

**Question: Is boycotting products of offensive countries a kind of Jihad?**

Is boycotting products of countries where some of their newspapers published offensive cartoons to the Prophet (peace and blessings be upon him) considered Jihad or some sort of cooperation on goodness and piety?

**My Answer:**

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

**My Answer:**

Dear brother Ahmad,

Let us leave the word Jihad aside and keep it to its appropriate use that is fighting for the sake of God in a noble manner with no aggression against innocent and no betrayal of the axioms of nobility as defined in Islam.

Boycotting the goods of Denmark and US and UK as called for by Islamic scholars is definitely a part of doing goods and cooperation on it and Muslims must obey their Shari'ah scholars in this regards regardless of what positions Muslim and other governments take.

Allah Almighty knows best.

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**From: Ali**

**Sent: March 12, 2008**

**Question: Zakah on assets**

As-Salam `Alaykum. How do we pay Zakah on assets? We have 7 trucks & 2 excavators. Presently only 2 of the trucks & 1 excavator are working. Only 3 trucks have been paid for in full none of which has been working for the past yr. The last truck was acquired only 1 month ago. Although we seem to have a lot of assets, we have little cash. How do we pay Zakah?

**My Answer:**

Wa `Alaykum As-Salam wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

**My Answer:**

Dear Br. Ali,

I believe that Zakah is on the net worth of business. Therefore on the day of your Zakah (the Hawalan al Hawl day: when a full lunar year, 354 days, passes and the first 354 days began when you became subject to Zakah for the first time by acquiring the Nisab) you calculate your net worth and make some adjustments that include: pricing assets and inventory at market price on that day, removing accounting adjustment assets such as prepaid expenses, etc. You then calculate Zakah at 2.5% on the adjusted balance of net worth. If you don't have sufficient cash at that moment you may delay all or a part of the amount due until you has sufficient liquidity without sin because this is a Shari'ah valid excuse. But you must remember that any non-paid amount of due Zakah, for any reason, remains a debt on you until you pay it out.

Allah Almighty knows best.

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**From: Anna**

**Sent: March 12, 2008**

**Question: Lending money**

As-Salam `Alaykum! Is it allowed to borrow money to someone, if I borrowed him my money before, but he still did not pay them back to me, and he's not the one in need?

**My Answer:**

Wa `Alaykum As-Salam wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Anna,

I did not understand your question!

If you mean whether lending money to a friend is permissible, yes lending with no increment above principal is permissible and it is rewarded by God. So is borrowing the money from another person with the intention of returning it on due date, it is also permissible and both are acts of goodness and rewarded by Allah InShaAllah. Interest that is any increment in a loan is Riba that is prohibited.  
Allah Almighty knows best.

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**From: Tahir**

**Sent: March 12, 2008**

**Question: Renting a property to a company to make rest area**

Salam! I want to rent my villa for rest, to make there billiards, swimming pool. It is sure, that some of the guests will drink alcohol there, smoke... Is it allowed?

My Answer:

Wa `Alaykum As-Salam wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

**My Answer:**

Dear brother Tahir,

Renting a place for doing non-permissible acts is not permissible.

But renting a place for residence or vacation residence is permissible (there must be no clause in the contract that mentions any Haram, e.g., it must not say: you buy or drink alcohol in this place) and it is then none of your business what the lessee does in his/her own residence, it is a matter that is not within your area of control.

Allah Almighty knows best.

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**From: Igor**

**Sent: March 12, 2008**

**Question: Refusing to lend a car or mobile**

As-Salam `Alaykum! Some brothers sometimes ask me to give them my mobile to use, or to take my car for some time... I never refuse them, but among them are some people whom I don't know well. Can I refuse them?

**My Answer:**

Dear brother Igor, of course, you can refuse any one, whether you know well or not. It is your right and your discretionary decision.

Allah Almighty knows best.

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**From: Mohamed**

**Sent: March 12, 2008**

**Question: Hedging currencies**

Dear Dr. Kahf, as-Salam `Alaykum.

I have 3 questions:

1. I am working for an export organization. Due to US dollar weakening against major currencies, is it permissible to hedge the exchange loss on our dollar receivables by taking forward/option contracts?
2. If it is not permissible, then how can we hedge our exchange loss? Please note we cannot factor in a lower exchange rate in our costing since it will make our products uncompetitive in the global market. Please advise!
3. Is all forms of insurance are prohibited? Can we take insurance on our stock, business assets (plant, machinery, office)? Please note that in our country, there is no recourse to Islamic finance. Then, how can we meet our insurance and banking requirements?

**My Answer:**

Wa `Alaykum As-Salam wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Mohamed,

Let us leave the banking issue to another question.

For your first quest my opinion is that you can hedge an existing position in a currency by using a future option. The prohibition of the OIC Fiqh Academy on option (that I take and accept wholly) is meant for trading option by taking them as a source of profiteering this is not permissible because options are not an asset that creates value.

But option on currencies to hedge an existing position as you mentioned in your case is not meant by the Fiqh Academy and I believe it is permissible.

For Insurance, since it is controversial, and I belong to the camp that believes it is permissible, I suggest to you that you should take insurance of assets, inventory, shipments, and also life, it is very useful and it is permissible in Shari'ah according to my view. I also know that there is another view on this matter.

You can also read: Life Insurance from an Islamic Perspective

Allah Almighty knows best.

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**From: Abdullah**

**Sent: March 12, 2008**

**Question: Trading Gold**

As-Salam `Alaykum! Can we trade gold (futures/options) in the commodities market? I came across a hadith of our Prophet (peace be upon him) that 6 commodities must be exchanged "like for like" and gold is one amongst them. Does this hadith imply we should not trade gold?

**My Answer:**

Wa `Alaykum As-Salam wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Abdullah,

The answer is YES.

This is a very authentic hadith and it prohibits trading gold and silver (and all other currencies by analogy) except under two conditions that should be fulfilled together:

immediate delivery and full amount of contracts. This means that futures and margins are prohibited in gold and currencies.

Finally, trading gold and currencies, especially on the internet, for the mere profiteering from price changes is not really a good way of earning because you earn only from the loss of some other person, you are not providing any service to the economy and not creating value.

Allah Almighty knows best.

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**From: Shadi**

**Sent: March 12, 2008**

**Question: Car leasing**

As-Salam `Alaykum Sir,

In Pakistan, Cars are issued on lease. I want a Fatwa on it? I hope you will understand after following example. If the price of car is, for instance, 6,00,000 rupees but the bank gives you some relief by giving some extra time (4 or 5 years) to pay; but demands you to pay 8,00,000 (Pakistani currency which is rupee) in several episodes instead of 6,00,000 rupee on the spot. Is it true to get such car? Is it Riba free? Isn't it a matter of rent? Jazaka Allahu.

**My Answer:**

Wa `Alaykum As-Salam wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Shadi,

What determine permissibility is not the amount of the difference (although there must be no overcharge above the market) but the nature of the contract. If it is a loan any increment above its principle is interest that is haram. If it is a lease/purchase or installment sale (whereby the bank buys the car and rents it to you or sells it to you) then it is permissible even with the higher price as your example mentions.

Allah Almighty knows best.

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**From: Reef**

**Sent: March 12, 2008**

**Question: Inheritance of pension**

As-Salam `Alaykum brother, I have a 1/2 brother from my father. When my father died his pension passed to my mother. Does my brother have a right to share in the pension? Jazakum Allahu Khairan!

**My Answer:**

Wa `Alaykum As-Salam wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Reef,

It really depends on the exact thing you mean. Pension that is based on past contributions during employment and given according to actual real systems is not inheritance and it is permissible to pass, after death to a beneficiary that is determined

according to the insurance system that is either created by law or by contract (it can even be with an insurance company based on a term life insurance).  
On the other hand, a pension that is based on savings during life time, whereby a person saves money in a certain account like IRA is 401K in the USA, and contributor is the owner of these savings during life time, whatever balance in that account and to any way it may be converted upon death (like converting it to a pension to a certain beneficiary) MUST BE DISTRIBUTED ACCORDING TO INHERITANCE.  
Accordingly, if the pension you mentioned is given by a party, whereby you father did not own the contributed money, then your mother, as assigned beneficiary, is alone the person who has right to this pension. But if your father owned the money in that account, from which the pension accrued, and he was able to select the kind of investment in it, then your half-brother has no right in it.  
Allah Almighty knows best.

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**From: Umar**

**Sent: March 12, 2008**

**Question: Bill discounting**

Is bill discounting, negotiation with bank permissible?

My Answer:

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

**My Answer:**

Dear brother Umar,

Bill discounting is PURE RIBA and it is HARAM in Shari'ah. It is a cash amount for a higher sum in the future. The OIC Fiqh Academy has a clear cut resolution about it.

Allah Almighty knows best.

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From: sajid

**Sent: March 12, 2008**

**Question: Interest prohibition**

As-Salam `Alaykum!

I had a question regarding interest transactions. Did Allah swt prohibit all interest transactions in general or only those where money or land is multiplied in double triple which leaves too much burden on the people? Also I have read that Imam Ghazali seems to have said that little interest which doesn't put too much burden is OK. Is that true?

Please advise.

Jazakallah Khair.

**My Answer:**

Wa `Alaykum As-Salam wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Sajid,

Almighty Allah prohibited all interest and He even stated in 2:275 that the remnant of it must be discharged. Imam Ghazali and all other Muslim scholars never said that any

part of Riba is tolerated. Riba is defined as any increment in a debt regardless of its size or the purpose of the debt. It may be for financing real estates, business, purchase of goods and services or even consumptions. All and any increments in a debt is Riba and is haram.

Allah Almighty knows best.

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From: shaazi

**Sent: March 12, 2008**

**Question: Zakah on additional savings**

As-Salam `Alaykum!

I wanted to ask you that if a person's savings is based on salary then what would be the Zakah. If on 1st Ramadan he has 1000 dollars and saves 500 dollars every month and reaches to 7000 savings at the end of the year. Still he has to pay Zakah on 7000 even though that amount wasn't in the savings throughout the lunar year but only in the end.

**My Answer:**

Wa `Alaykum As-Salam wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Shaazi,

YES. Zakah is on the amount you have on the day a Hawl (a lunar year, i.e., 354 days) is completed on the original amount of Nisab. The first year begins on the day when you had Nisab for the first time. In your example Zakah is due on the \$ 7000 and it is at the rate of 2.5%. The source of additions does not matter; it may be salaries, gift, profit, inheritance, etc.

Allah Almighty knows best.

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From: Um Khaleel

**Sent: March 12, 2008**

**Question: Difference between interest and late fees**

What is the difference between interest and a late fee?

**My Answer:**

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Umm Khaleel,

there is no late fee in Shari`ah. If a debtor fails to pay a due debt and that failure costs the creditor any damage the debtor is required to compensate for that damage. This damage cannot be known in advance and determined in the form of a late fee. This also means that any already determined late fee may in fact include Riba because Riba is any increment in a loan (the actual cost of damage is not an increment in a loan but a remedy of damage caused by the debtor). This implicit Riba is haram and it consists of any surplus of the late fee above the actual damage.

Allah Almighty knows best.

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From: hamad

**Sent: March 12, 2008**

**Question: Food crisis**

Respected scholar, in your point of view, do you think the global reports that the food crisis will continue and affect poor countries? And how can Muslims in the East face this expected crisis?

**My Answer:**

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. I am not a specialist in that area. But I think the food crisis will continue. Muslim nations MUST INVEST IN GROWING THEIR OWN FOOD. Agriculture in the Muslim countries needs a new look and strong investment support from governments.

Allah Almighty knows best.

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From: Mohammed

**Sent: March 12, 2008**

**Question: Talking to girls**

Dear Sheikh,

I am 16 years old. In my class there are Muslims and Christians. One of the girls in my class greets me whenever she sees me in the hall and sometimes she says a few words. I really want to talk to her but I feel it's haram because there is no necessity. Sometimes I find her alone in class. What I do is put my bag and leave. During this time she tries to start a conversation but I answer her quickly with a smile and leave. Can I talk to her if it will just be a few minutes till some of my other classmate come? Is talking to her haram? Can I give her my e-mail?

Please help me. Thank you very much!

**My Answer:**

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Mohammed,

This is not a financial question!

Beside you said you already talked to her a few words and gave her a smile. I advise you to avoid her completely, and as a 16 year student focus on your study, we have couplet that means all love stories begin with a word and a smile. You should leave thinking of love until after marriage. The Qur'an hint that love comes after marriage not before it when it says that God first created mates for you from your own self nature and then created love and intimacy between you.

Allah Almighty knows best.

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From: Mohammad

**Sent: March 12, 2008**

**Question: Paying Zakah to my aunt**

Assalamualaikum. I have couple question about Zakah, hope to get some answer in reference to hadith and the Qur'an that release me from my stress.

I have an aunt, her husband died few years ago, and did not leave her much to survive except a house (in their village) and a piece of land, which was under bank loan. Last year we few of our cousins helped her to get some of the land back. Her son does not contribute anything to the family and she has an unmarried daughter. She is leaving her life by renting portion her house (rent very low since it is not in city) and sealing her lands, which she will run out soon. We help whenever we can. We never gave her Zakah money since she won some property.

Is this evaluation right or is she rightfully eligible to Zakah money?

My second question is if someone helps me to distribute my Zakah money, is it permissible for the person to use portion of the Zakah for his travel expenses?

If the traveling is just to give the money to appropriate person. Thank you & May Allah bless you for your good deed.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Reza

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

For the first question, it seems that your evaluation of the situation is very reasonable. She has some property and she is a clause relative, sister of father or sister of mother.

I like to add another point which may be relevant. Her expenses to satisfy her needs may be the responsibility of yours, her nephew if you are apparently able (you pay Zakah) if so she should be taken care of from your own income, her nephews not from Zakah.

For the second question: a government, when it collect and distribute Zakah may use part of it for salaries and expenses provided this does not exceed 1/8th. If a charitable organization, it may but preferably not because it works on voluntary basis and on Wakalah basis by the Zakah payers, some scholars allows it to spent max 1/8th, but I don't like it for the above reasons.

When it is paid by means of a friend, it is purely on Wakalah basis, I don't like it at all because it is the Zakah payer's responsibility to make it reaches a deserving person.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Subject: Live Fatwa, Onislam, Friday, Feb. 18, 2011**

**Sent: Feb. 18, 2011**

**Question: Social justice without elimination of Riba**

Dearest Dr. Monzer,

As-salamu `Alaykum,

Thank you very much for yesterday's session, may Allah accept your effort and abundantly reward you,

Could you kindly reply to the following question?

As-Salam 'Alaykum wa Rahmatullah wa Barakatuh:

Isn't it a fruitless venture, the attempt at social justice without first pondering over what kind of economic structure one is living in? While the systems of RIBA (USURY) prevail in the world and there are Central Banks, that loan money instead of being treasuries which store money and the money being concocted as if from thin air, how can we expect real social justice where the poor are having a clean and pure chance to excel? As money is made of paper and slowly being phased into the electronic realm, so money can be added to the money supply at a whim; what kind of effect does an increase in the money supply have on the purchasing power of the masses that too the money is loaned at interest? Sunnah money is Gold and Silver, why? These are scarce items and so the purchasing power of the masses is protected, you can't print gold and silver or type them into the computer to increase the supply, can you?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Essam

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

These issues need a lot of discussion and can't be fairly treated in a few words. Let us consider the following points:

1. Riba is Zulm because it takes a part of the property of other person and what the lender owns does not increase
2. Riba is not the tool of creating social justice between the poor and the rich. We see many societies that have relatively high level of social justice (no absolute poverty) yet it is based of Riba, some of them are centers (e.g., Singapore and Hong Kong) of Riba. Riba does affect the economic justice as it allows a person to take unjustly the fruit of another.
3. Tools of social justice are essentially provision of work opportunities at fair wages. This requires development plans based on and aimed at improving the productivity of the massed, education system that is technology oriented. We see in Egypt those who are equipped with this kind of education are getting better income and better opportunities, imagine if everyone is equipped this way and we support them with finance in appropriate way: mass finance based on real contribution to asset building (this is what Islamic finance does: provision of machines, goods, venture capital on sale, lease and sharing bases).
4. Paper money is an invention of humanity that must not be underestimated. It is in fact great and it helped the economy. So are central banks. They don't have to be based on interest. They can be based on sharing, sale and lease. There is nothing glorious about gold and silver as money why having it when you can have money without cost. Abuse of money by a corrupt government is always possible even if we use gold. It

happened in the past in Egypt itself as we are told by al Maqrizi. We need good and transparent government not gold money.

5. Phasing out interest from the finance market should be gradual and must be our target, but do not rush to it faster than healthy.

6. We need to add Zakah and activation of Awqaf to our system.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Subject: Live Fatwa, OnIslam, Friday, April 15, 2011**

**Sent: April 15, 2011**

**Question: source of credit**

Dearest Dr. Monzer,

I pray to Allah that this email finds you and your family in the best state of Iman and health.

Could you kindly reply to the following question?

Providing a source of credit while RIBA is Haram:

As-Salam 'Alaykum. As is the example of Christian Europe, in particular Italy where the practice of lending at interest was forbidden by Christian authorities, there were problems in generating capital. The solution to this problem was that Jews were the source of credit because of the fact that they are prohibited to lend at interest to one another, but to non-Jews there is no prohibition. In essence the Jews were "flush with cash" from Riba and the Christians saw them as a strategic asset who could provide something that was forbidden in Christian law at that time. Presuming that under the Islamic system we are to use gold and silver and possibly platinum as money, what is the solution to the problem of securing sources of credit without resorting to the practitioners of Riba as that source? Shall we monetize other scarce metals like platinum?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Essam

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This questioner seems to be in need to make some reading on credit.

Islamic finance create credit similar to conventional interest based finance but while the latter uses the loan contract the Islamic finance uses other credit creating contracts such as sale and leasing. There is a big difference between lending and sale on credit. In brief it is tied to the real market while loan only transfers ownership. The Islamic system does not need the Jews to give loans because it is based on giving credit through the real production (sharing contracts, i.e., venture capital) and through exchange on credit (sale

and leasing). Loan remain only an act of charity or benevolence while earning through finance is air-tied to real production and exchange.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Subject: Live Fatwa, OnIslam.net, Saturday, April 30, 2011**

From: Esam

**Sent: April 30, 2011**

### **Question: Borrow from Halal and Haram Money**

What is the ruling on borrowing money from someone when their money is a mixture of halal and haram money? Is it only allowed if the halal money is more than the haram, or is it permitted to borrow such money even if the haram is more than the halal?

Wassalam

### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Essam

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Money itself cannot be classified as Halal and Haram. What is Halal or Haram is the way one earns it. Therefore when you deal with any person you are concerned about two things only in regard to money: 1) is the deal (sale employment, loan, etc.) you have with that person within the boundaries of Shari'ah? And 2) is the other party giving you forfeited or stolen money. This must be with surety that is verified by the number of the paper currency given to you. SPECIFICALLY YOU DO NOT ASK ABOUT WHAT OTHER BUSINESS THE OTHER PARTY MAKES WITH OTHER PEOPLE. This is none of your business.

As a direct answer to your question, the above means that it is permissible to take a loan without interest from any person regardless of his/her source of money.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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Salam,

Here is the second and the last:

### **Question: Borrow Money to Build Houses**

I want to borrow money from someone and use that money to build houses, then I plan to sell some of the houses and rent the others out. the thing is the person I want to borrow the money from his money is haram (it is not even halal money mixed with haram, rather all of his money is haram), if I borrow his money and build the houses

with it will the money I get from selling and renting out the houses be halal for me seen as the houses have been built with haram money?

Thanks

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Essam

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The more important question is how do you determine that his money is Haram and what gives you the right to poke your nose in other people's hearts, actions and behaviors? Money can be Haram if it is forfeited, I.e., false or not really money or if you saw the person stealing it from its true owner. Otherwise you cannot even determine that interest –based banks' money is Haram. The most it can be said about interest-based banks is that their interest transactions (not money) are Haram.

If the money is stolen or forfeited you must not borrow it and if your do knowingly you are then a part of the crime.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Subject: Live Fatwa, OnIslam.net, Friday, May 27, 2011**

**Sent: Friday, May 27, 2011**

**Question 1: Can I have a loan from the bank**

From: Khaled

Location: Egypt

Salam Alaykum, dear scholar,

I'm a trader. My shop, on top of which is my house, with my very next neighbor's shop form a complete apartment. He is intending to sell his share. If any other one bought this share, he will cause me much trouble. My problem is that I don't have enough money to buy this shop. Can I have a loan from the bank to buy it? If not, what do you advise me to do?

**My Answer:**

Go to the Faisal Islamic bank for financing it or go to family and friends. Riba is one of the worst sin in Islam, it is the only one the Qur'an declare a war about it from Allah and His Messenger. This question is in fact a kind of typical question where some people think it may justify violation of the rule. In fact it does not at all. Especially in Egypt where there are family and friends and Islamic banks.

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**Sent: Friday, May 27, 2011**

**Question 2: Donation for the Egyptian Stock**

From: Hasan

Location: Egypt

Salam Dear Professor,

Is it allowed to donate for the Egyptian Stock to protect it?

**My Answer:**

Egyptian Stock does not need and does not accept donations. Supporting the market is by buying stocks of good companies (of course with the application of the Shari\ah criteria that these companies should not be dealing much with interest or other prohibitions) especially utilities and basic industries companies. When you buy be a long term investor not a short term speculator.

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**Sent: Friday, May 27, 2011**

**Question 3: State collection of Zakah**

From: Abu Muhammad

Salam Alaykum.

What happens if the State collects Zakah in the case of someone who helps his needy distant relatives by paying them part of his Zakah? Should he pay the State the full Zakah amount then the State would pay his distant relative? Or should he deduct from the amount due the amount he pays to his relative, and give the State the net amount?

**My Answer:**

If the government in a Muslim majority county requires Zakah to be paid through it by law. All Muslims must give their Zakah to the government authority. If you want to pay relatives there are only two ways: some laws allow part of the Zakah to be distributed personally or allow suggesting recipients of your Zakah to the government authority. The second way if there is no such facility is to pay your relative Sadaqah and get additional reward InShaAllah from Allah.

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**Sent: Friday, May 27, 2011**

**Question 4: does Zakah state collection apply to Muslims only?**

From: Tarek

Location: Egypt

As-salmu `Alaykum. In a Muslim country which has a non-Muslim population like Egypt, would the collection of Zakah at the same rate of 2.5% of annual savings apply only to Muslims? What about needy Christian citizens? Should it be the responsibility of the State or the responsibility of local churches?

**My Answer:**

You should notice that Zakah is a religious worship. It is not simply a social relief tax. The case of Egypt is typical and normal. Almost all Muslim countries are like it. It was Europe that was exclusive and did not tolerate in the past any non-Christian, also in the present we hear some voices of intolerance like that of the present Pope.

The Application has been historically and theoretically both: we ask the non-Muslim community to create a similar fund, either within their churches or by the State in the law (then it will be two segregated funds). Essentially Zakah money should be paid to

Muslims only but we also pledge that any extreme needs that threaten life or the like can be supported from Zakah too regardless of religion of recipient.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Subject: Live Fatwa, OnIslam.net, Wednesday, July 13, 2011**

**Sent: July 13, 2011**

**Question: Loans to employees**

Dearest Dr. Monzer,

As-salamu `Alaykum,

Hope you are well and at the best of health and faith.

Could you kindly reply to the following question?

As-salaamu `Alaykum. I am working in a government organization which engages maritime business. The employees of this organization are entitled to apply for the various types of loan (Vehicle loan, Ten month loan, etc.) based on their job category. Although these loans are interest based, the interest is very low comparing to the bank. I'm also thinking of applying for loan to buy a vehicle since I don't have one. But some fellow Muslim employees say it is haram. Others say it is acceptable since I don't have any other options. Please clarify this to me. Jazaka Allah Khairan.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Essam

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Please inform the questioner that:

Interest is Haram regardless of whether the rate is low or high, of course higher rates make it uglier. Interest is Haram because a loan makes a debt on the borrower and the debt does not generate any increases through time. It is called in the Qur'an Zulm (injustice for this reason since the lender takes an increase which is not, and cannot be, generated by the asset he owns). The alternative is either credit sale even if it were at a higher price (which is definitely different from Riba because the seller gives a car that generates utility/value) or you wait until you save the price of the car.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Subject: OnIslam.net, live Fatwa, Monday, August 23, 2011**

From: Muslim

**Sent: August 23, 2011**

Location: Pakistan

**Question: Bidding/Auction**

Is Bidding/Auction allowed in Islam?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Yes, it is just a public offer to sell at the highest bidder. Further, it may be sometimes needed for quick sale as what the Prophet, pbuh, did in an authentic narration by al Bukhari, within the story of the man who came to the Prophet, pbuh, asking for charity and the prophet asked him to bring whatever he had at home. The man brought a piece of cloth and a pitcher. The Prophet, pbuh, then announced an auction to sell them to the highest bidder, and he sold him for two Dirham. It is a long and very exemplary and interesting story. Check it in al Bukhari.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Idrees

Location: India

**Sent: August 23, 2011**

**Question: Calculating Zakah**

As-salamu `Alaykum, I appreciate and pray to Allah for the work On Islam and its staff and its consultants are doing to help Muslim brothers and sisters understand Islam and apply it.

I have a doubt regarding calculating Zakah; I have invested certain amount in some business venture this year, and I am share holder of 1% in it but I cannot take part in decision making on business/investment.

The yearly dividend (profit) InShaAllah will start coming only after 3 years from now.

And I cannot withdraw my share or sell it till 3 years.

Now, do I need to take in to account the invested amount while calculating Zakah? Or I have to take it only when it starts giving profit or loss? And should the Zakah be on both invested amount and profit or only profit? Jazakallah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Idrees

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Zakah is obligatory on the properties of rich Muslims. Richness is defined in regard to the Zakah as owning the amount of Nisab which is nowadays approximately US\$ 1500. This investment is a choice of yours and the conditions of the agreement that you mentioned in the question are permissible. Is this amount still yours and owned by you even though you accepted, with your own free will, to commit yourself not to liquidate in there years?

As a part of your properties, this amount is subject to Zakah.

When the total of the market value of this investment (if there is no market value, you estimate it to the best of your ability, and if not, the principal of the investment) plus other Zakatable items such as cash, bank accounts, other investment, reached Nisab for the first time you start your Zakah year (the Hawl). Then 354 days later you add together all the balances of the Zakatable items that you have on this day and multiply that by 2.5%. This is the amount of your due Zakah. If you have already, from previous years, established you Zakah year, you add together the balances of all Zakatable items, etc.

To answer your question directly from the above paragraph: this investment is subject to Zakah every lunar year beginning from the day you acquire Nisab, it is added as a component of Zakatable items, at market value, whatever accrued profit is either added to principal and becomes part of the balance which is subject to Zakah or obtained as cash and it is then included in the cash balances (of course if it is saved. But if it is spent whatever you spend during the year is not subject to Zakah) which are subject to Zakah. In other words, Zakah is on the principal and profit and repetitive every year and at the rate of 2.5%.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Anas

**Sent: August 23, 2011**

**Question: Can't Pay Debt**

What can I do if I have a debt and I can't pay it? Because the shop has changed its place and I don't know where is it anymore?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Anas

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You just keep searching until you find it. You still need to pay it. There is no other way. Some people may misguide you by saying give the amount to charity, if you do and then find the creditor, you still has to pay it to him/her.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Me

**Sent: August 23, 2011**

**Question: Food – to Non-Muslim Relative**

Is it permissible for me to serve non-halal food to my non-Muslim relative? Even if I did not buy the food but I'm giving it to her. Is that ok?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear you

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It depends of what you mean by non-Halal. A Muslim is required to avoid serving pork to anybody even when you do not buy it. Same applies to food which contains alcoholic liquor.

But if you mean by non-Halal meat which is slaughtered without mentioning the name of Allah on it, which many people call non-dhabiha or non-Halal, yes it is permissible because this is a controversial matter and many scholars believe it is permissible for Muslims to eat.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Bashir

Location: India

**Sent: August 23, 2011**

**Question: Inheritance of Property**

Asalamualikum, One of our neighbors "A" died at the young age leaving behind a son and a daughter and his widow. The father of the young Man "A" is denying any property to the bereaved family by saying that Islam do not allow any share to the children of the deceased person (Like "A") who had no property of his own but was living in a joint family system with his wealthy father. The bereaved family has instantly come to road. I want to know the system of property sharing in such cases according to the Islamic law. Besides is joint family system as is in vogue in our country allowed in Islamic culture. We usually do not share our property among our children till our death. Neither

daughters nor sons are given any share. On the death of father (or both the parents) property gets transferred to sons only. In some cases there arise legal complications and people take refuge in Islamic law giving daughters according to the Qur'anic law. I want to know that Is this allowed to distribute some property among children during one's life or is this proper to keep the property and leave it at the mercy of circumstances after one death. Kindly clarify. I hope a quick and detailed response from your good self. I also want to know who is answering/clarifying my questions.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Bashir

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

First I cannot make any statement about what you called "joint family system" without a lot of additional information about it and how much it is binding and its legality in India, etc.

To answer the question within the limits of the info given in the question:

1. Islamic system of property and ownership does not mix properties of different people (even family members and husband and wife) except in either of two cases: 1) when they voluntarily create a contractual partnership, and 2) when a de facto co-ownership exists as a result of inheritance or government assignment or the like. The latter is temporary until they divide the property. This means that the property of each person is independent from each other. This applies equally to father and children.
2. When children work for their father's business, in many cases they are assigned salaries and/or share of the business. If they work without such arrangement, it means that they are negligent about their own rights and they did not protect their own small family. I know that such things happen in many places among Muslims as well as among non-Muslims. Unfortunately in such cases legally the property remains owned by the father alone and they own nothing. This means there is nothing to be inherited when they die.
3. If a man dies, leaving minor children and wife with no income or property of their own and they have a grandfather who is able the grandfather is required, by the Islamic law to spend on them until they reach the level when they can provide for themselves on their own. The grandfather in this regard takes the full responsibility of the deceased father.
4. Of course, when the grandfather die, his property will be divided between his children (and other heirs as mentioned in the Qur'an) and the children of a deceased child (male or female) gets the share of their deceased parent within certain parameters.
5. The Islamic inheritance system is binding and obligatory, it always assigns part of the property to females, especially daughters.
6. Any person is free to do whatever she/he likes to do with their own properties, including distributing properties to their own children. Boys and girls. In this regard, distribution in life time must be fair and just by distributing equally to children regardless of their gender.

Wa Allahu A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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From: Emaan  
Location: US

**Sent: August 23, 2011**

**Question: Inheritance or Testimony of Woman**

My question is this can we consider the inheritances rules in Quran as bottom line set for society not to go beyond but they can remain on or above it. On the basis of this Can women get half and above share from inheritances and their testimony can be considered as half or equal to men? Like Zakah that is fixed but charity is beyond any fixation.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Emaan

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The distribution, as given assigned shares or percentages, as given in the Qur'an especially verses 4:11 and 12 are binding and obligatory and must not be changed. Read please the closing sentence of Verse 12 and verses 13 and 14. They ordained that these terms must not be changed. This is why the prophet, pbuh, prohibited and last will to an heir because this changes the shares assigned in the Qur'an. This means that these share are themselves exact and binding because the remainder is always given to another heir. The analogy with Zakah and Sadaqah does not work because in inheritance we have a property to be divided, it is 1 or 100% and the Qur'an gave the way it is to be divided in a way that covers the 100%, there is no room for an extra as in Sadaqah.

Wa Allahu A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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From: Sarah  
Location: US

**Sent: August 23, 2011**

**Question: Late Payment on Credit Card**

I recently got a new visa got that gives me discounts and benefits when I use it. The penalty for not paying the balance on the visa card is around \$5...that is if you don't pay by the allotted date which is known to you at least 30 days before the deadline. I am

aware that if I do not pay the balance on time, I will have to pay that extra \$5 interest which is haram. My question is... can I use and possess that visa card with consciousness that I will pay the balance directly after I make transactions and I will not miss the deadline? And also, this is not my main form of payment I use daily... I use this card only 2-3 times a year. Jazaka Allahu Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Sarah

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I know how credit card works here in America and practically all over the world. If you pay within the grace period, there is no interest and you take all the benefits of the card, but if you delay interest starts on you. You sign a contract which has this mentioned in a clear manner.

My opinion is: these cards give you the choice between what is permissible and what is Haram. Therefore they are permissible to contract and to use as long as you know that your choice will always be the permissible option which is to pay within the grace period. I personally like to emphasize this by arranging automatic payment of the balance on the due date, so that you guarantee that there will be no delay in payment at any time. This is not a condition but only a preference.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Shaikh

Location: India

**Sent: August 23, 2011**

**Question: : Leaving Work Early in Ramadan**

Assalamu Alaykum. I work in an environment where the work pressure is tremendous. However for the month of Ramadan I try to come in a little early and leave a little early, but I sometimes feel guilty because of this. I have always have had issues with anxiety (but that's a question for another day) and so this act of leaving early and having all work issues on my mind makes me distracted during my Salah. Is it haram on my part to neglect my work during Ramadan?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shaikh

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Coming to work early and leaving early should not be disturbing in many kinds of works and this works very fine in most places. This should not disturb you either as long as you are giving the number of hours and amount of effort required for the job. I know many Muslims in America make this kind of arrangement with their work places. It is of course permissible.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Professional

Location: Pakistan

**Sent: August 23, 2011**

**Question: Shortening of prayers if more than one house**

I live in Islamabad in my own house, my parents' lives in Peshawar in own house and we have one house in our village. I move among these places frequently (at least once in a month). So will I offer complete prayers in all three houses?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Although this is not my specialty but I will answer this question because I believe I know it very well.

The principle is that you may make Qasr (shortening the long prayers) in travelling once it is for a certain minimum distance or above that.

There are people who have more than one residence. For these people they are not permissible to shorten prayers while in their residence. The criterion is: if you have your residence normal minimum facilities, for living area, clothing and other facilities which one normally has at home. If this is the case then you have more than one residence and you do not make Qasr in any of them. but if when you go to the village or to parents house you carry your suitcase, arrange for traveler's food, sleeping, etc. then these places are not residences for you. A clearer and extreme example is a man who has two wives one in each town, this man does not make Qasr in either.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

Islamic Finance and Economics

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From: Abulbasar

Location: US

**Sent: August 23, 2011**

**Question: Zakah – On Gift**

My 7 year-old boy "Daiyan" who received \$ 16000 as a gift which has completed a year. This money is on his bank account. As a parent, do I have to pay Zakah on his money?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abulbasar

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This money is subject to Zakah without any doubt every lunar year (I.e., every 354 days beginning from the day acquired) at the rate of 2.5%. It is permissible for you as a guardian to pay it from your own as a volunteer or from the boy's money. There is an opinion that you may delay it, without sin, until his puberty and then inform him to pay all past due Zakah for all past years.

Further, this is a typical case where the advice of the Prophet, pbuh, applies. He advised that guardian should invest the money of a minor so that it grows to at least cover the deduction of Zakah. Otherwise it will be depleted by the Zakah payment as the Prophet, pbuh, mentioned.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Mohammad

Location: US

**Sent: August 23, 2011**

**Question: Zakah Money**

Assalamualaikum brother, I have couple question about Zakah, hope to get some answer in reference to hadith and Quran that release me from my stress. I have an aunt, her husband died few years ago, did not left her much to survive except a house (in their village) and few land, which was under bank loan. Last year we few of our cousin helped her to get some of the land back. Her son does not contribute anything to the family and she has an unmarried daughter. She is leaving her life by renting portion her house (rent very low since it is not in city) and selling her lands, which she will run out soon. We help whenever we can. We never gave her Zakah money since she won some property. Is this evaluation right or is she rightfully eligible to Zakah money. My second question is if someone helps me to distribute my Zakah money, is it permissible for the person to use portion of the Zakah for his travel expenses. If the traveling is just for give the money to appropriate person. Thank you & May Allah bless you for your good deed. Mohammad Reza.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Reza

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

For the first question it seems to me that your judgment that she does not deserve Zakah is correct. She seems to be ok for now. This does not mean that you and other cousins are not always called on to give her gifts and charity just to make her better off, after all she is your kin and kindness to kin is highly rewarded as we are told by the Prophet, pbuh.

Payment of Zakah is your responsibility. When you distribute Zakah to the poor and needy you are not allowed to charge your cost to Zakah amount. It is the same when you appoint an agent to do it on your behalf, she/he is like you and same applies to him.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Baig

Location: India

**Sent: August 23, 2011**

**Question: Zakah on Salary Bank Account**

As Salaam `Alaykum brothers in Islam: What is the ruling on salary bank account amount. Issue here is:

1. Salary is mostly fixed per month but not the monthly expenses.
2. This money is in continuous use for personal and other family expenses, so remain in rotation throughout the year (not used as savings like fix deposit).
3. The expenditure per month is not same, so will be difficult to know what will remain at the end of each month. Jazakum Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Baig

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The matter is much simpler. Let us say that your Zakah day is Ramadan 15 every year; you just see what is the balance in this account, deduct from it your expected expenses and other payment until the next salary day and add the balance to other Zakatable item in calculating the Zakah. This way of calculations means: balance at the beginning of the year + all salaries during the year – all expenses during the year – expense that will be paid out of existing balance at the end of the year.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam  
Prof. Dr. Monzer Kahf

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From: Wonder  
Location: Tunisia

**Sent: August 23, 2011**

**Question: Zakah in a Non-Muslim Country**

Salam Alaykum. I want to ask how a Muslim can give Zakah while he is living in a non-Muslim country. Is it acceptable if he gives it to non-Muslim person?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

NO. in our days there are Muslims everywhere in all countries Zakah should be given to Muslims only except in urgent case of life and death only then it can be given to non-Muslims.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Subject: OnIslam.net, live session Monday, August 29, 2011**

From: Muhammad  
Location: Canada

**Sent: August 29, 2011**

**Question: Ijarah Conversion Product**

Asalamu Alaykum,

Is Ijarah Conversion Product halal? Ijarah is providing the Shari'ah compliant mortgage conversion in Canada.

How it works?

Ijarah is asking me to get the mortgage approve from conventional bank and send the document to Ijarah and they will re-structure the transaction according to Shari'ah and I don't have to pay any interest. Also Bank's interest rate and terms will remain same.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. /Sr.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The question is vague. It does not provide the mechanism of conversion. Without this mechanism it is difficult to give an answer.

Ijarah as a contract is permissible and can be used in buying homes on a plan that has a mix of rent and promise to buy pits and parcels of the property along with periodical rental payment. Car leasing in America is essentially permissible but there are a few clauses related to interest in conventional car leasing. The problem comes from these clauses not from the concept of Ijarah even though the numbers may be the same. Notice a rent is fixed and interest is also fixed. The prohibition of interest does not come from being fixed or not. It comes from being increment in a debt. Rent is a price of usufruct.

Replacing an interest house loan with a contract based on Ijarah is of course what Many Islamic finance companies do. But taking a mortgage loan from a bank to a company after it is contracted with the bank and it give you instead of it an Ijarah with same rate and numbers means that it pays interest and accepts from you rent. Who is going to do that and what is its profit?

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Ethar

Location: Canada

**Sent: August 29, 2011**

**Question: Working in woman clothes store**

I lately find a job in a store that sells woman clothes. I wonder if I am permitted to work in such store regarding that clothes are western style that, of course, don't follow the Islamic rules. I'll appreciate your fast reply. Gazak Allah Khairan

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. /Sr.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It is permissible because cloth can also be used within the house or in the bed room.

They are not only for exposing women body's outside. As long as there is a permissible use of the item, you can sell it. Any abuse of it is the sin of the abuser.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Tabassum

Location: Canada

**Sent: August 29, 2011**

**Question: Mutual Funds**

Salamalikum,

From the little research that I have done, I understand that we can invest in mutual funds as long as the fund does not invest in companies that deal with haram commodities. However, as a financial advisor at a financial brokerage company, when we select funds, the fund companies usually give us the top holdings only. If the top holdings do not sell haram commodities, is it okay to invest in that fund?

2) Can we sell/buy life/critical illness/disability/travel insurance?

Thank-you

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. /Sr.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

1) If you are investing in America where none of the listed companies abide by Shari'ah we then apply the tolerance rules. These are rules that remove hardship from Muslim investors, thus allowing them to invest in second best companies (from Shari'ah point of view). These criteria are; 1) main line of business should be permissible; 2) Haram activities should not make more revenue than 5% of revenues; interest-based debts the company should not make more than one third of its market capitalization; 4) debts and securities on the asset side must not be more than one third of its market capitalization; and 5) you must estimate the percentage of Haram in your income of this investment and give it to Muslim charity in order to keep your investment Halal. These criteria apply also to Mutual funds.

2) Travel insurance is permissible in my opinion, there is the other view that argue that all kind of insurance must be with Takaful (Islamic insurance) companies.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Zeshawn

Location: US

**Sent: August 29, 2011**

**Question: Zakah**

Assalamalikum,

I had a question regarding the payment of Zakah. My wife has money but I am in debt with student loans. We just got married. We have checked online but have found differing opinions on whether or not Zakah can be paid from a wife towards the

husband's debt. Is this permissible? As her money is her money and if she wants to help her husband pay off her debt, can she or not?

Please let me know. Thanks kindly.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

My opinion is that in your case it is not permissible to pay her Zakah to you to settle your debts.

You said you just got married, I suppose you must have spent an amount of money for marriage, you have income and you are not personally poor. You got student loans to make yourself more qualified and therefore to have more income. You are required to pay these interest based loans the fastest way possible. You can borrow from your wife if she is rich and pay her later, of course without interest. But she cannot give you her Zakah to pay your debts.

We have evidence that A female companion of the Prophet, pbuh, gave her Zakah to her poor husband who did not have sufficient income to spend on the family, including herself because it is his responsibility. But paying his debts while he is in fact not poor and he is spending on the family and on marriage and while there are about 35000 Muslim children dying every day out of hunger in the world of today. NO, by all means that is not permissible.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Sham

Location: Canada

**Sent: August 29, 2011**

**Question: Real Estate**

How can I buy a house Islamic way so I do not have to borrow from bank and pay mortgage interest? I have seen a condo for \$250,000. I have to pay down payment of 10% which is \$ 250,000. Please, advise.

Thanks.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Check if there are any Islamic companies in Canada which provide Islamic finance. Also check credit unions, I know one in Calgary that has Islamic contract for the Muslim community. For the down payment you have to borrow from you mother or wait until you save it.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Subject: OnIslam.net, live Fatwa, Friday, December 23, 2011**

From: Muslim

Location: Ethiopia

**Sent: December 23, 2011**

### **Question: Housing system in Ethiopia**

Aselamu Alaykum We Rahmatullah We berekatuhIn Ethiopia, the government has designed a housing system for the poor and middle income citizens. The government sells houses in 15 to 30% pre-payment and the remaining cost is paid in monthly basis in 20 years. The amount of money paid in 20 years is more than the price agreed to be paid. For Example: the cost of a house is 100, 000 Birr. I paid 15, 000 Birr primarily. Then I agreed with the government Bank to pay 800 Birr per month for 20 years. Which can be 192, 000 Birr at the end of the 20 years. I pass through this system as there is no way to have a house. The monthly payment I has to pay according to the Bank agreement is almost the same as I pay for house rent. Is it lawful in Islam to buy this houses?

### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

It is apparent that the difference in this example between the total paid and the sale price ( $15000+192000-100000=107000$ ) is Riba. Riba is Haram whether for housing or for any other purpose. Ethiopia is a country with large Muslim community. You should be able to amend this contract or to have the finance done through the Islamic bank. There is a new Islamic bank in Ethiopia. To amend it, it is permissible to negotiate with the government bank to sell the house for 207000 with 15000 cash and the remainder on 800 a month. The difference is not simply formality. It is in fact a basic difference between sale on credit and interest on lending. Sale on credit is permissible and interest on loan is not

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From:

**Sent: December 23, 2011**

**Question: Investing With Borrowed Money**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Respected scholars, Assalamu-u-Alaykum. I want to know whether it is permissible to borrow money for investments. Does Allah SWT forbid us from buying goods or making investments (even if they are halal) using borrowed money, or does He stop us only from borrowing haram funds? Please clarify the principle involved here, since I am unclear whether to borrow or not, for halal investments from halal sources. Wassalam and many thanks.

**My Answer:**

Riba is any increment in a loan or a debt as mentioned in Verse 2:279 that is anything above the principal of the loan or debt. It does not differentiate between loans for consumptions and loans for investment or to buy goods for trade. A loan without interest is of course permissible all the time but a loan with interest is not. Financing investment from a loan without interest is also permissible. In other words, the prohibition is of the interest not of the loan and purpose of using the money is irrelevant

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Mr

**Sent: December 23, 2011**

**Question: Is It Riba?**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

A car company charges £32995 for a car. Their finance department facilitates payment by offering a three year deal, based on no deposit followed by a plan of 36 payments of £1032 every month. The question is: is the amount above £32995 classed as Riba?

**My Answer:**

The question intends to put matters in a vague way. In fact I don't like this kind of question because it tells that the intention of questioner is argumentative not really to ask about the issue. I want you Brother Esam to send him/her all what I write and she/he should know that formulating a question in a way that may fool a Mufti who

does not know details of transaction does not help because the Fatwa comes in accordance with the question.

The missing info in this question is that the finance department gives you a loan in fact not it sells you a car. The price is 32995 is paid to the car dealer and the loan is given to you at interest in which the amount of interest is:  $1032 \times 36 = 37152 - 32995 = 4157$ . This transaction is Haram.

On the other hand, a sale of this car at 37152 payable on 1032 a month for 36 month is permissible. And here is the delicate difference which the questioner wants to fool the Mufti about. First it is not a formality but a reality. When you take an asset from someone without paying immediately for it you are in fact buying the asset PLUS its utility for the period until you pay for it in full. If you pay at the time of contract you will be reducing your other belongings (your asset) and losing the utility of the thing you pay. But when you do not pay at the time of contract you will be getting double utility the utility of the asset you get plus the utility resulting from the asset you keep instead of paying it. this is imbalance which is not rational and not Islamic. This is why our Scholars since day one said that a part of the price is caused by time. But you must notice that the same does not apply to money or debt because they do not have a utility which they generate on their own. This is why Riba (an increment in a debt or loan) is prohibited but a price differential because of postponing the payment is permissible.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Subject: Live Fatwa: OnIslam.net, Tuesday, March 20, 2012**

From: Shakeel

**Sent: March 20, 2012**

**Question: Is it permissible to have my wife's name on my assets?**

As-salamu `Alaykum Dr. Kahf.

I have two assets; my house and a mutual fund. Both of these assets have my wife's name with right of survivorship. Can I put a clause in my will stating, "After my death these assets will not be sold for shares distribution to my children until my wife passes away"? I want to do this so that my wife can have a place to live and an income from the mutual fund.

Jazaka Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shakeel

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The Plain answer is: NO.

But you can make a request to the children that after you die they should do that and make their mother (or your wife if she is not their mother) comfortable AND: Remember that if you die she will then own majority in both house and fund. She has the higher vote for not to sell. And you can put in your will that (because legally she has the survivorship right) "she can withhold the distribution to children until she is assured, to her own satisfaction and discretion, that they will fulfill their responsibilities toward her in housing and other expenses.

But remember, on the other hand that once one dies the property becomes owned by the heirs and it is neither just nor fair to withhold a property from an owner who may actually need it. Isn't there a case where some of the children may need their share even more than your wife?

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Humayun

Location: NY, US

**Sent: March 20, 2012**

**Question: Dilemma of buying our first home**

As-salamu `Alaykum. I hope you're doing well. My name is Humayun Haq. I am married. We live in NY with our 3 kids. I am in the dilemma of buying our first home. I know many options exist in the US for Islamic Finance, with Guidance, LaRiba and University Islamic Finance. There is also the fatwa that I've heard about from Sheikh Qaradawi about conventional mortgage for buying the first house to live in the West for Muslims.

Conventional mortgage is also cheaper these days (at least), and the houses in NY are really expensive about close to \$400,000. The difference can be between close to 2% or more. Interest rates on 15 years about 3% and profit sharing at about 5%. I need your help to make this decision, which path to choose?

I would like your answer ASAP because I need to put in paper work within 1-2 weeks as we have finalized the house that we want to make contact on. Jazaka Allah Khair.

Humayun

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. humayun

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If you believe that the difference is big you go for the Fatwa of Qaradawi because exploitative rates make them equal to non-existing.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Tarek

Location: Egypt

**Sent: March 20, 2012**

**Question: Am I accountable if the Islamic bank turns to be traditional**

As-salamu `Alaykum Dr. Monzer

1) If a person has some savings and tends to deal with an Islamic bank, is he accountable if this bank turns out to be similar to traditional banks in dealing with interest rates rather than real direct investments in the real economy?

2) How can an average Muslim client check that the Islamic bank with which he deals is truly acting in its transactions in accordance with Islamic guidelines? Should there be an institution which audits and gives accreditation to Islamic banks around the world so that people can be reassured that their transactions are correct from the Islamic point of view? Jazakum Allah Kheir, Tarek.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Tarik

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I think we need such institution of accreditation. But meanwhile you should notice the following. All of us are not perfect Muslims. We all have our shortcomings so are Islamic banks and their Muftis! The problem is more in their Muftis than in the bank itself. But still all existing Islamic bank in all countries today have an initial and fairly strong commitment to Islamic rules, at least the way their Muftis tell them. This is sufficient to declare them Islamic and to brush aside the differences in opinions about certain practices.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Fatimah

**Sent: March 20, 2012**

**Question: Maximum Amount in Bank**

As-salamu `Alaykum. Kindly tell me what maximum amount should one save in the bank? Jazaka Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Fatima

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Any amount you can afford to set aside after your expenses and charity. There is no limit. You should use an Islamic bank though.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Idrees

**Sent: March 20, 2012**

**Question: Query Regarding Medical Insurance**

Dear Scholar, As-salamu `Alaykum. First of all, I congratulate you and pray to Allah for the great service you are doing to Ummah through OnIslam.

I work in a MNC company in India, and have a question regarding Medical Insurance they provide.

Some amount would be deducted from my salary per annum towards medical Insurance, and in case of hospitalization, I have to bear cost on the basis of 95:5% (5% being my contribution) towards myself and 80:20% other family members.

This medical insurance is optional and I can opt out of policy and no deduction will be done in my salary, but in that case, in India we don't have a medical insurance which can be termed halal and so cheap.

Can you, please, let me know whether it's permitted to take the medical insurance or not? Jazaka Allah. Mohammed Idrees.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Idrees

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Insurance in general, medical, car and all other kinds, is controversial. There is a strong argument that it is permissible if cleared of interest and Haram object (like insuring a shipment of liquor). In controversial matters you take the easier in case of strong need. I believe that the need for medical insurance is very strong in our lives today. It is as necessary as car insurance which is made obligatory in many countries. My opinion is that it is permissible when there is no Islamic Medical insurance available.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Abdulsalam

**Sent: March 20, 2012**

**Question: Send Money to My Parents**

As-salamu `Alaykum. Dear Scholar, I am a Medical doctor living in the U.K. My problem is whenever I send money to my parents, I want my father to get the largest portion because he was there for me when my mother married another husband and deserted us for 25 years. This makes me to hate mum sometimes but even if I want to give her anything, I want my father to take the largest part or give her whatever he likes or nothing at all. Thanks for your assistance.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdussalam

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I don't agree with you stand. I think that carrying you in her tommy for 9 month is much more than what your father gave you. I also don't think that she deserted you as her children. She may have deserted your father then and it was impractical or impossible to take you from him. This is a matter between them and you should not interfere in it, they are equal to each other but you are not equal to either of them. I suggest that you should give them both equally and don't put yourself in a situation where you lift one of them over the other.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Op

Location: Bangladesh

**Sent: March 20, 2012**

**Question: Distribution of Assets**

As-salamu `Alaykum. If a man has a terminally ill disease and he wants to divide his assets, how should he do that assuming that he has a wife, mother, one daughter, two brothers, four sisters and one deceased brother who has one daughter and two sons?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sister

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I really believe that he should make it exactly according to what is mentioned in the Qur'an, verses 4:10-13 as follows: 1/8 to wife, 1/2 to daughter, 1/6 to mother and the remaining which is 5/24 to brothers (including the deceased) at the rate of 1 to 2 female to male. The share of deceased should be to his children at same rate of 1 to 2.

Wa Allahu A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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From: Sr. Aisha  
Location: US

**Sent: March 20, 2012**

**Question: Providing for wife and children**

As-salamu `Alaykum. I was speaking with someone the other day about the right of a Muslim wife as far as her husband having to provide her with shelter, food and clothing. The person I was speaking with said that it is ok for a man to have his wife on government assistance as long as her needs were met. Even though he would not be the one directly taking care of her needs but the taxpayers and the government would. The person also said that the man can even have more than one wife and all the wives can be on government assistance. Is this Islamic? Please, provide hadith proof with your answer.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Aisha

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Going on welfare and government assistance in case of need is permissible and it is permissible to have the wife go in it, in case of need only, if this makes the process easier. But going on government assistance while able by using incorrect info is not permissible.

Having more than one wife, up to four, in case of exceptional needs is permissible. The Qur'an considers such a situation and exception not a rule.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Eman

**Sent: March 20, 2012**

**Question: Doubt about money origin**

As-salamu `Alaykum. My father deposited money in my account in an Islamic bank. I doubt that this money is a result of interest because my father used to deposit his money in a non-Islamic bank. I don't know exactly the original amount of the money, but I can roughly estimate it, not exactly. What I should do regards this money? Jazaka Allah Khairan.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Eman

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You did not make any interest based contract or earned interest yourself. Whatever your father does is his own responsibility not yours. Besides, rules and positions on issues can't be founded on doubts. Your father gave you an amount of money. Unless you know for sure that this money itself is actually owned by some other person and was stolen from that person, accepting your father's gift is permissible or rather recommended and you don't need to do anything or act on the doubt you may have. It always remain open for you to give to charity any amount and what you give is counted with Allah and rewarded from His treasures in the life and in the life after.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Haval

**Sent: March 20, 2012**

**Question: Developing Software**

Developing Software for BFSI Domain: Halal?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

1. Lying is Haram with government or individuals. And taking funds which really do not belong to you is Haram too from government or others.
2. If you live in Muslim countries or in countries which have large concentrated Muslim community it is an Islamic obligation on you to create an Islamic bank or association or company to finance housing in a way that is Shari'ah compliant. It is Haram to take interest mortgage if there are other alternatives.
3. But if you live in a country where Muslims are scattered and not focused to be able to create financial institutions according to Shari'ah such as in the Western countries and you need a house to live in, conventional mortgage may be resorted to if you do not find other way to get a house.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Jay Smith

**Sent: March 20, 2012**

**Question: Haram Money**

As-salamu `Alaykum, Dr. Kahf. I have a question regarding haram money.

I am only 18 years old and do not have a job. I wish to make some money while I am still studying. I could potentially start up a small business, as someone has offered to sell me very cheap goods, such as mobile phones and other expensive gadgets.

However, I asked this person why these goods are so cheap, and he replied saying that he would purchase them from a store normally, using card details purchased online.

Therefore, to the best of my knowledge, I understand that these goods are purchased with haram money.

I want to know if it is haram for ME to purchase these goods. Someone has told me that this is not haram for me, as I am merely buying these goods with the intention of selling them on and making some money.

However, another person has told me that this would be completely haram for me as the goods are bought with haram money, so it is haram for me to possess/sell/benefit from these goods. I want to make it clear that I would also want to keep a few goods for myself.

I am very unsure about this issue and fear this may be haram and I do not want to be involved in such a business. Thank you.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Jay

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This is more than Haram money. This is a kind of fraudulent theft. Goods are stolen from the store without payment because paying with fake credit cards numbers is not payment. It is definitely Haram and also legally criminal to process these goods for sale, it is laundering of stolen goods

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Ebadou

**Sent: March 20, 2012**

**Question: What can be done with money ignorantly earned falsely?**

As-salamu `Alaykum. My friend would like to know; what can he do with the money he ignorantly earn falsely or on a way not allowed? He repented. Thank you.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ebadou

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If the person from whom the money is taken in an inappropriate way is known, money MUST BE RETURNED TO HIM. if the person feels shame or embarrassment send it to the true owner by any way which hides the person who send it As he repented as you say, it is Ok to cover his personality. If the person to whom the money belongs is not known or it is not rational to give it to him (as the case of interest taken from a conventional bank) then give the money to Muslim charity.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Shakeel Khan

**Sent: March 20, 2012**

**Question: Providing to wife after husband death**

As-salamu Alaykum, Dr. Monzer Kahf,

Please explain, how should I resolve the following situation?

I am retired and I own a house and I have invested my savings in a Mutual Fund to receive income for my living expenses. If I die, before my wife, and she liquidate my house and the mutual fund to distribute shares to my children, then where she is going to live and how she will meet her living expenses?

Wassalam.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shakeel

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Her living expenses including housing are the responsibility of her children. They are required to make her live at the same standard as they themselves live. If she has doubt about that and she lives in a country that authorizes her on the house and the mutual fund balance she can withhold Shari'ah required distribution to children (remember she also inherits one eighth) until the children provide her, to her satisfaction, with assurances that they will honor their responsibility. If she lives a country that has an Islamic law she can resort to court to force them honor their responsibility. Of course all the above assumes that she has no sufficient resources or income of her own.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Dr. Abdur Rouf

Location: Canada

**Sent: March 20, 2012**

**Question: house finance on partnership**

Is it permissible (to avoid Riba)? I will buy a house partnership with a person (for me - 20%, partner 80%, his source of money might be a conventional mortgage). If I enter into a contract with this partner and agree to purchase his ownership share over an agreed period of time. During this time I have exclusive right to live in the house. In return I agree to pay him a profit. At the end of the contract I am the sole owner of this home.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdur Rauf

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

What you described is very general (his source of funds is irrelevant to the contract between you and the partner).

This arrangement can be done in either of two ways and you have to be very specific about detailed conditions of the contract between you the partners to the extent that in my opinion you cannot make this contract without consulting a Shari'ah expert as well as a lawyer in the area of the property: 1) as Murabahah whereby you both buy the property, then you buy his share on installments for a sum that includes cost plus his profit; and , 2) buy it together, then rent his share and give him an undertaking (promise) to buy his share on consecutive monthly sale contracts of a small portion every month in addition to rent payment so that each monthly payment consists of two parts rent and a payment to buy a small portion of the house. This way the rent declines month after month.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Anwar

Location: Canada

**Sent: March 20, 2012**

**Question: Cash under-the-table Salary**

As-salamu `Alaykum. I came to know that one of my friends works in a restaurant. She gets salary as cash as she told me that she is in EI for some reason and thus Govt. does not allow working whenever someone is in EI. My question is: is it a sin to work

anywhere without letting Govt. know? Also, will that earning be Halal? I think this is a very important matter for the community. Insha' Allah with your answer a lot of people will be benefited.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Anwar

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I don't know what do you mean by EI? But there is no need to inform the government, any government, of what you do or what your income is. If government requires that income be disclosed to it you should not make any lie in the disclosure. Otherwise we all are free to do whatever we like without informing the government.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Minhas

Location: Canada

**Sent: March 20, 2012**

**Question: Islamic Mortgage conditions**

Riba-based Bank (there is no Islamic Bank here) owns a house (foreclosure). I go to the bank and say that I want to buy the house and I will pay 20% of the price. The bank says that it will invest the remaining 80%. The bank tells me a fixed monthly installment (basically fixed interest) which I need to pay each month for the entire term and then the house will be mine. Is it permissible? Do I need to bother how the bank is coming up with the money since it is bank's house? Don't you think it's the same as me going to a friend and saying that I want to buy his house paying 20% as down payment and will pay the rest in installments for say 10 years? My friend agrees and says that I need to pay the remaining 80% (equivalent to say \$10000) plus \$5000 since I am paying in installments).

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Minhas

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

What you said is all known and you need to be accurate when you ask a question because answers come in accordance to questions. I happen to know how things are done in North America! Here are the correct descriptions of what you did not make clear, followed by my opinion:

1. There are in Canada several companies that offer Islamic house finance including a credit Union in Alberta, the Islamic housing cooperative in Toronto and several other Islamic investment companies.

2. The bank, in your example sells you the house for say 100,000, and you pay 20,000 but the bank make the contract with you to give you a loan of 80,000 at interest for a number of years. It is not that you buy the house form the bank for 20,000 plus installments. These are 2 contracts sale and loan contracts. The second one is a pure interest-based contract.

3. In foreclosure, the bank does not own the house, it only has mortgage on it and it is forcefully sold on the owner who defaulted.

Of course an interest based loan is Haram while a sale at a higher than the cash price (because part of the price is deferred) is permissible. The difference is exactly the same difference between a debt/loan and a sale. They are not the same.

Finally, accepting such a foreclosure sale is lesser of an evil (because you take the loan from almost the same seller since the bank is authorized by court to sell the house) if you cannot qualify for Islamic finance in your area.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Shakeel

**Sent: March 20, 2012**

**Question: transfer of asset to spouse in a last will**

As-salamu `Alaykum. In order to avoid any future litigation, I have transferred all my assets to my wife's name and in her will she has stated that if she dies before me, all those assets will be transferred to me. Is this permissible? Jazaka Allah Khair

**My Answer:**

Wa `Alaykum as-salamu wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Shakeel

First, you should be sure that the objective you want to achieve by this transfer is legitimate, Shari'ah wise, and actually the transfer is effective. I have a great doubt on both matters. Avoiding creditor by such action may have serious Shari'ah problems as creditors have right on you and your properties until they are paid. Second, such a blanket transfer to you if she dies is also a matter of doubt. At that time, there must be certain properties that she owns, these have to be distributed to her heirs who may not be exactly yours (depending on what each one of you has of parents, children, siblings, etc.). Besides if you die first, similar problem arises. Your property then must be distributed to your heirs and she is one of them. It will be a violation of Shari'ah that your properties then remain in her ownership. To rectify this matter, assuming my first concern is settled in a way permitted in Shari'ah, you should have a detailed post nuptial

agreement with your wife, indicating in details what properties are yours and what are hers and ordaining that should one of you die, the deceased's properties should be distributed in accordance with the schedule of *Mawarithh* which you find on my website. Allah Almighty knows best.

Prof. Dr. Monzer Kahf

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From: Idrees

Location: India

**Sent: March 20, 2012**

**Question: Medical Insurance**

Dear Scholars,

As-salamu `Alaykum. First of all, I congratulate you and pray to Allah for the great service you are doing to Ummah through Onislam. I work in a MNC company in India, and have a question regarding Medical Insurance they provide. Some amount would be deducted from my salary per annum towards medical insurance, and in case of hospitalization, I have to bear cost on the basis of 95:5% (5% being my contribution) towards myself and 80:20% other family members. This medical insurance is optional and I can opt out of policy and no deduction will be done in my salary, but in that case, in India we don't have a medical insurance which can be termed halal and so cheap. Can you please let me know whether it's permitted to take the medical insurance or not? Jazakallah

**My Answer:**

Wa `Alaykum as-salamu wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Idrees,

This is a kind of necessity that makes it permissible to take conventional insurance until an Islamic insurance exist in your country. Having health and other insurances in today's world is really of extreme necessity, you must realize this.

Allah Almighty knows best.

Prof. Dr. Monzer Kahf

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From: Khan

**Sent: March 20, 2012**

**Question: Paying earned interest to needy Muslims or local masjid**

Shakeel As-salamu `Alaykum. Can I pay my bank interest to needy Muslims or to my local masjid for their operating fund? Jazaka Allah

**My Answer:**

Wa `Alaykum as-salamu wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Khan

Earned interest, (according to Shari'ah it is not really earned) should be given to poor and needy and the like of objectives that serve the community at large. I would not suggest giving it for operating expenses of the mosque unless it is specifically used for the bathroom areas and their like not for anything related to the prayers area because it is more respected that being financed from Haram.

Allah Almighty knows best.

Prof. Dr. Monzer Kahf

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From: Bilal

**Sent: March 20, 2012**

**Question: Pay off Father's Debt and spending on his treatment**

As-salamu `Alaykum.

We are six brothers and four sisters. My father took some loan (gold) from my sister long back which he was supposed to pay back. Now, he is sick and undergoing treatment and wants to repay the loan as early as possible. All the sons are now earning and he is requesting his sons to payback this loan. Some of them agree and trying to settle the matter. But some argue that Islamic law of inheritance also makes daughters responsible for this. So they should take part in repaying the debts and also should spend in treatment of father. Please can you provide any guidelines?

**My Answer:**

Wa `Alaykum as-salamu wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Bilal

The principle is that: debts of the deceased should be paid from his estate. His children are not responsible for debts if there is no estate left. But it is also highly recommended for anyone who loved the deceased and care about his *Aakhirah* (hereafter), especially his children to pay his debts. Accordingly, I really recommend that you take care of his debts. His deed with remain hanging until debts are paid. Furthermore, caring about father and paying his bills in his life is a part of good deed to father birr of parents. And you, children, should race each other to make more birr to him especially that it seems he is ill and may die. If he orders the boys to pay the debts, then obey him fully let whatever rules be set aside. If you want the rules which apply after death, I gave them in the first paragraph, but if you want obedience of father while alive, do what he asked you to do. The most able among you is called on more than others, and kindness to sisters, even if they are rich is also a blessing from Allah.

Allah Almighty knows best.

Prof. Dr. Monzer Kahf

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From: Irfan

Location: Canada

**Sent: March 20, 2012**

**Question: Does paying taxes in Canada replace Zakah? And Can we distribute Zakah to non-Muslims who are deep problems?**

As-salamu `Alaykum.

There are two questions: 1) Does paying taxes in Canada replace Zakah? 2) Can we distribute Zakah to non-Muslims who are deep problems?

Regards

**My Answer:**

Wa `Alaykum as-salamu wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Irfan

1- The answer is definitely not. Zakah is a special right to the poor and the needy whereas taxes in any country are for paying government expenses; they are absolutely two different matters. 2- Zakah is essentially for poor Muslims. It should not be given to others. But when there are cases of life saving matters there is no religious consideration. In other words, only in cases of life saving you can give Zakah to anyone who needs lifesaving.

Allah Almighty knows best.

Prof. Dr. Monzer Kahf

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From: Dina

Location: Canada

**Sent: March 20, 2012**

**Question: Zakah on RSP accounts in Canada**

As-salamu `Alaykum.

Do we need to pay Zakah al-mal on our RSP account and my kids RESP? The money in these accounts is invested in the stock market, which means the value is variable every day. Could you please let me know as soon as possible?

**My Answer:**

Wa `Alaykum as-salamu wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful,

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Dina

Yes, you need to pay Zakah on both. They pare savings owned by you for whatever purposes they are designed for. The Zakah is due on them at the end of every lunar year at the rate of 2.5% of the market value on the day when Zakah is due. The first lunar year begins on the day you acquired *Nisab* (adding these and other asset you have together) which is \$1500. You have a choice of either paying the due amount of Zakah from other sources when it is due or delaying it, without sin, so that you pay all past due amounts when you liquidate any funds from these saving plans.

Allah Almighty knows best.

Prof. Dr. Monzer Kahf

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From: Ali

Location: Canada

**Sent: March 20, 2012**

**Question: Buying Home in Canada**

As-salamu `Alaykum.

If a Muslim in Canada wants to buy a home by borrowing money, then what are the sources available that one can peruse and that are Shari'ah Compliance. Are then mortgage available through banks are OK in Islam

Appreciate your answer to my question.

Jazaak Allah Khair.

**My Answer:**

Wa `Alaykum as-salamu wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Ali,

There is an Islamic House Finance Cooperative in Toronto and there are several investment companies which offer Islamic finance contracts in Toronto area. In Alberta there is also a credit union which offers Islamic finance contract its name is Assiniboine. Allah Almighty knows best.

Prof. Dr. Monzer Kahf

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From: Fana

Location: Canada

**Sent: March 20, 2012**

**Question: giving earned interest to a Muslim needy without telling him what it is**

As-salamu `Alaykum.

I have bank account that pays interest and I take the amount they pay me and donate it knowing there is no reward. My questions are: 1- Can I donate it to a Muslim friend/family who is in need without telling her that it's haram money? 2- If my saving pays me \$100 can I take that money from my checking and donate it with the intention being to give away the earned interest or do I have to take \$100 from the saving account in which it was put? Please, reply.

Jazaak Allah Khair.

**My Answer:**

Wa `Alaykum as-salamu wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Fana,

The answer to the two questions is yes. You can do both things. Please, remember that what is Haram in interest is not the dollar you earn but the way it is earned.

Allah Almighty knows best.

Prof. Dr. Monzer Kahf

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From: Fana

Location: Canada

**Sent: March 20, 2012**

**Question: Zakah on cumulative savings**

As-salamu `Alaykum

1- If I put \$100 in a saving account every month starting January 1st, on December 31st it's been a year. Should I pay 2.5% of the \$1200 (what I usually do) or can I pay each month 2.5% of \$100?

2- Can I take the Zakah amount from my checking account with the intention of paying my Zakah on my saving? Note that the checking account is not meant to save. Whatever is there is for personal use and is used within months.

Jazaak `Allah Khairan.

**My Answer:**

Wa `Alaykum as-salamu wa Rahmatullah wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Fana,

Zakah becomes obligatory once you have *Nisab* (\$1500) not pre-occupied by debts or expenses. Once you have this amount (not only money but it includes saving accounts, current account, stocks, shares and other investments, IRSP, and any other special saving plans, gold or silver jewelry, cash on hand and the like) you begin your Zakah year. Then every 354 days then after you need to calculate the same again and pay Zakah at 2.5%. Any additions during the year are **included in the balance and subject to Zakah even though an addition may have been for only one day. It does** not matter whether you pay it from any account.

Allah Almighty knows best.

Prof. Dr. Monzer Kahf

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**Subject: Live Fatwa, OnIslam.net, Monday, April 30, 2012**

From: Ahmad

Location: Canada

**Sent: April 30, 2012**

**Question: Trading share and investing in mutual funds**

Buying and selling of shares or mutual funds, is it allowed in Islam?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmad

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It is allowed with two sets of conditions: 1) shares should of companies whose main line of business is permissible and they do not indulge much in Haram activities/transactions. For this reasons some scholars suggest criteria such as the revenue from Haram activities (like selling alcohol on airlines) should not exceed 5% of total revenue, must not be highly leveraged by interest based loans and must not have much of their assets used in non-permissible usages. On the basis of these and like criteria the Dow Jones company issued its Islamic DJ index in 1999. 2) The second condition relate to speculation which should be avoided as much as possible. Some contracts and some behaviors are obviously speculative, they are not permissible, such as short sale of share, day trading, CFD and the like. Same rules apply to mutual funds units.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Yacine

Location: Canada

**Sent: April 30, 2012**

**Question: Buy a house in Canada**

I want to buy a house in Canada and I want to know if buying a house by involving the banks is allowed or not (using Riba). Please, what's the Canadian's Fatwa regarding this matter?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Yacine

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The principle is: it is definitely Haram because it is Riba. The Fatwa is the same too.

However in situation when buying a house is kind of necessary, in the judgment of the person, and there is no Islamic finance available, you can go for conventional finance.

It's founded on the idea that the intention of prohibition is not to make live difficult and when difficulty prevails for a large number of people the prohibition is relaxed. To the best of my knowledge there is Islamic fiancé in Canada, you should first check for it and if buying the house is necessary for your family and you could not find Islamic finance then you may go for the conventional.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Ali

Location: Canada

**Sent: April 30, 2012**

**Question: Buying a Car at zero interest**

I went to a car dealer and I wanted to buy a car with 0% financing but the dealer said since the car I want can't go with 0% financing, they will finance the car and will pay the 1.9% finance on behalf of me and I will end up paying for the car without interest while the dealer pays the interest on behalf of me. Is this way of buying the car halal?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ali

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I suppose they will pay the interest and include it in the price and your price will be a little higher for that. This arrangement is permissible because for you what matter is the contractual relation. It is a pure sale with no finance interest. Whatever the cost elements of the dealership may be is none of your business. Remember even zero interest financing car may have interest in the cost elements of the dealer or the manufacturer.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Shafi

Location: Canada

**Sent: April 30, 2012**

**Question: Owning a Business that sells pork**

I am hoping to get a Shari`ah ruling or view on owning a Tim Horton cafe. Is it haram to own this chain store? I only ask because it serves sausage and bacon on its breakfast menu. I have heard comments like one could factor out the profit and give it away as a Sadaqah. Is this true?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shafi

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

No, in my opinion, this is not true. The Prophet, pbuh, mentioned that when Allah prohibits a thing He also prohibits its Price. One point then it is the whole price which is

prohibited not the profit alone. Further, the act of buying these items, storing them for sale, cooking them and selling them is also Haram. This means owning this chain, without taking exception of serving permissible items instead of pork products, is not permissible.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Amer

Location: Canada

**Sent: April 30, 2012**

**Question: Liquidating a life insurance**

I had life insurance and I paid around \$10,500 in installments. And now I have cancelled that insurance but they refunded me only \$6200.0 instead of \$10,500 that I paid to them, but in addition to that they gave me \$1800.0 as bonus for 7 years. So total refunded with bonus is \$8000.0. So my question is: can I use this \$1800.0 which is given as bonus. (They call it bonus).

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Amer

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Yes, this is still part of your money that you paid them by simple calculation, it doesn't matter what they call it. Besides, the board bonus is not a bad word anyway. It is permissible to get a bonus from any company.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Asif

Location: Canada

**Sent: April 30, 2012**

**Question: Ijarah loan in Canada**

Is it OK to get mortgage through [www.ijaracanada.com](http://www.ijaracanada.com)? Ijarah process is as below:

1. Ijarah will check the credit history and based on credit score they will determine the profit rate (rent or interest).
2. Ijarah gets the money from financial institute/bank.
3. Ijarah will create a trust to hold the property. Ijarah will be grantor and I would be beneficiary of that trust.

4. Based on profit rate portion of my monthly payments will go towards rent and rest will deduct the principal amount 38.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Asif

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

In my opinion this arrangement does not, in reality change anything in the interest structure taken from the financial institution because the trust which pays interest to the bank represents you. This means you are still the payer of interest and the contractor, in reality of interest contract. This is a bluffing arrangement to fool you and take your money (they charge you some amount for making this arrangement). This is Haram arrangement.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Muslim

Location: Canada

**Sent: April 30, 2012**

**Question: Is bank interest Haram?**

I have a regular bank account in Canada and the bank gives me interest automatically. I love money, and the amount is a lot for me. Is the interest that is given to me by the bank haram for me? I am not asking them for this they are giving it to me automatically. What are some halal ways to keep this money? What would you recommend?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If you love money, you're asking means that you love Shari'ah more than money. We all love money and we all like it to be Shari'ah compliant. To get Halal money make the deposit in an Islamic bank, Canada does not have one now but it will in the future InShaAllah. In Islamic bank the deposit will be on sleeping partnership basis so that your earning will be Halal.

The Bank you deal with gives you interest on a loan. When the money is put in the bank actually you did ask for it, you cannot deny this because you signed a contract saying that you deposit this amount for a period of time, long or short, and the bank give you interest at a given stated interest rate each period. This is why it automatically credits it to your account. This is an increase in a loan and the loan does not increase. Beside the

bank uses your money to give loans on interest. You are supporting this prohibited function of the bank. This money interest, from Shari'ah point of view, is not yours and you must not give it back to the bank because that helps it make more Haram lending. You must give it to Muslim charity to be distributed to poor and needy. You cannot keep it or even make any benefit to yourself or your family from it.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Murad

Location: Canada

**Sent: April 30, 2012**

**Question: Rent to Own House Financing**

Is Ijarah to own house financing permitted in Islam or not? The Ijarah to own people will purchase the house and then will sell it to the lessee over period of time 5 - 10 years.

Basically the lessee will pay the installment toward the house ownership without interest, and will pay an agreeable amount of money as a rent for occupying the house.

The lessee will sign a document as a promise to purchase the house at the end of the contract. This is the web site <http://www.ijaracanada.com>

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Murad

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Ijarah is permissible. But the arrangement that is done by this company is not like that.

Please see my answer to question No. 6 above for this Ijarah.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Mohammad

Location: Canada

**Sent: April 30, 2012**

**Question: Islamic Mortgage to Buy a House**

Riba-based Bank (there is no Islamic Bank here) owns a house (foreclosure). I go to the bank and say that I want to buy the house and I will pay 20% of the price. The bank says that it will invest the remaining 80%. The bank tells me a fixed monthly installment (basically fixed interest) which I need to pay each month for the entire term and then the house will be mine.

Is it permissible? Do I need to bother how the bank is coming up with the money since it is bank's house? Don't you think it's same as me going to a friend and saying that I want to buy his house paying 20% as down payment and will pay the rest in installments for say 10 years. My friend agrees and says that I need to pay the remaining 80% (equivalent to say \$10000) plus \$5000 since I am paying in installments.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohammad

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You cannot close your eyes to what you sign. First in foreclosure the bank does not own the house, it is owned by the debtor of the bank who did not pay and the bank as a mortgagee is authorized to sell it to get its debt or as much as it can out of it. Second, you sign a contract with the bank on a cash price and a loan of 80% of it plus interest and it calculates for you the payment of the loan plus interest on installment. This is the relationship between you and the bank. It is not like the example of renting from a friend as you tried to claim to yourself. The numbers may be the same. But there is a big difference yet between a loan contract and an Ijarah contract.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Oumou

Location: Canada

**Sent: April 30, 2012**

**Question: Life and health insurance**

Could you, please, help let me know if it is haram to contract a life insurance and critical illness insurance plans? I am a member of a professional association that offers it to its members and I was thinking about having those plans.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Oumou

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Insurance is controversial. My opinion is that it is permissible. This kind of life and illness is permissible in my opinion. One thinks you may need to check: whether the life part of it includes giving a lump sum after a number of years, like 20 year. If so this part of it includes interest which makes it Haram. Try to take as term life insurance as this kind of insurance does not include interest. Most contracts offered through groups are the kind of term life insurance.

Wa Allahu A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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From: Naima  
Location: Canada  
**Sent: April 30, 2012**

**Question: RESP with interest**

I have an RRSP (Registered Retirement Saving Plan), an RESP (Registered Education Saving Plan) a Tax free saving plan and a saving account. All of them are secure investments with CIBC for a fixed interest rate because I don't want to take a risk with a variable rate. I have read your responses to similar questions and I realized that I have to donate this money in order to purify my money. Who are the entities I have to donate this money to? Should I give it to my daughter who is married and in great need? As for my RRSP and my RESP, should I wait until I get the money and then I get rid of the interest or should I do it as one goes along?

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in  
Dear Sr. Naima

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

First I like to advise you to consider shifting to the Islamic Housing Cooperative of Canada which is qualified for both kinds of account and has an experience of more than 30 years.

Then, your daughter does not qualify to be given this money and you do not like to give her such kind of money, you may give it to her husband if he qualifies. The reason is that you may be responsible for your daughter's needs but are not responsible for her husband/s needs even though his needs may include his wife's. there are other needy people/organizations in Canada. When you give to organization select one that is trustworthy and be sure that it distributes to poor and needy.

Wa Allahu A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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From: Ousmane  
Location: Canada  
**Sent: April 30, 2012**

**Question: Is Ijarah Loans Halal?**

I want to know if buying a home through Ijarah loans is halal. Their methods are explained in the following website [www.ijaraloans.com](http://www.ijaraloans.com) <<http://www.ijaraloans.com/>>

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ousmane

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If it is the same one as mentioned in Question number 6 above? No it is not. It is same as taking the interest based loan yourself directly.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Hajar

Location: Canada

**Sent: April 30, 2012**

**Question: Is interest on rental homes mortgage still Haram?**

My husband owns a few homes that he owns and rents out. He has a mortgage on all these houses and writes off the interest at the end of the year. So, it's not accounted for. Is the interest still considered haram?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Hajar

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Of course he has to write it off because it is a cost on the rental properties.

What counts is that he earns the income on the basis of Haram actions: taking interest based loans to buy properties which he rents and earns from the Haram.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Rashid

Location: Canada

**Sent: April 30, 2012**

**Question: Ijarah Conversion Product**

As-salamu `Alaykum. Please, read below the IJARA CANADA's home mortgage module and advice if it is permissible.

Ijara's model is Ijarah wa Iqtina, the property is owned by a single asset Trust, you are the beneficiary of the Trust and your name shows up on title. Ijara's investors (traditional banks, insurance companies and some private investment) put their money into each individual investment. Ijarah does NOT borrow money and then loan it out. Your investment is protected by your ownership in the Trust. As a technical point your ownership in the Trust is not really ownership as there are no owners in a trust, what you have is "Beneficial Rights to Ownership"

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Rashid

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You must realize that Shari'ah does not recognize fake transactions as real. A transaction that is done through a trust is as if you do it yourself. Please see my answer to question 6 above. This is a bluffing transaction to extract more money from you.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Adnan

Location: Canada

**Sent: April 30, 2012**

**Question: work in a place that sells beer/wine**

Is it permissible for me to work in a place that sells beer/wine? I don't deal with it nor do I serve it.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Adnan

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Say like in a restaurant and you work as a cook. You do not deal at all with the liquor, yes it is permissible.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Noor

Location: Afghanistan

**Sent: April 30, 2012**

**Question: Paying Zakah to a brother**

My brother has a job and has a car which is given by the Company. He has no land or house, living in a rented house with his wife and son. He took some money from my uncle and is unable to return now his salary is very limited to just cover his rent and his daily expenses. So, can I give Zakah to him to pay the money he borrowed from my uncle? And I have gold which is for my personal use; will I have to pay for them Zakah they are about 70 tola.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Noor

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I don't know what the tola is. But I can say that if these jewelries are actually used for their own occasions not stored almost all the time, they are not subject to Zakah even if they are above 85 grams which is approximately the Nisab.

Your description make me feel that you should not give your Zakah to your brother, he seems ok, and may be if he re-organizes his expenses he may be able to pay his debts even if it were over a long period. I hate seeing debts, especially within the family, paid from Zakah at a time where there are many Muslims dying from hunger all over the world including Afghanistan. You should really give Zakah to needy people in your area.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Samira

Location: Canada

**Sent: April 30, 2012**

**Question: Ijarah Loan in Canada**

Ijarah Canada is offering Islamic mortgages. The bank/lender first approves the buyer. After signing interest documents of the bank, the buyer sends the agreement to Ijarah who then convert it to a Shari`ah compliant contract. Is this permissible seeing that I first have to sign mortgage documents that state an interest amount?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Samira

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This program is interest in reality it is only faked as Shari'ah compliant by legal maneuvering. The trust represent you and then it makes no difference. Don't give it your money and look at my answer to question No. 6 above.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Lubna

**Sent: April 30, 2012**

**Question: Buying a Property on Mortgage**

Assalamu `Alaykum. I want to know about fatwa's that talk about buying a property on mortgage in western countries. Can you, please, guide me in that regard? JAK, Wassalam.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Lubna

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It is based on general needs of Muslim families for buying homes to live in. this need is genuine in Most Western countries especially USA and Canada because areas of family houses may have adequate schooling, safety and better utilities. It was discussed in a conference held in Detroit in the Fall of 1999 and was attended by Shaikh al Qaradawi. A similar Fatwa came from the European Council of Fatwa.

Of course it is conditional on lack of Islamic finance (meaning with similar conditions) and for a house to be used as residence not for investment.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Adeeb

**Sent: April 30, 2012**

**Question: Paying for contractual painting at end of rent**

As-salamu `Alaykum. We are vacating the house where we stayed for rent, as our house owner is going to demolish the whole building to construct shopping complex.

According to rent agreement when we are vacating we should get the house painted but as the house is being demolished so there is no need for painting. Even then the owner has told us to pay money needed for painting to him. Is it not haram for owner to ask for money to paint when he is not going to use it for painting as he is going to demolish the whole building?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Adeed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I believe it is Haram for him to claim an amount from you for painting and not use it for the same. It may also be illegal in most countries check with a lawyer in your area.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Hasan

**Sent: April 30, 2012**

**Question: retirement plans, 401K and investment**

Assalamu Alaykum dear Sheikh. Jazakum Allah Khair for taking time to help us out with our finance related Shari`ah questions.

1. I am currently with Guidance Residential; a Shari`ah based home financing company for my home payments. I read the following articles at the very renowned Muslim blog site: <http://muslimmatters.org/2012/03/26/halal-mortgages-misuse-of-taqi-usmani-fatwa-and-other-important-questions/> <<http://muslimmatters.org/2012/03/26/halal-mortgages-misuse-of-taqi-usmani-fatwa-and-other-important-questions/>> , where a predominant scholar (Sh. Yasir Khadhi) has spoken a bit negatively about the Islamic home mortgages. I am very confused now. Because I really thought this is only way out from conventional mortgage. I took a lot of effort and put a great amount of my savings to refinance with Guidance thinking that I am going in the right direction. Please, help.
2. Is investing in Shari`ah mutual funds like Amana is a good thing.
3. Is it permissible to have a retirement plan? Would it contradict from the fact that we should rely on Allah for sustenance and should not plan a lot on money matters for dunya?
4. What is your suggestion in taking part in the 401k plan offered by employer? Jazaka Allah Khair. Hasan.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Hasan

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I believe that you should only seek Fatwa from people who are qualified to give it in area of their specialization. You are right in your house finance the way it is and the claim that the contract is deficient is incorrect.

I cannot recommend any investment fund because this is not a fatwa, this is investment advice. But Amana and several other funds are Shari'ah compliant yet you still are required to ask them about the percentage that is needed to be given to Islamic charity as purification because they invest in companies that are not fully committed to Shari'ah, I.e., .

Retirement plan is definitely permissible and rather recommended. It falls under the advice of the prophet, pbuh, that we do the best we can and then have Tawakkul on Allah because nothing happens without his permit.

For 401K, I suggest to take and benefit from the matching privilege in it. Remember that you have to purify your return because you may not be able to close an investment that is Shari'ah compliant.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Alam

Location: Bangladesh

**Sent: April 30, 2012**

**Question: Zakah Calculation**

Dear brother, I want to know the calculation of Zakah of a share; price of which was Taka (Bangladeshi currency) 100.00 at the time of buying. But now market price is Taka 1000.00. I am not person who lives on buying & selling share/bond. This share is remaining with me for years. Regards.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Alam

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

In this example the amount of your wealth is 1000 not 100. The 100 is simply history.

You are 1000 rich. The amount which is subject to Zakah is the current price on the day when your Zakah is due for calculation and payment.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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Location: USA

**Sent: April 30, 2012**

**Question: partnership on verbal agreement**

As salaam Alaykum. I live and work in the U.S. I recently entered into a verbal business agreement with a person from India. This person from India had provided some consulting services and made about \$5000 for his services. He contacted me and asked me to help me out and to help him transfer this amount to India. He offered me business partnership and enticed me saying that there is a check of \$5k which will be paid soon. We agreed that we will launch a new business with joint partnership with 50/50 profit/loss share and I agreed to send him the initial amount.

To cash the check, I started working with him for about 2 months and helped him with his website, registered the business in US, did research on liability issues, dealt with lawyers, open business bank account etc. After the check for \$5000 came, the business partner from India changed his statement that I don't have any share in the initial \$5000 since he did all the consulting work and he had only agreed for sharing profits for future projects.

Since this was just a verbal agreement, we don't have anything in writing. I did agree to send him the amount but we never discussed the details about the exact amount. Also I only wanted to get involved because of the check that will be paid soon. I have full control over the bank account and the US Company since the business partner is based out of India.

My argument to him is that without me registering the company, getting tax-id, bank account, there was no way for the check to be cashed and for us to be paid. I want to pay the business partner from India 50% of the profit share as per the initial discussion. Am I at fault here? I have also provided 2 months of service to this person including helping identifying new clients but he just refuses to negotiate with me on \$5K amount. Please, help and advice. If I am liable to pay full amount, I will pay the FULL amount because I want to do the right thing here insha' Allah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I think you asked me this question before and I then as now said that you have no right to any part of the \$5000. How can your partnership cover work that was done before it? Your partnership covers work it does not works a partner did before creating the relation. Probably you were under misunderstanding or illusion that you get a share in this 5000 but that is unjust and unfair. Cashing the check is a service this partnership did to a partner and this can always be done by many people. If he asked me to help him cash the check I will do that simply as a gentleman and I will not ask for one half of it nor any other money unless there is a direct cost in transferring or cashing that cost is certainly his. But of course not your personal help. Besides, the effort you made is for this new partnership not wasted and it is not for the check which is past earned!

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Subject: Live Fatwa Session, OnIslam.net, Monday, July 16, 2012**

**Sent: July 16, 2012**

### **Question 1: Charitable Organization**

From: Farooque

Dear Sir

Assalamu Alaykum Wa Rahmatullah.

I hereby request you to give me your opinion regarding the following.

We are living in Dubai and we have set up a charitable organization in our country in India to help the poor. This is a trust and it collects the funds from its members in UAE as well as in India and with those funds, we used to help poor people for their living aid, medicines ,educational scholarships etc. and also we build houses for the poor and recently set up a Dialysis unit for the kidney patients. This dialysis unit is a subsidized one which is not a profitable institution. We will charge very nominal charges from those who are able to pay and are giving free to those who could not afford to pay. My question is:

- 1) Is it permissible for us to accept the interest income which the people are getting against their fixed deposits from the banks, for the above charitable things?
- 2) Is it permissible for us to accept the Zakah for this trust as we are helping non-Muslims also? (Majority of our beneficiaries are Muslims at the same time, we are not denying any deserved non-Muslims.)

Your immediate response will be highly appreciated.

Thanks and regards, Farooque

### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

In a quick word, yes it is permissible to accept interest because you are distributing it to the poor and needy, Muslims and non-Muslims.

The details is that this money is Haran for those who got it because it is Riba, it is wrong to return to payers because they are professional Riba dealers (conventional banks), it is then treated as property who has no owner which then must be given to the poor and needy rather than wasted.

Details given in your question raise a few points: 1) Zakah payment requires that it must be made owned by the poor, this applies to direct giving in cash or in kind such as medicine and housing. But in education, payment must be given to the poor and once they own the money they may pay it for education or other needs, you cannot give it to

teachers (unless you are giving it to them because they are themselves poor) for teaching students or other needs of educational institutions. 2) in India especially Zakah must only be given to Muslims as this is the general rule and Muslim poor in India are usually poorer. I do not say that you stop helping the non-Muslims but I suggest that your accounting system must watch assigning all Zakah collected to Muslims only through implementing the principle of Tamlik (making them own what is given) and give to non-Muslims from other sources such as interest.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: July 16, 2012**

**Question 2: tax deduction of donations**

From: Khaled

One follow up question regarding when I donate the compensation generated from questionable trades to Muslim organizations: am I able to acquire a donation receipt to lower the taxes I owe at the end of the year when I make the donation?

Thank you, Khaled

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Khaled

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Yes of course. This is a privilege given by the Tax system and you are definitely a desiring user of it. It has no Shari'ah implication at all.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: July 16, 2012**

**Question 3: Husband and Wife Inheritance**

From: Azra

Salam Dr. Kahf. Please, explain why a husband gets 1/4 from his wife's will and the wife only gets 1/8 from her husband's will? Jazaka Allah Khair. Azra Khan.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Azra

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The exact answer is because Allah said so in the Qur'an (4: 11 and 12), just this is the law.

The explanation: is because essentially man is responsible for expense on females around him, Mother, daughter and wife and also sister unless she is rich on her own or married that her husband takes that charge. Besides at marriage he has to her an obligatory gift (the Mahr) and remember Mahr is not necessarily symbolic, the Mahr of the Prophet Musa was his 8 years savings, as mentioned in the Qur'an and the Mahr of the Prophet, pbuh them all, was about the earning of a laborer for more than a year, if we are in America you could say about 50,000 US\$. The woman is not required to spend on other than herself if she has no son, husband or father.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: July 16, 2012**

**Question 4: Promise to Allah – Scholarship**

From: Emaan

Location: India

Asalam Alaykum, I'm a single woman. Last year I had applied for a government scholarship to study in the UK. This scholarship was generous and would have included air fare, visa costs etc. I made a promise to Allah that I would give 100,000 rupees in charity if I got it. But I did not get it. Then I applied for funding in the USA and got a funding for study this year. I have to pay for airfare and visa myself. I will not be able to save much over the next 5 years. I have about 12, 00,000 rupees in savings. I did not make a promise for the US- but am worried that maybe I should still pay the 100,000 along with my Zakah this year. What should I do? My mother is also helping me financially to pay for tickets etc. as my father is deceased.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Emaan

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

As for the pledge (Nathr) you made it is gone with the Scholarship to UK. You are not required to fulfill it. the door is open for any charity you can make, the more you give the more Allah gives you, angels come down every day to pray to Allah "Our Lord, give the giver recompenses, and give the withholders destruction" as we are told by the Prophet, pbuh.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: July 16, 2012**

**Question 5: Teaching Economics of Interest**

From: Tayyab

Location: Pakistan

I would like to know whether it is allowed to teach economics, or banking in which interest and capitalist form is promoted. Secondly, please advise on what career I can pursue with the degree of economics.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Tayyab

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You can pursue a carrier like mine: Islamic economics and finance, it is great. Of course teaching and studying interest are not Haram and do not be a promoter of it rather be a critique.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: July 16, 2012**

**Question 6: Air-Conditioner Bought Illegally**

From: Ahmed

Location: Malaysia

I am in a university in Malaysia. The UNI I am at has a rule that if you buy an air-conditioner illegally (without permission from the school) and the school finds out- we shall have to pay a heavy fine. The school can provide you with an air-conditioner but every month we are told to pay \$50 which is a lot.. So because of this, I bought an air-conditioner illegally. Now the thing is that I am being charged with an electricity bill for every month okay. The hostel department checks the rooms to see who has air-conditioners to check if it's legal or illegal. So in order to save myself from being caught from paying a hefty fine- there is an employee in the hostel department who can make my air-conditioner legal and I have to pay a certain amount and the air-conditioner shall be legal- does this involve corruption in Islam? What I am doing is wrong in Islam? If it's wrong what should I do? Jazaka Allah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Yes it is definitely wrong, you are required to follow the rules, protest them if they are not fair but you cannot decide on your own to escape them. It is a worse wrong if you bribe that employee there.

Just sell the privately owned air conditioner and either take one from the U or go to other housing facilities.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: July 16, 2012**

**Question 7: Sell Handmade Items on Internet**

From: Abdullah

Location: Syria

I sell handmade items on the internet. There is an American website that requires that the seller should be the maker of the items being sold. However, I don't make these items. Am I obliged to adhere to the conditions of this company? The reason I'm asking is that: I live in Syria, and I –as all Syrians- consider the US a direct enemy which is probably as fierce as Israel. Do we, Syrians, have to adhere to the conditions of American companies when they are pausing unfair sanctions on us that are making our lives much more difficult, and the American government is working very hard on destroying our country and leading it into a devastating civil war?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Ahmed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I am Syrian like you. The American people are not our enemy, the American government is siding with Israel, and this makes it an enemy to all Arabs and Muslims. But this does not give you an excuse to steel from any American individual.

Besides, who is destroying our land an economy and steeling ever resource we have, is it America or the Asad regime and family and his sisters and nephews?

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Subject: Live Fatwa, OnIslam.net, Tuesday, July 31, 2012**

**Sent: July 31, 2012**

**Question 1: Studying Islamic Mortgage**

From: Suleiman

As-salamu `Alaykum. I am a Nigerian with a Master's Degree holder in Estate Management. I will want to specialize in Islamic Real Estate Financing (Mortgage) and Taxes in my PhD insha' Allah. Which of the schools offers program in these areas and how do I get sponsorship as I need sponsorship, please. And to Dr. Monzer Kahf, I need your contacts please.

**My Answer:**

Dear Br. Suleiman

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I don't know of any school that has a Ph.D. program in this area.

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: July 31, 2012**

**Question 2: Finding Job?**

**Sent: July 31, 2012**

From: Walid

I am religious. I want to know how I could work. I am an architect and it's difficult to find a job. I have many problems with my father for this thing.

**My Answer:**

I feel very sorry for you but I advise you to reconcile with your father and don't be in trouble with him while searching hard for any job. Try to be innovative and make your own business no matter how small it may be.

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**Sent: July 31, 2012**

**Question 3: Is It Haram to Quit Your Job without Having Another?**

From:

As-Salam `Alaykum. I have recently having some issue at work and due which it was difficult for me to continue. I did isthikara and on basis of its result decided to quit my job. Please, note that I am single and youngest in my family. My family can support me. However, I am obviously looking for another job because I want to settle down and don't want to be a burden. Was it haram on my part to quit my job?

**My Answer:**

This question was answered earlier, it is not Haram but one should always make effort to be productive and useful.

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**Sent: July 31, 2012**

**Question 4: Is My Income Halal?**

From: kashif

Location: India

As-salamu `Alaykum. I work in the IT software industry. My primary role in my current and possibly future jobs is to provide support to banks or banking products. To elaborate further, my job is to ensure proper maintenance of software's that capture details of interest and interest bearing instruments. Please, advise if I should continue in this line of work.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Kashif

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

What you described as a job is not itself Haram. It no doubt is on the edge of Haram. If you can change it is better so that you would not be roving around the Haram. But I wouldn't dare describing it or the income from it as Haram because it does not fall directly under writing Riba of be a witness to it. it is processing it after it is done.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: July 31, 2012**

**Question 5: Taxes in Islam**

From: Dave

Further to your response about taxes in Islam, could you confirm if it is against the Islamic law to charge taxes other than the Zakah and as Saudi Arabia has large oil revenue they abolished taxes in 1975 as under Islamic law they had sufficient resources to fund the country without taxes its citizens.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Dave

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Without confirming it to any specific country because that should be based on detailed study of its economy. According to the Islamic economic system, taxes on people who live in the country are the last resort and we go to them when other resources, like oil, are not sufficient. This rule does not apply to fees which are only prices of services.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: July 31, 2012**

**Question 6: Unsure If Income Is Halal or Haram**

From: Anonymous

Location: Australia

As-salaamu `Alaykum. I have been working in a company for 5 years now. During the first 3 years, I was a trainee and as a trainee I had to go through courses conducted by the company and take lots of exams conducted by the country regulatory authority. I had to pass all these exams in order to pass out as a maintenance officer and continue working in the company.

Failing any exam would result in being terminated from the company. I passed all the exams, but there was one exam that I passed with the help of a friend who works for the regulatory authority that conducts these exams. He had shown me the exam questions about an hour before the exam started. However, he did not give me the answers. I had to find the answers in my course books myself during an hour before the exam started. During the exam I managed to answer those questions and passed the exam.

After 3 years of training, I was established as an officer. Is the money I earn from this job halal or haram? If it is haram, what should I do? Should I leave the job and look for other jobs. Please, advise. Thank You.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

It is good that you recognize your mistake and the Prophet, pbuh, said in an authentic Hadith what translates as: if you don't make mistakes and ask Allah for forgiveness, Allah would have taken you away and brought others, in your place, which will make mistakes and seek forgiveness. Your present income is for the work you put in the job. Be honest in what you do and your income will be Halal InShaAllah. The mistake in the past is not the cause and reason of your earning, you may have probably passed without this dishonesty that was done then by both of you. Just be determined to yourself to act always with honesty and observe the being on the right side always like what Musa the Prophet, pbuh, said when he recognized his mistake. He made repentance with Istighfar and pledged to avoid such mistakes in the future as the Qur'an reports but my own immediate translation: My Lord, for the mercy you gave me I will never be of support to any wrong doers.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: July 31, 2012**

### **Question 7: Waiving part of Debt as Zakah**

From: Imran

Location: India

As-salamu `Alaykum. I have lent in total about 300000 INR to my maternal aunts husband. They are having a hand to mouth existence, and managing to survive, but repaying the debt is going to be hard for them. My Zakah for current year is around 100000, and I intend to waive the amount from the loan, as Zakah. Is it permissible to do so?

My maternal aunt owns about 12 grams of gold, but other than that they do not own any assets to the best of my knowledge, except for a vehicle which my uncle uses as a means of livelihood.

A part of my Zakah is from assets of my mother and my maternal grandmother. Is it permissible for me to waive the part of loan amount as Zakah? Do I have to separate my mother and grandmother's share of Zakah from this waiver or can I waive it all?

How is Zakah to be calculated for someone who has only assets in terms of gold jewelry, and the gold jewelry is less than 75 gm of gold but worth more than 595 grams of silver. Awaiting your feedback to dispose my Zakah. Fi amanillah.

#### **My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Imran

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

1. You cannot pay yourself your own Zakah. You're waiving the debt amount to paying the Zakah to yourself. Zakah has to be given to the poor and needy in such a way that the recipient becomes the full and complete owner of what is given to him/her. You cannot get your debt paid to you by your own-self from your own Zakah.
2. You said that grandmother owns a part of the assets, there may be a family obligation on her to help her daughter from outside Zakah because one's Zakah cannot be paid to one's descendants or ancestors. Family financial responsibility is another obligation besides Zakah.
3. Your Zakah may be given to your Aunt, maternal or paternal, so the Zakah of your mother to her sister or brother in law. In either case it can't be used as a retrieve of your or your mother's debts.
4. Gold is subject to Zakah along with many other assets including cash investments and bank accounts. if you have less than the Nisab of gold but have other Zakatable assets that make the total above Nisab you have the choice of paying the Zakah of gold in gold for the gold and in cash or other items beneficial to the poor for the other Zakatable assets, or paying Zakah in cash for the total by estimating the price of gold and adding it to other assets. In other words, this 75 grams of gold is subject to Zakah although it is less than Nisab because it is complemented by other assets.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: July 31, 2012**

**Question 8: Giving Property to One's Children**

From: Amanzai

If someone gives a part of his money or property to his small children to save it for their future, even if the property is still in one of the parents' custody, does he still have to pay Zakah for this money if this part does not reach Nisab when separated from the rest? To what extent are parents allowed to make use of this money?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Amanzai

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You can give anything to your children and each person is considered on his/her own independently in regard to Zakah and Nisab. If the amount of property of a child is equal or more to Nisab the parent/custodian/guardian is required to pay the due Zakah on that money. Amounts below Nisab are not subject to Zakah.

Giving to children in order to avoid Zakah does not make any effect. It is a matter of intention and Zakah is with Allah anyway. You cannot cheat Him because He knows the inside intention.

Only you give a property, you are then a custodian on it, you have to invest it to the best and you cannot use it for yourself on course unless in case of necessities then you can revoke the giving

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Subject: Live Fatwa, OnIslam.net, Monday, August 27, 2012**

From: Mohammad

**Sent: August 27, 2012**

**Question: Creating a 401k account for retirement**

Aslam. I have question about 401k, is it allowed to invest in it for retirement? Thank You.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Mohammad

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

In 401K, investment decisions, according to tax rules and 401K regulations, are taken in a collective manner by a committee. It normally does not abide by the Shari'ah rules. On the other hand, these same rules and regulations contain many benefits to Muslim employees that are inappropriate to sacrifice. These benefits include: saving for retirement, tax deductibility and related tax benefits on return of investment, matching contribution of employer, etc.

My argument is that these benefits should not be sacrificed by Muslim employees because of the limitation on investment decision making, keeping in mind that investment in share is essentially permissible except is shares of companies which produce Haram products, these companies are essentially avoided by Muslims to work in. My opinion is therefore: it is permissible to be part of 401K and avail its benefits provided one applies the purification principle on the return of investment by estimating the part of the return (both dividends and capital gain) which is generated by bonds and non-permissible shares and giving it to Muslim charity. You should make this estimation yourself from the reports of the investment committee and other info available.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Shakeel

**Sent: August 27, 2012**

**Question: Giving Zakah to an Islamic school or a masjid**

As-salamu Alaykum. Is it permissible to give my Zakah to any Islamic school or to my masjid for their expenses such as rent, utilities, renovation etc.? Jazaka Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shakeel

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If the question is for America, Canada, Australia, New Zealand, Europe and the like, my answer is definitely NO. Mosques are always necessary for any Muslim community to maintain their religion and that of their children. The Shari'ah principle is that any Muslim community must have a mosque and other community facilities and mosques should be established and spent on by members of the community outside the Zakah that is a right of the poor and needy.

In the past Muslims in these countries were very poor (students and poor Afro-American converts) and have no means and were endangered to lose their very religion, then the Fatwa was it is permissible on the ground that preservation of their religion is a part of "fi Sabil Allah" as an exception from the principle which prohibit using Zakah for

mosques. Now this exception does not apply anymore as Muslims in these countries have become well to do and able to spend on their mosques. It is the responsibility of the rich Muslims to spend on mosques in these countries not the responsibility of the poor because spending Zakah on mosques means charging these expenses to the poor who have the right to this Zakah.

As for schools, the matter is even stricter because educating Muslim children is the responsibility of their parents, more specifically their fathers, it is not the responsibility of the poor or even other members of the Muslim community. Poor Muslim families who cannot afford Muslim schools fees may be paid from Zakah on the basis of needs and poverty and they are of course free to use whatever they receive for food, school tuitions or any other expenses of their own. ZAKAH MUST NOT BE PAID TO THE SCHOOL FOR THESE FAMILIES.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Ismy

Location: UK

**Sent: August 27, 2012**

**Question: will the earnings be halal or haram based on the fact that I lied about my A-levels**

Salaams. My question is regarding a graduate job that I am offered. I met all the requirements of the job that is BSc and O-levels except for one that is of A-levels in which one should have a specific grade in a specific subject. I wrote an extenuating circumstances letter stating that I was ill (which I was but NOT during the period I mentioned in the letter) and stated that my grade was affected by this circumstance. They accepted my application and I had to go through all the processes of recruitment i.e. online tests, interviews, etc. and I passed all of them. I need to know: will the earnings be halal or haram based on the fact that I lied about my A-levels grade.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Ismy

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You could have avoided the lie by being not specific about the dates since you were ill anyway. But now that it is done any way you should make Istighfar for that mistake.

Your earning will be against the work you do not against the application for the job.

Your earning will then be Halal InShaAllah as long as you do your job with sincerity and fulfill the job requirements in normal manner.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam  
Prof. Dr. Monzer Kahf

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From: Rez  
Location: UK

**Sent: August 27, 2012**

**Question: Gift from father whose income is Haram**

Asalamu Alaykum I have two short questions:

My father's income is 100% haram, he bought me and my sister each a house, can I accept this house? Can I rent it out will the rent be halal for me? Thanks.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

How do you determine that his earning is Haram, stating it is really a big thing unless you are extremely very sure like being sure that all he does is stealing money from other people or he is a drug trafficker!

If the source of money for the house is drug trafficking or theft, it remains Haram for you. But if the source of money is interest earned on lending his money on interest, it is Haram for him and not Haram for you because you received it as a gift and the sin of Riba is his. If we determine that it is not Haram for you (and your sister) you may then use it anyway you like.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: New Muslim  
Location: US

**Sent: August 27, 2012**

**Question: Non-Halal Food Served to Non-Muslim**

My family is not Muslim. Is it permissible for me to serve them haram meat or food?

What if my family comes to my house and they bring pork with them because they want to eat it instead of the food I cooked? Is it haram for me to take that pork and serve it to them or give it to them even if I did not buy stir bring it? Is preparation (preparing) of haram food or serving haram food to non-Muslims permissible?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear New Muslim

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This is a very important and delicate matter. Let us look at the rules:

1. Prohibition is really based on the harm involved because Allah only prohibits what is bad;
2. Things which are Haram to use or eat are also Haram to buy or sell;
3. In liquor the prohibition is expanded to include all that is related to drinking from brewing to carrying, serving and drinking. . In pork the prohibition is eating therefore there are views that argue the permissibility of using pork product for non-eating purposes such as using the hide/ skin for shoes. Serving to eat is definitely different from eating but also related to it as the principle is the potential harm (which we may not know scientifically yet but we believe it by faith because of the prohibition itself);
4. There is a strong Fiqh argument about the lack-of-cleanliness of pork (the concept of Najasa) which means that any wet thing touched by it becomes will have Najasa too and that we need to clean every tools and pots used for pork separately.

My suggestion is to: certainly no buy by a Muslim of pork products for eating even by non-Muslims guests/relatives. Also try to avoid serving it as much as you can unless embarrassed by a non-Muslim father or mother (no other relatives), but you can have it for them on the table (especially if you have a non-Muslim to offer it for them instead of you).

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Subject: Live Fatwa, OnIslam.net, Sept. 29, 2012**

From: Ibrahim

Location: Canada

**Sent: Sept. 29, 2012**

**Question: Finding investors**

As-Salam `Alaykum.

My name is Ibrahim. I converted to Islam 10 years ago, Masha Allah. I presently live in Bathurst New Brunswick, Canada. I am seeking a Muslim partner or investor to invest in the purchase of a vegetable nursery growing organic vegetables and natural medicinal herbs. Would you know how or where I could attempt to speak to a potential Muslim investor? I have chosen Islam and prefer to do business with other Muslims. However, my region is scarce in Muslims amongst its population. We intend on growing only organic foods. Please, assist me in understanding the process, insha' Allah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. IBRAHIM

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

We cannot help in finding an investor, whence you find it, we may be able to help you formulate the contract between you.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: R S

**Sent: Sept. 29, 2012**

**Question: Repaying a loan from Haram money**

As-slamu `Alaykum.

Please, answer this, it is extremely urgent. I used to own a liquor store so I know the money I earned from that is 100% haram. I want to start my own business and I plan to borrow money from my friend to do this because his money is halal. I don't want to use the money from the liquor store for this.

However if the business doesn't do well and I don't make any profit, I plan to pay him back using my haram money (from the liquor store). If the business does well I will pay him back using the halal money from that but only if I don't make a good profit, I will pay him back with the liquor store money. My question is: does the fact that I intend to pay him back with 100% haram money (if I don't make good profit) make his money haram for me to use for setting up the business? Will his money become haram for me?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Your money and its source does not affect his money what he or you can use it for.

These are separate matters which do not relate to each other with or without any intention you have or you mentioned.

But I have to let you know the full truth. If your money is from sale of liquor our beloved Prophet tells us that anything that Allah made Haram, He also made Haram its price. I therefore suggest that you should give to Muslim charity for distribution to poor and needy any money you have which came from sale of liquor. Then start any business pure and clear with full dependence of the Creator of the Worlds.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Maan

Location: US

**Sent: Sept. 29, 2012**

**Question: Partnership return distribution**

As-salamu `Alaykum. I live and work in the U.S. I recently entered into a verbal business agreement with a person from India. This person from India had provided some consulting services and made about \$5000 for his services. He contacted me and asked me to help me out and to help him transfer this amount to India. He offered me business partnership and enticed me saying that there is a check of \$5k which will be paid soon.

We agreed that we will launch a new business with joint partnership with 50/50 profit/loss share and I agreed to send him the initial amount. To cash the check, I started working with him for about 2 months and helped him with his website, registered the business in US, did research on liability issues, dealt with lawyers, open business bank account etc.

After the check for \$5000 came, the business partner from India changed his statement that I don't have any share in the initial \$5000 since he did all the consulting work and he had only agreed for sharing profits for future projects.

Since this was just a verbal agreement, we don't have anything in writing. I did agree to send him the amount but we never discussed the details about the exact amount. Also I only wanted to get involved because of the check that will be paid soon. I have full control over the bank account and the US Company since the business partner is based out of India.

My argument to him is that without me registering the company, getting tax-id, bank account, there was no way for the check to be cashed and for us to be paid. I want to pay the business partner from India 50% of the profit share as per the initial discussion. Am I at fault here? I have also provided 2 months of service to this person including helping identifying new clients but he just refuses to negotiate with me on \$5K amount. Please, help and advise. If I am liable to pay full amount that I will pay the FULL amount because I want to do the right thing here insha' Allah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Maan

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

At the beginning of your email you said that he provided consulting and earned 5000. If you believe yourself and if it is the same check that came, it is according to what you said his and this is before the partnership. This is so even if the partnership cashed his check. This is of course taken only from what you said at the beginning of your email. If the partnership earned any more money you get to implement the agreement between you and if there are two 5000 one is what he earned before and one is the check which came later for services the partnership provided then the second amount belongs to the company. The amount of work and services you put for the partnership is normal and natural for any new business. We always do that before we start the business. There

can't be a business for cashing a check earned by one partner before crating the business, can there be such a thing.

You need to recognize this fact. If this check is earned by him as you said it is his even if it is cashed by the partnership and without any charge because there is no agreement between you on cashing his check for a commission. This is a voluntary action or favour all businesses do for a partner.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Abdul

Location: UK

**Sent: Sept. 29, 2012**

**Question: about Gambling**

My question falls under the topic of gambling. Being a Muslim I am completely against the notion of gambling and am conscious of the various forms it is presented to us to provoke temptation I.e. lotteries, pyramids schemes and fruit machines etc. I have never entertained the thought of getting involved in any such activities.

Now gambling is defined as risk losing something of value with the hope of gaining more value/profit based on mere chance and probability. In other words, one does not have any influence on the outcome. I have very recently found a mathematical equation which if followed when betting in a very specific type of online game has a 100% possibility of winning thus, eradicating any chance/ probability of losing.

Up till now I have been reviewing the equation and have applied this to play in practice mode (I.e. using no money of my own) and found it to work 100%. Whether or not I can continue will be dependent upon whether this is Islamically permissible. As I am using my intellect to win with no probability of losing, technically this cannot be gambling?

My question is; would this be permissible? Jazaka Allah Khair for your invaluable guidance and wisdom. Long may your good work continue? Jazak'Allah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Abdul

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Gambling is عِبَثٌ or nothingness gaining or loosing for no reason with or without chance. According to Shari'ah one may acquire a new wealth only by one of six reasons which are: inheritance, exchange contracts, taking from non-owned permissible property such as fishing or hunting, gift and other donations, tort or civil liability for body harm (for property harm is not gain but simply compensation) and entitlement (you own a property and it generates from its own an new increment such as a cow giving baby cow or milk).

Other than these is call taking other people's property in vanity **أكل أموال الناس بالباطل**. This is prohibited in the Qur'an in several places.

What you suggest, with the perfection you found, is like stealing from other people's properties without them at all being able to know about it. it does not make it Halal. This equation of yours is as Haram as gambling if not even more. Wake up brother!

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Baqad

Location: Kenya

**Sent: Sept. 29, 2012**

**Question: Work in HIV prevention organization**

Assalamu Alaykum. I work for an organization that aims to reduce the prevalence of HIV in our country. There are many approaches and ways of fighting HIV but the current one adopted by my organization involves working with homosexuals by giving them and encouraging them to use lubricants in their acts, drug users by giving those clean needles so that they stop sharing needles and prostitutes. We also give to these groups and encourage them to use condoms. We do this to stop transmission of HIV from these groups to the general public. Some of these group members also relate with the general public by having legal spouses. I don't directly do any of this work but I still work in the program. Does the money from this work halal?

Thank you and may Allah guide all of us to the right path.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Baqad

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Yes, it is Halal.

It is unfortunate that these group exist and I have no doubt that your organization would also love, and it does that many times, to advise them to stop these un-decent acts. The organization work to reduce evil. I doubt however the efficiency of this approach that is taken by organizations like yours. Also I don't accept at all working directly in giving them needles, condoms and similar tools to continue doing what they do. This is Haram in my opinion although it reduces the evil of HIV but this reduction is partial and does not last or continue.

Of course a better approach to reduce this evil is to boost the personality and moral of these groups of people and remind them of the life after and take them out of the swamp they live in.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Female

Location: US

**Sent: Sept. 29, 2012**

**Question: Zakah on jewelry, is it every year?**

Assalamu `Alaykum. I am a Sunni Muslim and need to know the exact amount of Zakah to be given. Also, do I have to give Zakah on my personal gold that I use and is it every year or only once? Please, help.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sister

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I like to identify you as Muslim only without the word you used before it because Islam is one, and there are groups who fabricated a few things non-rightly after the Prophet Muhammad, pbuh.

Zakah is obligatory on every Muslim whatever she/he does or own. It is on all things of value one owns of course with some generous exemptions that are mentioned by the Prophet, pbuh.

Zakah is required every year, generally at the rate of 2.5% except on agricultural products it is either 5% or 10% depending on whether it is irrigated by animals carrying water or by rivers, rain or motors.

It begins once a Muslim owns an amount (called Nisab) of approximately US\$1500, but due one full lunar year (354 days) after that date. Personal things such house you live in, furniture, cloth car you use for personal transportation and for family, etc. are not subject to Zakah.

Gold, silver and jewelry one owns are also subject to Zakah every year provided 2 conditions are satisfied: 1) if they are beyond what one's peer usually have; and 2) they are in actual use for what they are and for their occasions, i.e., not stored for value to increase. Of course if the total amount of them is within the Nisab, they are exempt.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Subject: Live Fatwa – OnIslam.net, Sunday, November 11, 2012**

From: Misbahuddin

Location: Canada

**Sent: November 11, 2012**

**Question: Islamic house finance is more expensive than interest finance**

Assalamualaykum,

Hope you are doing well. I have different opinions from different people regarding having own house. Some people say that since you are living in Canada, so you have to follow the same way buying house through mortgage if you don't have that much amount. Some people say Islamic financing but I found they charge very huge amount which is more than what bank takes. Kindly, help me find out the best way of purchasing.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Misbahuddin

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Muslims wherever they live are called by the Qur'an to follow the guidance given by Allah. One of these commandments is prohibition of Riba. It should be avoided all the time and anywhere including being in Canada or the US.

Muslim families in the West have rights to own their own homes if they need them.

When Islamic finance is not available conventional finance is permissible for families who need housing. If Islamic finance is much more costly than Islamic finance, I consider the overcharging Islamic finance as non-existing.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Subject: Live Fatwa, OnIslam.net, Wednesday, November 14, 2012**

From: Kiran

Location: Pakistan

**Sent: November 14, 2012**

**Question: Inheritance, wife, 3 daughters and father's brother**

My father has just passed away leaving behind a widow and three daughters. Now as we don't have a brother, major part of the inheritance will go to my father's brother who has always created problems for us and did every possible thing to disrupt our household. Is it not fair that in such circumstances, the widow and her daughters should get major part of the inheritance as we don't have any source of income and my father's brother is not ready to give us anything from his share?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Kiran

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I am sorry to say that you made a little mistake probably because you knew little about the Islamic inheritance system.

First the Islamic inheritance system is mandatory on all Muslims under all circumstances; read please verses 11-14 of Surah No. 4 especially the ending sentences of each of these verses.

Second, most of the estate will go to you the girls and your mother; according to verses 11 and 12,  $\frac{2}{3}$  for the 3 girls and  $\frac{1}{8}$  for the mother. The share of the uncle is only  $\frac{5}{24}$  which is less than the share of each of the three girls. Besides, you did not mention whether your father, Rahimahu Allah had any sister or parents. If there are grandparents, the uncle does not inherit. Also if you have any other aunts and uncles they will share with this uncle this  $\frac{5}{29}$ .

Also, if you live in a country which has a Islamic family/inheritance law, the law requires and forces the uncle to spend on you if you need.

Lastly, if you live in America or any Western country like America, the law does not force you to give him this  $\frac{5}{24}$ . This means you are required to give it to him because you are Muslim otherwise you are disobeying Allah but if you need from him financial support you can withhold this distribution until you are assured that he will satisfy this need, and you can take whatever satisfies this need from this share of his if he refused to fulfill his Shari'ah requirement.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Anas

**Sent: November 14, 2012**

**Question: Out-of-wedlock but claimed child inheritance**

Good day sir, I happened to have a question regarding inheritance.

The question goes like this: A man was born by an unbelieving unmarried woman. Later on the man who fathered the child, a Muslim came along and claimed his son, and they lived together till the man died. At the Shari'ah court, during the sitting for sharing the inheritance, the man's name was submitted along with the other children fathered by the same father. The court ruled and divided the inheritance accordingly with the man getting his share.

I, on my part, tried to do some searching regarding the validity of such action and got confused, because some scholars agreed that a person born outside wedlock once accepted by the father as his son, he can be given inheritance, while some scholars opposed it.

I would kindly like to know your knowledgeable opinion on these. Thank you.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Anas

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You are right, the issue is controversial. There is no text about it. The point is there is agreement that a baby borne out of adulterous relation inherits from his mother because we are sure he came from inside her body. For relation with the father, it can only be related to the marriage contract. Now if there is a civil marriage contract between the mother and the Muslim man who fathered him through this marriage this is also acceptable. Recognition by the biological not marital father is accepted by some scholars, the Hanafis, instead of marriage contract while it is not by others, especially the Shafi'is.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Bilal

Location: America

**Sent: November 14, 2012**

**Question: should interest-based student loan be paid back?**

As-salamo Alaykum. I live in America and got student loans with interest when attending university here. At that time I did not know that the interest was haram. Now I have to pay back the loan with interest. Should I pay it back or not? If I don't pay back, then I will be in debt.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I believe you have to fulfill the contract you made yourself the soonest possible and get rid of the Riba.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Subject: Live Fatwa, OnIslam.net, Monday, December 24, 2012**

**Sent: December 24, 2012**

**Question: Can husband inherit the share of his deceased wife?**

Salam, Ustazna,

Hope you are well. I hope you clarify the answer for this question; you answered one point, when the daughter dies, what about if the mother died, can her husband inherit her share in her mother's estate?

Your answer was:

If this married woman dies, as you said, she has no father, no child, she has a husband, a mother and a brother; distribution is derived from the verses 11 and 12 of Surat An-Nisaa' (No. 4). It is as follows: mother inherits 1/3 (a third) of her estate, the husband 1/2 and brother the remainder 1/6. Her husband's child does not inherit anything.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Essam

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Please be more accurate about your question. Who is dying before whom? This is important. Remember that the child of the husband is, in regard to inheritance, a stranger to his step mother and to her mother as well. Also once the daughter dies, her husband becomes, in regard to inheritance, a stranger to her mother. If the mother dies before her daughter, she is inherited by her two children, male twice as much as female. If she dies after her daughter whatever she inherited from her daughter was hers and will be inherited by her own heirs, as in this case she is survived by her son. He is the only heir of hers.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Subject: Live Fatwa, OnIslam.net, Friday, December 28, 2012**

**Sent: December 28, 2012**

**Question 1: Financial Issues**

From: Houda

If someone helps someone earn unlawful wealth, will the money also be unlawful for him, or would it be lawful but he's sinning?

**Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Houda

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

I don't like general references. Let us be specific: Broker's commission for buying/selling bonds. It is Haram because the action of buying and selling bonds is Haram. Forfeiting

documents to earn unlawfully from the government is Haram and helping it is also Haram, and the like.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: December 28, 2012**

**Question 2: Need your co-operation**

From: Rafi

As-salamu `Alaykum. I hope this mail finds you in best of eman & health, Insha' Allah. Firstly I would like to say Jazaka Allah Khair to onislam.net <<http://onislam.net/>> team for this opportunity. May Allah give us sincerity & steadfastness, amen.

I would like to know from Dr Monzer Kahf the reliable people, books, resources on net, etc., concerning Islamic economics, finance, banking, Zakah & funds. So that we can present the relevance of Islam concerning these issues as well, in the contemporary times at the global level to Non-Muslims & Muslims alike.

Looking for your co-operation for the sake of Allah, insha Allah. Let us help each other in good deeds & in spreading the message of Islam, insha Allah. With Regards, your brother in Islam.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Rafi

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Of course we should keep in mind that all of us have shortcomings and there is no one or institution which one can take it without being critical and with eyes wide open.

In this are writings by: M N Siddiqui, M Omar Chapra, M Anas Zaqqa, Mabid al Jarhi, publications Islamic Development Fund, ISRA, and IIUM (both in Malaysia) Kuwait Zakah House. And the like

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: December 28, 2012**

**Question 3: Buying a home**

From: Zahida

Can you, please, advise if it is halal to buy a home with a mortgage? It seems that a lot of "Islamic mortgages" are the same but with higher interest rates. And the only

difference is calling it investment. But I do not understand the difference but the economic disadvantage.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Zahida

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The difference is big and important, but not all those who claim Islamic or with no Riba are honest to the word.

We need to understand that Shari'ah does not prohibit finance for profit, it prohibit any increase to a debt. The debt in fact does not produce any increment and does not give birth to a baby debt.

Finance by means of lease and sale on credit (installments) at higher price is permissible in Islam.

Some companies claim they give Islamic but you look at the contract and find it pure loan and interest. Not sale and profit and not lease with purchase.

Finally Islamic companies which give higher prices are also cheaters. The Islamic finance should not cost more than the market.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Subject: Live Fatwa, OnIslam.net, Thursday, January 10, 2013**

**Sent: January 10, 2013**

**Question 1: Borrowing for Investment**

From: Munssif

As-salamu `Alaykum. Sheik, I am writing from Sri Lanka. We have a land in a village area. Still there is no proper road to that land. We want to sell some of the portion from our land. We can increase the value of the land by constructing a road to the land; it's costly because our land is situated on a hill.

My question is: can we borrow money to construct the road as investment; hence we can share the profit of selling land?

If it's OK, then from which amount we have to share the profit? Will it be from the increased value of land after constructing the road?

Looking forward to hear your answer, Ustaz. Jazaka Allah.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Munssif

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The word 'Borrowing' is never used in Islamic finance. Nobody will give you a loan without getting return and any return on a loan is prohibited because this is exactly what Riba is.

You seem to be hinting to getting finance on sharing basis. In this case what I suggest is the following: create a partnership between the land owner and the funds provider. The principal of the land owner is the fairly evaluated price of the land as it is now while funds for construction of the road are known you assign a part of the profit for the management of the project, say 20% and divide the rest in proportion to principal contribution. The net profit is the difference between total principal of the two partners and the price of selling the land then.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: January 10, 2013**

**Question 2: gifts to children**

**From:** Amanzai

Dear and respected Dr. Monzer Kahf, I have two daughters, 3 and 9 and a son 5 years. I would like to give each of my children some money out of the money I own, so it could be a saving for their future.

My question is: should I give them this money on equal basis or should I follow the Islamic guidance of inheritance (two parts for son and one part for daughter)?

Secondly, as a father, do I still have the ownership of this money, as my children are not adult? If yes, will I have to pay Zakah for this money (especially if the money is less than Nisab but adding to my own money, it could be subjected to Zakah)?

Can parents make use of this kind of money in any way if they need it? How much right do they have in using this money? Or is it in the shape of Amanah of their children with them? Jazakum Allah Khairan.

My answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Amanzai

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Giving to children during life time is governed by two basic principles: the principle of parents' (especially father) responsibility to their children and the principle of gift to children. The latter is guided by the Hadith of the Prophet, pbuh, that gifts to children should be given equally as He called unequal distribution as injustice (Zulm). The father's responsibility is for food, health, education sufficient for them to make living and getting them settled in marriage if he can. All these depend of the cost when each is needed. In

this regard equality is in the service not in the amount because the cost of the service may vary from time to time.

Once money is given to a child as a gift, it becomes his/hers and the father becomes only a custodian. It is certainly subject to Zakah if it reaches Nisab (which is about US\$ 1500 only) and 354 days pass (the Hawl condition). Zakah is due on the child, you can pay it on his/her behalf from their properties or as a contribution from you if you want to keep their funds not to decline.

Also you should try your best to invest their money and to make it grow as advised by the Prophet, pbuh, himself.

When a property is given to a child it becomes Amanah in the hand of the father as a custodian. You can borrow from it and return if you need. Also if cases of financial pressure you can decide, as a custodian, to give yourself from your child property what you need (a thing I don't suggest unless under real pressure). As under the circumstances this is the best decision on behalf of the child by his/her guardian.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: January 10, 2013**

**Question 3: Life Insurance**

From: Khan

Dear Dr. Monzer Kahf, as-salamu `Alaykum. Reference to the subject, I want to know if life insurance policy is acceptable or prohibited in Shari`ah law.

Kindly answer my question according to the Qur'an and Hadith. Thank you very much

**My answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Khan

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You know that the Qur'an and Hadith do not speak about insurance and do not even hint to it. It is a matter which is subject only to the general principles of Shari'ah and human rationale. Accordingly, Shari'ah scholars differ on insurance, some believe it is permissible and some not. All agree however that if an Islamic insurance, called Takaful and essentially based on cooperation in a Fund to which money is paid as contribution by members, then we should use it instead of insurance offered by other companies (several reasons justify this unanimity which are long to explain).

You notice that I did not mention life insurance because the ruling is on the insurance contract itself. The difference is based on the fact that there is ambiguity (Gharar) in insurance (as to when an incidence will happen and its cost amount) and whether this Gharar is tolerated or not.

There is no distinction between life insurance and any other insurance like car, health, fire, etc. as all incidences are in the hand of Allah including the incidence of death. In other words, scholars who tolerate Gharar in insurance (on the ground that it is contained) believe that life insurance as well as other insurances are permissible. However, they also add another condition in all insurances that the contract must not contain any interest clause/condition. What is known as regular life insurance (any insurance which gives you a lump-sum after a number of years if you survive that deadline) contains a built in obvious interest investment.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: January 10, 2013**

**Question 4: Interest Earned**

From: Muhammad

Asalam – o – Alaykum Sir,

Problem: How to deal with the amount of interest earned on defense saving certificates previously deposited by parents

Background:

My name is Muhammad Ahmed (27 years). I have two sisters (35 & 37 years, both married). My parents passed away in 2003 when I was 17 years old. They left defense saving certificates (DSC) of X amount purchased in different years. At that time I was not mature enough to utilize that amount in an efficient way. Now the amount of those DSC has been X+ interest. From various sources I have come to know that extra amount is Riba which is haram in Islam).

Sir, at that time inflation rate was also quite below than current inflation rate (for example price of one item when DCS was purchased was 100 now it has been 250 or even more).

Situations:

Since I was not mature and education was in process so I couldn't use that amount as a whole but I used some out of it.

Money devalues with the passage of time, if I would have invested the amount at that time, today I would be enjoying the benefits of investments plus all profits.

At that time I did not know that such type of deposits are not acceptable in Islam.

Questions:

1. What should I do with the amount of interest? Can I use some amount out of it due to the increasing inflation rates?
2. If I cannot use some amount out of it, where should that amount be utilized?
3. I found a book "Aap k masail Aur un ka hal" written By Sheikh Muhammad Yusuf Ludhyanvi volume no 6, page no 251-254 in that book they told "I can exchange the amount of interest with a non-Muslim by getting interest free loan and returning back the loan from the amount of interest, is it valid?"

4. As the interest amount is huge enough which is in doubt, can I use it or not? If this amount is not halal for me, can I start some business for help out the needy persons? In this case the entire profit earned would only be used for the needy persons.

If I am allowed to start such business, can I perform my duties as employee in that business or not?

5. As I told you, DSC was purchased in different time periods, now will the Zakah of that amount count from the purchasing date of those DSC or would it be counted when they will come into my custody? As I do not know that my parents have given the Zakah on them before they died. However, I am sure that my parents used to pay Zakah on regular basis.

Please, tell me the solution. Best regards.

My answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Muhammad

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Please notice that Riba is prohibited with the strongest terms in the Qur'an, it is like waging a war against Allah and His Messenger, pbuh.

The amount added to these DSC is definitely Riba and it is prohibited. These are given to you either as a gift or as inheritance (you did not mention it) in either case the interest that you earned is only the amount of accrued interest from the day DSC became yours (time of gift or inheritance). Interest earned before that is your parents matter.

Whatever they gave you at that moment of giving is yours as a gift from parents, any interest accrued after that it accrued within your property (regardless of whether you were a minor or major).

All interest that you earned must be given to charity. It is not Haram for the poor but Haram for you (the poor gets charity from you not interest while you get interest). The matter of inflation does not really apply even with the alternative of investment because in investment you may also lose.

I wouldn't recommend making a business and take a salary from it. It is dirty money. But you can give it to the poor or to a Muslim charitable organization in the form of capital assets such as a building for housing or transportation car or the like.

The Fatwa you read in that book is incorrect. Whoever is the one who wrote it? Interest money cannot be used for your benefit. The OIC Islamic Fiqh Academy issued a resolution that interest money cannot be used to one's benefit at all. In what you said it is actually you are exchanging the interest money with another amount (the loan) from a non-Muslim.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: January 10, 2013**

**Question 5: Inheritance of a Child Is Born Out of Wedlock**

**Subject:**

From: Fatima

I have a question, please. If a child is born out of wedlock and the father accepts the child as his, can that child inherit him?

My answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Fatima

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

According to the Hanafi School, if the father confessed that this child is his, the child becomes his son/daughter and inherits from the father as well as from the mother.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: January 10, 2013**

**Question 6: Eating Non Halal Meat**

From: Amina

As-salamu `Alaykum. Is it allowed for Muslims to eat non halal meat if they can't find it where they live? Thank you.

My answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Amina

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The word Halal meat (or non-Halal) is used in two meanings: 1) many people in America and Europe and other Western cultures use it to mean meat in the market on which the Name of Allah is not mentioned at time of slaughtering. This is a controversial matter as according to respected schools mentioning the name of Allah at slaughtering is only recommended not obligatory. This kind of meat (including all that is sold in supermarkets in USA and Canada) is Halal according to this view; and 2) Non Halal refers to meat which is not slaughtered at all such as killed by twisting the neck (used for chicken sometimes) or meat slaughtered by other than Christian, Jews (Ahl al kitab) and Muslims. This kind of meat is not eatable by Muslims unless in case of necessity such as famine or starvation. Eating this kind of meat, in any city today is not justified because one can survive on eggs, fish and meat imitation.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam  
Prof. Dr. Monzer Kahf

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**Sent: January 10, 2013**

**Question 7: Fixed return on deposits in Government Saving Center**

From: Aitch

There is a government saving center which gives us a monthly return on the money that they take from us. It is a government saving center and it gives a fixed return each month. Is it halal?

My answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Aitch

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

This is pure Riba, it is Haram. Please read other Fatwas on Riba for more details

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: January 10, 2013**

**Question 8: Returning Haram Earnings**

From: Sajid

Location: UK

Salaam. I hope this question finds you in the best of health. When I was younger, I did some things I was not proud of. I took substantial funds from a company to which I was not entitled to. I have asked Allah for forgiveness and bitterly regret ever getting involved in such deeds. I am aware that I need to reimburse the loss to the company.

There are two parts to my question:

Firstly, if I return the funds, do I also have to admit to my actions? This will cause serious issues and could well result in legal ramifications for me which will cause my family problems;

attached to this are the embarrassment and the shame that come with being caught for such deeds. Therefore, can I arrange to reimburse them anonymously and will this suffice?

Secondly, the company in question is involved in various misdeeds around the world against our Muslim brothers and sisters as well as others. This includes the encouragement of the oppression of communities. If I reimburse them, there is a realistic prospect that these funds could be used for such a purpose.

Therefore, should I reimburse the funds knowing that they could be used for this purpose? Or should I donate it to charity instead (even though it's not my money to give)? Jazakum Allah for your time. Wassalam.

My answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Sajid

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If this company is a security company like Blackwater or similar to it, you must not return it to the company rather giving it to a Muslim charity. If it is only exploitative company like many companies which do not care about communities and only try to make utmost profit, you should still return it to the company because exploitation is a broad and controversial concept.

On the matter of litigation I believe you should stand for it like a man who repents and bears the result of his actions as long as you did it while mature and in full ability.

Otherwise, it is also not bad that you keep what you did secret and your repentance between you and Allah and make the money reach the company unanimously.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: January 10, 2013**

**Question 9: Islamic insurance**

From: Shafiq

Location: Pakistan

What is Takaful and what is its ruling in Islam? I need a detailed answer according to Fiqh Hanafi, though rulings of other jurists may also be quoted. Jazaka Allah Khair.

My answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shafiq

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

If you need a detailed idea go to a library and read a few books. The question is too general.

Takaful is Islamic insurance. It is an insurance based of creating a cooperative fund which is fed by contributions from its members. There is no Hanafi view on Takaful. There is rather Islamic view which makes it as an insurance in which the Gharar (ambiguity) is overlooks.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam  
Prof. Dr. Monzer Kahf

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**Sent: January 10, 2013**

**Question 10: Education Loan with interest**

**From:** Saeed

A-salamu `Alaykum. I am a new revert; I reverted to Islam a year ago. Recently I came to know that taking interest is haram. I have an educational loan and I have to pay interest for it after I complete my education. Moreover, my parents don't know that I am a Muslim and they hate Muslims. Now, should I approach any Islamic organization which gives interest free loan or can I continue taking loan? If I don't take the loan I can't continue my education. And if you know any organizations which can help, please tell me.

My answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Saeed

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

First congratulation that your eyes are opened to the Truth and InShaAllah this is your definite route t Jannah.

Of course Interest is prohibited. I suggest to you first to try hard part time work and scholarship and financial aid from the university. And do your best to minimize the need for any loan. I don't know any institution which gives education finance outside its own country. Try any help, especially a part time job, from the local community where you live.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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**Sent: January 10, 2013**

**Question 11: Is buffalo meat prohibited in Islam?**

**From:** Islamic

**Location:** India

**Published All**

Is buffalo meat prohibited in Islam? If no, please explain. Thanks.

My answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Buffalo is a kind of cow, it goes under its general category. It is permissible to eat its meat if slaughtered with its normal conditions.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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## **Subject: Live Session, OnIslam.net, Friday, January 25, 2013**

**Sent: January 25, 2013**

### **Question 1: Inheritance**

From: Rashid

Location: India

Salam Ustazna,

Hope you are well. Here are the questions of this week's session, sorry for delaying them:

My father died in 2004, leaving my mother, my 3 sisters and me behind. I'm the only son. My father was an employee in government owned company. At the time of his death, he was a member of his company's housing society, under which he was supposed to be allotted a plot of land. He was paying for the cost of that plot in installments. At the time of his death, the total amount for the plot had not yet been paid. Also, the plot had neither been allotted, nor legally registered in his name and of course not physically handed over. Also, he had nominated me in that membership.

Apart from this, he had following property at the time of his death:

- A) 2 agricultural plots, on which farming was being done.
- B) 2 residential plots lying vacant.
- C) 1 partially built-up house.
- D) Gold and silver jewelry.
- E) Money invested in banks, post office, mutual funds, etc.
- F) Money from his company as Provident fund, Gratuity, Group insurance, Social Security, etc.
- G) Money from different Life Insurance policies.
- H) Household items.

During the 8 years after his death, I and my mother have invested money in mutual funds, share market, purchased some more agricultural land, purchased 2 more plots of residential land, bought jewelry for my sister's marriage, and also significantly paid the remaining amount for the plot under my father's company housing society. That plot has now been registered in my name. I've also built up a house on that land, after taking a bank loan based on my earnings.

Now, more than 8 years after his death, my eldest sister, who's married, is demanding her share only in that plot, on which I've built up the house. I and my mother want to divide and distribute the entire property.

Now, I want to know that how should be the evaluation of the entire existing property be done considering that in last 8 years, money has been spent on household & on the education of 2 of my sisters, invested at various places and accounts, used to purchase more property, etc.

In what proportion should the evaluated property be divided amongst us? And most importantly, do my sisters have a right for share in that plot of land which is legally registered in my name now, and which was NOT registered in my father's name and also not completely paid for, at the time of his death?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Rashid

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

There are several issues in your question, please take note of the following:

1. I assume that you father did not have any parents alive on the day of his death.
2. All properties at the time of his death is transferred according to Shari'ah to the heirs who are his children and his widow as follows: 1/8th to wife, the remainder is divided 2 share to you and one share to each sister that is if you divide the estate properties in 40 share: 5 shares to mother, 14 shares to you and 7 shares to each sister). This distribution is mandatory according to Shari'ah and no Muslim can violate it. it is also the law in all Muslim countries (except Turkey which changed it during Ataturk).
3. The transfer of property is effected according to Shari'ah by the incidence of death not at the time of actual distribution.
4. Any growth (both income and capital gain) of these properties must be distributed according to same shares.
5. Spending on sisters, if they were young and on mother is the responsibility of you if you were adult and earning at time of father's death. However you could from the beginning (not now) determine that you want to spend on them from their own properties if you have chosen it then. The mother as main guardian of minor could spend on minor children from their own property.
6. I suggest and assume (now after spending) that you should make amicably as follows: anything spent out of the estate of the father goes as out of whatever property it was taken from and anything you spend from your own earning should be forsaken because you did not make the condition that it is a loan.
7. Any additions you put from your own savings after the death of the father which is used to buy additional properties or make additional payment to the housing society should be considered as an added share to you.
8. The fact that the land is registered in your name is immaterial for the distribution of the inheritance as mentioned above.
9. My solution now is: estimate the price of all properties left by the father at today' market prices including the lot from the housing society, deduct from this amount the capital additions you actually put from your own saving after his death until

today (you may add to this the increase in the market value of these additions, a matter which I do not suggest because it may cause conflict and better to be generous with mother and sisters). The remainder must be divided as mentioned above.

Wa Allahu A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Sent: January 25, 2013**

**Question 2: Renting out an Apartment**

From: Houda

What is the ruling on renting out an apartment that you are renting to someone who will use it for something different than what you're doing like them selling something in it and you living in it and in general as well?

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Houda

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The question is not really clear mainly because of weak language.

Here is the general rule in Shari'ah. The lessee can do whatever he likes to do with the usufruct he owns. He can even sub-lease the property to somebody else provided it does not hurt the asset (apartment). You have no right to restrict the lessee except in case of violating the law or harming the rented asset. If this is not satisfactory please explain your case exactly and I will try to answer it

Wa Allahu A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**Sent: January 25, 2013**

**Question 3: Zakah on Savings**

From: MFS

Location: Sri Lanka

Assalamu Alaykum! Dear brother, I have been working for the last 32 years. Although Islam says to pay Zakah on your savings / excess on expenditure, but I have been paying 2.5% or more on my total earnings every year, and still continue to do so. Kindly enlighten me; do I have to still pay Zakah on my belongings (house, household items, vehicle, gold etc.) which have been assigned to my wife and children, in spite of me still paying on my earnings year by year? Thank you all.

My Answer:

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

What you are paying I suppose you intend by it to cover Zakah plus, anything above the required Zakah is a charity which is highly rewarded InShaAllah.

Every year you are required to estimate the amount of holding you own and pay Zakah on them. House you live in, car for personal and family transportations, household furniture, appliances and the like are all exempt from Zakah and you need not count them when you estimate the due amount of Zakah. Gold is subject to Zakah if when added to other Zakatable assets such as savings, bank accounts investment in share and the like, reaches the amount of Nisab which is approximately about US\$ 1500.

Each person, including minors, calculates his Zakah separately and you may the Zakah due on children and wife yourself from your own income.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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### **Subject: Live Fatwa, OnIslam.net, February 07, 2013**

From: Alberto

**Sent: February 07, 2013**

**Question: Zakah calculation**

My case scenario is mention below; I would like to have an answer to it.

I would like to find out that how much Zakah is applicable in the below mentioned scenario. Your reply will be appreciated.

My father acquired a loan "Overdraft facility" on his house 8 years ago. The loan was 3.1 million and he submitted the property (house) papers to the bank as collateral. This property was not the spare property rather currently residing property where we, as a family, live. The installments were paid every month and for three years he kept paying the loan installments (only interest amount) without contributing to the principal amount.

In 2007 he acquired more loan and extended the sum to 7.1 million which was also paid as installments. By this extension loan he constructed an apartment on top of our resident property adding a new property which was completed in 6 months, but the unfortunate thing was that it didn't sell on time. Although the new apartment was also in the same property, thus it increased the value of the overall property too.

My father's friend suggested defaulting on the loan and stop payments including interest installments (he put sense into my dad not to pay haram / non Shari`ah money to the bank). Upon that my father stopped payments and hired a lawyer when the bank

insisted to pay the amount. The case was filed in banking court and a decree was charged by the bank to sale the property in auction.

Fortunately we asked our lawyer to counter petition in High Court and stopped the auction (against 1 million security deposit to the court to hear us before the auction), which luckily worked and we were able to hold the property to us, and we agreed with the bank (in January 2012) to pay the principal amount in installments which was 4.8 million, as banking court squared the paid amount of interest in principal amount so the loan was reduced from 7.1 to 4.9 million.

By January 2013 we paid 2 million to the bank. In the same month Jan. 2013 we got a firm offer from a buyer to buy our apartment and we sold it for 6.5 million from which we paid 1.8 million and court realized the 1 million as well totaling the amount of 4.8 million.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Esam

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Please receive the answers below

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Jawwad

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

The principle is that this apartment, being intended for investment and sale, is subject to Zakah on the net worth. That is after deducting the debts on it. While it was offered for sale but not sold, I argue that the cost is still its price and the amount of additional loan was 4 million. So let us assume, unless you have info otherwise, that this is its cost and that this cost represents its market price at the time. This means that the net worth on it is zero.

When it is sold and we realized that its price at the time if sale is 6.5 million and the debt by then was reduced and part of it paid. The net amount you get from it is  $6.5 - 1.8 = 4.7$ . This is money acquired from this investment after the long journey of about 6 years plus.

Literally, you add this amount to other Zakatable asset that you have (Zakah is calculated on the person not on each asset alone) and on the day of completing the Hawl for you other assets you pay Zakah, including in the calculation this net amount (4.7). some scholars treat it as "acquired Mal gh" if you want to be on the safe side you may pay Zakah once on this amount on the day it is acquired then on the day due for your personal Zakah whatever is left of this amount will appear as part of the cash and other Zakatable item you have at the point of completing the Hawl.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Anna

**Sent: February 07, 2013**

**Question: Marriage between a poor man and a rich girl**

Assalamu alaicom!

This is a question for Live Fatwa on Financial Issues.

What is the ruling on marriage if a bride is well-off and a groom is poor? He can pay a small Mahr, but can't provide for his wife - she will provide for the family. Is this marriage valid and ok in Islam?

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Anna

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Yes it is valid as long as it is voluntary. You need to notice that such things happen many times. Also that her spending is a voluntary contribution on her part as long as she did not make a condition that she is doing so on loan basis to her husband. Additionally voluntary contribution may be discontinued at any time on her own will and decision. In such a case the husband, poor as he may be is required to provide for the family and she can take him to court for it.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Anna

**Sent: February 07, 2013**

**Question: Buying Stolen Stuff**

Assalamo alaicom!

Is it ok to buy stolen stuff if I know that it was stolen? And what if I'm not sure, but I suppose that it may be stolen? Thank you.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Anna

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

No it is not ok at all. A stolen thing remains owned by its true owner and any use of it by any other person is Haram. Buying it knowingly or with doubt is not permissible. Buying it completely innocently is not valid though not sinful. This means that its true owner deserves it at all time and can under Shari'ah and All other laws in the world extract it

from the present holder (who bought it unknowingly) without any compensation because its purchase is not valid. Innocent buyer have the right of recourse for the paid price on seller.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Zarina

Location: South Africa

**Sent: February 07, 2013**

**Question: an English will stating all his kids, wife and sisters get equal shares**

Assalamalikum.

My dad passed away a year and a half ago, leaving behind an English will sating all his kids, wife and sisters get an equal share. Recently we found out the property is still in my late grandfather's name!! How do we now divide the property as three of his sisters are still alive and what percentage does my mum get as she has nowhere to go and is living from one sister's house to the other? Both my brothers have said they will not look after her. Please, help. Jazaka Allah.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Zarina

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

You are raising several issues at once, let us take them one by one:

1. "Your mother has nowhere to go" but she is your mother and you and your brothers and sisters are all responsible for her housing and all living needs at the level you live on. Those of you who are better off are more responsible than others.
2. If the property which is in the name of grandfather was in fact owned by him, it must be distributed to his heirs who include his own children (on the day he died plus the children of any deceased children who died before him), his wife and his father and mother whoever survived him. Then you go to distribute the share of your father in that property to his own heirs.
3. If the property was in fact owned by your father but left for any logistic reason in the name of his father, then your fathers 'heir s deserve it. The English will is not valid. The Shari'ah division of estate is mandatory as clearly state in verses 11, 12, 13 and 14 of Surah 4. Please read them and look at the emphases at the end of 11and 12 and the meaning of 13 and 14. Any other will is not valid except for the following: 1) ALL HEIRS MUST BE REMOVED FROM IT; and 2) it is reduced to the one third of the estate only. The share given in the verses 11 and 12 are mandatory and should not be disturbed by any will. The heirs of your father varied whether has boys and girls or only girls. If his children include at least on boy, his sisters do not inherit from him (in this case the get

only by virtue of his Will to a maximum of one third of the estate to be divided between them equally), if he has girls only they inherit (in this case they can't get anything by virtue of will; further it is not a matter of choice between this and the will; this is mandatory as it is clear from the verses and the Hadith of the Prophet, pbuh, about sisters with daughters). Your mother under all cases get 1/8 of his estate after executing the Will as stated above. The remainder 7/8 should be distributed to you and your brother(s) and sisters as follows: share of a male is twice as much of share of female; if one daughter (e.g., you) younger 1/2 and you aunts get the other 1/2; if you are more than one daughter 2/3 is to be divided between you equally and the remaining 1/3 is to be divided between your aunts equally too. The will's distribution is not accepted in Shari'ah as it violates the mentioned verses.

Wa Allahu A'lam

Wa Alhamdu Lillahi Rabb al Alamin

Wassalam

Prof. Dr. Monzer Kahf

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From: Shakeel

**Sent: February 07, 2013**

**Question: who pays the Zakah on loan?**

As-salamu Alaykum.

I have borrowed some money from my daughter. Please, explain, when calculating my Zakah, who will pay Zakah on that borrowed money, me or my daughter? Jazaka Allah Khair.

**My Answer:**

Bismillah al Rahman al Rahim

Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Br. Shakeel

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Let us remember that each person, minor or adult, is independent in matters of properties and ownership from each other, even partners and joint husband and wife are considered independent in what they own according to their capital contribution, etc.

Let us now construct the Zakah balance sheet of you and that of your daughter: in each there may be cash, investment and other Zakatable items so that your personal balance sheet appears as follows:

Assets X, liability loan from daughter. let us notice that what you got as a loan is either still within your assets e.g., cash still in your pocket or already consumed or used for purchasing any other asset which may be Zakatable or not. In other word nothing appears in your assets as money belonging to somebody else (The business loan is deductible because in business we only consider total net worth but personal loan is not deductible because in personal matters we look at what you actually have unless this loan is going to be physically paid out of the existing assets).

Let us look now at the balance sheet of your daughter: she asset also Zakatable items such as cash jewelry and what not amount y. her assets are Y plus a debt on you (this is a recognized debt on a person who is able to pay it back). She may have liability which are treated same as we treated yours. What is subject to Zakah for her is Y+D as D is part of her wealth which she owns and the debtor does not deny this debt and also able to pay it.

Wa Allahu A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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From: Houda  
Location: Canada

**Sent: February 07, 2013**

**Question: getting social benefit from government while working and earning**

Many people in Canada earn social benefits with all their family or some of their family included. Then one of them goes and works part time not every day, some every day, then the money of social benefits becomes unlawful (but full or only some) because they are not reporting their income they made through cash.

Does all of the money become unlawful because there are other people listed that do not work? And if they use that money, will it be completely haram, or what exactly? Also, the reason why they work the cash is because there is not enough to support the family?

**My Answer:**

Bismillah al Rahman al Rahim  
Alhamdu Lillahi Rabb al Alamin, wa al Salatu wa al Salam ala Sayyidina Muhammad, wa ala Aalihi wa Sahbihi Ajma'in

Dear Sr. Houda

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Obtaining, or continue taking, social security benefit on the basis of false document which contains lies is not permissible in Shari'ah. At the same time, social security benefits are rights to every persons in countries which have them if they submit the required document correctly.

Wa Allahu A'lam  
Wa Alhamdu Lillahi Rabb al Alamin  
Wassalam  
Prof. Dr. Monzer Kahf

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**FATAWA LIVE 2000-2007**

**LIVE FATWA SESSION, Islam on line Thursday, Dec 27, 2007**

Name Anonymous -

**Question**

As-Salamu `alaykum. My mum has been working for most of her life. The money she earns is in a joint bank account with my dad. In addition, all the family assets are in my dad's name. If my dad (may Allah forbid) passes away, how can inheritance issues be solved? Technically speaking, shouldn't the money mum earns every month belong to her and the money dad earns go towards the family expenses? This means that most (if not all) of the money saved actually belongs to my mum? How can this be worked out? Thanks and best regards.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br./Sr.

The principle you mentioned regarding expenses is correct. Family expenses are the sole responsibility of the husband/father. Wife is not responsible to share in family expenses. But the joint account is a different matter. Joint account usually means that while the two persons who own the account are alive they own its balances on equal shares but when one of them dies the other becomes the owner of all. This is the way usually joint accounts are defined in most civil and commercial laws all over the world including most if not all Arab countries.

The Shari`ah on the other hand does not accept the point that the surviving jointer become the sole owner and it continues to take it on half/half basis even after death of one of them. We consider the fact that one spouse puts her/his property in a joint manner an indication that that spouse intends to give one half ownership in that property to the other as a gift. Gifts between spouses are permissible and have no limits whatsoever.

Now, this means that your mother, unless it can be proven otherwise, by putting her income in a joint account, is giving half of it to your father, the same applies to the father. Hence, if one of them dies, La Samaha Allah, the balance in this joint account is considered owned half/half and the half that belongs to the deceased must be distributed according to the inheritance rules, in which the other spouse will have a share. Of course, properties that are not in joint account will be distributed directly according to the inheritance rules.

Allah Almighty knows best.

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Name Hamad -

**Question**

A person bought a plot 3 years ago with money on which he had already paid Zakah. His plan was to build a house on this plot. He has other assets which he will inherit later (father's property) now. At present he is going to sell the plot which he had bought 3 years ago. The selling price will be a minimum 4 times than the cost price. So now what is the Zakah he should pay? Should he pay Zakah for each year when he owned the land?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Hamad, since the lot was purchased to build a house to live in, it is not subject to Zakah. It becomes an investment asset from the day he changed heart and considered it an investment property for the purpose of making money selling it. From that day it should be included with other Zakatable asset and when his Zakah year comes to its end he is required to pay Zakah on all.

By the way, it incorrect to say "he has other assets which he will inherit later..." those are not his, they are his father's and he has no authority on them whatsoever. His father may decide to sell them and use them for his own pleasure and then the son will inherit zero!

Allah Almighty knows best.

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Name Ar - Saudi Arabia

**Question**

As-Salamu `alaykum. I know this is a very basic question but is buying shares in a company that deals in essentially halal products (e.g. agriculture, etc.) but engages in interest bearing activities such as taking bank loans, etc. considered halal? Thank you for your time.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear A R, the principle is that it is haram, no doubt about it because buying shares makes the purchaser a partner in the company of which the management is a mere agent of the partners. This means the partners themselves are making riba transactions. Of course this is not permissible in Shari`ah, be it a small percentage of a large one.

Also, establishing a company whose by-laws makes mention of borrowing on internet is not permissible.

If the application of this principle creates difficulty and hardship for a large number of Muslims, then we must relax it and tolerate some violation of the Shari`ah prohibition to the extent that is needed in order to remove the hardship. This is based on the overriding principles that Shari`ah and religion in general are not sent down to create hardship but rather to remove it and that hardship/difficulties when it applies to a large number of people is treated as necessities in regards to relaxation of prohibitions.

This means we may under such circumstance tolerate some prohibited practices by our agent/manager, when a shareholder is a small minority, provided that we do not extend this tolerance beyond the degree that is needed to remove hardship and that we apply the rule of purification. The latter requires that we must estimate the amount of the total gain/profit that comes from haram and give it to Muslim charity. Estimating the degree of tolerance that is needed to remove hardship differs from a one market to another. some scholars estimate it for the New York stock market as 5% interest and

other haram out of net revenues of the company and also that no more than one third of assets and liability be related to haram.

Allah Almighty knows best.

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Name Ahmad - United States

**Question**

Dear Dr. Monzer, please tell me if I can spend Zakah money on Da`wah activities here in the US. Thanks in advance!

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Dear brother Ahmad, the principle is: NO, Zakah should not be spent on da`wah activities anywhere in the world, in the US and otherwise. Zakah is the right of, essentially the poor and needy, this is why in many hadiths and in some verses only poor are mentioned. Of course the verse 9:60 gives eight categories, none of them is da`wah, that include defending Muslims and Islam. Hence, some activities, such as defending the civil rights of Muslims in America and providing information that remove the Islamophobia and clarifies the tenets of Islam are included into defending Islam and Muslims.

In America this applies to organization like CAIR and similar organization that specialize in the mentioned areas. Such organizations may be given from Zakah.

But definitely not general da`wah, mosques, Islamic centers, Islamic schools and the like. We must notice that thirty and forty years ago mosques and Islamic centers were essential to preserve the religion of our children and we were all poor in the USA. Then fatwas came that it was permissible to use Zakah for such defence of Islam and Muslims. Now Muslims in the US are not poor, they are able to pay for mosques, schools and centers from their own not from the right of the poor.

PAYING FOR DA`WAH, MOSQUES, CENTERS IS THE RESPONSIBILITY OF THE RICH AND MIDDLE CLASS AMONG US THE MUSLIM COMMUNITY IN THE US AND CANADA AND PAYING FOR SCHOOLS IS THE RESPONSIBILITY OF PARENTS AND THE COMMUNITY MAY ALSO HELP but definitely NOT from the right of the poor and needy.

Allah Almighty knows best.

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Name unbeliever trying to be muslim -

**Question**

Why is interest prohibited? It would have made life so much easier.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. No my dear, interest does not make life easier, in fact it destroys so much life and economic future as you notice through all these financial crisis that we have in America. This does not mean that financing is prohibited. Financing on the other hand is useful and has its appropriate venues in the Islamic religion (remember Islam is a total way of life not only Prayers in a mosque).

Financing can be provided through deferred payment sale, leasing and venture capital. Financing through interest-based lending is the only thing that is prohibited because it is not always made for buying useful and appropriate goods and services and because the loan does not itself create value while its use for buying goods and services may or may not create value. Yet interest is due to lender regardless of whether the loan use creates value or not, and thus the payment of interest creates INJUSTICE.

This is of course a brief answer, but if you want more details please jump on the internet and search for Islamic finance and prohibition of interest (called Riba in the Islamic terminology).

Allah Almighty knows best.

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Name noushad - India

**Question**

I am working in a government office which deals with public. I never want to receive any bribe. But some people give some kind of gifts or money with pleasure. Is it halal or haram?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother, the criteria is: would they give it to you if you home sitting in the home of your parents? If they give it to you because you are in that office, it is then a bribe! This criterion is set by the Prophet (peace and blessings be upon him) himself. The best is to refuse taking such gifts /money, second best is to report it officially and give it to the government treasury, the third best (which I don't prefer) is to give it to charitable organizations.

Allah Almighty knows best.

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Name fathima -

**Question**

I have bought a flat (the construction is only beginning). I have to pay monthly installments for 3 yrs. The flat shall be given to get rent. How is Zakah calculated for the flat in the 3 yrs of it completion?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Fatima, if you cannot make an estimation of its price, as is, on the day of your Hawl (when your Zakah is due each year) you may take the amount you paid until then as an estimated price. Once it is completed its market value becomes subject to Zakah.

Allah Almighty knows best.

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Name Wahid -

**Question**

I have a company insurance policy for my medical. When I made a claim this time the insurance company has sent me a cheque more than the actual amount. I want to take only the amount which I paid to the hospital and the balance I want to give to someone/some charity project as I don't want to consume the extra money. Is this a correct way of thinking?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Wahid, it looks to me strange because usually insurance companies pay much less than due on them!

I suggest that you first check with the insurance company whether what was given to you was calculated correctly according to the rules of the insurance contract (I mean not by a material mistake). If it is a mistake you must return the extra to the insurance company. Otherwise, it is ok to give it to Muslim charity. I would also dare to say that if it is exactly in accordance with the contract, you may take it to yourself. Could it be that the employer intended in the contract to include some compensation for incidental expenses related to the coverage!

Allah Almighty knows best.

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Name Anonymous -

**Question**

My friend is Muslim and he has a Christian grandmother, and she gives him money as a present in Christmas. Is it permissible for him to take it? Is this sort of "heba" permissible to receive?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother, yes of course, it is also permissible and even advisable that he gives her a present on Christmas, that is being kind to her. Remember a grandmother is a mother and should be treated with maximum kindness and obedience except in disobedience to Allah, this is of course regardless of her religion. This is what our beloved Prophet (peace and blessings be upon him) did with his uncle who was unbeliever. Even doubting this matter and asking the question looks kind of odd and strange to me!

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Monday, Oct 1, 2007**

Name Mohamed Irfan - Sri Lanka

**Question**

Assalamu Allikum

Dear Brother.

I am giving Zakath on my wife's Gold jewelry. I understand that it is a must and I am ready for it. But my doubt is that I have seen debate saying that if I give Zakah for those jewelry this year I don't need to give for next year for the same jewelry. But I have given

Zakah only to the new ones which come in this year. Is this correct? Or do I have to continue giving Zakah yearly to the same jewelry?

Jazakallah.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Irfan

Assalamu Alaykum wa Rahmatu Allahi wa Barakatuh

Zakah on jewelry and other Zakatable items of wealth is a yearly obligation, it must be given year after year as long as the amount you (or your wife) owns is equal to Nisab or more. There is no foundation whatsoever to the claim that it is only once in lifetime and that you only give for newly obtained jewelries. In fact, all wealth items that are subject to zakah have the same rule, zakah on them is an obligation that is repeated upon the passage of a lunar year (i.e., 354 days) after either having nisab for the first time or after the due date of last year.

Allah Almighty knows best.

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Name S. A. -

**Question**

What is the rate of Zakatul-Fitr this year in the USA?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. S. A.

It is the value of a little less than five pounds of uncooked raw wheat, that is less than five US\$. So I take the five Dollars as the required rate per person in the family. We should keep in mind that while giving less than the required rate makes it unfulfilling the obligation, giving more than the required amount is always encouraged and the Prophet, peace be on him, gave two big and excellent ramps for sacrifice while one smaller was the minimum required.

Allah Almighty knows best.

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Name Muslima -

**Question**

Can I pay the fidya for not fasting in cash? And how much?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sister, the Fidyah for not-fasting is two average meals for a normal person; I would say it is about US\$ 15-18 for two subways' meals, this is for each day

you are required to pay Fidya for. Yes it can be given in money, and does not have to be in kind, it is rather difficult to give it in kind in our days especially in America.  
Allah Almighty knows best.

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Name Farhan -

**Question**

Dear sheikh, if someone is saving up to pay back a loan, is this money zakatable?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Farhan, if the loan is due to be paid out of the existing money, then this amount (that is engaged by the loan payment) is excludable from the calculation of Zakah, i.e., not subject to Zakah and does not count in determining whether you have Nisab or not. Paying a debt is one of the basic needs of any Muslim and any amount that is designated for the debt payment is not subject to Zakah.

Allah Almighty knows best.

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Name Musthaq - India

**Question**

My sister's son died after days of marriage in an accident. He has wife, 3 brothers, mother and father. What will be the inheritance among them? Thanks.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Mushtaq, it is so simple, you could have consulted the Schedule of Mawarith that is on my website [www.kahf.net](http://www.kahf.net).

After paying debts, expenses and Wassiyah, if any, the remainder will be divided as follows:

The wife takes one fourth, and one sixth out of the 3/4th (= 3/24 of the total) should be given to his mother and 5/6 out of the 3/4th (15/24) is to be given to his father. In other words, the wife takes 2/8, mother 1/8 and father 5/8, nothing to brothers and sisters

Allah Almighty knows best.

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Name Rami -

**Question**

If someone usually pays zakah on the first of Rajab each year, but he wants to change the hawl to make it end/start in the month of Ramadan, in order to get the blessings of Ramadan, how would he do that? If he pays before date, won't it become an pre-hawl payment every year? If he delays the zakah from Rajab till Ramadan and he pays it in Ramadan, will it be considered as "postponement or delaying the zakah on purpose? Will it be punished?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
Dear Br. Rami, it is not delay or pre-payment, rather just adjust your Hawl by paying the prorated amount that is due for a partial year between your old due date and the new one you want to select. Suppose it is between Rajab 10 and Ramadan 25, then you pay on Ramadan 25 the amount for one Hawl, suppose it is L, and add to it the following:  $L \times 75/354$ , that is the zakah for 75 days. Of course in Rajab you make your intention to adjust your Hawl to Ramadan. This matter and the matter of using a solar calendar instead of a lunar one have been discussed by scholars and there are resolutions about them, as explained above, by the International shari'ah Board of Zakah.  
Allah Almighty knows best.

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Name Mohamed Irfan - Sri Lanka

**Question**

Dear Scholar

I am paying Zakath for the amount of my wife's gold jewelry this year, and if we maintain the same amount without adding any more. Do I still have to pay Zakath for this in next year?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Irfan

Yes of course, Zakah is a yearly worship that must be done every year as long as you own this jewelry and it is equal or more than the amount of Nisab. You are still rich by owning them, aren't you?

Allah Almighty knows best.

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Name Saeed Khan -

**Question**

How much the nisab for zakatul mal this year. With the decline in the US dollar, is the nisab still a 1000, or should we check for the price of Gold and figure out how much 85 grams (or 595 grams of silver) cost and then pay the zakah?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

The lower price of the Dollar did not yet make a visible substantial change on prices of goods and services, I would say the one thousand is still reasonable and I am definite Allah wouldn't ask us to follow the minute-wise changes in gold price on the internet! The Nisab should be stable for the whole year at least and may be for several years. I wouldn't argue with any one who would suggest to make it now higher, like about US\$ 1400 or 1500 because of the current prices of gold. But to me still the one thousand is a beautiful number! I don't suggest the price of silver now because it does not really represent any level of richness.

Allah Almighty knows best.

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Name Manal Fahmy -

**Question**

Can zakatul fitr be paid for other than the poor and the needy? Secondly: do you consider the low-income families in North American as compatible to the definition of Faqeer and miskeen in Islamic Shari'ah? I.e., if a family can live, eat and drink but with very limited resources, will it be eligible for zakah?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

1) The principle is that Zakat al Fitr can be given to any and all the 8 categories to whom zakah of al Mal is given as mentioned in Verse 9:60. There is a view (the Malikites and Ibn Taymiyyah from the Hanbalites, that it is only to the poor and needy.) In practice, in our time of famine and hunger in many parts of the Muslim world, I would say that both Zakah al fitr and Zakah of al Mal should be given, as much as possible, to the poor and needy, especially those who are under poverty and foreign military occupation.

2) I wouldn't consider such a family, as you described, a deserving of zakah of al Fitr or of al Mal. But I am fully aware that there are Muslim families who deserve it in America on the basis of poverty. There are families who have trouble with immigrations and because of that have troubles with working and earning and with getting a welfare support from the government too. Many of these may deserve under the title of poverty here in America. We still must not deny the priority of people who are literally dying out of hunger or lack of medicine in many Muslim countries and those who are deprived of their own resources by foreign military occupation.

Allah Almighty knows best.

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Name Hassan -

**Question**

On the issue of paying Zakah for ornaments, evidence from some of the Sahih's are cited. Particularly ones where the Prophet (SAW) asked Asma r.a to offer Zakah on her bangles and Aisah r.a to offer Zakah on a ring? Is there evidence of that magnitude which establishes that one need not pay Zakah on jewelry designated for personal use? How are these hadiths to be explained? Moreover, many people question the "personal use" definition and ask what is the limit i.e., how often should a piece of jewelry be used?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

The reconciliation between these Ahadith and other Ahadith that do not require Zakah on women jewelry is based on the size or the nature of use, as a store of value or as a personal use. We need to remember that the exemption comes in three schools of Fiqh.

I tend to accept the reconciliation suggest by Shaikh Ysuf al Qaradawi: that two conditions should be fulfilled for the exemption 1) it is actually used and 1) it is not

beyond the limit of her peers. This reconciliation accommodates all the ahadith in this regards.

Personal use does not mean daily. It means use for what is it for, items that are used in weddings and large receptions are certainly different from items that are used to go work, so we take with that relativity and leave it to the person herself to decide while she must keep in mind that the Critique Watcher is very Knowledgeable.

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Tuesday, Sep 11, 2007**

Name Ahmad -

**Question**

As-Salamu `alaykum. I want to know if 401K is permissible in Islam or not. With the 401K, the company takes certain amount out of every paycheck before tax and they match that amount. The total then goes into an investment account (mutual funds and stocks....etc) till the age of retirement (60 years old). Thank you all very much.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Dear brother Ahmad, 401K is a mere saving scheme. It is of course permissible to save in this way, the matching share given by employer is also permissible to give and take. There is always a problem in investing these savings: companies' committees of investment do not apply the Shari'ah standards of tolerance in selecting investments although they usually give you a limited choice of funds. What you need to do is two-fold: 1) select funds with least involvement in haram by avoiding bonds funds and funds that are heavy on shares of banking, entertainment and similar sectors; and 2) always estimate the percentage of haram in dividends and capital gains and give that much to Muslim charities as a purification of your own money. This you can make when you start withdrawals or even on a yearly basis. Also remember that all funds in these saving schemes are subject to Zakah on a yearly basis (except the part of the matching money that is not yet vested at the time of calculating Zakah). Zakah should be paid on these savings either from other sources or when you withdraw and then for all past years. Allah Almighty knows best.

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Name Anisa -

**Question**

As-Salamu `alaykum! Should a working Muslim woman necessarily tell to her husband's parents and her husband how she spends her salary?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Anisa, formally speaking, the Shari'ah does not require you to tell your husband or his family how much you make or how do you spend it. It is only a matter of courtesy and amicable relations, and it is you who define and determine that. You are not formally required to spend on the family any part of your own income or wealth either.

Allah Almighty knows best.

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Name Anna -

**Question**

Salam! Are women allowed to make a career, to be equal to men in business, etc.?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Anna, of course they are allowed and they are literally and exactly equal to each other and to each man in all rights of ownership and disposition. A married woman is required to make arrangement with her husband on careers that require her to be outside the house unless this matter is usual and customary in the society as it is in most of Muslim, Arab and Western countries today (in other words, Muslims who live in these societies do not need to specify in the marriage contract or to have explicit arrangement with their husband about careers because it has become usual and customary for any woman to study and get career education and training and then have her own work). We declare it proudly that OUR SHARI'AH IS THE FIRST LAW EVER THAT LEGISLATED THIS EQUALITY IN THE WORLD.

Allah Almighty knows best.

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Name Mansour -

**Question**

As-Salamu `alaykum! My father has dies 5 years ago, but his money are still not divided between us (my mama and my brother). They do not want to give me my share. What should I do?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Mansour, it is always better to divide the estate the soonest after death because all properties become owned by the heirs by the incidence of death itself. This is God-given property and no one has the right to delay its division. However, remember you are dealing with you mother and brother. Check if there is any good reason for the delay. For instance, both brothers are responsible to spend on the mother, can this be a reason? Or could it be that the judgment of your mother that this is better for you for any reason? Her pleasure with your behavior is very important to you as our beloved Prophet told a man "stay at the feet of his mother since jannah is there". After

discussing it with them, of course you have the law as a final resort, it is on your side both regardless of what country you live in.

Allah Almighty knows best.

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Name Ikhlas -

**Question**

Salamu `Alaykum! Please tell about the rules of inheriting in Islam. The dead man had a wife and children, and this wife worked too helping him to buy a lot of things they have at home.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Ikhlas, for the rules of inheritance please refer to my website, last will and schedule of Mawarith the web address is [www.kahf.net](http://www.kahf.net).

For the special case you mentioned: If this family lived in a country that has community property or if the properties they bought, especially real estates, are recorded in both names of husband and wife together, we consider them as co-owners on the basis of half/half unless there is evidence otherwise (this means whoever paid more has given the other the difference as a gift). In this case, the wife owns one half and the other half should be distributed between children, parents (if there are any) and the wife according to the schedule of Mawarith.

However, if properties are not in both names, whatever the wife paid for or spent on the household is considered a gift from her to her husband and children and they are not owned by her unless there is specific evidence for any specific item that she bought it for herself proper, then such items are hers. Other things are to be distributed according to Mawarith.

Allah Almighty knows best.

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Name Azeez - United States

**Question**

As-Salamu `Alaykum brother. I have two questions. 1) Is lariba / Guidance Financing is as per the Shari`ah and follows the laws of Islam. 2) Is 401k allowed for Muslims knowing that the money could be invested in any business (halal or haraam).

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Azeez, for the 401K please read my first answer given to Ahmad in this session.

For the first question, we do not give Fatwa on persons, we give on actions, contracts and ideas only. The criteria for a correct finance contract are: 1) is it based on loan/interest or on lease or sale? and 2) do you trust the Shari'ah advisors who reviewed the contract?

Allah Almighty knows best.

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Name larbi - Spain

**Question**

As-Salamu `alaykum! I would like to know if the following business scheme is halal or haram

1) I create a company offering life insurance for free to poor people that can't afford life insurance premium cost and once they died will leave nothing as heritage to their family

2) The company would go toward paying the premiums.

3) After the death the monies of each policy would be split three ways:

- \$20,000 to the deceased person's family .

-\$20,000 to charitable works

-\$240,000 to the company

4) Sell the company to a fund or invest.

Thank you for helping me this opportunity has just been offered to me and I don't know what to do because in one way the poor people without life insurance will let their family with 0 heritage but if they are insured they will at least leave some monies to help their family and charitable works but also its profit from peoples death, thank you.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Larbi, there is not sufficient info to give an opinion, what do you mean by they leave nothing for inheritance? Every poor has something that can be inherited who can claim otherwise? Then who take the property of the poor when she/he dies? Please give me all the details you have. You may send it either directly to my email [monzer@kahf.com](mailto:monzer@kahf.com) or via Islam online.

Allah Almighty knows best.

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Name Mohsin Khan - United States

**Question**

Dear Scholar, I have bought a house in 2005 through a mortgage company with an interest rate of 5.375%. I did not get the loan through Shari`ah compliant mortgage because they were charging 5.875% interest. I pay about 750 dollars of interest every month but I am staying currently in the same house. My question- is it OK from Islamic point of view? Thanks in advance.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Mohsin, I cannot provide you with a cover from accountability! You did what you did and you are accountable for it. If you believe that you are included in the Fatwa that family who need housing in America and Europe and do not find applicable

Islamic contracts, may go for conventional ones, then you have not committed a haram action, otherwise you need to repent and correct your action!  
Allah Almighty knows best.

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Name hafsa -

**Question**

As-Salamu `alaykum! Is it haraam to buy a house here in Canada where mortgage is paid each month?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Hafsa, buying a house for Muslim families in Canada on interest basis is governed by the famous Fatwa: if you need the house and there is no Islamic affordable contract, you may go for interest-based one. Try the several venues that exist in Canada for Islamic house financing first and see if you can afford their conditions.

Allah Almighty knows best.

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Name Anisa -

**Question**

As-Salamu `Alaykum! Is it allowed to have identification numbers?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Yes, what is wrong in them?

Allah Almighty knows best.

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Name Amina -

**Question**

As-Salamu `alaykum! Is it permissible in personal banking to opt for a savings bank account that attracts more interest, with the aim to spend this higher interest for charitable purposes? Many thanks for your reply.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Amina, only when you need to deposit large sums, then you better get the interest and give it to charity, it is not considered a sadaqah but you will Inshaa' Allah be rewarded for keeping your own money pure of the evil of interest.

Allah Almighty knows best.

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Name Zakir - United States

**Question**

As-Salamu `alaykum! According to many scholars, paying mortgage is allowed. My father bought a house for us to live in, and he is still paying off the loan. Can you touch on this aspect a little bit more ?Jazaka Allahu khairan!

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Zakir, to the best of my knowledge there is not a single Muslim scholar who says mortgage (i.e., interest-based house finance) is permissible. On the other hand, under the banner of necessity or less than necessity but when applied to a mass of people, mortgage may be permissible for Muslim families who live in Western countries provided that Islamic house finance is not available for them.

If your case is such that this exceptional Fatwa applies, then for your case it may be permissible.

Allah Almighty knows best.

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Name Hamad - Canada

**Question**

Respected Dr. Monzer, As-salamu `alaykum. In advance, I'd like to say Jazakaum Allahu khaira Al-Jazaa' for this great service. My question is regarding paying Zakah during the month of Ramadan. Is this obligatory? Thanks!

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Hamad, thank you and Baraka Allah fika. It is not obligatory to pay Zakah during Ramadan. It is, however, better to benefit from Allah's extra reward-bonus that is given in Ramadan for good deed. Allah, Subhanahu wa Ta`ala has special times and places for extra reward bonuses. Good days for making good deeds include Ramadan, especially the last ten day and the first 10 days of Dhu Al-Hijjah, up to the first day of `eid. This is why many people prefer to adjust their Zakah year to co-inside with the last ten day of Ramadan.

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Wednesday, Aug 1, 2007**

Name Sara -

**Question**

As-Salamu`alaykum, can you recommend any good books and articles in English dealing with banking, taxes, business dealings etc, in short with Islamic economics for i want to understand shariah point of view in this area?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Sister Sara,

There are many; go on the Internet and check websites of renowned writers and avoid the vague names and expensive books. They are mostly commercial not of much value! Take for instance the website of Islamic Development Bank as a start.

Allah Almighty knows best.

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Name Lema - United Kingdom

**Question**

Dear Scholars, as-salamu`alaykum. Thank you for answering my question. Is it allowed in Islam for a Muslim woman (wearing hijab) to wear images such as skulls, stars, letters, etc on her hijab and otherwise?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Lema,

Images that are prohibited to have are also prohibited to wear on the Hijab. Letters and stars and the like are not prohibited.

Allah Almighty knows best.

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Name asrie -

**Question**

Assalamualaikum.

dear scholar's have two question Insyallah:

- 1.What is the Islamic view on multi level marketing(MLM)?
2. What is the Islamic view on the discount card por previllage card?

Jazakallahu kahiran.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Depending on what are the details of each. You need to explain in a next session or direct question.

Allah Almighty knows best.

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Name Ahmed - Sweden

**Question**

Dr. Kahf, You are known as an esteemed researcher on Islamic Finance. I am curious about the fate of the so-called Al Taqwa Bank. You have written that the bank failed because of bad management decisions but never said what those decisions were exactly. I think you mentioned something about a single bad investment. Can you tell us what that was and how such a thing could have happened to give Islamic banking a bad name?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

That is a matter of court proceedings that should not be put online.

Allah Almighty knows best.

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Name sabina - United Kingdom

**Question**

If there is an option for getting an Islamic mortgage but the interest-based mortgage is cheaper and would be beneficial due to low wage, would we be committing a sin by getting the interest-based mortgage?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Sabina

In a competitive market there is always a cheaper rate that one may find by extra effort and time. Hence, if the rate of Islamic mortgage is within the range of the market, it is the one that must be taken but if it is outside this range it reflects a monopolistic behavior on the part of the Islamic finance provider and it then carries the sin of making it out of reach of normal customers.

Additionally, there are cases where conventional providers, because of certain government programs and subsidies, can offer conventional conditions that the Islamic provider cannot for one reason or another such as financing without down payment or similar programs designed to help low waged persons. The availability of such programs and the more stringent conditions of the Islamic provider allow us to consider the Islamic mortgage as unavailable for such persons. This opens the way to applying the famous Fatwa of permissibility of conventional mortgage for Muslims in the West when Islamic mortgage is not available.

Allah Almighty knows best.

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Name Azra -

**Question**

As-Salamu`alaykum, some people who work in Mortgage Business and Financial Co's tell me that the interest that these companies charge is not riba , it is only a fee to use their money. Please explain.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Azra,

Fees to use their money is what RIBA is! Riba is the price of money. It is an increment in a debt, no more, no less, and this is what interest is. You can name it anything anyone

likes, but as long as it is "fees for using the money", "price of money" or "interest" it is an increment in a debt. It is the RIBA that is prohibited clearly and obviously in the Qur'an.

Allah Almighty knows best.

-----  
Name Hind - Pakistan

**Question**

As-Salamu`alaykum warahmatullahi wabarakatuh. Dear brother, I would really appreciate if you can answer my following question: Is Islamic car insurance permissible? What is the difference between the Islamic and non-Islamic car insurance? How do we get to know the Islamic insurance we are taking is according to the shari'ah and correct? Jazak Allah Khairan.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Hind,

Of course Islamic insurance is permissible. You know its authenticity from trusting the truthfulness of the company that provides it, the supervisory authority that allows it to make such a claim and the Shari'ah advisory board of the company. If you trust all these then the claim is correct, but if you don't trust them the claim may not be correct.

In brief, the difference is: Islamic insurance is provided on cooperative basis and its premium is not a price of covering the risk but a membership in that cooperative that provides these services. Conventional insurance is based on exchange between two parties and the premium is a price of covering the risk.

Allah Almighty knows best.

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Name Zaynab - Pakistan

**Question**

As-Salamu`alykum, what is the correct distribution of assets under Shari'ah law? My father, who had 2 wives, passed away 4 months ago. He had a Will which gave 1/3 to wife 1, 1/3 to wife 2 and 1/3 to his youngest daughter (21yrs old & from the 1st wife) only. Under English law as wife 1 was named as joint owner of the family home she automatically got the home and my Mum (wife 2) has been left with nothing despite having been married to my father for 40 years. In total there 7 children, 2 men and 5 women. Under Shari'ahlaw, what would have been the correct distribution of his assets? Will my father have to suffer for this in his grave? Allah Hafiz, thanks a lot for your constant efforts.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Zaynab,

To the best of my knowledge Pakistan has a Shari'ah-based inheritance law. If your father was a Pakistani who died in Pakistan and properties are in Pakistan or elsewhere you may pursue the matter in Pakistani courts.

This will of your father is INVALID from the point of view of Shari'ah. According to Shari'ah a last will CANNOT BE TO HEIRS and to NON-HEIRS it is not valid for more than one third of the net estate. The Shari'ah does not also recognize the joint property except as a procedure to facilitate transactions which means that at the time of death any joint property is considered as owned equally by the joint persons unless it is proven that in fact it was owned otherwise. CAN YOU PROVE THAT THIS JOINT PROPERTY WAS REALLY ONLY OWNED BY THE FATHER?

Accordingly the distribution of the estate is as follows: 1/16 to each of the two surviving wives, the remainder 14/16 is to be divided into 9 equal parts and to be distributed between the boys and girls on the basis of one part to each girl and two parts to each boy.

Lastly, OF COURSE IT IS SINFULL FOR ANY MUSLIM TO MAKE A LAST WILL THAT VIOLATES THE SHARI'AH REGARDLESS OF WHERE SHE/HE LIVES and that is why we always urge Muslims who live in countries that do not have Islamic inheritance law to make a last will in accordance with Shari'ah.

Allah Almighty knows best.

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Name Shakeel - United States

**Question**

As-Salamu`alaykum, I have a money market fund where I buy and sell shares in it @\$1.00 each. At the end of each month I receive Dividend, the yield of dividend change every 7 days. At the end of the year the Co. issue a form to report to the IRS, it's called DIV. 1099. I really don't know from what sources they receive these dividends. These dividends are haram or halal? Jazakum Allahu khairan.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Shakeel,

Dividends on the balance of money in the money market accounts are pure interest although they are called dividends! Their source is lending contracts between banks. These must be given to Muslim charities of your choice.

Dividends on the shares you own depend on whether the share is permissible to own or not. For instance shares of conventional banks are not permissible and their dividends are accordingly not permissible.

Allah Almighty knows best.

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Name Tariq -

**Question**

As-Salamu`alaykum, my question is regarding leasing of properties. In India we have a certain type of lease generally in residential properties where a tenant pays a fixed

agreed sum to the landlord at the time of taking the lease. There is no monthly rental. The landlord pays the entire amount (without interest) back to the tenant when the tenant vacates the house. I have heard from people that this arrangement is not legal as per Shari'ah since the landlord does not get compensated for letting out his premises. But the landlord can use the lease amount during the lease period for his use. Please clarify the Shari'ahruling on this. Wassalam.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Tariq,

This amount to a loan from the tenant to the landlord for which the tenant receive a material benefit that is the use of the house for the period of the loan. The value of this use (or usufruct) is the amount of interest paid on the loan. This is pure RIBA and prohibited in Shari'ah. Because Riba is any increment on a debt that may be in kind or in money, in goods or in services.

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Wednesday, June 20, 2007**

Name

Hossam -

**Question**

Can I pay Zakah to my 22y old cousin and wife's brother (brother in law) who wants to get married but does not have a house and lives with his parents in Syria at present, he has relatively good salary in Syria 15000 equal to 300\$, but there is no way he will manage to buy a house on his own, and his father is trying to help him buy a house to get married. The Zakah that I have to pay is around 1000\$, can I pay the full amount to him. Jazakum Allahu khairan!

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Hossam, paying Zakah to cousin, if he is poor, is of course better than paying it to others and it will InShaa' Allah has more reward being a Zakah and a kindness to kin.

On the other hand, paying Zakah to this brother in law as described does not seem to have any priority especially with the extensive poverty that exists in Syria and other parts of the Muslim world. There are many other innovative ways to get married without buying a house from Zakah money in Syria and in other places too!

Allah Almighty knows best.

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Name Anisa -

**Question**

As-Salamu `alaykum! Please tell about leadership and concurrence in the society. What is allowed and what is not?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Please address this question to social specialists, this session is for finance.

Allah Almighty knows best.

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Name Ayman -

**Question**

As-Salamu `alaykum, Please what is the Islamic judgment on FOREX trading. Is it halal?

What are the do's and don'ts?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Ayman, please give more explanation in your question!

Trading currency on the internet must fulfill two conditions to be permissible: 1) there

must be full payment of both currencies, this rules out any margin trading; and 2)

payment must be done at the time of trading not delayed for three days or not future.

Payment means credit and debit into accounts of both currencies.

Allah Almighty knows best.

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Name Anna -

**Question**

Salam! What does it mean "to feed the hungry" (in the sense of expiating the day of fasting)? Does it mean to feed him one time or one day? I have friends who do not work, they are alcoholics, but they have kids. Should I feed them?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Anna, feeding the hungry means one day, usually defined as two meals for an adult poor because this was the habit at the time of revelation.

Feeding an alcoholic may be a last resort, when he/she does not find any other source to fill stomach. But feeding her/his children (I will put it at three meals for a child because a child needs that at least) is of course fine and may be a priority, of course provided the parent is poor (there are people who don't work but have other resources including government welfare). Poverty is defined in this respect, as not having means sufficient to cover the needs.

You can also read: The Concept of Charity in Islam

Zakah and Charity: Signs of Gratitude

Forms of Expiation & Ransom in Shari`ah

Allah Almighty knows best.

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Name ghada elsaeed -

**Question**

Dear scholar, I put money in an Egyptian bank. I am living abroad. According to the fatwa of sheikh `Ali Jum`ah, that bank interests are halal. This was last year in summer. Few months ago I heard several times it is haram. I am going for vacation this month and I planned to give the profit as sadaqah (charity). It is around 12000 pounds a big amount. We planned to put money this summer in an Islamic bank but my husband says it is halal because Al-Azhar is a trusted source of fatwa. Please tell me what to do with profit.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister ghada, unfortunately, these days the "Official" Fatwa that comes from many countries is politically influenced. The original Fatwa of Al-Azhar has always been that interest of banks is Riba and it is therefore Haram. The Fatwa of the OIC (Organization of Islamic Conference) Fiqh Academy is also that it is Haram. The OIC Fiqh Academy is most respected Fatwa body in the Muslim world.

The fact is: interest of banks is an increment of a loan and this is exactly the definition of Riba in Shari`ah. It is of course Haram in spite of whatever is said by whoever said it.

Haram money should be disposed of to Muslim poor and needy or charity and you will be Inshaa' Allah rewarded for keeping your money clean from Riba.

You can put your money in an Islamic bank and earn halal profit. The difference is in fact big, even if it is not understood, intentionally or unintentionally, by some Fatwa givers!

You can also read: [What is Riba?](#)

[Should We Take Interest Money or Leave It for the Bank?](#)

[What to Do With Bank Interest](#)

[Bank Interests in the Eyes of the Shari`ah](#)

Allah Almighty knows best.

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Name Ikhlas -

**Question**

As-Salamu `alaykum. What to do, if the husband earns "haram" money? Am I allowed to divorce?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister, it depends on what kind of haram money...

If it is accompanied with immoral behavior, such as theft, prostitution or homosexuality, the answer is yes you are allowed or even encouraged to divorce him if he does not cease doing that.

If he earns interest, which is not accompanied by a forbidden shame, you are not permitted to divorce him but rather permitted or even required to donate the amount of haram to Muslim poor or charity.

On the other hand, you should be sure that his earning is in fact haram. For instance if he works in a conventional bank his earning may not be haram unless he does undertake the writing or witnessing of Riba contracts.

Allah Almighty knows best.

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Name Jafar - Kuwait

**Question**

Dear brother in Islam, thanks for all your efforts! May Allah bless your IOL team a place in Jannah....ameen.

My question is regarding my current situation with respect to my Home Loan, 2 years back I've made a BIG mistake of buying home in India on Home Loan basis with ICICI (non Islamic bank in India).

It was some kind of the situational decision I took at that time ...cos...my parents were forcing me to buy home on loan ... I kept on saying NO for interest based dealings...but...unfortunately ..I ended up buying with the help of ICICI, ... now ... I'm guilty of it...and I'm regretting it everyday ... I feel that I've done biggest of SIN by taking home on interest basic loan. I'm paying EMI's and it last for another 9 years of duration.... So please let me know what I can do to get out of this Interest based transaction. Please guide me in this.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Dear brother Jafar, best way is to accelerate your payment even if that needs putting some pressure on your current expenses. Then add to it Istighfar (asking Allah for forgiveness) and giving to Muslim charity Because Allah mentioned in the Qur'an that good deeds take away the bad ones and remove them.

Allah Almighty knows best.

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Name Mirsaid - Tajikistan

**Question**

Dear Scholar! As-Salamu `alaykum.

Kindly tell us about modern Islamic banking and definition of Riba and its dealing ways in our daily life business?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Dear brother Mirsaid, I can't name all business transactions that involve Riba but here is the definition:

Riba is an increment in a debt for rescheduling (or discounting) or in a loan when the loan is given.

This definition applies on deposits in conventional banks, on financing from conventional banks, etc.

On the other hand Islamic banking provides financing on the basis of sale, leasing or sharing. All these do not involve lending. Please notice that the prohibition is not for any increment in finance but only for increment in a loan or debt. It is a big difference that requires a long essay to explain. I therefore suggest that you go on the internet and make some reading. You may like to read some of my writings on the subject on [www.kahf.net](http://www.kahf.net).

You can also read: What is Riba?

Allah Almighty knows best.

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Name Salahudeen K -

**Question**

Sir, how much the percentage of "Bonus"?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

What bonus, Brother? Please clarify!

Allah Almighty knows best.

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Name Ahmad - United States

**Question**

Respected Dr. Monzer, As-Salamu `alaykum. Could you please shed light on the code of Islamic ethics and morals in transactions?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

It is basically avoiding of lies and any other prohibited transaction/products and being fair. You may also add being easy in dealing with.

For details you need to make some readings on Islamic morality.

Allah Almighty knows best.

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Name Mirsaid - Tajikistan

**Question**

Dear Brother! We want to run a private manufactured business. We do not want to **get** loan with Riba. Please guide us in this regard to get loan and run our business firm.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Mirsaid, in Islamic financing you have to forget the idea of "getting loans".

Loans you can only get from your mother, according to Shari`ah or from anyone who is willing to make a sacrifice for you, it is not a business transaction.

If you have an Islamic bank, you can get financing, on business terms, on Murabahah, leasing or sharing. If there are no Islamic banks in the area, you can arrange for financing from friends on Musharakah or Mudarabah (partnership with an active or sleeping partner).

You can also buy on credit from suppliers, all supplier do that, even if the credit price is higher than the cash price that is of course permissible.

Allah Almighty knows best.

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Name Alhassan - Ghana

**Question**

As-Salamu `alaykum! May Allah help you for the beautiful work you have been doing. I would please like to know the Islamic ruling on working with these modern capitalist financial institutions, especially the banks. Thank you.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Alhassan, what is prohibited is to write or witness a Riba contract. Working outside these two functions is permissible in conventional banks; of course this is not the best work in the world. e.g., teaching Qur'an and Islamic study is of course better! If one does not do the haram directly, that is sufficient to avoid in this life!

You can also read: Working for Banks: Islamic View

Allah Almighty knows best.

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Name Hajar -

**Question**

Dear scholar, As-Salamu `alaykum. The one who pays riba is sinning as well or as much as the one who takes it? What about Muslims living in non-Muslim countries which don't have Muslim banks? Jazakallahu khayran!

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister, it is the same rulings except for cases of necessities, or removal of hardship that applies to masses of people. These also apply to Muslim majorities and Minorities but their occurrence for Muslim minorities may be more than majorities.

Allah Almighty knows best.

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Name Mirsaid - Tajikistan

**Question**

We deal in money exchange business in which we receive dollars and exchange it with local currency. Is It riba or halal for us?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Mirsaid, this business is called in Fiqh "Sarf"

It permissible provided two conditions are fulfilled: 1) full payment of the two exchanged currencies; and 2) that this payment is done at the time of contract. This rules out selling currencies on margin and dealing in futures.

If any of these two conditions is not satisfied, this is then called Riba by the Prophet (peace and blessings be upon him) in a very strong and authentic hadith reported by both Bukhari and Muslim.

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Monday, June 4, 2007**

Name

Ammar - Germany

**Question**

As-Salamu `alaykum dear scholar, I came from Indonesian, but live in Germany to study and work. I have two questions:

1. Is it right, that I can measure my own zakat fitrah, zakat of salary, kaffarah, and fidyah by myself to Indonesia, with the price of the rice that I used to consume in Germany, without following the rate from the mosque or Islamic Center in Germany? Because their rate is too high for me, but I want to pay zakat. I count the nisab and kadar, and I found that I can pay it. And as an addition, the Mosque or Islamic Center in Germany measure the zakat firah with assumption of the ability of consuming food of a person in one day and one night, not from the measurement from 1 sa'.
2. Can I donate money of qurban and `aqiqah to Indonesia? If yes, how much should I pay? Is it the same price in Germany or the price in Indonesia? Jazaka Allahu Khayran.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Ammar,

1. The amount of zakatul Fitr (Fitra) is one Sa' of wheat or rice per person in the family. It is not the food of one person for a day. This is a mistake some Islamic centers in the West make by thinking that the Fitra is the same as the Kaffarah. You are required to give either approximately 2.55 KG of the food or its price (especially if giving the price is better for the poor). This is better be distributed in the area where you live (Germany) if there are poor Muslims there but if the poor Muslims are rare it is ok to send it to Indonesia. My personal suggestion is to send the price in Germany of the amount of the food you are distributing but I am sure if you make the distribution in kind in Indonesia then obviously the issue of price does not arise.
2. The amount of Kaffarah is the food of a person of two meals; here you will have to take the price in Germany not in Indonesia even if you make distribution in Indonesia.
- 3) Qurbani and `Aqiqah are in kind not in money and you can make it in Indonesia if you think there are more deserving needy there especially distant relatives.

4. Zakah on Maal is on the amount saved of the Salary not on the total. If your savings during the year reach Nisab (# Euro 1000) you are required to give the zakah of 2.5% to the poor and needy, you can send this to Indonesia.

Allah Almighty knows best.

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Name sabina -

**Question**

Who should we give interest money to?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Sabina, you can give the interest money to any Muslim charitable organization that you trust. Of course it must be involved only in charitable activities not any other. And you don't have to inform it that this is interest.

You can also read:

Should We Take Interest Money or Leave It for the Bank?

Donating Interest Money for Building a Mosque

Bank Interests in the Eyes of the Shari`ah

What to Do With Bank Interest

Allah Almighty knows best.

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Name hussain - United Kingdom

**Question**

Dear scholar, As-Salamu `alaykum. My question is, I am student studying full time and in my savings for my 2 years which are left for study I have nearly £5000 saved, can I use the interest for myself which I get every year from the bank or do I need to give to the poor and needy. Thank you!

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Hussain, NO, this is not your money, it is a Haram money not really earned according to Shari`ah. May Allah give you better money. Interest money has to be given away to Muslim charities.

Allah Almighty knows best.

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Name Muslim -

**Question**

I have a question on banking stocks. Is it appropriate for a Muslim to trade in banking stocks? Based on the Islamic perspective please guide me on this. May Allah bless you.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother, the idea of trading stocks stems from the principle of owning them. Any thing that is not permissible to own for a Muslim is not permissible to trade. Owning a stock in a company amounts to become a partner in it and becoming a partner in a company whose main line of business is not permissible is not permissible because it means you are making these Haram activities and transactions that are made the management which is in fact only your agent.

You can also read:

Trading in Shares and Stocks

Investing in the Stock Market

Allah Almighty knows best.

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Name Doctor - Pakistan

**Question**

As-Salamu `alaykum. I am a doctor working in a govt. hospital. My question is: According to Shari`ah, can I send the peon to bring something for my personal use from outside during our duty hours? What if he runs this errand during prayer break (without affecting his prayer)? Will it be a khiyanah? Please clarify! Jazaka Allahu khairan!

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother, it is known in office work that the employee uses some time for personal matters and this is usually measured and accounted for in all businesses. Using assistants and helpers to do some of this business depends on the nature of the work relations. Some kinds of works always implicitly and sometimes explicitly assume the use of helper for some personal matters. In those kinds of businesses/ contract it is permissible to use the helper for personal matters within the usual and customary level. Otherwise it is not permissible to do it.

Allah Almighty knows best.

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Name Shadi -

**Question**

As-Salamu `alaykum! May Allah reward you for great work you do. My question is regarding Zakah. I recently started my job and as a result I am obliged to pay Zakah. My question is: do I pay zakah from the amount I earn before tax or after tax? Before rent/loan repayments/other expenses? Do I pay zakah from monthly salary or annual? Inshaa' Allah I am planning to buy a flat, 60% of the flat would be financed by an Islamic finance and the rest 40% my father gave me in cash. Do I have to pay zakah from the money my father gave me? Do I have to pay zakah from the money I receive from the Bank? Do I pay zakah every year from the value of the property? (Also value of the property increases inshaa' Allah every year). Thank you.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Shadi, these are too many questions in one, let us sort them out:

1. Zakah is a yearly duty on all rich Muslims, male or female, old or minors. The rate is generally 2.5% every year (it is different on agricultural product and livestock).
2. Zakah is on all the money and similar asset that you own. A gift from any person is yours once you receive it.
3. Interest money you earn from a bank is not yours and therefore it is not subject to Zakah. But because it is not yours, you have to give it all away to Muslim charities or directly to Muslim poor and needy and you will Inshaa' Allah be rewarded for preserving your own money pure and clean from it.
4. Zakah is not on total salary or income. It is rather on the amount you save of it, provided it reaches Nisab. This means that taxes, expenses, personal and family, payment for the house or flat you live in or for your car and all similar payment are not included in calculating Zakah.
5. The definition of rich is a person who owns an amount of at least Nisab (# Euro 1000, or US\$ 1000) for a year. If what you got as a gift plus your savings over a year period is more than 1000 you are required to pay Zakah on it. However, if you already contracted the purchase of a flat to live in (not only intend) the amount of the due payment is not included in the calculation of Zakah.
6. If you buy the flat to invest and make money from it (in contrast with living in it) the market value of the flat is included in Zakah calculation every year.

I hope I answered all your questions, if not please come back again.

Allah Almighty knows best.

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Name anonymous -

**Question**

Is it halal to purchase shares of conventional banks? I have read many articles and Islamic decisions on this but there are cloudy directions as to the consideration of the percentage of the halal or usury earnings of the company, their percentage of forbidden assets, and their involvement in other businesses and also their percentage of interest based deposits and so on. Please give me a concise and direct fatwa on this issue of buying shares of conventional banks. I really need an answer. Jazakallahu khairan.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother, please read the answer to Muslim on the same issue.

Also remember that the value judgment comes only in case when the main line of business is permissible. The main line of business of conventional banks is itself haram. And there is no disagreement among Muslims on the prohibition of interest (please discard the political Fatwa that came from some countries. They have no Shari'ah foundation).

Allah Almighty knows best.

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Name Ahmad - United Kingdom

**Question**

In your viewpoint, how can the Palestinian government come out of its financial problem and what is the duty of Muslims towards this complicated issue?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Ahmad, I argue that Muslims all over the world should support the Palestinian government financially and politically and help her come out of its financial crisis. It is a crisis created by occupation and Muslims must resist occupation.

Allah Almighty knows best.

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Name Bashir - Abuja - Nigeria

**Question**

Dear scholar, As-Salamu `alaykum. I would like to have clarifications on the status of a Muslim working in banking industries? What are the Islamic rulings on Investment in banking shares?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Bashir, conventional banks' shares are not permissible to own and trade because it is forbidden for a Muslim to make interest-based transactions and the management does them as an agent of shareholders.

Working in a bank is permissible provided one does not involve oneself in any making, authorizing, signing or typing any interest-based transaction.

Allah Almighty knows best.

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Name Abdul -

**Question**

As-Salamu `alaykum! I want to ask you: is it allowed to do sterilization after two caesarian if a mother don't want to take risk of being operated more than two times? Please advise me!

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother `Abdul, this is a general question, not financial. I think better address it to another session.

Allah Almighty knows best.

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Name farhan -

**Question**

Dear brother, can I use interest money to pay for parking fines and other unfair fines/tickets that non-Muslims issue to us?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Farhan, parking fines are penalty for violating the law. This is a part of living in a society that one has to abide by its laws. Such fines are permissible in Shari'ah.

On the other hand interest is money that you don't own because it came to you through a non-permissible contract. It is not your money and must be given to Muslim charity because we don't like to return it to the payer that is a practitioner of Riba. You can't use it to pay your own duties such as parking fines and taxes because it then amounts to using it for your own benefit.

Allah Almighty knows best.

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Name Osama - United States

**Question**

Is it permissible to give non-Muslims from Zakah money in case they are subject to a calamity?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Osama, when there is surplus funds of Zakah, this may be done according to a some view point in Shari'ah. But for God's sake there are overwhelming need by Muslims all over the world, save the Zakah for Muslims under calamity and if you want to give non-Muslim give them from other charity and donations.

Allah Almighty knows best.

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Name Mariam - United Arab Emirates

**Question**

As-Salamu `alaykum. My husband and his relatives love luxury designer clothes and accessories. However I think they are a waste of money and go for good quality but more affordable items. I feel that how can I spend \$1000 on a handbag when there are so many poor people in the world. In fact I feel so bad buying expensive things. Should I join my in laws and splash out or should I stick to buying and wearing more affordable items? Thank you.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Mariam, of course not. You must stick to your values, they are the right ones. And you should not worry about other people views on your pattern of spending and keep advising and criticizing the wasteful pattern of others. It may even reach the level of pure haram under the circumstances of poverty of Muslims in the world today.

Allah Almighty knows best.

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Name FATNA - Morocco

**Question**

As-Salamu `alaykum! I live in Morocco and we have not Islamic banks, so, we can take credit from the bank with interest to buy a house? Jazakum Allahu khayran!

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Fatna, Morocco is a Muslim country with Muslim majority. You should work to establish Islamic banks and Islamic branches of existing banks.

Until then you must create housing and credit associations to deal with these needs.

Now you should refrain from taking loans on interest and instead create such cooperatives to help in this regards until you can establish banks.

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Sunday April 29, 2007**

Name Imad - Philippines

**Question**

As-salamu `alaykum. In the Philippines the main source of income is agriculture. May I know how zakah from plants like rice, corn or coconut are calculated? Jazakum Allah khairan!

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Imad,

I answered a similar question a few days ago. Here is my answer

It is so simple! you take the total sold harvest, cumulative throughout a full lunar year, do not include what is actually consumed by the family, guests and the like during the year; If this total is equal to 5 Wasq (this is approximately 654 KG) you must distribute 10% of it to the poor and needy as the due Zakah of this product. Most Scholars argue that you count each item (such as wheat, rice, coconut, etc.) alone but really there is no strong evidence to support this separation. You must add all products together. If you irrigate your farming by using powered machine you apply the rate of 5% instead of 10% but you must not deduct the cost of powered watering from the value of the sold products.

Allah Almighty knows best.

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Name Rehman - India

**Question**

Why is Interest haram? Is there any economic reason for it?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
Dear Br. Abdur Fahman, interest is unjust. It is an increment in an asset (debt) that does not produce an increment by its nature, it does not create value. All material assets may create value and then an owner is entitled to the value added in one's asset. But a debt does not create value because it is the kind of an abstract asset that does not produce intrinsic utility. This injustice in interest means that any increment will actually come out from the property of other people as the Qur'an says [30:39] "Whatever you lay out for Riba will increase from the property of other people"  
Besides, it creates transactions that are not producing in the real market.  
Allah Almighty knows best.

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Name mariam - Morocco

**Question**

With our financial situation we can't gather enough money to buy a house of our own. Thus we live in rented houses. Now here next time there and so on. Whenever we try to save some money something serious happens and takes it away. My husband suggests all the time to take a loan from the bank but I refuse since there are no Islamic banks around. Does the rule stating *ad-araratu tobihunna* apply here. knowing that with the loan we can move to our dream house and still pay the same sum of the rent to the bank for 4 or so years to finally own the house.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
Dear sister Mariam, I understand your situation very well but I know that the Fatwa about necessities is issued in regard to Muslim minorities and I don't dare expanding it to Muslim majority countries like Morocco. I think in Muslim majority countries, and also wherever Muslim minorities are geographically concentrated they can invest other means, like house financing companies instead of Islamic banks until their struggle to establish Islamic banks succeed.

Allah Almighty knows best.

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Name Ahmad - South Africa

**Question**

My father passed away 24yrs ago. My uncles were left in charge of his estate which was wound up at that time and valued at R200000. Now they want to pay me out the same value after 24 years. When asked where the money was all this time, they say that they borrowed it. My question is, "Is it right for them to pay me R200000 when the value then and now is not the same?" My uncle says that if he gives me more, that will be interest money.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Ahmad, if he really borrowed it, yes any increment would be interest that is Haram. But the issue is different:

During all these 24 year your uncles were in custody of the estate of your father. A custodian HAS NO RIGHT TO BORROW THE MONEY OF THE ORPHAN BECAUSE THAT IS NOT IN THE BEST INTEREST OF THE ORPHAN SINCE LENDING IS MERELY AN ACT OF CHARITY AND CUSTODIANS ARE NOT PERMITTED TO MAKE CHARITY (GIVING AWAY) OUT OF THE MONEY OF THE ORPHANS. I suppose you need to check the reality. If your father was working with his brothers in business, none of them can make the claim that the moment he passed away they borrowed his share, it was rather left in the business and unless there is an agreement that provides managers with a special share in profit, they, as managers, deserves no compensation for management, it is considered voluntary. Hence, in this case you, along with other heirs, deserve the share of your father of the business today, on the day of actual distribution. But if they were not in business today and your uncle actually borrowed that money, it is then considered as if he kept it in a safe box in a bank; you get your money as is with no increment. It is However wrong on his part to take it as a loan but that wrong can't be compensated by another wrong (taking interest). If you have a Muslim court or arbitrators in your country, it may decide to impose certain increment on him in compensation of lost income (not interest) but this can't be given as a fatwa, it must come from a court.

Allah Almighty knows best.

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Name Hasan - Malaysia

**Question**

I got USD 20,000 from the prohibited source. I used this money to make an investment with Islamic company. After 2 years, I got USD 35,000 from the investment. My question is: Can I use the profit (USD 15,000) to make a new investment, and I left that capital (USD 20,000) without using it anymore?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Dear brother Hasan, If the 20k is itself haram (e.g., accumulated interest, or a theft) its revenue is also haram as it arises from it and the Prophet (peace and blessings be upon him) says that every flesh that arises out of haram deserve to go to the Hell Fire. But if it is a loan with interest, the loan itself is not haram although signing a contract of a loan with interest is forbidden and sinful. You got the sin of the loan contract and the curse of paying interest (which is the same as the curse of taking it as we are told by our beloved Prophet (peace and blessings be upon him) but the increment you obtained from a halal source (the 15k) is not haram.

Allah Almighty knows best.

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Name saed - United Kingdom

**Question**

Dear scholar, As-Salamu `alaykum. My question is related in Shari`ah banking. In the west, it's adopted as we all know that the Shari`ah law concerning the banking and its a

huge benefit for them...but as we Muslims, can we get benefited in this or there is just a play hidden from us...

Please could you enlighten this to us? How maybe it work?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Saed, Shari`ah banks in Europe and other countries are formulated in accordance with the Islamic rules. Nothing is hidden, they provide financing according to Shari`ah principles and accept deposits likewise, YES WE MUSLIMS IN THE WEST SHOULD TAKE BENEFIT OF THEM, as they are exactly like Islamic banks in Muslim countries.

Allah Almighty knows best.

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Name abdul -

**Question**

As-Salamu `alaykum! I want to ask you about interest on saving account. I don't want that interest but according to bank rules it will automatically plus my amount every month what I have to do with that money? Please advise me! One more thing, is life insurance allowed in Islam or not?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Abdul, earned interest is haram to add to your money, you must not leave it to the bank because it is a practitioner of Riba, you should give it to Muslim charity in order to keep your own money pure and clean from the evil of interest.

Life insurance is controversial I believe it is permissible, being a contract that was not known in the past and that does not violate any Shari`ah axiom. There is one condition though: it must not be based on interest. The kind that gives you a given amount after a period of time if you do not die is interest-based, other kinds of life insurance policies are permissible.

Allah Almighty knows best.

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Name mariam -

**Question**

As-Salamu `alaykum! I have some gold jewelry but not really important. It's for my personal use. Do I have to give alms for it knowing that financially I may not be able to? Please I don't know how to calculate the sum to be given and when to give it.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Mariam, if the golden jewelry you have is for your personal use on its normal occasions (not on daily basis as some people may think) it is exempt from Zakah. For gold or silver jewelry to be subject to Zakah, three conditions must be satisfied together: 1) it must be above Nisab (# 85 grams for gold and 454 grams for silver); 2) it must be kept for reserve not for normal use; and 3) the amount of it must be above what your peers usually have.

Allah Almighty knows best.

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Name Khaled - Egypt

**Question**

I want to ask about car insurance and whether that is allowed in Islam or not. If it is allowed please explain why as I heard that it wasn't! Thanks!

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Dear brother Khaled, of course there are people who claim all insurance is haram. But there are also people who argue insurance is permissible. It boils down to the issue of gharar. Insurance involves gharar and we argue that the amount of gharar in insurance is contained by the probability theory so that it does not void the contract and this is a new contract that has similarity to contracts known in the classical fiqh in addition to being extremely useful contract in an age where Machines roll on streets! However, if there is Islamic insurance it is better to go for it rather than insurance offered by profit seeking companies. Islamic insurance is based on cooperation that makes the gharar element overlooked (it does not disappear) and the organization uses the reserves and escrow funds in accordance with the Shari`ah.

Allah Almighty knows best.

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Name Sister - United States

**Question**

As-Salamu `alaykum! First of all, I want to thank you for your great website. I reverted to Islam 3 years ago and I love your website. I want to know if you have a poor Muslim brother-in-law can we give our zakah to them?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Dear sister, yes, Sister, being a female, you can give your Zakah to your sibling and any in law, brother and even husband because you are not required to spend on either of them (even if you know that your husband is going to spend the money on you personally). A male adult may also give his Zakah to his adult (not minor) brother, sibling and any in law but not to parents, wife, unmarried sisters or minor brothers because he would be responsible to provide for them.

Allah Almighty knows best.

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Name Omar - Egypt

**Question**

As-Salamu `alaykum! I know that despite the Egyptian Mufti declaring interest on Savings Deposits "halal", all other scholars have declared it "haram" and said we must turn to Islamic Banks such as Faisal Bank in Egypt or the Saudi Investment Bank. My question though: I have been told that since the Central Bank of Egypt backs all banks here, there is no "Islamic" or "Non-Islamic" bank since the bank never loses money. Also, these banks give loans to people, and that makes them un-Islamic since my interest will be based on "Riba" received from other people who took out loans. What is your opinion on this?

I currently have a Savings Account in HSBC (Non-Islamic) and I take the interest and give it out to charity. Can I do this?

HSBC has a lot of ATMs, therefore I have easy access to my money. Is what I'm doing ok as long as I don't keep the interest? Also, the last part of my question is: Are Investment Funds halal such as the ones offered by EFG Hermes in Egypt? Thank you for your time.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Omar,

1) you seem to have misgivings about Islamic banks in Egypt or otherwise. All Banks are licensed, supervised, regulated and supported when there is a need by the central banks of their countries. But this is done for Islamic banks in accordance with the Shari`ah because these banks are licensed as Islamic banks. This backing of central bank to Islamic banks does not violate the Shari`ah and is not done on interest basis.

2) Islamic banks in Egypt and other countries do not give loans for interest. Islamic financing is based on sale, lease or sharing so even when it creates debts, it is not loan based. It is halal. Islamic financing does not mean not making money on financing but it only means does not give interest-based loans.

3) entering into an interest-contract is haram itself. A Muslim has to avoid it as much as she/he can. Hence, if an Islamic bank gives you reasonable facilities you must avoid the sin of signing an interest based contract. This means that depositing with a conventional bank and giving the interest to charity does not remove the sin of entering into an interest relationship. Of course taking the interest is another sin. And we always say: while entering into an interest based relation is haram, if it happens inadvertently one has to give the accrued interest to Muslim charity but we never say it is ok to enter into interest contract and give interest to charity.

4) I don't know these investment funds that you mentioned but I know there are many Islamic investment funds all over the world. The criteria are whether the fund has a respected Shari`ah advisory or not.

Allah Almighty knows best.

Name Omar -

**Question**

What Islam says regarding helping people suffering from natural disasters? I am speaking about Jakarta floods that left grave damage and many people were displaced, houses demolished, etc. What Muslims should do towards people suffering from this disaster?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Omar, helping saving life and the essential necessities of life is an obligation on individuals, communities and societies, each to the extent one can. What else should it be? This is regardless of any consideration of religion, race, color, even animosity. Obviously, this obligation becomes more binding the closer one may be to ability to know about it and to help.

Allah Almighty knows best.

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Name Nazim - United Kingdom

**Question**

As-Salamu `alaykum. I have a question regarding the completion of cremation forms in the UK. If a body is to be cremated, then this requires a special form to be completed by 2 doctors. The first part is completed by a doctor who has to have been involved in the care of, and seen the patient alive as well as after death; and the other part by a doctor should have as been qualified for at least 5 years. Often the first part is completed by the GP for a death out with hospital, or by the most junior doctor in the team looking after the patient in a hospital death. Although the form has to be completed by a doctor, it is seen as an added responsibility and therefore a fee is paid for this. My question is: if a Muslim doctor completes the form (particularly when he is the only available doctor who fulfils the criteria for completion) and gets paid, is this income halal? It is often difficult to find other doctors to do this, especially if senior colleagues refuse to complete it and have ordered a junior colleague to do it instead.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Nazim, of course if this form is only for the use of cremation and is not used for any other objective the first choice of a Muslim Doctor is not to fill it and to claim religious prohibition from filling it. If a Muslim doctor has no choice and becomes required by law or by hospital procedure to fill it under the said assumption that it is for this use only the money taken for filling it should be given to Muslim charity, although I don't say it is absolutely haram, being a compensation for an indirect contribution of a haram practice that implies a humiliation of a human body that is honored dead or alive. I see such money loaded with shubhah (being very close to haram).

On the other hand if this report is used for cremation and also other purposes such as clearance for burial it is permissible to write it and take fees for it.

Allah Almighty knows best.

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Name Abd Ar-Rahman -

**Question**

Dear respected scholar, As-Salamu `alaykum. I embraced 5 years ago alhamdulillah. I live in Egypt. My father was a Christian and he died recently and I am the only son for him. Can I inherit from my father? And what does Islam say about inheriting between a Muslim and non-Muslim?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Abd Ar-Rahman, there is not inheritance if between Muslims and non-Muslims both ways, this is the position of the major four schools of Fiqh and I go along with it. You live in Egypt and the law there applies to you. The inheritance law in Egypt is derived from Shari'ah then check with the local court. If your father left any last will, you take whatever he assigned to you by that will regardless of the limit of one third because this limit is an Islamic limit and we can't impose it on others.

If your father was living in a country that has no inheritance law that is derived from Shari'ah, you may take whatever the law assigns to you because you are not taking it as inheritance but as a legal assignment by law and laws in Europe and America, for instance, do not consider religion in assigning distribution of estates.

Allah Almighty knows best.

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Name Mohamed - Egypt

**Question**

As-Salamu `alaykum. A friend of mine works in buying and selling artifacts, especially paintings. He buys old paintings and then sells them making big profits sometimes. He often buys a painting which is under-priced and sells it for a much higher price. The seller may not know the real value of the painting my friend buys. The seller makes a profit even if he sells it under price because he got it through another seller who sold it with a cheap price. Is my friend obliged to tell the seller the real value and pay him the real price of each painting he buys?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Mohamed, I don't see any reason why your friend, a buyer, is required to teach the seller the internal knowledge of the business, as long as he is not cheating him or giving him false information about the item he is buying. Let people take their decision to sell and buy on their own so that God will give income (Rizq) one from the other.

Allah Almighty knows best.

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Name Ann -

**Question**

As-Salamu `alaykum. Is it allowed to sell goods with drawings of people and animals on them? Is it allowed to sell goods produced by "Procter & Gamble" company?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Ann, it depends on the use and the drawings. If the drawings look artificial, not real creatures, like Halloween drawings, or if the use is not a matter of respect, like using them on pants, shirts and floor mats, this is not haram to sell, buy and use. Although we need to emphasize that some of this may not be a good behavioral pattern of Muslims (especially on pants and shirts). Items with real hand drawings that are used for respect, like hanging art works are makruh (because they are controversial and there is no conclusive absolute prohibition of them), here again hanging them is not a behavioral pattern of Muslims, but I wouldn't say that they are haram to sell.

Selling/buying goods of American and Israeli Swedish and British companies is another issue. Of course we are talking about permissible goods. I go along with the boycott called for by our respected Shari`ah Scholars that is based on the aggression the governments of these countries are making against Islam and Muslims. Permissibility or non-permissibility of selling and buying goods of such companies must be looked at within the spirit of that Boycott that is required from all Muslims as much as one can. Of course this is a political temporary position that will change the moment the aggression stops.

Allah Almighty knows best.

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Name Ikhlas -

**Question**

As-Salamu `alaykum! How should we pay zakah from goods? Should we consider the price which we paid for these goods or the price which we are going to appoint for them?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Ikhlas, the principle is to pay zakah on goods in kind. So when you pay it in kind what are you giving to the poor, (=an amount that he would pay to get that item), this means the sale price. If we want to be more strict and a little stingy, we may say the amount that I, the payer of zakah, would get if I want to sell right now, this may be a little less than the price I would get if I wait until I find a good market for my commodity. This is when we deal with small businesses that don't maintain full standardized accounts. For companies that maintain audited accounts we go by the accounting standards that usually take the replacement prices of inventory for their closing accounts and balance sheets.

Allah Almighty knows best.

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Name Abdullahi - Nigeria

**Question**

As-Salamu `alaykum. If somebody should borrow from me some money many years ago and decide to pay now when our currency has lost value, what do we do?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Abdullahi, it really depends on many factors that include the ability of the borrower to pay, the good manner of paying such a debt as advised by the Prophet (peace and blessings be upon him) in His Hadith of (being good in re-payment that is in Arabic Husn al Wafaa') implies to make an extra payment to compensate for the loss in the value of the currency, and even give a little more. Is this a legal requirement according to Shari'ah, it may become if the loss of value is very high but that requires a court decision that will take into consideration the use of the loan and the effect of value change on the borrower in regard to the composition of her/his assets and income and ability to pay at the adjusted price.

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Monday,Jan 22, 2007**

Name

Adham - Canada

**Question**

As-Salamu `alaykum Dr. Monzer,

My name is Adham and I live in Canada. I have some concerns that I wanted to ask about. I will try to describe the situation as I understand it:

1. Here I wanted to buy a car with a certain known brand name (for example Toyota, Nissan, Dodge...) from one of the car brand dealers. For simplicity I will refer to the car brand as 'X', the dealer as 'X-Dealer' and the car brand finance company (for example Toyota Finance, Nissan Finance, Dodge Finance...) as 'X-Finance'. As a first step, the X-Dealer will directly receive the down payment from me. Then the rest of the amount will be financed by X-Finance by an interest based loan. It is worthy to note that the final finance contract, which will be signed in the X-Dealer's office, will be between myself and X-Finance, i.e. the X-Dealer just facilitates the communication between myself and X-Finance. It is also worthy to note that the X-Dealer is normally privately owned by individuals, it is normally a separate entity that is not owned by the X-Brand Company. Is purchasing the car this way considered halal or haram transaction from the Islamic point of view?
2. It is also possible to negotiate through the X-dealer a 0% contract (this can be done with a special request from the buyer), i.e. the finance contract will show 0% as interest.

But as I see it, it is only on paper as, in that case, the final sale price will be higher than the cash price, i.e. part or all of the increase in price will go to X-Finance.

I tried to offer the X-Dealer a higher down payment and an accelerated payment scheme, i.e. 3 years instead of 5, hoping for a true 0% interest rate. But still there will be an increase in the sale price to have the 0% written in the contract. And still part or all of the increase in price will go to X-Finance.

3. I don't know if it helps to pay that price increase upfront, i.e. calculate the total interest amount that would have been paid in the interest based loan contract, and pay it upfront as part of the down payment in case of the 0% contract.

4. I am so confused as I see three parties in the contract, i.e. myself, X-Dealer, and X-Finance.

There is a great deal of similarity between what X-Finance is doing and what a bank does by lending an original amount of money in return for the (original amount + interest).

Is the car sale under those conditions halal or haram. Wa Jazakum Allah Khairan!

#### **Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother aDHAM, IT IS ALWAYS CONFUSING WHEN YOU TRY TO FIT transactions from two different systems and more so when people are so accustomed to one of them and little familiar with the other.

One point I like to make very clear: The Shari'ah does not hate the idea of financing. It is not financing that is haram. What is haram is financing in a wrong way (the similarity is very close to drinking or sex, what is haram is one approach but not the idea itself). In other word, financing is part of live, we all need it one way or another, we live with it and that is fine, we can take it as a business to profit from too. What is wrong is: financing by lending because a debt does not create increment. A DEBT DOES NOT GROW. Whenever financing is done with this principle it is permissible. Hence, a 0 interest sale is truly 0 interest in spite of the fact that the price is higher than the cash price and this price differential is HALAL to take and give because it is not an increment in a debt, it is a price differential caused by the time element. This is recognized and well known in every book of Fiqh with no exception. BUT THE MOMENT A DEBT IS CREATED, ANY INCREMENT IN IT BECOME RIBA AND THEREFORE PROHIBITED.

ACCORDINGLY, buying from a dealer with financing from toyota finance company is like when financing is done from a bank, the dealer f=only facilitates the loan and usually dealers do the same with banks as they do with the toyota finance company. This is a loan with increment, Riba. On the other hand, buying at a higher price with zero interest is permissible because the increment is part of a price it is not an increase in a debt. Any object usually has a higher-than-cash price when payment is deferred, this is ok.

Allah Almighty knows best.

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Name sohail - United Kingdom

**Question**

I work in my father's business, which receives around £13,000.00 pounds interest a year. I know that it is haram to take that money, but I don't own the company. I have discussed this with the whole family but they seem to say do what you like.

What I have decided to do is divide the whole sum by 8 as there are eight people to whom the business will be passed on to including my mum, dad and brothers and give my share away to charity each year from my wages or bonus.

I think the will give them sum of interest away when the company is sold and their share is given to them. Am I doing the right thing?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Sohail, it is always good to give to Muslim charity, therefore I can't say it is not ok to give whatever you are giving and even more.

But your giving does not work as the cleansing principle requires. You are not the owner nor the earner of this interest amount that you mentioned. The owner is your father and potential heir can't act on his behalf! It is your father or the company that must give away all the amount of interest because according to Shari'ah he/it does not own this money and it is wrong to return it to its true owner because it is taken from Riba practitioners (banks and the like).

After the death of the owner of the company, the heirs become owners by inheritance not by earning interest, it is better (but not literally required because they did not earn it by interest) that they give away all that cumulative money to Muslim charity. But an action before owning it does not apply to this money!

Allah Almighty knows best.

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Name Asma -

**Question**

I want to have your opinion about a discussion on the nature of economics. Some scholars think that it is a value neutral, objective and universal field of knowledge like mathematics as all western philosophers in the West believe that mathematics is an objective field of knowledge but not a single renowned philosopher believe that modern science and social science (economics is the part of that knowledge) is universal, objective and value neutral subject, all modern western philosopher presumes modern science, philosophy and economics are value oriented, universal and non-universal and subjective knowledge, which originated from a specific history, culture, concept of time and space, specific concept of human, God knowledge and rationale, our religious scholars denied this concept of economics and they call it a Knife, which can be used in jihad, and for insurgency both a decoit can use it and a doctor can use it. While when we study western philosophy we found it value specific historical, and non-universal, how we should see economics?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Asma, I am part of that "all" economics and many aspects of science are anyways culturally-affected and defined. There is no universality except in God's imperatives such as the prohibition of Riba and this is by definition normative as much as it is universal truth (ordaining it is a policy matter hence, normative but it is ordained because it is part of the nature of things hence, it is universal human and material nature (Fitrah of human and things). Of course some aspects of economics, science and social sciences may become universal when it becomes absolutely rationally or by revelation proven. That may apply to some of the methodologies and statements of economics too.

Allah Almighty knows best.

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Name ghada -

**Question**

My question regarding bank profits: is it halal or haram? I put some money in an Egyptian bank according to the fatwa of Al-Azhar; but my friend told me that most of scholars said that bank profit is riba. How come Al-Azhar is wrong? Shall I remove the money or follow this fatwa and if there are different opinions shall I follow what is suitable for me or follow the majority?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Ghada, the Fatwa of al Azhar that was issued a few years ago is influenced by the opinion of Shaikh Tantawi and almost all other Scholars don't agree with him including the late Shaikh Jad Al-Haqq the former Shaikh of Al-Azhar and there are several previous Fatawa by Al-Azhar itself that contradicts this Fatwa. Most of us believe that this is a political Fatwa that will change with the change of Regime and restriction of freedom of Al-Azhar and the Shari'ah scholars

Allah Almighty knows best.

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Name Hosam -

**Question**

I have been involved in some financial transaction which may have been haram and I need clarification. During a discussion with a friend who is non-Muslim, I mentioned a project I was working on and the financial need I had. He decided to participate by giving a loan which he would raise through his bank. Initially, I thought this was okay because I did not help him raise it and he offered the money to me on a partnership. Thus, he gave me the money with the understanding that profits will be shared on a 50/50 basis. I have recently had doubts about the acceptability of this partnership given that I knew he was raising it on the basis of interest. Please help me clarify this issue. Baraka Allahu fikum.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Hosam, as long as the agreement between your partner and you is not interest-based and as long as you do not deal with interest in this partnership, the partnership has no interest and there is no problem of interest in this transaction at all/ It is non of your business how he got this money and his source does not affect your agreement unless in one case when this money turn out to be actually owned by some body else such as if it were stolen because then it is still owned by its true owner. What your partner does in his private relations with others, including his banker is none of your business as long as he does not do any haram transaction with the partnership assets or business.

Allah Almighty knows best.

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Name Fatima - United Kingdom

**Question**

As-Salamu `alaykum. My husband, who is a very religious man, spends most of his money on charity. However, we, as his family, only get a small proportion of his money and at times struggle to get by. The reason for him not providing much for us is because his parents provide for us sometimes, so he feels that other people need the money more than us. Is he right? Thanks!

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Fatima, I can't say he is wrong! If his parents satisfy your family's needs in a reasonable way relative to family's income and wealth. But if your needs are not satisfied, wife and young children have always priority in spending and he will have the same reward, In Shaa' Allah, as giving to Muslim charity. Making one's family comfortable is considered a charity when it is done with the same intention.

Allah Almighty knows best.

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Name Sawsan - United States

**Question**

As-Salaamu `alaykum, my dad passed away. I believe without having paid zakah during the eight years he was a Muslim. He didn't have much knowledge of religion. If he had debts such as a mortgage, would he have been obligated to pay zakah? Now that he is no longer living, would his children (I have an older brother who is Muslim) be responsible to pay on his behalf, and if so, how would it be calculated? I realize this is not much information, but any guidance you can offer would be appreciated. Jazaka Allahu khayran.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Sawsan, if your father left any Zakatable items, such as shares stocks, bank account, money and business he should have been subject to Zakah during his life time

and estimating this Zakah amount for all past years should be done to the best of your educated guess on these items (you don't include the home he lived in and any other personal property).

This amount must be paid out of the estate before distribution. Non-Muslim children do not inherit from their Muslim father unless through a Wasiyyah (will) made by the deceased and within the limit of one third. But if there are non-Muslim and there is no last will that is specific on this point, the law may force their shares on the rest of you, in this case you and every Muslim heir are required to pay your share of the due Zakah from your part in his estate. If at the time of death the house mortgage balance becomes due and his other assets then do not have any surplus above this due amount, there is then no Zakah to be paid.

I don't know if I confused you, if so write back with more details and I will give a detailed answer.

Allah Almighty knows best.

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**Name hashmi - India**

**Question**

As-Salamu `alaykum. I am a business man. I have a building I want to rent it for insurance company. Is it permissible in Shari`ah?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Hashmi, yes, it is permissible. You are renting for office permissible use.

You can also read: Life Insurance from an Islamic Perspective

Allah Almighty knows best.

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**Name shafeeque - India**

**Question**

As-Salamu `alaykum. There is no permission to start business of finance without interest in India. I have a daughter she wants to study in medicine. Is it permissible in Islam to take loan from bank on interest? I have a building there is a safe method of renting to banks insurance companies private financiers (with interest) car financiers.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Shafeeque, student bank loans if based on interest are haram and there is no necessity for studying medicine!

Yes, it is permissible to rent an office building to a bank, insurance, or other finance companies because you are renting it for permissible office use, it is none of your business what they write and do unless it is morally wrong such as prostitution house.

Allah Almighty knows best.

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Name Mohammed - United Kingdom

**Question**

How can we logically argue against fellow Muslims who insist that not all forms of modern day Interest is Riba? What evidence can we offer them to show that all forms of Interest is indeed Riba?

Also, what can be said to people who say that Interest consists of 'costs, reasonable profit margins, inflation premium,' etc. - all of which are halal. Why is, therefore, interest considered as haram?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Mohammed, all forms of modern interest are increment in debts, this is exactly what is Riba. AS SIMPLE AS THAT, WHO CAN ARGUE IT?

The answer to the second question is that financial charge by lenders today consists of three parts: a price of money (this is misnomer, it is a price of debt); a presumed points that compensate for expected inflation; and a risk premium. What is interest in economics and finance is usually the first part only. Risk premium, if applied correctly is permissible and inflation compensation may have a problem of presumption in it that makes it actually interest because inflation is only known at the end not at the contract date. If you solve this problem it can be dealt with within the limit of Shari'ah. The price of lending is what is prohibited simply because a debt does not create any increment a debt is a mute asset, it does not grow by its nature!

Allah Almighty knows best.

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Name Robbani - United Kingdom

**Question**

Is there a majority accepted view amongst the jurists that modern day Interest is Riba? Or is this opinion just held by some scholars who happen to be well known? Also, does Riba only apply to what is known as Riba Al-Jahiliyya (pre-Islamic days of ignorance)? If no, on what basis can it be applied to modern day Interest?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother, the answer to your first question is YES, THERE IS ALMOST UNANIMOUS AGREEMENT AMONG SHARI'AH SCHOLARS THAT WHAT IS INTEREST IN BAKS AND THE LIKE TODAY IS RIBA. There is also a resolution to this effect by the OIC (Islamic Fiqh Academy). This is not a minority's opinion.

Your second question on Riba Al-Jahiliyyah is confused. Riba Al-Jahiliyyah is increment in debt and this is the financial Riba. You add to it Riba Al-Fadl that happens in certain exchange contracts, that is Riba that is prohibited in Hadith. Both carry unanimous agreement on their prohibition among contemporary Shari'ah scholars.

Your third question becomes answered already as Riba Al-Jahiliyyah is the same interest; there is not a single bit of difference!

Allah Almighty knows best.

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Name Ali -

**Question**

Dear scholar, As-salamu `Alaykum. I have been planning to set up a website selling electronics using a system called drop shipping. The way this system works is that I sign up with another online company by paying a fee and all I do is to advertise their products on my website, sell them and then when I receive payment I go to their website and purchase the item at wholesale price and then they send the item directly to my customer and I pocket the difference. I just want to ask: Is this halal because I have asked my family and they have different views; some say it is and some say it isn't. Jazakum Allah khayran!

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Ali, it is permissible as long as you sell on the internet because on the internet this is a sale on description (you describe the item in your advertisement). It is permissible to sell on description thing that you will buy later as you mentioned. It is halal to do what you mentioned. When you sell a specific item you must own it and have possession of it before you sell. (For instance, you can't sell the statute of liberty because you don't own it! But you can sell a digital camera of certain specification and say similar to what is in this picture and then you buy a camera that fits the same description after the sale contract and deliver it).

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Wednesday, Dec 27, 2006**

Name Muslim Sister -

**Question**

As-Salamu `alaykum. I have a brother who is now in big debt. He has debts totaling \$200,000 to people that he borrowed from plus he has a lot of homes under his name that are all under foreclosure. He has a lot of credit card bills totaling in the tens of thousands, but he intends to file bankruptcy. He went from being a very wealthy person to someone who does not have \$20 to feed his children. He has one property overseas that is paid for already totaling \$250,000 which he feels is safe from bankruptcy. His wife also has gold jewelry.

Right now he started working on a Taxi. He is not making enough money to feed his family. He refuses to sell the home overseas saying it is retirement for him and his family. Given his big debts and big fall and difficulty in feeding his children - what is the best thing to do? Should I give the money for sacrifice to him to feed his family or should I offer an animal for sacrifice?

Also, would he be considered a recipient of Zakat? I am a single parent myself who works hard to raise my daughter. My mother pressures me to help my brother - but I am not sure if he is considered a recipient of sadaqa or zakah. I gave him my zakah in

Ramadan as he was not working at the time and had no money. Is this correct opinion? Do I need to give Zakah again? Should I make a sacrifice or give him sadaqa? Jazaka Allahu Khairan.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister, giving help and support to your brother and to family in general is always a good and God-rewarded deed. The way you described the situation makes me rationalize that he does not qualify as a Zakah recipient because he is rich with the property overseas that is not his residence and he could of course sell it and use the money as a capital to work with. It seems that even in Ramadan being without a job he still was not qualified for Zakah because of his attitude of not benefiting himself of the property overseas.

The Prophet (peace and blessings be upon him) said that Zakah can't be legitimate for a rich or an able to work person. Retirement, God knows when and what income will there be for it, is not a reason why a person puts himself in present poverty. It seems too that he has accessibility to the property overseas and he can sell it, that adds to his dis-qualification for Zakah. Wife's jewelry, if within normal quantity compared with her present peers, is not a factor to disqualify him for Zakah but the property overseas is.

Of course whatever you give him will Inshaa' Allah be rewarded by God as kindness to family and kins. On the other hand, the Udhiyah is a wajib, according to the Hanafi school and removing a stress, even if this is not the only way to remove it, from a brother is also a wajib in general. I would go for the specific wajib over the general one and I suggest that you make the slaughtering and give a good part of the meat to his family, like one half or more.

Allah Almighty knows best.

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ame Urgent -

**Question**

Respected scholar, as-salamu `Alaykum. What's the role of Muslims toward the Somali people who are suffering under the current war? Should we transfer our Zakah to Somalis? What is the role of non-governmental institutions they should play at this time? What else we can do in the field of financial support? Please elaborate. Jazakum Allahu Khayran.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother, yes giving Zakah to people who suffer from both poverty and war miseries is more important than giving it to poor who are not under such miseries because the former is more of a relief, it is double relief. Zakah can and should be given to the poor Somalis who are affected by the current war and the best way to reach them is through Islamic non-profit charitable organizations.

Allah Almighty knows best.

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Name Hossam -

**Question**

Is it permissible to offset the bank charges against any credit interest received from the same bank and the excess interest remaining, if any, I distribute to the needy for no reward? Thanks!

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Dear brother Hossam, bank charges are your contractual obligations as a result of the contract you signed with the bank while interest that accrues to the account is not your money because it is not legitimate to earn interest according to Shari'ah. It is still the bank's money from the point of view of Shari'ah. You can't pay your duty with money that you don't own.

Notice we don't give it back to the bank not because it is not its but because it pays it by a valid contract according to its laws (though not according to Shari'ah) and returning it to the bank gives it more ability to make more of the evil interest! If it were a normal person whose main line of work is not interest-based we should return it to the person rather than give it to the poor and needy or to Muslim charity for distribution to the poor and needy.

Allah Almighty knows best.

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Name Muslima -

**Question**

I am a Muslim Egyptian woman married from an Egyptian Muslim man, my husband has 2 children a girl and a boy from his ex-Danish woman, his Danish children don't believe in God as their mother, and we have together (me and my husband) a Muslim child . Do his Danish children have the right to inherit him after death although they are not Muslim according to the rule that the Muslim don't inherit which is not Muslim?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Dear sister, according to the Shari'ah, there must be no inheritance between Muslims and non-Muslims. This means that non-Muslim children do not inherit their Muslim parent. Your husband (and you too) are required, by Shari'ah, to make appropriate documents such as a last will or a living trust that will specify this and other principles of the distribution of the estate in accordance with Shari'ah. Such document becomes obligatory if you live under non-Islamic inheritance law as in Denmark. On my website, [www.kahf.net](http://www.kahf.net), you will find forms of such documents that give all the Shari'ah requirements and of course you need to show them to your lawyer before officiating them.

Allah Almighty knows best.

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Name Shadi -

**Question**

Dearest Dr. Monzer, as-salamu `alaykum. In the light of the current war and situation in Somalia, is it allowed for Muslims to send their Udhiyah (sacrificial animals) to the Somali people to help relieve their pains and suffering?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Shadi, yes, of course if you can be assured that it will reach the poor who are under pain and suffering because of the war. This is doubly rewarded Inshaa' Allah as it helps people who are under double stress.

Allah Almighty knows best.

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Name Muslim -

**Question**

As-Salamu `alaykum. I gave zakah to a family who represented themselves as very **needy** and not having any money and being in debt. They are in big debt but they still have money (much less than their debts) that they are living on since the husband cannot get a job. Is the Zakah valid or do I need to repay it?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother, it seems that this family does qualify for Zakah as you described it. It is under debt that exhausts their assets and the bread winner cannot get a job.

Allah Almighty knows best.

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Name Ahmad -

**Question**

What's Islamic stance on designing web sites for real estate companies, given the fact that their main profit is through Riba? Thank you!

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Ahmad, I don't agree with you that the main profit of real estate companies is from Riba, that may apply to real estate finance companies!

It is permissible to design a website for real estate companies as their line of business is land development and real estate management!

Allah Almighty knows best.

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Name hasan -

**Question**

As-Salamu `alaykum. If someone intends to make udhiyah now and has cut his nails a few days ago - can he still offer a sacrifice or not? Regarding the hair, what if it falls off naturally from shower, combing, etc.? Are we to follow the guidelines for hajjis and not do anything that would cause hair to fall off or just don't cut it?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Hasan, avoiding cutting hair and nail is just preferred in order to be similar to Hujjaj, it is not a requirement. Therefore, you still make the Udhiyah even if you cut nails or hair; besides what to avoid is cutting hair not combing it or taking a shower; whatever hair that falls by these and similar actions like scratching is not forbidden. You are not going to go to work with hair uncombed, are you?

Allah Almighty knows best.

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Name Col. Muhammad Fuqh - Pakistan

**Question**

My business partner insisting on dissolving partnership and go on hajj next year. Our business depends on his attendance to succeed. May I imprison him not to go?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Col Muhammad, take it easy. You can't go around putting people in jail as you like. Of course you can't imprison any body except by court order and on criminal charges not on civil dispute!

Partnership is a contract that can be dissolved by any partner at any time provided the partner who opts out does not cause material harm to the other. Material harm means that if you have merchandise whose immediate liquidation makes a loss, then you delay the dissolving until the market improves.

This means that a partner can dissolve the partnership for any reason and for no reason too, simply, "I don't want to work with you any more!" Your partner has this right and both legally and from Shari'ah point of view can do that because this is a matter of personal freedom and basic human rights. If the problem is that the future of the partnership depends on him, but getting out of it now does not mean a loss, he of course can opt out even if you don't like it; but if getting out causes a loss to you he is required to compensate you for that loss if he opts out.

Allah Almighty knows best.

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Name Hous bin Fard'een - Bahrain

**Question**

My husband and I are loaning his family the money for them to make a humongous charitable contribution to the Hamas terror organization in Istanbul (formerly known as

Constantinople) and we want to incur interest and tax deductions. What interest rate is non-usurious in the short term?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Istanbul is Istanbul definitely not Constantinople whether you like it or not. And Hamas is defined as terrorist by the ultra rightist government of the USA not by all the Arab and Muslim countries and people.

Any interest is forbidden in short and long term and any interest is Riba as exactly mentioned in the Qur'an, please see verses 2:275-279.

Allah Almighty knows best.

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Name Mohamed Elansary - Egypt

**Question**

Dear Dr Monzer Khaf, my question is related to my family. After my father passed away, I take care of my mother. However, financially she is well off. With regards to Udhiyah, is it Ok if I buy the Udhiyah for both of us or does she have to buy her own. Thank you!

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Dear brother Mohamed, if you are in one household one Udhiyah is sufficient, but if you are well to do, both of you why not making two Udhiyah or three or more? The Prophet (peace and blessings be upon him) made an Udhiyah of two big rams and he said that one is for Muhammad and the family of Muhammad and the other one is for the poor people of my Ummah. Following his beloved Sunnah is a great thing to do. Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Tuesday, Nov 21 ,2006**

Name Ssi - United Kingdom

**Question**

As-Salamu `alaykum. I have read on your website about trading stocks and have a question. I recently attended a stock-trading training course with a view to trade stocks of companies that are not involved with the likes of alcohol, weapons, gambling, etc. However, whilst at this course I learnt that most big companies trade in options and futures, and make a significant portion of their money from such activities, which I believe are not allowed in Islam. Examples were mainly ones that were very rich in cash, such as large energy companies. Another was Dell Computers, the lecturers at the course said that Dell made more money from trading options than it did from its profits from selling computers.

This has given me a lot of doubts as to whether I can trade in any large company, as it is likely to be similar to investing in a bank, since the majority of profits are made from haram sources. Could you please advise me on this? I have looked at the Dow Jones

Islamic Index website, and their methods for excluding companies does not seem to consider the matter of those that make significant money from futures and options, which according to the course I did, is quite a lot of big companies. Jazaka Allahu khairan.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother, the reason is that the matter is still controversial at least in some of its aspects. I believe that it is haram to trade futures and options and I say that companies that make more money from these than from computers are not computer companies but are classified in Shari'ah as future and options traders and as such must be excluded from permissibility of trading. Check the info you got in that course for each company on its own and if it is correct to exclude them from your trading.

Allah Almighty knows best.

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Name reef - United Kingdom

**Question**

As-Salamu `alaykum. What is the Islamic stance on marketing? I need to change jobs and find a lot of marketing posts. I try to avoid work with banks but wonder if working with other marketing companies is ok Islamically.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Reef, marketing permissible products is of course permissible. Of course part of marketing is advertising and advertising by means of giving incorrect info, hiding info that is crucial, using non-permissible exposure of bodies or language or excessive irrelevant intimidations and attractions, all that are not permissible because they are one kind or another of lying and mis-informing.

On the other hand, marketing non-permissible products is not permissible. These include marketing conventional credit cards and other interest-based activities and transactions such as conventional home financing, etc.

Allah Almighty knows best.

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Name Maha -

**Question**

My husband runs a restaurant for a Muslim brother. My question now is: if the owner of this restaurant owns the equipment, but not the actual building where the restaurant is he makes enough money to pay the bills, and sometimes there isn't enough money to pay the bills. How do you calculate Zakatul Mal on this restaurant? Jazakum Allahu Khayran.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
Dear sister, this question was answered two weeks ago. Here is a copy of my answer:  
Zakah is on net assets, with the exclusion of those used for residence. If the machines are not that expensive and you can hardly make it for paying the bills, most likely there is no due Zakah on this kind of business. Anyway, you evaluate the machines for current prices and any inventory if any, add cash on hand and in bank and add accounts receivable if any, then deduct from the total any loans and debts on the business or the owner's person, if the final residual is equal to US\$ 1000 or more (this is approximately the amount of Nisab) and that much is still with the owner after a lunar year from the date a Nisab existed for the first time, then Zakah is due at the rate of 2.5% every lunar year from then on (a lunar year is 354 days).  
Allah Almighty knows best.

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Name Hasan -

**Question**

As-Salamu `alaykum. My question is about the permissibility of retirement accounts that could include stocks, bonds or mutual funds... Did I understand that the only option that is halal is the stocks while others are not? JAK!

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.  
In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
Dear brother Hasan, bonds and options are not permissible, some stocks are permissible with conditions and some stocks are not permissible. Mutual funds depend on their investment if majority are permissible stocks they are permissible. In investment, in permissible stocks and mutual funds (where: main line of business is permissible and the non-permissible activities of the companies of the stocks are relatively small) there must be a purification process: estimating the percentage of non-halal and giving away to Muslim charity an equal percentage out of profits (=dividends plus capital gains)  
Allah Almighty knows best.

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Name Muslimah -

**Question**

As-Salamu `alaykum, I have asked this question before as well, but I think I failed to properly phrase the question, thereby not getting the desired answer. Here I go again 'There is this type of cheating going on in our country that when designer prints come out many people copy the prints and sell clothes, without legal permission. The designers don't take any action probably because of law and order in our country. Now I have some clothes I bought this summer which I don't know are copied or not, and I have worn them now many times. This just occurred to me a few days back. Now I don't know if I should go out and try to find out because it will be a little hard.  
And again this winter I bought clothes and I asked the shopkeeper this time whether these clothes are copied or not and he said no and one of the reasons he gave me was that the designer winter prints are not out yet. But after I had gotten these clothes

stitched my friend told me that the designers released their prints about a month back I guess. Maybe he lied to me or simply he was unaware of it. What should I do now? And if I pray in these clothes would my prayers be VALID or not. Only the designs of the clothes are copied but the cloth itself is not stolen (Allah is my witness).

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister, I know the issue of copy rights is a touchy one. But I argue that it is the producer's responsibility to protect it not the consumer as long as the consumer uses it for personal use not for making profit. I argue that if I find a copied design for a cheaper price I will buy it for my personal use without any uneasy feeling. I don't think you will need to do any thing! In my opinion you just use it comfortably without any ill feeling. You must not use it to make business out of it. This is different from physical theft. If the material is stolen you can't buy it but if an intellectual right is abused by someone else and you buy a material product that incorporates that abuse, it is not your responsibility to protect the producer and you did not make a sin because you did not make the abuse of the rights of the owner.

Allah Almighty knows best.

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Name Saif - India

**Question**

Dear Sir, As-Salamu `alaykum. I have been reading your Live fatwa sessions on Islamonline for almost last 12 months or so. Masha' Allah it has been very informative and may Allah Almighty reward you with Jannat Al-Firdaus - Ameen.

I am working in Saudi Arabia and came to this country recently. I was shocked to find the lack of Islamic options for Car finance, home finance etc. I don't trust the loans which are given by commercial banks here and am desperately searching for halal options to buy a car, etc. Why is the Islamic banking/ financing industry not moving forward in this aspect although there is a lot of hype in the media about it?

Also, please recommend Islamic options for financing, loans etc in Saudi Arabia? Jazaka Allah khairan.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother, Saudi Arabia has four Islamic banks and all of them give car and home financing. You need to do your homework better. Don't take Tawarruq, take car Murabahah or Musawamah financing.

Allah Almighty knows best.

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Name aysha -

**Question**

As-Salamu `alaykum, if we have a certain amount of money in the bank do we have to pay zakah for it every year, i.e. for the same amount (without addition of extra new money in the old one)?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Aysha, yes, of course as long as this amount is equal to Nisab or more (# US\$ 1000) because you are rich having it! The Prophet (peace and blessings be upon him) advised that we should invest it and make some profit "so that the Zakah payment does not wipe it out"

Allah Almighty knows best.

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Name Muslim - United Kingdom

**Question**

As-Salamu `alaykum. I have a generic question: assume that an Islamic state is established from Morocco to Pakistan. Given that the mechanisms of large scale economy are completely different to those in the distant past, is there a blue print of how Islamic "economics" can deliver to such a huge area? And would it take advantage of capitalist theories in the distribution of wealth? Jazaka Allahu khairan!

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother, the answer is YES. Please undertake some readings on Islamic economics. For the second part: Islamic economics will take benefit from any useful human thinking anywhere, it will not be like capitalism nor socialism, it will be a different paradigm but will have commonalities with all products of human thinking and rationale.

Allah Almighty knows best.

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Name Ahmad -

**Question**

I would like to know if working in Corporate Finance is acceptable in Islam? Also known as Transaction Advisory Services. I do not have a full understanding of what the job entails, but the basics are: Mergers & Acquisitions Corporate Restructuring, Transaction Support, Transaction Tax, Strategic Finance, Advisory Project, Finance Forensic Group, etc. For more on what these involve:

[http://www.ey.com/global/content.nsf/UK/\\_Careers\\_-\\_Graduate\\_-\\_What\\_We\\_Do\\_-\\_Services\\_-\\_TAS](http://www.ey.com/global/content.nsf/UK/_Careers_-_Graduate_-_What_We_Do_-_Services_-_TAS) I have read previous fatawa, but what I am not sure about this job if it requires recording riba. It may, however, involve advising client companies to take interest-based loans, is that acceptable? Any light on this career would be helpful - I do not know anyone working in it to find out more specific details. Jazaka Allah Khairan.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
Dear brother Ahmad, it is again a question of dodging on the haram. Advising on which interest contract entails more or less material benefits is not haram, but suggesting to a company to take an interest-based transaction is haram. If you can make this distinction and avoid the haram advice, this job becomes halal, you will need to make judgment and decision.

Allah Almighty knows best.

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Name Ali - Canada

**Question**

I would like your opinion on the permissibility of UM Financial's investment scheme in second mortgages which they arrange along with a first mortgage from a financial institution. Thank You!

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
Dear brother Ali, I need details of it, besides we in IslamOnline don't give opinions on individual persons.

Allah Almighty knows best.

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Name Hamad - United States

**Question**

Dear Dr. Monzer. Is it permissible to perform Hajj while having a loan? Thanks in advance!

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
Dear brother Hamad, yes provided you have a plan to pay for the loan that will not be negatively affected by the Hajj expenses.

Allah Almighty knows best.

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Name Simsim -

**Question**

As-Salamu `alaykum. Finally I get to contact you. I've been trying to submit my question via your website but was always unsuccessful.

Anyhow, I have a long question on life insurance. I am Jumadi, a Muslim living in Singapore.

I bought a life insurance about 6 yrs ago and I am insured for \$100k for death or upon permanent disability. If nothing happens to me at the age of 60, a projected \$100k-\$120 will be returned to me. I am 33yrs old now.

It is called an investment-linked life insurance. And it cost \$110 every month. Part of it goes to the "insurance cost" & part of it goes to investment in "unit trust". The returns

on investment every year is roughly between 5% - 9% depending on the performance of the unit trust.

So far I have forked out about \$8,250. Its surrender value is now about \$4,300 (which means if I want to terminate I'll get this much). According to them, my investment-linked insurance will break even perhaps in 12-15 years.

With the above facts, I am wondering if the whole thing above is permissible in Islam.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear questioner, I argue that life insurance is permissible provided that it is not interest-based. Yours is not interest-based as you describe it. You need to be careful for two points: 1) the investment unit trust invests in permissible stocks (find a clue to this on the internet at DJ Islamic market index) and 2) estimate the amount of non-permissible earning in the unit trust (from the structure of its investments) and give away to Muslim charity an equivalent percentage out of your gains (dividends plus capital gains); this is the purification principle that is necessary to keep your own money pure and clean. You must put this in your last will so that your beneficiaries do it if you pass away before the term of the insurance. Finally, the part of the premium that is insurance cost is permissible.

Allah Almighty knows best.

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Name Fathima - Qatar

**Question**

Dear Scholar, As-Salamu `alaykum. My father has been accepting interest for the past 30 years. We have tried convincing him against this now and told him not to take interest again. My question is whether we have to pay back what he has got as interest over these years. Is it enough to stop taking interest from now on and make taubah (repentance). My dad will not be willing to pay back the money. So if it's necessary, is it okay if we pay the amount at a later time without my father's knowledge. Will he be punished even if we pay it back because he doesn't have intention? Please advice.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister, each one of us will be questioned about one's deed. Keep that in mind. However, a child may make good deeds, especially du`aa' (supplication) and to an extent charity for your parents. If he does not repay this haram money (to the owners if individuals or to Muslim charity if from banks or presently unknown persons) he will be questioned for that by God. He may forgive him InShaa' Allah or may not, you du`aa' and charity will Insha' Allah help your father. If the money becomes yours by inheritance you are not literally required to pay that interest back to its true owners or to charity because it came to you legally and it was the sin of the deceased anyway but it will be

definitely much better if you give that much to Muslim charity and make du`aa' for the parent.

May Allah give him the light of guidance that he will do the right thing before it is too late!

Allah Almighty knows best.

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Name Um Ahmed -

**Question**

To the respectable scholar, As-Salamu `alaykum.

My husband gives me the money that he earns. so I can use it for household expenses and to save it at home to the best I can. Then one day he found the saved money where I had hid it. He took a portion of it without telling me. Many days later when I found out and confronted him, he denied it and I was very upset. He swore that he will never give me his earnings for the way I acted. Does he have the right to refuse giving me money for expenses? Do I even have the right, as a Muslim wife to be upset at him for taking the money?

We have had tension since the incident, and I really need to ask a sheikh maybe to get some sense knocked into us. Thank you and may Allah reward you for helping people.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Um Ahmed, take it easy sister! You have no right or reason to be upset or even to question him about what he took, it is his money anyway as you said! He may decide to spend on the family himself instead of giving you the money to spend. It is of course his responsibility to spend. Maybe he didn't like the idea that you saved that much instead of spending it on the family and felt that you were niggardly in your spending to the extent that you were able to save that much. You have no right that he should give you what to spend on the family being his responsibility and of course you have the right to expenses on the family and on yourself from him.

But the way it is done is a matter that can be settled any manner between you both. Take it easy please and reconcile with him again, remove the tension with good loving gestures and back to normal. You may like to consult some Muslim family council in your area too.

Allah Almighty knows best.

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Name Mubashir - Finland

**Question**

It would be nice to get an answer in yes or no as the economic language is too difficult. If the bank NORDEA/SAMPO gives you loan to buy a house (the bank owns the house until you have paid all of your installments that include basic money and interest for every month but the price remains the same every month what you pay) that costs say 100 euros. You pay 10 euros and on the rest of the 90 euros, they add 10 more euros and say that I will have to pay this money in 10 months. BUT for each month's

installment, the money which I pay is fixed. I have been living in the West for 8 years on rent, I think if I buy a house like that it will save money in the long run which is going nowhere now, that I can use for some better cause, (my family, wife, kids, etc). If I don't own a house now, maybe some one else from my family will one day if alive. But if it's haram, then I wash off my hands. In Scandinavia, there is no other way of getting loan to my knowledge. Alhamdulillah I try not to even pay a penny of interest even if I use credit cards, I try to pay every thing in one installment. Please clarify!

2. I have the same question of getting a loan from bank to establish my own business, getting food two times is not a problem in these social welfare countries BUT to get a permanent job is. There is a possibility to establish my own small business with my brother BUT we need around 100, 000 Euros. Of course we will pay as much cash as possible and then the business is halal and we will pay the monthly installments ASAP. Please tell me is it halal or haram?

You know if you have your own house and your own source of income you can focus more on other prime issues in your life, e.g. raising your kids, working on your deen/iman/taqwa, being helpful to your community, etc. Jazakum Allahu khairan!

You can reply me to me e-mail later if you don't have too much time now, Shukran.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Mubashir, 1) Your description of the house loan is incorrect. Therefore you can't get a yes or no answer on it!

The bank gives a loan for purchasing the house and you become the owner not the bank! The bank will have a lien mortgage on the house but does not own it. This is interest-based and therefore haram as a principle except for the Fatwa that follows.

I suppose where you live in Finland there is no Islamic bank and as you said you have a family and a substantial financial difference between owning and renting. The Fatwa in this case is: YES, YOU CAN TAKE A CONVENTIONAL INTEREST-BASED MORTGAGE and then try to pay it back as soon as you can.

2) For business loans the principle applies: it is haram to take interest-based loans to establish business. The difference with housing is obvious. Housing is a basic need, but making your own business with a loan of Euro 100,000 is not a basic need. You may make a business and fail and you may make a business without a loan if you think in an innovative way.

Allah Almighty knows best.

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Name Olga - Belarus

**Question**

Is money won by betting in horse racing or money won in a lottery halal?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Olga, buying a lottery ticket is haram because you only pay for a chance. This is the Maysir that is prohibited in the Qur'an and the Sunnah. The reason is: it is a transfer of wealth from one to others for no acceptable reason or better for vain.

If you buy a ticket for horse racing or lottery the earned money is haram and must be given, if earned, to a Muslim charity, you have no right to it. I argue of a little exception that is if that chance is paid for by some other person and the ticket is given to you by an employer as a conditioned fringe benefit or given as a gift by its buyer, it seems in this case that it is permissible to take the money if you win because for you it is not a matter you paid for.

Allah Almighty knows best.

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Name Saif - India

**Question**

Dear Sir, As-Salamu `alaykum. Jazak Allahu khairan for your reply about the presence of 4 Islamic banks in Saudi Arabia.

IDB is not present in the city (capital) which i live and I am aware of only one another bank - 'Al rajhi' which gives Islamic loans to citizens. Kindly specify 2 other Islamic banks. (I am looking for banks which offer Islamic loans to expatriates). Kindly specify the names of the banks so I can contact them.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Saif, IDB is not one of them because it only deals with Muslim governments not with individuals.

You bank al Bilad, National commercial bank, Rajihi bank, and Bank al Jazeera. If some of them don't give financing to expatriates, that is too bad, they apparently have reasons for that and you can understand it!

Allah Almighty knows best.

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Name Fathima -

**Question**

I am resubmitting my question short because I think you don't have time to read long question 1. Is it enough to make tawbah for taking interest for these many years when we were ignorant that interest is haram and never to take interest again?

2. If we have to pay back the amount that was taken as interest, is it allowed for children to pay back the amount without the father's knowledge (as father is not willing to pay back the amount)?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister,

1) No, Tawbah alone is not enough, one has to return all past interest.

2) You can pay that money without father's knowledge and better do that, but he will get the benefit of your action and du`aa' but not the benefit of returning haram money where it belongs because he does not want to do that.

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Wednesday, May 3 ,2006**

Name Bassam -

**Question**

I am an Hotel Management Graduate and presently I am working with five star hotel in London. I am working as a front office night supervisor and my duty includes to handle the front desk and performing the auditing (accounts work). At the same time my company make me responsible for the room service which includes handling food and beverage. Some time customer asks for the Drinks (alcoholic drinks) and I always tries to avoid to touch the alcohol. However, I have never tested alcohol in my life. But sometimes, I have to touch the bottle of beer or I have to take to their rooms. Is it alright for me to touch the alcohol?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Bassam,

May Allah reward you for your keenness to abide by the rules of the Shari'ah. It is excellent that you have never tasted the alcohol, it is bad anyway as we are informed in the Qur'an and the Sunnah.

Working in an hotel anywhere in the world is permissible provided one always avoids anything that is prohibited. Our most beloved Prophet, peace and blessings be upon him, had informed us that there are ten functions that God prohibited in regard to alcoholic drinks; serving it is one of these ten functions while touching its bottle is not one of them.

Therefore, say while passing between shelves if one touches boxes and bottles of liquor one does not invoke any prohibition; but carrying it (mentioned by the Prophet) and serving it (is also mentioned by the Prophet) to a person, in a restaurant or in an hotel room, are prohibited and you need to avoid these actions too.

Allah Almighty knows best.

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Name Amira - United States

**Question**

If you please, I have two questions.

1. My husband and I both work, and put our money into one joint (interest-free) bank account. We consider that money to be "ours," not "his" and "mine," and we both spend from it freely (after discussing any major purchases together). We are both very happy with this system, but is it halal? In case it is relevant, I earn much more money than my husband does, because he has only recently arrived in the US.

2. Unfortunately, I have \$78,000 in interest-bearing college loans from before I converted to Islam. I'm paying them back as fast as I can, but my question is, must I avoid all non-mandatory expenses until I have repaid them all? For example, we would like to start having children, but of course, that would mean I would repay my loans more slowly because of the expenses of raising a baby. Do we have to wait until my loans are paid off?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Amira

This sharing of resources is a good and it is a rewarded action, especially when your intention, as our overall intention should always be, is to cooperate in obedience to God. The Prophet (peace and blessings be upon him) once praised a clan because when they travel together, they put together all their resources from the beginning of the trip and use from them collectively without considering this is mine and that is yours.

You may know that the Shari'ah considers properties of each of the wife and husband independent from each other. Therefore, joint account, jointly owned properties and community properties, in regard to Muslims in North America, is considered as owned half/half by the two spouses. This means that whoever earns more is giving the other a gift of the difference. This matter would be raised only in case of dispute, death for the distribution of the estates or divorce. By the way, you may know that a wife is not required in the Shari'ah to share any of the family expenses including her personal expenses and unless she makes a condition other wise any thing she puts is regarded as a gift contributed to her husband. She can make a condition of considering her contribution to the family expenses as a debt on her husband only before spending.

For your second question, yes, you need to pay off any interest-bearing loan before you spend on side expenses. But having children, buying a house and normal (not squeezed) expenses don't fall in this categories because these kinds of expenses, especially when done moderately, are quasi-necessities; they are part of what makes a family!

Allah Almighty knows best.

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Name SSI -

**Question**

My father recently, in partnership with some non-Muslims, bought some properties as an investment, and I later found out that they are on a regular mortgage with rent covering the interest payments. I will try my best to inform him that this is not right (he doesn't accept interest, but doesn't seem to know paying it is wrong), but I don't know if I will be able to change things.

Now my question is, when these properties are eventually passed on to myself and my siblings, what is the right thing to do? This will, in sha' Allah only be in a very long time, but I have to ask, should these properties be passed to me while the mortgage payments are still due, I would think, change the mortgage to a halal one, or if the partners are unhappy, to sell my share back to them? Is that money mine to keep?

And if they are passed on to me once fully paid for, am I permitted to keep them, or are they to do be sold, with my share of proceeds going to charity?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br./ Sr.

The property is one thing, a real estate, and the interest-based contract is another although he financed it from this loan. Whoever owns the real estates enjoys them and whoever makes an interest-based loan shall be accounted by God, He may or may not forgive him/her.

I think that gives you the answer although it is a fantasy on your part to ask the question in anticipation of the property passing on to you!

Allah Almighty knows best.

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Name Burhan Harun - Malaysia

**Question**

My client's business is to invest in companies with a fixed return of 25% p.a. I provided an accounting service to this client, and received monthly fixed fee. Is my earning lawful in Islam?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Burhan,

Your question is vague! Are you getting fees for your accounting services or for money invested in your client's business?

If you get fixed fees for accounting services and you avoid writing interest-based transactions/contracts, your income is in sha' Allah halal.

Allah Almighty knows best.

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Name Javed - Malaysia

**Question**

If one has enough money to go for Hajj, is he then permitted to go for a Sunnah `Umrah before he goes to perform Hajj?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Javed

Yes, if he has resources to cover both or by the time of Hajj expects to get what is needed for it. Otherwise Hajj has a priority although there are different opinions between Schools of Fiqh on whether Hajj is obligated immediately once resources become available or may be delayed.

Allah Almighty knows best.

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Name Rashad - United States

**Question**

I volunteer for a NGO which runs on people's funds collected during its fund raiser drives. During the fund raiser drives, many people donate money, often times anonymous. Is it allowed to collect and use peoples' money when it is not clear whether the source of that money is halal or haram? What good can we do with the money donated itself is from haramsource?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Rashad

The question is wrong! When someone donates to an NGO you don't ask or check whether it is halal or haram. Questioning it raises suspicion in a person (Muslim or non-Muslim) and this violates the Islamic manners.

If someone give you money and she/he volunteers to inform you about it you then and only then have to look at the following: If the haram is in the form of shame such as theft, you must reject it and you are required to return it to its true owner. But if the haram is abstract, like through invalid contract such as interest, you may take it and spend it to the poor and needy, preferably Muslims who are presently in much more need worldwide than others.

Allah Almighty knows best.

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Name Muhammad - United States

**Question**

I have some savings, which I should pay Zakah for. I put some of these savings in a "mortgage" after we bought our house which we live in it now. So, they are put to pay this dept. Do I have to pay Zakah for this amount?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Muhammad

If there is any Zakah due for past years before you used the money as a partial payment for the house, yes you still have to pay it because it is a debt on you that you can't escape. But there is no Zakah on such money since you used it for housing.

Allah Almighty knows best.

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Name Mubashir - Sweden

**Question**

I have a friend here in Sweden. He has a cleaning company. Earlier he had a restaurant but he sold it in search of rizq halal. Now, he/his company employees have sometimes to wash alcoholic glasses. He is still worried about his income; halal/haram? We would very much appreciate your comments on this issue.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Mubashir

Washing glasses of alcohol is not haram, but it is not the best thing in the world to do!  
Allah Almighty knows best.

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Name Ikhlas -

**Question**

Is it allowed to work in a bank in a Western country? Please, tell about the principles of Islamic banking system.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br./Sr. Ikhlas

Yes, it is permissible provided one does not write or sign any interest-based transaction. Please search on the internet for Islamic banking principles, it is a long subject, basically it is financing not on interest basis.

Allah Almighty knows best.

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Name Laila -

**Question**

Is it allowed to give Zakah to an Imam as a salary for his work?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Laila

Not as a salary, but if he is poor you may give him Zakah. Being an Imam is not a job in the Shari'ah, and the Imam should be given a salary as being a director of an Islamic center, a preacher/teacher of Islamic studies, etc.

Allah Almighty knows best.

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Name sulaimane - United Kingdom

**Question**

I have been offered to rent a news agent shop. I want to know what is the stance of Islam regarding selling tobacco and newspapers as some of them tend to contain one or two pages of haram?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Sulaimane

Selling tobacco is haram on the ground of its harmful effect. The same applies to porno magazines, publication that violate the principle of the Oneness of God and the like. But if regular newspapers contain a little of these and the great majority is news items, it is permissible to sell them on the basis of the well-known majority rule: you apply to all whatever rulings that apply to the majority.

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line. Sunday, Dec 25 ,2005**

Name: Muslim -

**Question**

Can one donate a piece of land for building Church or temple? He donates the land not because he approves what the non-Muslims believe, but for religious system. What is Islamic ruling on this?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br.

No, a Muslim must not donate to promote any thing that violate the oneness of God. We are strong believers in the absolute Truth that there is only one Deity and that NO ONE else deserves to be worshiped and that God has no sons and no partners.

Any association of partners or son with God is a violation of this Absolute Truth and a Muslim may not under all circumstances help promote such a violation. That is going overboard in kindness to followers of other religion, that is to an extent that violates the basic fundamental of the Absolute Truth.

Allah Almighty knows best.

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Name Murad -

**Question**

Is it permissible to sell something which may be used for both halal or haram purposes. For example, I have an MP3 player that I want to sell. The device can be used for haram purposes, and it may be used for halal purposes such as listening to Qur'anic recitations, Islamic lectures, educational purposes, etc. Would it be haram to sell the device to a store not knowing who would end up buying it and how the purchaser would use the device?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Murad

Yes, it is permissible unless you know for sure that the purchaser is going to use it for only haram usage. For instance, while selling knives is permissible, one may not sell a knife to a person whom one knows for sure is going to stab his/her mother or to commit any other crime.

Allah Almighty knows best.

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Name Manfield -

**Question**

I am a revert to Islam. I have been married for several years and have not been blessed with children. My family are Hindus. My question is I do not have any inheritors apart from my husband and if he should die before me how do I divide my money? I have one

sister who is a Hindu. Also how do I get over my anger towards Allah - sometimes I feel that Allah has "picked on me" as everybody we know has children. Also, please advise what to do in the event of my parents dying, can I go to the funeral or can't I go to the funeral or the cremation. Thank you for your help in advance.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

1. For inheritance, you must make your last will (in fact it applies to you and to your husband unless you live under Islamic family law) in which you must assign the remainder of your property to Muslim organization in case you die after your husband. Also in case he dies after you or together, because there is no rendering (taking the remainder of the estate) between husband and wife. You can always assign up to one third of the remainder to any person including your sister or any non Muslim. In your case, the creation of a last will document is not only recommended but it is rather a MUST.

2. Don't be upset because you don't have children, the Prophet (peace and blessings be upon him) said, "If you knew the unseen you would have chosen the actual!". Who knows what God had stored for you, a child may not be good for you, he or she may be very upsetting to you and to your family life, you may read in the Qur'an such stories about a child who was well taken care of by parents but turned out to be very ungrateful.

In addition, it maybe that God has stored for you more reward in becoming a mother of many children instead of one or two. Got out of your nest and take care of children who need you all over the places, immediately around you, in schools in the neighborhood and every where, be a foster mother, be a teacher, be a supporter in an orphanage, take children to foster them in your own home.

I know a mother who lost her three children to a criminal father but in a few years God gave her back her children and a foster child whom she breast nursed although she was not having at the time any baby of her own. Go out to the world where there are many children who really need you and your passion.

3. Yes, you may go to the funeral or cremation of your parents and you should visit (if they accept you) them and be kind to them while alive, you need their pleasure even if they are not Muslim.

Allah Almighty knows best.

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Name Marwan -

**Question**

I am from Pakistan, and I am working in Singapore in the National University of Singapore. I will be very much thankful for your kind guidance for one of the issues that is related to Zakah. It is my routine that I pay my Zakah at the beginning of Ramadan each year. This year (2005), I bought a plot (piece of land to construct a house) in Pakistan, and I spent all my savings to buy this land. Initially, it was my intention that I will re-sell the land if I get some profit (means it was investment) and moreover if the location is good, I will keep it to build house for my own use. I want to know that

whether I have to pay the Zakah for this piece of land, and whether I have to pay after one year from the date when I purchased it, or I have to pay as my previous routine i.e. at the start of Ramadan. Moreover how I will calculate the amount of Zakah I have to pay?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Marwan

If you bought it with the intention to sell it when you have a good price, you must continue your Zakah year as it is because it is then considered as a merchandise for sale and it is subject to Zakah under the same conditions of your own Zakah year.

At the beginning of Ramadan 1426 (2005) you calculate what you have of cash, gold and silver, bank account of all kinds, stocks and other investment plus the value of the lot on that date (make an educated guess and if you can't take the paid price) and pay Zakah on the balance at the rate of 2.5%.

Of course you can deduct any debts that may be on the land or on you for any other reason except a mortgage debts that is long term in nature and you may deduct your maintenance expenses between the due date of Zakah and the next pay day that you will receive your income at.

If you did not pay the Zakah for last Ramadan, you still have to pay it, any delay is in sha' Allah, forgiven if it has good reason such as lack of cash or other things that may be used as payment, or searching for deserving recipients, etc.

Allah Almighty knows best.

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Name Ahmad - India

**Question**

Dear Scholar, As-Salamu `Alaykum. I would like to know if a person who is having a credit card balance can go for Hajj?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Ahmad

It is better to pay any interest-based loan before you go for Hajj. In fact if you are under interest loan debt, especially credit card debt that is obviously a short term one, its payment has a priority over spending the money for Hajj.

Allah Almighty knows best.

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Name noureddine - Belgium

**Question**

Concerning buying consumer goods like TV, refrigerators and paying them in pieces. The price if one buys them cash is the same as if one buys them by long term payment, but there is a bank in the game. Is this riba?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Nouredine

Riba is an increment in a debt or a loan. If there is no increment there is no riba, and if the increment is in the price of a good not in a loan, then there is no riba too. Hence, the transaction as described does not involve riba.

Allah Almighty knows best.

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Name muslim -

**Question**

I have some things which are not halal. I had them before I repented, like Music CDs, high heels, clothing which isn't appropriate for a Muslim, etc, can I sell them or is it haram to sell them too?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br.

The items you mentioned are not necessarily not permitted in the Shari`ah, there are controversy about some like music and others have their use within the house or in some occasions. Such items are permissible to sell and their price is halal, in sha' Allah.

God prohibited the sale of liquor and any liquor owned by a Muslim must be destroyed.

The sale of pork and other swine products for food is also not permitted. But sale of items that are not absolutely agreeably prohibited is not haram, in sha' Allah.

Allah Almighty knows best.

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Name Amine - United States

**Question**

What does Islam say about family members delaying the inheritance for no reason after their father dies?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Amine

This is certainly a sin punishable by God because once a person dies her/his properties become owned by the heirs and any unjustified delay in giving an owner her/his property is a form of ghasb that is punishable by God and prohibited by the Islamic family laws as they exist in the Muslim countries today.

Allah Almighty knows best.

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Name Hamed -

**Question**

I received some money as a gift from a Christian friend. He is Christian but he has a great respect for Islam. He is a trustworthy and good person, and he helps people and he is thinking of converting to Islam. Can I use this money for Hajj or `Umrah?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Hamed

Yes of course a gift makes you the owner of this money regardless of whether it is from a Muslim or non-Muslim.

The only exception is when you know that the thing that is given to you itself is in fact owned by another person (not the one who gave it) and it came into the hand of the giver in an unlawful way such as theft.

Allah Almighty knows best.

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Name Yassine - France

**Question**

Last year, I had 10 Euros on my saving account and during the course of this year I saved additional 6 Euros (500 per month).

Could you please tell me on which amount I should pay the Zakah?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Yassine

Your Zakah year (that is lunar by definition) began on the day you acquired an amount that is equal to Nisab (# 1000 USD). A lunar year after that date is your day of your first Zakah due payment and then every 354 days from then. The amount you pay Zakah on is: total savings on that day + any gold and silver you may have + any other items that are subject to Zakah like stocks, debts on others, other investments, goods you have for sale, etc.

In other word, in your example you pay on the 16000 Euros.

Allah Almighty knows best.

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Name A -

**Question**

I graduated three year program (general degree in psychology) I am a mother and wife. My husband can only provide our livelihood. I can get a job only this degree. I want to go one or two year at least to study. Am I allowed to apply for a student loan?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. A

Student loans that carry interest are prohibited and I don't see any necessity that allow any relaxation of this very strong prohibition.

Allah Almighty knows best.

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Name Belal - Canada

**Question**

What is Islam's ruling on taking out student loans? In specific, there are some loans that which have interest accumulating even while you are studying, but that interest is automatically paid by the government as long as you are a full time student; and as such this so called "interest-free loan" is somewhat misleading. For those students who have already taken out student loans, what do you advise them to do?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Belal

Interest-based student loans are prohibited. But if the government pays the interest, to me it is no more an interest-based loan unless when I complete my study I can't pay the principal of the loan without allowing it to generate interest. That is if I can pay it within a grace period that has no interest or even it has but the government still pays it, for me the loan remains interest free.

Finally if a Muslim, unknowingly or sinfully is involved in an interest-based contract, he/she has to come out of it in legal ways as soon as she/he can.

Allah Almighty knows best.

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Name Yahya - United States

**Question**

Are Roth-IRA's halal? What needs to be examined to determine if it is halal or haram?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Yahya

These are saving accounts for retirement, what is necessary is that you must choose the permitted stocks or funds to invest them in. This is what make the investment halal or not.

Non-Permitted stocks include stocks of companies whose main activities are not permitted such as conventional banks, casinos, breweries and military industries. In additions other companies' stocks may be prohibited if they make un-tolerated amount of non permissible transactions or products.

Allah Almighty knows best.

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Name Dawud -

**Question**

I want to know: I've a piece of agricultural land(1 acre). I want to give this to other person against money equal to 2000 us dollars for period till I return him his same amount. Is it permissible in Islam? In this my need is money, while other person who is giving me money has temptation of getting income from land by growing crops and selling these crops. This is because he thinks that I've this money extra and if I put in bank that is not halal to get interest. So is it OK for both of us and not any sin?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Dawud

No, this transaction is not permissible. It amounts to giving the land as a collateral and any return from a collateral belongs to its owner not to the depository. The benefit taken from this land is interest (Riba)

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line, Tuesday, Oct 18 ,2005**

Name Muhammad -

**Question**

Is it necessary to pay Zakatul-Fitr in cash or in kind?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Muhammad,

The Hadith about Zakatul-Fitr came in kind; one Sa' of barley, date, raisin, dried yougurt, etc. When many of the Companions who lived in Damascus vicinity they noticed that one Sa' (# 2, 176 KG) of barley equals in value 1/2 Sa' of Syrian wheat they approved of one half Sa' of this wheat as equal to what the Prophet (peace and blessings be upon him) ordained.

Based on this and the importance of looking into the interests of the poor, the Hanafites and Ibn Taymiyyah argue that it is permissible to pay it in cash or in kind (using the element that makes a food item in the land) whichever is better to the poor.

You can also read: Can Zakat-ul-fitr Be Paid in Cash?

Allah Almighty knows best.

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**Question**

My husband's father abandoned his family a few years after my husband and I were married. He divorced his wife and left his children. My husband is the oldest son. He had younger brothers and sisters. We were living in US and were able to support the family, we supported their education, and everything they needed to live. We arranged and did some of their marriages. One of his brothers live with us and we support him in every way. Although my husband makes very good income, by the grace of Allah, his paycheck is spent every month on the running of the households. We own 3 houses, 1 we live in and 2 we have rented out. We have good cars. We also make donations to charities from time to time as we can.

1. What do we have to pay zakah on?
2. I know the supporting of his mother is not considered zakah, but how about his siblings, the support of their education, daily life needs, marriages. Could these be considered zakah?
3. If they could be considered zakah we have never thought of it as that before or made intention of zakah that way, do we have to make clear cut intention before doing the acts of support?

4. If so how would we do that as it is a part of our daily life?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Khadijah,

I believe that you have to pay zakah on the market value of the rented houses at 2.5% every year, there are many who argue that rented real estate are not subject to zakah. I've written on this matter and I think it is wrong. Cash on hand and in banks, jewelry, debts and some other items are also subject to zakah.

Besides spending on in-need siblings, especially young is the responsibility of their able brother or even able sister.

Also zakah requires intention when you give it, or at least as you give it.

I believe that you should go back and pay zakah on all past years since the end of the first lunar year after you acquired nisab.

Allah Almighty knows best.

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Name Muslim -

**Question**

As-Salamu `alaykum. Can Zakat-ul-Fitr be delivered from one country to another?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br.,

Yes, when the need is more urgent as in the case of occupied territories, natural calamities or to kin relatives.

You can also read: Where to Pay Zakat-ul-fitr?

Allah Almighty knows best.

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Name Dawud -

**Question**

What is the value of this year's Zakatul-Fitr in US\$?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Dawud,

It is about 2-3 USD. I know that there are people who say it is 10 Dollars, but this is incorrect because it is the value of one Sa' of wheat (that is the main food item we take with meals in America) and the Sa' is 2.176 Kg or less than 5 pounds of raw wheat. The mistake came from confusion with the kaffarah that is two normal meals (2 hamburger sandwiches).

Allah Almighty knows best.

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Name Muslimah -

**Question**

Should we pay Zakahul-Fitr on children born on the night of the `Eid? Please answer in detail.

Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Yes, as long as the baby is born before the sunrise of the day of the `Eid. It is always better to avoid controversy by being on the safe side. There are differences of opinions about when does a day begins, sunset, dawn or sunrise. So if the baby is born in Ramadan, it is subject to Zakahul-Fitr, take the more conservative, it is also consistent with the principle of favoring the poor whenever there are two or more alternatives.

You can also read: Zakat-ul-fitr: Rules and Significance

Allah Almighty knows best.

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Name Aamina -

**Question**

My husband has taken mortgages out on some homes. One is the one we live in the others are ones he rents out. We live in US. I know that it is wrong to take loans with mortgages. And I have tried to talk to my husband about it. He says that there were some fatwas given that in this country you can do it because it is the only way to own property and be successful enough to compete with the non-Muslims. Anyhow, how do we pay our zakah when we are owing loans. We also have some loans which are without interest. My husband is a physician and thanks to Allah he makes pretty good money but he has no savings. All money goes to paying these loans.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Aamina,

The pre-requisite for Zakatul fitr is that the head of the household owns the food of the family for one day, nisab and debts, etc. are not considered.

You can also read: Zakat-ul-fitr: Rules and Significance

Allah Almighty knows best.

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Name Muslimah -

**Question**

I would greatly appreciate if you would answer my question.

Am I as responsible to pay zakah on my jewelry myself, or does my husband have to do so? If I have to and I do not work how can I pay? Also, if I donate material things like I donated a lot of clothes, blankets and medical supplies to the earthquake relief what can that count as? I do not think this is zakah, but can it count as sadaqah? What is the difference between sadaqah and khairat?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

1. Each person is responsible for her/his own zakah. If you own the jewelry you are required to pay even if you have to sell part of it. But if your husband volunteers to pay it on your behalf it is ok.

2. Any property you give with the intention of zakah counts as zakah and anything you give as donation counts as sadaqah (=khairat).

Allah Almighty knows best.

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Name Badre -

**Question**

Are we required to pay zakah on our salaries?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Yes, on the saved part of it if it accumulates to a nisab over a lunar year.

You can also read: Zakah on Salaries

Allah Almighty knows best.

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Name Ali Abdullah - Tajikistan

**Question**

What to do when a man does not earn an income concerning zakah? I have not paid for years. In fact, my wife works outside the house to support us. I clean the house and cook the food. My wife says my cooking is bad and too spicy. I change diapers and wash babies. I try my best. It is very sad. No work for me and no zakah. Will I go to hell? I try to help people in place of my zakah but I know it is not enough. I don't have any money at all, not a penny. I know of many brothers in this situation but it is hidden. Many of our women work and some men do not. It is like AIDS, we try and hide it from the West when in fact it is a serious problem. So many lies. Anyway, what can I do about zakah?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Ali,

If you have any extra food to put on the table for the day before `Eid, whoever spends on the family, have to pay Zakatul Fitr. It is a very small amount per persons including babies. It is the value of 2.176 Kilograms of wheat or barley, whichever you eat in your area. If you don't have such extra, you deserve to be given Zakatul Fitr.

Allah Almighty knows best.

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Name A -

**Question**

I have general degree in psychology. No jobs available with itself without teaching degree, (which takes 8 months). I don't have money to pay. What if I apply for a student loan? Is this haram?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Interest based loans are haram. Please re-submit the question with details by email or in another Financial Session.

Allah Almighty knows best.

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Name fatima - United States

**Question**

I'm breastfeeding and I fasted the first week of Ramadan and I stopped fasting because it has affected my milk supply. My question is can I break and fast ex: eat for 5 days and fast 2 days. It'll not affect my milk this way. Is it haram or not?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Fatima,

Breaking the fast with kaffarah (about USD 10 for every day) is permissible for if fasting negatively affect your breastfeeding, because it is the right of the baby. You may break the fasting to the extent that is needed.

You can also read: Breaking Fast due to breastfeeding

Allah Almighty knows best.

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Name muslimah - United States

**Question**

Who should be responsible for Zakatul-fitr if me and my husband are separated and how should it be calculated since we have 2 small kids?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

The person who is responsible for spending on livelihood is the one who is responsible for Zakatul fitr. If this person escapes this responsibility he/she is sinful but still Zakatul fitr is a duty on the person who actually spends on maintaining the kids.

Allah Almighty knows best.

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Name Mohamed Aslam -

**Question**

I want to pose a question to you. I am just married (5 months ago), and my wife is having 50 soverigns of jewels. Should zakah be paid for those jewels?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

If the weight of these soverigns is 85 grams or more, yes she is subject to zakah at the end of every lunar year. The first year begins when she acquired nisab (# USD 1000) for the first time. In calculating nisab you add together jewelry, cash and bank accounts and other savings and debts on others.

Allah Almighty knows best.

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Name Student - Canada

**Question**

**As-salamu `alaikum Wa Rahmatullahi Wa Barakatuh,**

Jazakum Allah Khairan for all your efforts.

My question is: What is the minimum amount (in dollars) one would need to be required to pay zakah. Would this minimum have to be with you for a full year?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br.,

It is in USD about 1000 and once you have this amount you should mark the day. If after 354 days you have 1000 or more, you are then subject to zakah.

Allah Almighty knows best.

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Name sarah -

**Question**

I have jewellery, money in my bank account and I do not work. Do I still have to pay zakah?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sarah,

Yes of course, if they exceed the nisab (# USD 1000) and a full lunar year (= 354 days) passed. Zakah is a yearly obligation at 2.5% on these kinds of properties.

Allah Almighty knows best.

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Name a - Somalia

**Question**

To whom should we give Zakatul Fitr? My cousin's two orphan children or divorcd sister who live alone in foreign countrny?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

You give it to whoever is in more need, keeping in mind whatever other resources that may be available to either of them. All in all, your sister is more closer to you.

You can also read: Zakat-ul-fitr: Rules and Significance

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Tuesday, Sep 6 ,2005**

Name Mary -

**Question**

A friend of mine called me the other day and want me to co-sign with him on a loan from a bank. After signing to save him from debts, I realized that I am signing in interest-based loan, but I was thinking of saving him. I know that I did something haram, and I called him and I said I did something bad and he keeps saying that no, it's fine. What is your opinion?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister, signing and co-signing an interest loan is certainly Forbidden and one of the very bad sins in our Shari`ah. But if a loan is taken under pressure, with no other alternative, to save one's live or property including business from bankruptcy it may not be haram on the basis of necessities.

Allah Almighty knows best.

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Name Ahmad -

**Question**

Respected scholar, as-salamu `alaykum. We all heard about the killer hurricane Katrina which caused the death of thousands of people. Some were Muslims and some non-Muslims. There were also many thousands of causalities and a huge number of people were left homeless. We also read about the great efforts Muslims have made to help their brothers and sisters in humanity. Could you please explain the concept of Islamic solidarity in such devastating disasters? jazaka Allahu khayran.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Ahmad, as a very brief answer I can say: Human sufferings and human lives are very dear in Shari`ah. Letting one person down is like letting the whole humans down and Muslims are called on to relieve any person who suffers and to help the family of any one who loses her/his life in a natural disaster or otherwise. At one time, the arch enemies, pagan Makkans who were at war with the Muslims under the Prophet Muhammad (peace and blessings be upon him) suffered from a famine, and the Prophet helped them by sending money to buy food. Whenever human beings suffer, Muslims must always be there to help and remove the suffering. After all, this religion is sent as a mercy to the worlds.

You can also read: Helping Disaster Victims: Hurricane Katrina (Special Folder)

Allah Almighty knows best.

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Name Safadi -

**Question**

I have a second hand business running and I am thinking to close it down. I found someone who wants to lease it from me but when he opens up it will be of an off-license which will be selling alcohol. Is it okay to lease it out to him?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Safadi, leasing a property as a liquor store or for selling alcohol is not permissible. But leasing it as a store and then the lessee does whatever she/he likes to do in it is not of the lessor's business, keep in mind that a Muslim must not act naively.

You can also read:

Renting Property to a Liquor Store

Allah Almighty knows best.

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Name Muslim -

**Question**

I got a job at an engraving shop. It turns out I had to engrave Buddhist pendants and a Buddhist wheel for a shipment. Most of the job dealt with cutting metal, sanding, oxidizing, drilling and many other things. The engraving was a small fraction of the time I spent working.

However, all of these acts are meant to make the pendant ready for shipment. Besides that, my boss' income is from making pendants and he's paying me. He's done Islamic pendants but looking around, I saw most pendants have some image on them even for schools and organizations but not all of them, like the Federal Reserve's request involved no image. I quit the job. I've set aside more than the percent of pay I made stamping the image on the coins (by means of pushing a button) and I'm willing to give the rest away, but may I keep any?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother, you are entitled to the price of your work that you gave to the employer. Making statutes, especially those that are worshiped by some people is certainly forbidden in the Shari`ah. But making pendants with some images is not strictly forbidden although the use of them may be very undesired and it becomes haram if the pendant represents a religious symbol.

I think you can dispose of all the income you made from the job, it is yours halal for you Insha' Allh. And giving charity is always good, specially if you already pledged it.

Allah Almighty knows best.

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Name Manzoor - India

**Question**

I want to know if trading (Share trading) in options and futures is valid in Islam.

After the introduction of futures it becomes impossible to trade in shares by taking delivery and keeping it for a long term because the appreciation is negligible since the volatility remains high and those invested in futures make a handsome profit out of it.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Manzoor, according to the OIC Fiqh Academy option trading is not permissible in Shari`ah as these are financial rights that are not recognized for trading. The reason is that they are like thin air, created for the purpose of trading only.

Also futures are not permissible according to the opinion of the OIC Fiqh Academy on the ground that Shari`ah does not approve deferring both the object purchased and the price together and on the basis of being highly loaded with speculation and not intended for actual sale and buy but only for settlement at price differentials.

You can also read: Option Trading

Allah Almighty knows best.

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Name Shadi -

**Question**

Dear scholar, may Allah bless your efforts.

All of us heard and saw the news of the killer hurricane Katrina. It's a human tragedy and painful. My question to you, as a Muslim scholar, can Muslims send their Zakah money to help alleviate the sufferings of Katrina victims, both Muslims and non-Muslims?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Shadi, help relieve victims of sufferance is a must on all Muslims who can regardless of religion, color or ethnicity of the sufferer. Using Zakah money for helping Muslims is the opinion of the majority of scholars on the ground that Zakah is a specific religious obligation and it must be used for Muslims only, a minority argue that it is permissible. I go along with the majority view especially at this age of ours where there is a lot of sufferance by Muslims, a large number of them die daily out of hunger and many of them are under poverty and foreign occupation at the same time, while there are huge resources available from the federal government that can be used in helping the victims.

You can also read: Giving Zakah to Non-Muslims, Giving Charity to a Non-Muslim

Allah Almighty knows best.

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Name Yakhya -

**Question**

As-salamu `alaykum. Dear brother, I am newly hired in an American university. One of the benefits there is the contributions made by the university for the retirement of its employees. For the retirement, both the employee and the university contribute, at each pay period, to an account that can be managed in two different ways.

1- In the first option, the retirement account is managed by the State public retirement system. In this plan, the State guarantees to the employee monthly payment once retired, provided he has worked for at least five years.

2- In the second option, the employee chooses to put his money (the university contribution and its own) in companies (pre-selected by the university) that invest the

money in the market. Thus, the employee can gain or lose money depending on the performance of the investments.

I would like to know whether it is halal to participate in any of these retirement systems since the investments in the US always involve interests, and since the employee does not have any direct control on where his money will be invested.

Do you know any alternative (from brother already working in American universities for example) knowing that the employer does not give directly its contribution to the employee but instead the money is either (i) directed to the public retirement fund, or (ii) given to the selected companies or (iii) lost by the employee if he does not accept any of these two options.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Yakhya, these retirement plans are permissible with certain qualifications and explanations.

A Muslim employee has the right to benefit from this plan and enjoy the contribution of the employer.

Plan one as you described it seems to be based on actuarial grounds like any other life insurance and retirement plans such as the Social Security. Whatever the administration of the plan does is none of your business, although it is doing haram if it invests, as usual, in interest-bearing securities. Insurance is permissible, although some scholars argue that it is not on the ground that it involves ambiguity (gharar). The second plan is permissible with the condition that you need to choose the stocks of companies that have the least transaction in haram and estimate the percentage of the gains (capital and dividends) that arises from the haram transactions and give that amount away to Muslim charities. You do not need to make this purification giving from other sources you may have and you can wait until you receive the pension and give away out of each payment that updated percentage of haram earning.

Allah Almighty knows best.

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Name Siraj -

**Question**

Is purchasing a house with a conventional Mortgage haram? Or is it consider basic necessities?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Siraj, the permissibility Fatwa is conditional on: 1) there are no alternatives that are acceptable to Shari`ah; 2) there is a need for house purchase on the basis of family size, schooling, public services, security, tax deduction, etc.

Allah Almighty knows best.

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Name noordine - Canada

**Question**

I live in Canada, and support my entire family (parents and siblings). I rent a place and we all live together. I am getting married soon ... but can't afford two places. Buying house seems to be the most affordable option that can accommodate everybody as I can not afford two places. I have looked into all Islamic financing but find it unaffordable. Is taking from the bank permissible and if not, than what are my options?

Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother, yes, it is permissible in your case as you described it, according to the Fatwa of the second International Fiqh Conference that was held in Detroit in the fall of 1999.

Allah Almighty knows best.

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Name mohamed - Ireland

**Question**

Please I'm a Muslim living in Ireland. I used to be a qualified chef, I give up my job because I have to serve food with pork sometimes most in restaurants and sell wine, after I give up the job I was thinking I well find another halal job but since I give up I do not find halal job, even you work with Muslims they do not give you your wages easy. They try to let you to work long hours less money even it very hard to find halal jobs in Europe I have 2 years now looking for a job but non. I'm father of 4 children. I do not like to stay home. I get sick of that. Since I left my jobs I lost a lot. I became nervous. Sometimes I kick my son 20 month old, shout to my wife, I pray all the times to God to help me. I keep asking God for halal job, I feel now my faith is less than before, I'm so sad now not happy person as I was, I have 2 years now looking for halal job. I lost a lot not only money. I lost my confidence, I lost my conversation with other people. Now I look for bigger apartment. The land lord asks me for work reference asking me, "are you working or not?" Even I did many accountancy courses I went to the mosque asking for training and I had letter from the school they will pay me (school) during my training at mosque management do not went to give training that is shame even for free, and you come to tell me Muslim will help each other. I do not think so, I have an offer to back to work, even I can find job in restaurant they cooked only pork, they do not sell wine or beer. I can work in hospital kitchen or some like that. Please tell me what is better to stay home kicking my sons, shout to my wife, get sick or go to back to work, even I did apply to work with one of Arab airline they do not give me the job they give it to a non-Muslim rather than a Muslim.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Mohamed, please still do not get frustrated and do not loose hope. You said you can get a job in hospital kitchens and in restaurants. What I suggest is to get a job in such kinds of works but personally avoid cooking or serving pork or liquor, give

this cooking to colleagues. The fact that the earning of the employer includes prices of haram items does not affect you but it affects the employer only.

Allah Almighty knows best.

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Name Syed - Canada

**Question**

As-Salamu `Alaykum. I run a Montessori school (currently it is for-profit, but soon it will be non-profit). I'm wondering if I have to pay Zakah on the combined value of the materials in the classrooms.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Syed, I believe that the business net worth is subject to Zakah every year at the rate of 2.5%. and I have my argument and evidence for this, you can find it on my website. However, the majority's opinion is that all fixed assets are not subject to Zakah. It is your choice.

Allah Almighty knows best.

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Name Omar -

**Question**

As-Salamu `Alaykum. Let's say if at work they have a lotto, and they choose you randomly to give you money or a gift, is it halal to accept it or not?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Omar, if you don't pay for it, yes, it is permissible to accept it and it is permissible to the employer to offer it. This is a choice by a random process of the gift recipient, it is not gambling. In gambling you pay for the chance.

Allah Almighty knows best.

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Name mohamed - United States

**Question**

I am doing my business for seven years. I got merchandise on credit and now having problem to pay them because my sales have gone down. It's more than one year. I didn't pay some companies. My intention is to pay them, but I don't have money. I still have the business which is not so profitable, very hard to sell. Did I committed a sin by not paying them?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Mohamed, yes, certainly it is sinful not to pay one's debt on time. You need to make all your effort to pay on time including tightening your personal and

family budget to a minimum. But if you still cannot pay, you either seek consensual delay or declare bankruptcy and then creditors get a percentage according to the proceeds of liquidation.

Allah Almighty knows best.

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Name Ahmed - United States

**Question**

I work for a Defense Contractor as a software engineer. The company as a whole develops weapons and security products. But my work is directly linked to defense, it is mainly for civil. Are my earnings from my work permissible?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Dear brother Ahmed, your earning is halal Insha' Allah. Defense, security and civilian services are all permissible. What is haram is aggression weapons (even when they are misnamed as defense) and mass destruction weapons produced by or for countries that make aggression on other nations such as Saddam Hussain during his reign over Iraq and the United States today under the current administration. This is what makes it an object of the Fatwa of Muslim boycott.

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Tuesday, Aug 9 ,2005**

Name Shah -

**Question**

Dear scholar, As-Salamu `alaykum. My University offers student payment plan (interest-free) for a fee of \$85. I will have to pay \$85 each time I participate in a tuition payment plan. Is this allowed in Islam?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Dear brother Shah, \*5 USD seems a high figure for an easy payment plan on tuition, it seems as being structured to include an estimated interest and then averaging it out on all students. Otherwise, charging the actual cost, even assessed on approximate basis, is permissible.

Allah Almighty knows best.

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Name Ahmed -

**Question**

As-Salamu `alaykum. I am a dentist who is currently working in the USA. I am offered currently to buy Disability insurance, which would pay me a percentage of my salary monthly in case I became disabled due to accident, injury, etc... Is disability insurance ok

or not allowed in Islam. I have been looking for an answer for this question for long time. Jazakum Allah khairan!

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Ahmed, you didn't need to wait for a long time! This and other kinds of insurance are permissible.

There are two conditions for the permissibility of an insurance contract: 1. it must not be interest-based and 2. the insured thing must be permissible. These conditions are satisfied in disability insurance.

Of course, there is another opinion which believes that all kinds of insurance are not permissible on the basis that insurance involves a great deal of ambiguity (Gharar). But I think this other view does not have sufficient evidence for prohibition and does not offer any real alternative. Insurance is a new contract that was not known during the era of development of Shari`ah known contract in Fiqh, it is useful or even very often necessary, the amount of ambiguity in it is bearable and end with a clear process of settlement and clarity and it does not violate any of the axioms of Shari`ah, of course with the above mentioned two conditions.

Allah Almighty knows best.

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Name Fammar - Canada

**Question**

As-Salamu `alaykum. I live in Canada with my wife and my kids. The government here gives monthly payment, called child tax benefit, to low-income families with kids to help them raise their children. This monthly payment depends on the total income of the family "total income of the man and the woman". The less the total income, the higher amount of money a family gets. The government, usually, sends this money to the wife by a check, or by any other way, but it's always sent to the woman. My wife says that this money is hers because it comes to her account and she thinks she should keep this money for herself. She says that this money is hers because she's not working and she takes care of the children and the house and this money is sent to her from the government because of that. On the other hand, I think that this money is to help us raise our children and it should be added to the house expenses. Although I'm working, the government still thinks my income is not enough to support my family and that is why they send us the money. What supports my point of view is, as I mentioned before, the money that the government sends depends on the total income of the man and the woman. When the total income reaches a certain amount, the government stops paying because it thinks that the income would be enough for the family.

My question is: Should my wife keep the money the government sends or should she add it to the house expenses? Is it haram if I take this money to cover our expenses?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
Dear brother Fammar, this money is by its very definition for the support of the children, it should be either used for their expenses or be saved for them only. It is not a gift from the government to your wife or to you. If you don't use it for them then save it for them, they will need it as they grow older. It is not your wife's money nor yours.  
Allah Almighty knows best.

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Name abdulmajeed - Ghana

**Question**

As-Salamu `alaykum. In my country, the minimum wage is about \$1.50 per day and most Muslims do not even have jobs to earn this wage. Won't it serve Muslims better if Nisab (Zakah payable amount) based on silver is used in such a situation? Jazakum Allah khairan!

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
Dear brother Abdulmajeed, If the amount of Nisab in silver comes to something that is sufficient for a family of four in your country to live on for their food needs for about 200 days, it may be reasonable to use the Silver Nisab. There is nothing adamant about using the gold Nisab instead of silver, it is just that the value of the latter has declined so much that it does not reflect the idea of Nisab as it came in the Sunnah. If this value comes back up, yes we can use it. The idea of Nisab is to avoid just taking it from the poor to give to the poor. Are persons who own 485 grams of silver rich in your country?  
Allah Almighty knows best.

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Name murad -

**Question**

I earn a reasonable salary but by the end of the year I save just very small amount which is not zakatable. Is there a way of calculating Zakah for professionals like me?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
Dear brother Murad, the principle is that Zakah is only on what is left after expenses. If these saving added to other zakatable item that you own come to be equal or more to the amount of Nisab (USD 1000) then you are subject to Zakah; otherwise you are not.  
Allah Almighty knows best.

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Name mariam sule -

**Question**

As-Salamu `alaykum. If one rears livestock as his means of livelihood does he have to follow the Nisab of say sheep, goats and cow or he simply looks at their market value and see if it is up to the zakah threshold?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Mariam, I didn't get your question! If one has 40 sheep/goats or 30 cows and after 354 days she still has the same amount or more (obviously during the year she survived on their products and ate the meat of what she slaughtered, etc.) then she becomes subject to Zakah as clearly mentioned in the Sunnah regardless of the value of the livestock she owns.

Allah Almighty knows best.

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Name karim -

**Question**

I have avoided riba based loan facility for building a house for my family. I have struggled for the past 7 years to build it without this loan in vain. Can I go for it for this purpose only, knowing and accepting that it is haram? Thank you and may Allah bless you.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Karim, it only depends on the degree of need and where you are. If you are under necessity conditions yes you can apply the rule "necessities call for relaxation". And if you live in a Muslim land the likelihood you, in cooperation with others, can establish some form of organization that can satisfy the need is very high to the extent that utilizing the concept of necessity may hinge our lack of activism.

Allah Almighty knows best.

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Name Zaynab - France

**Question**

As-Salamu `alaykum. This question is from a Muslim sister who converted to Islam mashallah and her question is regarding Riba in Islam. I know that it is haram to consume Riba (interest), however, is it considered haram if one is working in a bank/post-office which deals with interest?

The sister is a student and is working in the post-office during the summer and she is concerned about this question. During the summer she lives with her parents (who are against her becoming a Muslim) and will be going back to university in September. Is it okay for her to work there on a temporary basis? She does not wish to work there next year.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Zaynab, working in a bank and post office and other organizations that deal with Riba, to a lesser or larger degree is permissible as long as she avoids signing, writing, filling in application, or be a witness to a Riba contract. There are many jobs in

banks and other institutions that do not deal with such functions. A post office has even much lesser contact with interest contracts. Yes, it is permissible to work in the post office with this condition.

Allah Almighty knows best.

-----  
Name Mohamed -

**Question**

As-Salamu `alaykum. I am 14 years old and I would just like to know that why are so many Muslims committing acts of terrorism not those in the west but those in Muslim countries I mean the bases of Islam is to live in peace and harmony and not to wage war so I would just like to know whether they were misguided or something. Thank You.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Mohamed, yes they are misguided, but fortunately they aren't "so many" they are in fact very few! But this is not a financial question, please submit it to a general fatwa session or ask the scholar page.

Allah Almighty knows best.

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Name Ali -

**Question**

As-Salamu `alaykum. I live in the UK and I have a saving account with money in it which earns interest. Is it haram to use the interest to help poor people who need it?

Is it better for me to put my money in an account that does not earn interest (a current account) ? Or shall I leave it in the saving account and use the interest to help poor people?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Ali, we do not recommend that Muslim leaves large amounts in conventional banks. If you have to and earn interest, this interest must be spent on charitable causes to the Muslim poor and needy. It is not your money and you must not use it for your own benefit, not even paying taxes or bank fees. I don't like to advise you on putting a large sum in a current or interest account, this is your decision but I repeat: it makes no sense that one may allow a conventional bank to abuse one's large sum of money free!

Allah Almighty knows best.

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Name zeze - Egypt

**Question**

As-Salamu `alaykum. I wanna insure on my car. Is that permissible or not? Please advise!

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister, yes, car insurance is permissible. You must not drive a car without insurance.

Allah Almighty knows best.

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Name huzzy -

**Question**

As-Salamu `alaykum. My brother who currently lives in the US was looking for a part time job and found one in a gas station where alcohol is sold. He left it after working for two days and switched to another store where no alcohol is sold but still there are poker game machines and other non-halal food stuffs sold while he is working as cashier. So, what is the verdict on his job?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Huzzy, this is really a puzzling question. It is certainly haram to sell any pork product or poker game tickets even if the sale is on behalf of the employer. I suggest that he should find another job, his job in the gas station may be better as long as he can avoid selling or carrying alcohol or he should opt for non cashier works in the same super market.

Allah Almighty knows best.

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Name mustapha -

**Question**

My cousin died and left behind three children that I have been taking care of for the past 10 years. Can I use part of my Zakah for their school fees and upkeep?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Mustapha, yes of course, and this gives you doubled reward InShaAllah because you would be utilizing your Zakah money for a good cause and also be kind to a relative as the Prophet (peace and blessings be upon him) mentioned.

Allah Almighty knows best.

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Name Larry - United States

**Question**

As-Salamu `alaykum. If one country adopted a new precious-metal based currency, as opposed to the present floating currencies, what, if any, international exchange problems can be expected.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister, please address this question to a school of economics. This is not a fatwa nature!

Allah Almighty knows best.

-----

Name saeed nkrumah -

**Question**

Can I claim insurance money as a result of injuries I suffered in an accident. What about claiming insurance money to repair my car even though I have paid premium far less than what I will claim?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Saeed, yes, it is permissible to claim both kinds of insurance money because car insurance is permissible.

Allah Almighty knows best.

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Name Maha -

**Question**

Dear Scholar, As-Salamu `alaykum. Kindly let me know if it is permissible for one to settle his/her hajj expenses to a travel agent through chequest (that cannot be cashed immediately, i.e. with a future date). Thank you.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Maha, I don't know the chequest! But settling Hajj expenses with a debt to the travel agent that will be paid later without interest is permissible. Please email me info about this chquest. My email is monzer@kahf.com.

Allah Almighty knows best.

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Name Abdulaziz - United States

**Question**

What is your opinion on the Islamic Financing made available to purchase or refinance homes in the United states?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Abdulaziz, there are different forms and companies that offer it. Financing contracts that are not riba-based and "loan and interest" and that are reviewed by respected specialized Shari'ah scholars are ok.

Allah Almighty knows best.

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Name Sister -

**Question**

As-Salamu `alaykum. I am a student, last semester I got some help and took less classes, now I have to pay next semester, which I can pay, some of this money was in my account for about a year since last June and it's all going to pay my tuition next September and actually I'll be in trouble for the next semester, because actually I have financial difficulty. But I had to save this money for my tuition, so did I have to pay Zakah for this amount since it was more than 1000USD and it was there more than a year. I am not married and my parents cannot help much. My second question is that I'll be in trouble again next semester, can a student receive Zakah?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister, any Zakatable asset including your money is subject to Zakah unless when it is set aside for a definite expense. If the amount you have in the bank is exactly set there for your next tuition, then you do not have to pay Zakah on it. But if it is there as general savings from which you will pay future expenses including tuition and to which you add any savings you make, it is certainly subject to Zakah.

As for the second question, yes, a student, regardless of study area, may be qualified for receiving Zakah when in need including tuition needs.

Allah Almighty knows best.

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**Name Abdullah - United Kingdom**

**Question**

As-Salamu `alaykum. I had taken out a student loan a few years back. It has now amounted to £10,000. However, I'm due to finish University next year Insha' Allah. When I get a job, I start paying back the money, including interest. Is it permissible to go on `Umrah in the meantime or would I have to pay back the loan first.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Abdullah, interest loans are haram be they for study or otherwise and ridding oneself of the haram has a priority over going for `Umrah.

Allah Almighty knows best.

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Name Tariq -

**Question**

Dear Scholar, do you have any opinion/comments on UMFInancial who are offering house finance without Riba in Canada. I feel ISNA Canada package for house purchase is more expensive and I can not fulfill their requirements i.e. 30% for 1st 100,000 and 20% for the second 100,000 and 70% for the remaining price. UMFInancial offering house purchase with 25% down payments.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Tariq, the criteria for acceptability of a house financing program are: 1) its contract must not be "loan/interest" and 2) the contract must have been approved by respected specialized Shari`ah scholars.

Allah Almighty knows best.

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Name shehnez - United States

**Question**

As-Salamu `alaykum. You have just answered a brother about disability insurance. That it is permissible if no interest is involved, but aren't all insurance interest based. I am also trying to find if life and disability insurance is allowed as our income is very low and if something was to happen to my husband, I will have a very hard time as I don't keep well and due to my disabilities I cannot work much.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Shenez, no, most insurance contracts are not interest-based. Only whole life is usually interest based. On the other hand, term life and variable equity insurances are not interest-based. Of course, there are people who find all insurance prohibited. I don't subscribe to that opinion.

Allah Almighty knows best.

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Name YAQUB -

**Question**

As-Salamu `alaykum. May Allah reward You and IOL for this wonderful educating programme. I have a question, I am a Government worker and I have a savings schemes that I normally contribute equivalence of USD70 every month. But I normally withdraw from that savings anytime I have a pressing need for money. My monthly earning is USD620 net of tax. But I also receive annual bonuses of almost USD8,800 every January. So am I supposed to pay Zakah? And how would I compute that?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Yaqub, you may be subject to Zakah. Please follow the following steps:

1) check if at any point of time the total of savings in this scheme plus any checking and saving accounts plus any other investment account plus any cash, gold and silver and any other property (exclude residence, car, furniture, clothes, books, and the like) minus what you need for expenses and any other bills until the next pay check,

2) if this total reached USD 1000 consider that day as the beginning of your Zakah year, then calculate the same after 354 days if it is USD 1000 or more, multiply the same by 2.5% and give it as your Zakah.

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Monday, Jul 18 ,2005**

Name Murad -

**Question**

As-Salamu `alaykum. Is health insurance halal in Islam? What if the employer sponsors health insurance? Thanks in advance.

**Answer**

Wa`alaykum As-Salaamu Warahmatullahi Wabarakatuh.

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Murad,

Health and other insurances are permissible according to an "enlightened minority of scholars led by the late Sheikh Mustafa al-Zarqa (died 1999) who was the most renowned Shari'ah scholar of his time. The majority opine that all commercially offered insurances are not permissible. The focus of the argument is on the point that the contract contains a high degree of ambiguity in regard to the obligations of the two parties.

The late Sheikh Mustafa al-Zarqa argued that the amount of ambiguity on the part of the insurer is tremendously reduced by including the probability (actuarial) theory since insurance is only done with large numbers of insured.

Besides, ambiguity in contract is forsaken when the contract is very vital and its ambiguity does not normally lead to litigation and dispute. A large number of the majority argue that insurance contracts can be rectified and made permissible if we change the nature of the insurer from a commercial company to a cooperatives that represent its insured and change to contract from being an exchange between two parties to becoming a subscription in this cooperative based on the principle of donation or tabarru'.

Having said this, I can say that I go along with the permissibility of all kinds of insurance including health, whether one buys it alone or it is offered by employer with or without a co-payment, consent of employee or employee contribution. In fact the donation solution does not seem to hold ground because even in cooperative insurances the relation is also exchange and changing its name does not change its nature.

Finally, two more points:

1. If the employer provides health coverage with no contribution from the employee, it becomes a fringe benefit added to the salary that is not contracted (with the insurance company) by the employee. Consequently, even if one takes the restrictive view, one is not making an insurance contract and the non-permissibility falls on the employer, nothing on the user of this fringe benefit.

2. Here are certain kinds of health insurances in which the health services are given by the insurer itself, these are more tolerated by the restrictive view too on the ground that a service provider takes charge of maintaining the insured health. This has less ambiguity.

You can also read: How Does Shari`ah View Insurance?

Allah Almighty knows best.

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Name Muhammad -

**Question**

Can you please clarify whether taking out a student loan at university in UK is allowed, if for example I can't get the money from other means /family, friends? Can I take out under extreme circumstances even though I would have to give more than I borrowed?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Muhammad,

I don't see a necessity in starting a university education, more so for graduate, which justifies any indulging in interest. Interest is one of the ugliest sins that provoke the wrath of God. On the other hand, for a student who is in the middle of her/his study or near graduation and her completion requires tuitions or the like, the matter may be a little tolerated especially that the amount would then be smaller and can be paid faster after graduation, it is more so when the loan conditions allow certain grace period without interest.

You can also read: Student Loans with an Interest Rate Linked to Inflation

Allah Almighty knows best.

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Name Zubian -

**Question**

I wish to create an investment plan (e.g., through a takaful saving policy) to save for the education of my child. The policy will be in my name as my child is currently a minor and is therefore not able to take out a policy for himself. I am concerned, however, that if I die, the savings invested will revert to the Shari`ah rules on succession and that the money invested will not be capable of being utilized for their intended purpose. Your wise guidance is humbly requested.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Zubian,

Depending on the laws where you live and establish this kind of saving account.

Under most laws all over the world, there is an account in the name of the minor, as you intend to give the money invested to your child, but under your guardianship. In this case should the guardian die before the child reaches maturity, the management of the account is transferred to another guardian but remains owned by the child.

Allah Almighty knows best.

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Name Hj Aziz -

**Question**

In Islamic banking, how to protect our money from Riba because what I have been told is that even Islamic banking there is still dealing with interest because when I loan some money from Islamic bank I still get 5 to 6 % a year, so please explain this problem for me.

**Answer**

Wa`alaykum As-Salaamu Warahmatullahi Wabarakatuh.

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Hj Aziz,

No, in Islamic banks there are no transactions with Riba and you are always protected from it when you deal with Islamic banks, in sha' Allah.

Riba is an increment in a debt or loan and Islamic banks do not practice it. Financing on the other hand is provision of goods and services for deferred payments, and it is permissible although it may seem similar to interest but it is not interest.

Allah Almighty knows best.

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Name Wadim - United Kingdom

**Question**

I have a question about playing the lottery. Why is it haram if Allah doesn't help us with our debt and financial problems? Islam seems to only have prohibition for anything that can benefit us. But if we are to stay living in poverty and suffer for the rest of our lives nobody cares and wants to help.

I am severely in debt, I have bailiffs threatening me every month, I'm so stressed, but asking Allah to help when that help is needed is impossible. If this world doesn't mean anything to him, why is it so difficult for the rich to help us when he is so rich?

Yet the Saudi royal family are rich whilst the people of the streets starve but Allah doesn't punish them at all? We all need help to re-affirm that Allah is there, but He never does. Allah says in Surah Yaseen, (I think) that he is closer to us than our jugular vein so if He knows our dilemma why He only helping rich and kufr. I know there is not much time left in this life and it will get worse. But why make du`aa when Allah is not guaranteed to help us unless He feels like it. This is the point of du`aa. I play lottery to get rid of my debt problems and help my family seeing as Allah is not bothered then I must care about my survival if no one else will. And to be honest I think I have more chance of winning the lottery than Allah helping because my life has always been full of debt and problems. I'm 32 now, so there is no such thing as 'after hardship comes ease.

Sorry for the long question. I'm feeling extremely depressed and thought I could rely on Allah, but watching me and not doing anything is enough to make me want to commit suicide and even then I will get punished and never go to jannah..

Thank you for your time to answer if you do.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Wadim,

It seems that you need to consult a spiritual therapist and a Muslim psychologist. I really suggest that you do. Your questioning the wisdom of God is the kind that needs that treatment!

In lottery, you do not win but you waste more of your dear money. Had you supplemented your du`aa with sincerity and with serious striving to improve your economic lot instead of gambling, your situation could probably have been improved many years ago.

You can also read: How to Become a More Active Muslim

Allah Almighty knows best.

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Name Nadia -

**Question**

I am a revert to Islam, and I am currently divorced from my Muslim husband. We have one daughter. How should I structure my will - can my non-Muslim family inherit from me?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Nadia,

Please look at the form of the last will on [www.kahf.net](http://www.kahf.net) and if you have any questions after studying it please come back to me directly or through IslamOnline.

A quick answer to your last point. In terms of inheritance, persons from different religions may not inherit from each other according to the Shari'ah but the Shari'ah allows one third of the net estate to be disposed of outside the inheritance system by the last will of the person, out of this one third any share can be assigned to any person or objective including non-Muslim relatives.

You can also read: Interfaith Inheritance

Allah Almighty knows best.

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Name fajid -

**Question**

As-salamu `alaikum. So many people sit in front of stock exchange screen and buy & sell stock, and make money or lose it. So many people make this as their job, is it correct as per Islam?

**Answer**

Wa`alaykum As-Salaamu Warahmatullahi Wabarakatuh.

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Fajid,

Stocks (not bonds) represent shares in public companies, therefore trading them is permissible provided what they represent is permissible and the trading contract does not violate the Shari'ah rules. This means that trading stocks of companies whose main

line of business is forbidden (such as Riba-based banks and entertainment industry, etc.) is not permissible while trading stocks of companies that do not practice anything that is prohibited is permissible.

You can also read: Trading in Shares and Stocks

Allah Almighty knows best.

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Name abdukarim -

### **Question**

I am preparing a small piece of information material for fellow Muslims in my country concerning nisab of money as most of our scholars give different figures for the nisab not based on any convincing evidence. I have decided to do some research and came out with this. Kindly advise me.

Secondly, I used the troy ounce in my calculations. Is that right?

Calculating nisab for currencies using gold and silver

nisab using gold. Nisab for gold is 20 mithqal of gold, a measure that is equivalent to 85 grams of pure gold (1 mithqal= 4.25 grams), 85 grams equals 2.73 ounces.

Spot Price of gold on 22nd April, 2005 is \$435.20 per ounce.

Therefore nisab based on gold is  $2.73 \times \$435.20$

Which is \$1,188.10? At an exchange rate of \$1.00 to ₺9,400

The nisab based on gold therefore becomes ₺11,168,140

Nisab using Silver

Nisab for silver and currencies made from silver is 200 dirhams, which is equivalent to 595 grams of pure silver (1 dirham = 2.975 grams).

595 grams equals 19.13 ounces.

Spot Price of silver on 22nd April, 2005 is \$7.32 per ounce.

Therefore nisab based on silver is  $19.13 \times \$7.32$

Which is \$140.03

At an exchange rate of \$1.00 to ₺9,400

The nisab based on silver therefore becomes ₺ 1,316,297

It is well known that there is a noticeable disparity between the value of nisab for gold and that of silver in our times. However since zakah is meant for the poor it is better to use silver to bring a lot of people in the zakah net. Allah knows best.

If you have to mail additional material to me send it to abkarim5@yahoo.com.

### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

There are 2 quick points:

1. It is not sufficient to take the side of the poor you have also to take the side of the rich too.

Nisab of 140 US dollar is very meager and does not represent any richness, in many countries it is only sufficient for one or two means in a restaurant! And those who own 140 dollars are actually poor and most likely deserves help from Zakah. You have to take the price of gold like what all scholars do in our contemporary world.

2. You cannot make the nisab fluctuate each time a trader in New York decides to bid on gold, can you? Therefore after a lot of thinking and study I came to the conclusion that we have to take an approximate figure that indicates the leaning of nisab.

In the seventies of the last century, I took 400 dollars, based on the gold price of Dec. 31, 1974. In the late nineties and early 21 century I am now taking 1000 Dollar base on approximation of the gold price at our time, leaving aside the fluctuations in the Exchange Markets. If you decide to take 1100 or 1200 I don't blame you!

Allah Almighty knows best.

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Name Yousef -

**Question**

Can you please give me verses from the Noble Qur'an and Hadiths on 'riba/interest'? I have a brother whom wants to begin a business with riba and if I show him the verses and hadiths, I think he will, in sha' Allah decline from the decision of usury.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Yousef,

I don't have all of them now in a live Fatwa, but take Surah 2 verses 275-279 and email me at monzer@kahf.com I can send you a file that contains all the verses with English translation and several important hadiths too.

Allah Almighty knows best.

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Name Safiya - Russian Federation

**Question**

Dear Scholar, As-Salam `alaykum! There is a general rule forbidding usury in Islam. However, I have heard an opinion that if a percentage of usury at the bank where you have your money does not exceed an inflation rate in your country, that it is not haram? Are there any options regarding usury at all or do we have to deny all sorts of it completely and without compromise?

**Answer**

Wa`alaykum As-Salaamu Warahmatullahi Wabarakatuh.

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Safiya,

Yes, all forms and kinds of interest are prohibited with no compromise of any justification unless the matter of necessity that is narrow by definition.

Compensation of inflation is normally done outside by means of indexation, that is either contractual or imposed by the government.

Indexation is disputed among Muslim scholars where the majority consider it haram and useless in the final analysis. But there are respected scholars who accept indexation, although I personally go along with the majority in this matter.

Allah Almighty knows best.

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Name muslim yahya -

**Question**

I intend buying an item from a company which stipulates different prices for prompt payment and deferred payment. In the case of the latter one pays an interest of 20%, 50% and 70% for ½ yr, 1 yr and 1.5 yrs payment. Is the stated interest regarded as riba in the context of Shari`ah?

Secondly, there is a promotion going on here, being done by an oil company. For a purchase of 5 gallons and above one is given a coupon to enter a draw at a later date in which fantastic prizes may be won. Will you give me a the juristic guidance on this?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Yahya,

1. Offering different prices for different dates of payment is permissible. But when you contract it is only permissible to contract one of them. Contracting different prices for different dates of payment makes the contract binding only for the lowest price and any date of payment from the Shari'ah point of view and makes any increment above the lowest price Riba.

The Prophet (peace and blessings be upon him), in this kind of contract said: "You get the lowest price, or else is Riba"

2. Offering prizes, selected randomly, for promotion is permissible as long as there is no built-in increment in the price of the commodity (the gas in your case) to pay for the prize.

Allah Almighty knows best.

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Name Zubian -

**Question**

I wish to create an investment plan (e.g., through a takaful saving policy) to save for the education of my child. The policy will be in my name as my child is currently a minor and is therefore not able to take out a policy for himself.

I am concerned, however, that if I die, the savings invested will revert to the Shari`ah rules on succession and that the monies invested will not be capable of being utilized for their intended purpose. Your wise guidance is humbly requested.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Zubian,

This question was answered earlier in this session. You make the account in the name of the child and you act as a guardian. In this case your gifts to the child are not part of your estate and when you die while the child is still a minor; a new guardian should be appointed for him.

Allah Almighty knows best.

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Name ej -

**Question**

What is the ruling regarding real estate brokers and lawyers who conduct closings for people who are obtaining financing from interest loans?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br./Sr.

Writing or witnessing an interest-based contract is covered in the prohibition of Riba. The prophet (peace and blessings be upon him), included the writer and witness under the wrath of God. Brokers and lawyers may practice their jobs in real estate provided they are careful not to write or witness an interest-based contract.

Allah Almighty knows best.

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Name Rami - United States

**Question**

Is it permissible to have a sport's league where everybody pays for the league and then at the end of the tournament there are prizes for the winners?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Rami,

I like to see the prizes paid from a different source, It seems much closer to the prohibition when prizes are paid from the contributions of the contestants.

Allah Almighty knows best.

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Name Farrukh - United Kingdom

**Question**

What's the position on using a mobile phone to conduct payments using a banking service such as Visa? As well as to conduct basic checks such as bank balances, transfers, etc. Thanks.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Farrukh,

All that is permissible as long as you do it with no interest, and I always do the same without any interest, so it can be done!

Allah Almighty knows best.

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Name AHMED OMAR - Kenya

**Question**

What is the Islamic ruling for a Muslim working in a bank in a non-Muslim state?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Ahmed,

It is permissible as long as you do not do any writing, signing or witnessing (be on the contract as a witness) any Riba-based contract.

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Tuesday, Jul 12 ,2005**

Name Rami -

**Question**

I would like you to define what is meant by Internet-related transaction as most people are not aware of the nature of that thing. Could you please enlighten me on this issue? Jazaka Allahu kairan.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Rami,

May people confuse Riba with financing. What is prohibited in Islam is Riba, financing is not prohibited. Riba is an increment in a debt/loan. Any increment in a debt or a loan is prohibited whether it takes a monetary form or the form of a fringe benefit; this is why we hear the fiqhi rule that "any benefit (a creditor gets) from a loan is Riba. On the other hand, when we make the transaction based on sale it becomes permissible. The obvious example is deferred payment sale at a price higher than the cash price. This is permissible. What does all this mean? It means there are certain forms of financing the Shari'ah consider bad and to avoid these forms lending for increment is prohibited while selling for increment is not. You need to think about the differences and read a little about them as some of them need more explanation than this session can afford!

Allah Almighty knows best.

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Name Sami -

**Question**

Does using paper money constitute entering into a Riba transaction?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Sami,

Certainly not! Money is a thing that is invented by human beings throughout history and it developed into the form of paper money, bank accounts money and electronic money as we know it today. All these forms are neutral means of exchange (in addition to other functions that money performs) that may be used with Riba, as in lending money for increment, or without Riba, as normally used in exchanges.

Riba can also be practiced without money as in lending a thousand bushel of corn with an increment.

You can also read: What is Riba?

Allah Almighty knows best.

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Name Damru -

**Question**

As-salamu `alaykum. I live in Australia and there is only one Islamic bank here. The system is much similar to any other bank here but they have just changed the name of interest to rent. They calculate the rent in the same manner as any other bank and also there are not two transactions like the bank buying and then selling to us. There is only one transaction that is of us buying the house and then paying off in installments.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Damru,

You know when one practice Islamic financing within an environment that is sunk in Riba-based transaction, the difference may not appear very crystal.

I suggest that you should look carefully at the contract that is offered as being Islamic. Most likely it contains the Islamic financier buying the house with you from the seller and selling its share to you on piecemeal basis, monthly and in the meanwhile the part that is not sold (still owned by the financier) is rented to you, the two parts (rent and the price of the share that you purchase monthly) are combined together.

True, they appear similar to interest-based amortization schedule, but notice they are coming from two different paradigms. Please read my answer to Rami on this session too.

Allah Almighty knows best.

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Name Fahim -

**Question**

Do you have any Islamic reservation against using the credit card to buy online books?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Fahim,

Online, or otherwise, use of credit cards issued by conventional institutions (i.e., that include an interest clause) is conditional on not allowing any interest to generate. This means three points: your intention to pay within the grace period, your ability and actual payment within the grace period and your commitment to avoid any action that result in activating the interest clause especially cash withdrawal that usually charges interest without a grace period.

Allah Almighty knows best.

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Name Fatimah -

**Question**

Do you have an Islamic definition for the E-commerce, its nature and how can Muslims apply it?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Fatimah,

Why do you need such a definition? E-trade has the same conditions that apply to other trades, commodity trade has almost no limitations while currency trade requires immediate and full payment of both currencies. Whenever these conditions are fulfilled the trade is permissible. Do you have any specific question about e-commerce?

Allah Almighty knows best.

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Name Omar Al Kareem - United States

**Question**

I am in the processing of building a small commercial property. I can not afford building it without a loan from the bank. I am planning to pay it as soon as possible by increasing payment as much as possible. What is the ruling on that since the bank charges interest?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Omar,

The ruling is that it is Riba, why don't you try these institutions that provide Islamic financing and look at their contracts if they fulfil the Shari'ah requirements!?

Allah Almighty knows best.

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Name abdiaziz - Canada

**Question**

Is it haram to buy goods over the internet that require interest?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Abdiaziz,

Any transaction that involves interest is not permitted in Shari'ah whether on the internet or not.

Allah Almighty knows best.

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Name Malik - United States

**Question**

As-Salamu Alaikum wa Rahmatullah wa Barakatuh. I have read fatwa's stating that purchasing a house in the US is permissible even if a mortgage is required. Is this permissible or is this against the Shari'ah?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Malik,

As you must have read it, it is after exhausting two things: one, no Islamic financing institutions are available and two, you failed in convincing conventional institutions to provide Islamic financing contracts.

The Fatwa is restricted also to families who need it in the Muslim communities in the West, and I go along with it under the same conditions.

You can also read: "Necessity" that Allows Buying a House on Mortgage

Allah Almighty knows best.

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Name Zafar Alam - India

**Question**

As-salamu `alaikum.

I am in little tension. I need to buy a home and I am not able to arrange all the money **together**.

I need to know can I take a loan for a short period which means I will take loan for say 3 years, but I will try to pay it back within a year. In India loan is available on interest only. Or can I take a new home on a home loan. Where bank finances to buy the home and we have to pay them back on monthly installment they charge some percent of interest say 10%.

Please try to solve my problem in very possible way as the home is a big need for me as of today.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Alam,

The Second International Conference on Islamic Fiqh that was organized by the Shari'ah Scholars Association of North American opined that Muslim families who live in the West may resort to interest-based home buying if they exhaust means to have Islamic financing.

The conferees did not want to apply such a Fatwa to Muslim majority countries because it will dilute their zeal and ability to create Islamic financing institutions.

I personally see India much closer to Muslim majority countries that to Muslim communities living in the West because the Muslim community in India is well established for centuries and it must have its own Islamic financing institutions. If you want to apply the Fatwa of Muslim families in the West, it is your choice.

Allah Almighty knows best.

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Name Ishaq - Nigeria

**Question**

Should I keep my money in my house?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Ishaq,

Why, you can deposit it a non-interest bank account or invest it with a friend or in an investment deposit in an Islamic bank.

Allah Almighty knows best.

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Name Babar Majeed - Pakistan

**Question**

We are manufacturer in textile products, we just purchased yarn from a mill on terms of L/C (120 days Payment )

First, I (buyer) request to the mill(Seller) to send us quotation based on payment 120days L/C

He (Seller) faxed me (Buyer) the price based on 120 days payment on L/c basis for example US\$ 50/bag of yarn. (All markup charges by bank on account of seller )

So in this contract I will not pay any bank interest (or markup) except I will delay the payment after 120days .

I am in confidence that in sha' Allah, I will pay to the bank (sellers bank) payment on due date ( within 120days )

My question is this is this contract fulfill the requirements in Islam. Is this type of contract is permissible for me (Buyer)

Thanks for yours reply in advance.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Babar,

As you stated it, yes this is a permissible contract; Islamic banks do the same today in their murabahah financing and they sell you the yarn they buy at a mark up with deferred payment.

Allah Almighty knows best.

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Name Zahid -

**Question**

Is it halal to deal in online currency exchange using platforms such as Global Forex Trading and other similar platforms. I understand in origin currency exchange itself is halal, but these platforms charge you extra money and you can only take your money out when you have converted back to your initial currency.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Zahid,

Trading currency in the Shari'ah has the following requirement: the transaction must be cash, i.e., with immediate delivery of both currencies at the time of contracts. This means the following:

1. You have to have accounts in the currencies you are trading.
2. Credit and debit of the currencies traded must be done immediately at the time of contract.
3. The transaction must be spot, forward in currencies is not permitted.
4. Trades on margin are not permitted as the full amount of both currencies must be debited/credited at the same time that is the time of the contract. If these four conditions are fulfilled, it doesn't matter whether the broker allows you to withdraw immediately or not these becoming procedural matters not related to the contract.

You can also read: Conditions of Currency Exchange

Allah Almighty knows best.

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Name Nouredine - Belgium

**Question**

I wanted to say that I won't use Riba to buy a house throughout the years I found out that many of my friends have the same intention. I decided to buy a house together with friends. Each family will live in an apartment. Later we will buy 2 other houses, then we will divide the whole. I don't have a real question, but I want to say that paradise is not free and that where there is a will there is a way.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Nouredine,

Well, a Muslim has to strive to observe the ruling of the Shari'ah as much as one can and to cooperate with other people, Muslims or not, on doing what is good and voiding what is bad.

You can also read: How to Become a More active Muslim

Allah Almighty knows best.

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Name Omar Alkareem -

**Question**

Would you be kind to publish a list of those Islamic Banks in USA and specially in California. I am in a small town and we have no Islamic Banks in this area and never run into one in 300 miles.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Banking and financing today are not limited by 300 hundred miles! You can browse the internet and you will find more about this.

Allah Almighty knows best.

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Name maher - United Kingdom

**Question**

I have 2 questions dear imam:

1. Is trading with Forex allowed?
2. Online auctions, is it possible to place the advertisement whilst I don't have the item advertised for sale but I will have it before the auction ends?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Maher,

If you are selling a specific item (e.g., a house located in so and so place or a used car with given specification and description), you can't sell it before you own it because when you put it on auction this is an acceptance on your part and any offer that comes, makes a contract until another offer overrides it.

The Shari'ah rule is that you cannot sell what you don't own as the Prophet (peace and blessings be upon him) instructed. But if you sell on descriptions items that are standardized and can be obtained momentarily from the market such as 10 two liter Pepsi one, the acceptance you make is permissible and the contract becomes also permissible this is like what is called in the Shari'ah Salam but without delay of payment, it is called in Fiqh "sale on description", and it is also permissible.

Allah Almighty knows best.

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Name Sherif - Canada

**Question**

I would like to ask what is the best way one would invest their money in a halal way. I know Islamic mutual funds are available, are there any you would recommend? Would you recommend buying stocks individually without mutual funds?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Sherif,

We can't recommend any form of investment, it is your decision but we always suggest that you should make any investment you make within the limit of the Shari'ah. You should know exactly, before you make a decision, whether it is compatible with the Shari'ah or not.

Allah Almighty knows best.

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Name Muzaffar -

**Question**

Is it permissible to do a business of pet fish? Purchasing the fish and selling to the customer, who in turn keeps this fishes in their tanks at home.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Muzaffar,

Yes, of course, why not? Only dogs are not permitted as home pets (of course all harmful wild animals are not permitted too).

You can also read: Keeping a Pet animal in a Cage

Allah Almighty knows best.

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Name nezar - Saudi Arabia

**Question**

Please find the following questions related to Zakat al-mal. I have some investments in Saudi equity funds managed by local banks, and also investments in direct Saudi equities. (All are shari`ah compliant).

Do I pay Zakah myself after alhawl (one year), or do I consider it paid by these companies? In this case what applies to the funds would apply to the owned equities?

If a close member in my family (like brother or uncle) is in need of money to pay house rent for example, and he does not have the money to pay it at the payment due time (although he may not be considered poor), and if I pay for him can I consider it from my zakah? In general, is support to family members could be considered as zakah? In addition, what are the conditions for that?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Nezar,

Please notice that Shari'ah compliant investment fund do not pay due zakah on their investors. It is only if the manager of the fund specifically mentions it that they may pay zakah. I personally do not know of any such fund that pays zakah.

Hence, you need to calculate zakah on your own and pay it on its due date, the lunar hawl.

You may pay your zakah to a poor brother or uncle but you cannot pay your zakah to any person for whose expenses you are responsible such as parents, wife, minor children, grand parents, unmarried sisters and the like.

Besides, if a brother or an uncle is not poor but in short of cash flow give him a loan not zakah because zakah is for the poor and needy and the like.

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Sunday, Jun 26 ,2005**

Name Rami -

**Question**

Sometimes an organization or a company makes a competition for a prize; the winner is chosen by qu`ah, this "halal"?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Rami,

Yes, choosing by random selection is permissible for a prize, a trip or the like, in both financial and non-financial matters.

The Prophet (peace and blessings be upon him) used the same technique in selecting who of his wives would accompany him, in trips.

Allah Almighty knows best.

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Name Shakur -

**Question**

I work at phone insurance company. They have 2 sections. One is for insurance and other is not. I used to work at section not having insurance but was transferred to other section. All I do is to inspect phones for quality. Is the money I earn haram or halal?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Shakur,

Yes, it is permissible to work in this new job. The issue of insurance is controversial, I argue for its permissibility and the permissibility of related jobs.

You can also read: [How Does Shari`ah View Insurance?](#)

Allah Almighty knows best.

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Name Shokran Jazeelan -

**Question**

As-Salam `alaykum

I am a Muslim man living in the West temporarily. I have experience in investing in stocks and would like to make money for my future. Is it halal or haram to buy common stocks of companies that sell halal products but they put their money in banks with Riba? All companies in the West do that. Is it true that there is a fatwa banning buying US stocks, if so, does that apply to me?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

I think you need to consult the website of Islamic market Dow Jones to find the criteria used by a group of Shari'ah scholars to select permissible stocks under the prevailing circumstances in today's world markets.

You can also read: [Trading in Shares and Stocks](#)

Allah Almighty knows best.

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Name Osman - United Kingdom

**Question**

My question is related to previous questions on usury. I obtained a loan from the British government to study a degree in engineering. The loan was used mainly for living costs as the tuition fees were paid by the government. The thing is:

1. I had already had a strong suspicion that obtaining a loan with usury is forbidden but I thought it is a hard line view and avoided discussing that with anyone.
  2. I already had a computer degree from my country of origin so there was no necessity involved.
  3. Further I borrowed heavily from the bank using personal loan facilities and credit card.
  4. I used this money to improve my career by buying books, computer, attending workshops and conferences, language courses, and pursuing my hobbies.
- Shall I abandon my engineering career assuming that it is based on unlawful gain, or is there any other way to purify my life and my future gains?

I still have some threads of hope:

1. The engineering tuition fees were a grant not a loan.
2. The government loan is linked to inflation (which is controversial among scholars); the government says “regardless of when you pay back, you pay what you actually borrowed”; also, I haven’t started repaying yet.
3. I am trying to convince the bank to drop the rest of interests on my personal loan (I have already made an unsuccessful attempt). Many thanks.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. This question was also answered a week or so ago, and I don't want to repeat myself. Please look at my previous answer.  
Allah Almighty knows best.

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Name Tato - Philippines  
Islamic Health Educator

**Question**

As-salamu `alaykum! Last year, we organized a cooperative in our office. We had agreed to pay contribution to the cooperative in the amount of P500.00 monthly per member. Recently, we intend to grant loan to the members. However, our officers decided to give an increment of 2% of the total amount availed loan. Is the increment considered usury in the eyes of Islam?

**Answer**

Wa`alaykum As-Salaamu Warahmatullahi Wabarakatuh.

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Tato,

Any increment on a loan is interest with no exception and it is therefore forbidden. Charging the cost of administering the loan is not an increment on a loan. The costs of administering a loan, both direct cost such as transfer charge to dispense of the loan to the borrower, and indirect such as the overhead expenditures of the organization that provides loan, are chargeable to the borrowers. It is permissible to charge the overhead as a percentage of the amount in order to fairly distribute these charges to all borrowers. The key distinction (between interest and administering charges) is that no

profit is made on the operation. This means that if our estimation turns out to be wrong we must return the surplus to the persons who paid it.

You can also read: Loan Transaction: Between Market Price and Riba

Allah Almighty knows best.

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Name Mazin - Australia

**Question**

Financially speaking, which of the two should take priority: getting married or performing Hajj? Please answer in detail

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

There is no financial comparison between Hajj and marriage. Hence, any order of priority is certainly not financial! It depends on the need for marriage, if there is no social and/or physical pressing need for marriage, Hajj comes first, otherwise one should go for marriage because it is not an obligation, many males and females live without marriage for a long time!

Allah Almighty knows best.

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Name dinda - Hong Kong

**Question**

As-Salaamu `alaykum! Dear Dr. Monzer, is any insurance not permitted? What is the best way to do it especially about education fund as not all of us get employment with big salaries? Thank you very much.

**Answer**

Wa`alaykum As-Salaamu Warahmatullahi Wabarakatuh.

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Education can be financed on the basis of ijarah and it is practiced in some Muslim countries today. But I don't see the connection between financing education and insurance unless one wants to use life insurance for educating children? Who knows who will die first? Besides, I argue that all kinds of insurance are permissible provided there is no interest as a basic clause in the insurance contract. There are several takaful (Islamic insurance) companies and many of them offer child education plans (that are essentially saving plans).

You can also read: How Does Shari`ah View Insurance?

Allah Almighty knows best.

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Name Saira -

**Question**

My father died recently my brother's daughter is to be married soon. My father wanted to give her something as a gift but died before her marriage. Is it possible to buy a gift on behalf of my father for her for an amount he had gifted to his other grandchild on her wedding?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

If you buy this gift from your own money, yes certainly you may give it to her on behalf of your late father.

But if you want to buy it from the estate of your father, before its distribution to the proper heirs according to Shari`ah, you will have to have the consent of every heir on this giving. With the consent of all heirs, it is permissible.

Allah Almighty knows best.

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Name Shareef - Australia

**Question**

Which of the two should take priority: performing the obligatory Hajj, or paying off one's father's debt?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

It really depends on additional circumstances that you did not mention in the question.

You should notice that Hajj is an obligation but according to many scholars not immediately upon meeting the conditions of abilities. On the other hand, the debts of one's father are not obligatory on the person while saving the honor of the father is obligatory. Therefore, if paying the father's debt relates to saving his honor I would suggest delaying Hajj and praying to Allah with good faith to make you able to go for Hajj next year.

You can also read: Hajj and Debts

Allah Almighty knows best.

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Name Dina -

**Question**

What Islam has to say about life goals?.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

In matters that relate to finance I would say: have all material wealth in your hand but don't ever let it go in your heart!

Allah Almighty knows best.

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Name Hisham - India

**Question**

Is it permissible for a male to wear feminine undergarments (brassiere etc.) in private, when he is alone. This activity is done in the house alone and not in front of anybody.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dearest questioner, thanks a lot for your question.  
In fact, we do prefer that you submit your question to  
Ask the Scholar page or to General Live fatwa session because this session is only  
dealing with financial issues.  
Sorry for any inconvenience.  
Allah Almighty knows best.

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Name Muslim - Belgium

**Question**

As-Salamu `alaykum! Here in the West we have to fill some documents with regard to  
paying taxes on our incomes. We can deduct the taxes with the interests we paid for a  
house mortgage loan. In Islam it is of course forbidden to pay interests, however a lot of  
Muslims here prefer to have these loans because they are left with no other alternatives  
other than renting (at the same cost as buying a house with interest). Is it permissible to  
deduct these interests from the taxes on our incomes?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.  
In The Name of Allah, Most Gracious, Most Merciful.  
All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
Yes, it is permissible to claim the paid interest as a tax deduction and it is also  
permissible to claim any other deduction the law allows. The issue of taking interest-  
based mortgage depends on the availability of Islamic financing and the need of he  
family.  
You can also read: Tax Evasion in Non-Muslim Countries: Permissible?  
Allah Almighty knows best.

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Name Asif - United States

**Question**

As-Salamu `alaykum! Do you know of any halal loans for college? I want to go to a dental  
school but do not want to take a riba loan?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.  
In The Name of Allah, Most Gracious, Most Merciful.  
All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
I know there are such Islamic financing in Kuwait and may be in some other countries.  
The Islamic financing of education is based on an idea of buying credit hours from a  
university and selling them back to the student at a higher and deferred price. I am not  
aware of any institution that do it in the USA.  
You can also read: Taking a Student Loan in the Eyes of Shari`ah  
Allah Almighty knows best.

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Name Abdulla - Maldives

**Question**

What is the ruling on the bank interest which I get for my deposits in the bank?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Bank interest that you got on your deposit is not owned by you according to Shari'ah. The Shari`ah considers any contract that generates interest as null and non-existing. Consequently, in principle, money taken as interest must be returned to the payer. But since giving it to the bank makes it more powerful to make more of the haram (interest-based) contracts, a Muslim who earned interest must not return it to the bank and since the earner does not own this money in the eye of Shari`ah, interest money must be given away to Muslim charity, it is not considered charity or zakah but you will be rewarded for keeping your own money pure and clean of this haram money.

You can also read: What is Riba?

Wisdom behind Prohibition of Riba?

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Sunday, May 29 ,2005**

Name

Babu Aboobacker - India

Software Engineer

**Question**

What is the Islamic perspective regarding buying and selling of Stocks (Shares)?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Stocks represent shares in the ownership of companies. Therefore, trading in stocks depends on whether trading shares in the companies they represent is permissible. the Principle of trading shares is permissible in

Shari`ah as long as these shares the assets of the company, including the intangible, consists of real assets, rights, debts and cash in which the total of real assets and rights make majority.

On the other hand, there are companies that are not permissible for Muslims to own, run, buy or sell. These are companies whose main line of business is forbidden in our Shari`ah. such as conventional banks, liquor breweries and distributors, casinos, etc. Stocks of these companies are not permissible for trading, owning, selling etc.

There are also companies whose main line of business is permissible but it has many transactions that are prohibited such as hotels in whose income non-Shari`ah compatible parties make a majority of their transactions.

Companies that have a permissible main line of business but impermissible transaction are in principle also forbidden because the management acts on behalf of shareholders as their appointed agent. But since this prohibition create a hardship for many Muslim savers, a relaxation is due and called for according to the rules of Shari`ah. Hence, a group of scholars argued that under these circumstances companies that have little impermissible transactions may be accepted for trading and they went on to define

what is little addressing certain criteria like the percentage of interest in net income, the percentage of leverage, the percentage of receivables to assets, etc. You may find these criteria under the Dow Jones Islamic Market index on the internet.

Allah Almighty knows best.

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Name Shahd -

**Question**

Dear scholar, As-Salamu `alaykum. I want to pursue an on-line PhD program, but not sure if it's islamically okay to take out more students loans. Please let me know if what I want to do is halal or haram. Moreover, with all the money I owe, can I still go to Hajj even if these students loans are not completely paid off?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Students loans are not permissible because getting a PhD is not a necessity. Also repayment of interest-based loans has a priority over going for Hajj. Please remember that indulging in interest transactions amount to invoking a war from God and His Messenger and the Wrath of God is on the giver and taker of interest as we are told in authentic Sayings of the Prophet (peace and blessings be upon him).

You can also read: Taking a Student Loan in the Eyes of Shari`ah

Taking A Student Loan: Is It Permissible?

Allah Almighty knows best.

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Name Ahmad - Mauritius

**Question**

As-Salamu `alaykum. I have important projects that require lots of money. The easy thing is to take loan from a bank, but since this entails paying for interest (riba), I kept away from it, and chose the difficult way. I never take loans with interest from the bank. Yesterday, a well-learned brother came to me and put the following point forward, thereby giving proof of the permissibility of loans from banks, even if they imply the payment of interest. His point is this: We live in a non-Muslim country, which, in Islam, is considered as Dar Harb (an abode of war). In Dar Al-Harb, when there is money lending or borrowing with interest between a Muslim and a non-Muslim (the non-Muslim bank in my case), the interest is not considered as riba. He said that in Dar Al-aman (Islamic state), the interest that goes with a loan is considered riba, and in Dar Al-Harb, it is considered riba only when it takes place between two Muslims. Between a Muslim and a non-Muslim, it is not riba, even if in English, it is still called interest. If I take my loan from a Muslim bank, then the interest is called riba. If I take it from Barclays, for example, it is not riba. It is the first time I heard this. For my whole life, I stayed away from loans with interest, even when it was to my disadvantage, and I always advised others to stay away from it, because I know the gravity of indulging into riba. This new reasoning has caused me to start thinking again. Can you please help me in seeing how far the brother is right and how far wrong.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Brother, are you in a state of war with your people in your country? You are born there, you are from there, you belong to there, even the president of your country was a Muslim some time ago and you tell me you are in Dar Harb!

You are in your own country. Dar Al-Harb is the occupied land of Palestine with regard to the Israelis who came there to take the homes of the Palestinians, both Muslims and Christians. Those who took the homes of other people can be treated as Ahl Al-Harb and Dar Al-Harb. But you live secure in your own country and it is very irrational to call it Dar Harb. Riba is prohibited for you like any body else in the whole of the Muslim world and the Muslim communities in non-Muslim countries.

You can also read: Concept of Dar Al-Islam and Dar Al-Harb

Does the US Biased Policy against Palestinians Make Her Dar Harb?

Allah Almighty knows best.

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Name shafat - United Kingdom

**Question**

As-Salamu `alaykum. Can I ask a question regarding divorce? I feel too depressed with what has happened in my life....please help!

Answer

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dearest questioner, thanks a lot for your question.

In fact, we do prefer that you submit your question to Ask the Scholar page or to General Live fatwa session because this session is only dealing with financial issues.

Sorry for any inconvenience.

Allah Almighty knows best.

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Name Mohammed Sharfuddin -

**Question**

I have reserved a ticket for `Umrah and I learned that if you owe money to anyone you may not perform Hajj. Is this true for `Umrah as well? I need to know because I have some student loans that I took out for my studies. I have not paid any interest on them since the loan is not due till 6 months after graduation. I have already made my booking and also some payments from my pocket for the tickets. What should I do?

Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

`Umrah and Hajj are permissible if a person is under debt as long as the debt is either not due yet or can be delayed by concession from the creditor. If the debt is interest-bearing its repayment, even if it is not yet due as long as it generates or may generate

payment by the time you pay it, has a priority over going for Hajj or `Umrah. A due non-interest-bearing debt has also priority over going for Hajj or `Umrah if the creditor does not consent to a delay.

Allah Almighty knows best.

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Name abdul - United Kingdom

**Question**

what are the views on having a child but not married yet?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dearest questioner, thanks a lot for your question.

In fact, we do prefer that you submit your question to Ask the Scholar page or to General Live fatwa session because this session is only dealing with financial issues.

Sorry for any inconvenience.

Allah Almighty knows best.

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Name noorah -

**Question**

Dear scholar, As-Salamu `alaykum. I will be very grateful if you could answer my question please.

Almost three years ago my husband and myself left England with our three children to move to the Middle East. While we were living in England we were 'low income' and entitled to 'working families tax relief or allowance' (I can't remember the exact name) and Child Benefit for our children. Anyway, my husband left first and I followed him with the children approximately 6 months later.

Before he left, we notified the authorities and asked them to stop paying us the Working Families tax relief. He then left. Shortly afterwards I received a letter from the council informing me that they had accidentally been over-paying us each month, and that according to their calculations we had to pay them back 500 pounds or I would be sent to court!! I was utterly horrified, as we had done no wrong. It was their mistake. Fortunately, Al-Hamdullilah in spite of being on a very low income I managed to get the money to pay off this debt.

Well, when it was my turn to leave the country with the children, I again notified the authorities that I would be leaving and asked them to stop paying the Child Benefit and even gave them our forwarding address in the Middle East.

Anyway, some months later my mother informed me that I was still being paid the child benefit! I did not get in contact with the authorities as I was afraid that they may send me or my parents a court summons (and both my parents are fragile in health) and I could not afford to travel back to England.

My question is this: In sha' Allah, we are hoping to go back to England this summer and clear up this mess. However, in all this time I have not paid the zakah on this money as I didn't see it as mine. Do I have to pay zakah on it even if I will be asked to pay back the

entire sum? If they (in the very unlikely event) allow me to keep some of it will it be lawful?

**Thank you.**

Answer

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

If they allow you to keep it in full or in part, it is permissible to take because it is a government money that is given to you by due course of law.

And since you believe it is not yours and you intend to return it you are not required to pay any zakah on it. However, I suggest that you apply the Maliki view once the issue is settled. It said that for any such windfall income one has to pay zakah for one past year the day one receives it.

Allah Almighty knows best.

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Name shafat -

**Question**

After my marriage I got circumstantial evidence about my wife's physical relation to someone while studying at college in a foreign country. Finally, after pestering her with my gut feeling she confessed, " NOTHING IS HIDDEN FROM YOU ABOUT MY LIFE". I cannot live with this disgrace and I dont get sexual satisfication also because of the state of her body. I want to divorce her. Am I doing anything wrong? Before marriage when we met under family supervision she lied to me about her chastity.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Editor's Note:

Kindly notice that this is a specialized session. So please send your question to Ask The Scholar page.

Allah Almighty knows best.

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Name Said - Canada

**Question**

Could you please let me know the Islamic rule about bankruptcy?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

If a person is really bankrupt, unable to pay all one's debts and obligations from one's assets and income, Assets are then distributed among creditors in proportion to total assets to total debts. What else do you want to know. False information is certainly prohibited.

Allah Almighty knows best.

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Name Amer - United States

**Question**

**I named my daughter a name. Later on I found that my mother does not like it. In fact she hates it. Do I have to change my daughter's name?**

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Editor's Note:

Kindly notice that this a specialised session. So please send your question to Ask The Scholar page.

Allah Almighty knows best.

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Name Abdul Basit - United Arab Emirates

**Question**

Dear scholar, As-Salamu `alaykum. Can you please answer me whether working as a credit card sales executive for bank is allowed? And also if using credit cards is allowed if we don't pay any interest on them by settling our dues on time.

Also we while working in a company do lot of personal work in company's working hours. What does Islam has to say on this as we are using our official time for personal work?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Using conventional credit cards and signing their contracts is permissible if you know for sure that you will not allow any interest to generate. The reason is that credit cards give you a choice to generate interest or not. If you know that you are not going to withdraw cash or delay payment till after the grace period it is then permissible to use it. However, having an interest condition in it makes it haram to be issued by Muslims and banks in the Muslim countries. This implies that Muslims should make their efforts not to encourage conventional credit cards issued by Muslim institutions and companies as much as they can.

Selling conventional credit cards, knowing that majority of purchasers use it for interest is certainly not permissible because it amounts to selling interest loans.

Having some personal business within the working hours is normal because not doing it make you more worried and reduces your efficiency. Certainly exceeding a reasonable level is haram even if it were for additional Prayers. Depending on the nature of work, some 10-15 % seems normal.

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Tuesday, May 10 ,2005**

Name Ahmed -

**Question**

As you might know, many airlines sell their tickets using the “low cost” system. In this system the first person will get a ticket for a price (e.g. \$1) and the last person to book for the same flight and the same class of service will be charged a much higher price (e.g. \$20). Is it haram to use such a system? Is it a fair practice in Islam?

2. Some hotels and airlines will charge money for canceling or changing a booking. Is this allowed in Islam? Are we allowed to contribute in paying these charges?

3. I used to collect coins as a hobby and I know I am no longer interested in it. I would like to sell my collection. Are there any rules I should keep in mind when selling these coins? I will basically accept whatever price the person will tell me since I am not experienced in pricing old and new coins and I just want to get rid of the coins.

4. And lastly, could you kindly advice on what institutions I could approach if I want advice regarding stock trading?

Thank you very much and jazakum Allah Khair.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Ahmad,

1. Selling similar good/services at different prices is permissible, especially if such differentiations are pre-announced as in the case of airline advertised prices. There is nothing to prevent it and there is an apparent interest or maslahah in it for the seller.

2. Also charging fines for cancellation is permissible according to the Hanbali school on the basis of their Bay' al 'Urbun. That is sale with a small advance payment and if the buyer did not continue the rest of the price, she/he loses the advanced amount. Its fairness stems from the fact that there is a cost/loss attributed to such cancellation. The seat/room may not be rented at a late hour.

3. If the coins are no more in use, they can be sold at any price because their value is then in the fact of being old. But if they are in use they should be sold at other currency and then at any price but with immediate delivery of both. If they are sold for the same currency, equality must be fulfilled that is one hundred us cents for one paper currency US Dollar and also with immediate delivery as required by the rules of Sarf.

4. To know the stocks that are permitted in the Shari'ah, consult the Islamic Market Dow Jones and for learning the skill of trading, you need to be trained in a broker's office, not in schools.

Allah Almighty knows best.

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Name Abdurrahman -

**Question**

I am employed in the health department. I would like to know regarding health insurance. In the Philippines, all government employees are mandated to be a member by automatic monthly deduction from the salary. However, it was expanded to include non-government workers such as self-employed and the like by paying enrollment and monthly contribution. The purpose of insurance is to shoulder a portion of hospital bill if the member got sick who are hospitalized in private or government hospital. Lately, our

department is tasked to promote it to our Muslim constituents in order to have more enrollees. Is the aforementioned health insurance permissible in Islam?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Abdurrahman,

Mandatory health insurance is permissible with no disagreement among all scholars. If it is not mandatory, the rules of insurance apply to health and other insurances. Here there are three options: one goes for complete prohibition and the other accept the mutual or cooperative form provided that the premium is paid on contributory basis and the third that I adopt is the permissibility provided that it is not interest-based. Health insurance is not interest-based.

You can also read: How Does Shari`ah View Insurance?

Allah Almighty knows best.

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Name Sarfaraz Hussain - India

**Question**

**As-salamu `alaykum. I want to know if it is possible islamically for me to invest in the Indian stock market?**

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br.Sarfaraz ,

Yes, if you invest only in permissible stocks

You can also read: Investing in the Stock Market

Allah Almighty knows best.

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Name noureddine - Belgium

**Question**

Is it permitted to let people invest your money and that you ask let say 5 percent earning each year or should you also pay loss if there is loss?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Noureddine,

In any investment, profit may be distributed in proportion to principals contributed by each person or according to the agreement provided that there is no guarantee on a given amount or percentage to any investor.

Losses must be distributed according to share in capital only. This means that you cannot take the profit without bearing your proportional share of the losses.

Allah Almighty knows best.

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Name Ahmad - Pakistan

**Question**

As-salamu `alaykum. My relative deposited amount of money as a saving account in one of interest-based banks for about 30 years and he was receiving interest annually. However, he did not know it was kind of riba.

This person was a trader (businessman), and due to the fact that he did not know that interest is a kind of riba he was mixing his business profit and the interest from his saving account (riba) for his normal live expenses.

In addition, he used the mixed money to buy some property for his sons and went to (Hajj & `Umrah) using mixed money. Now this person knows defiantly that interest is kind of riba so he stopped taking it, and decided to transfer his account to Islamic bank.

My question is what about the last period when he was eating from interest money and mixing that money with his business profit for his normal life expenses and to buy houses for his sons and daughters. And what he should do now especially that he bought some houses for his sons using that money.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Ahmad,

What is haram remains haram and the passage of time does not change its character. The solution now is: if he can determine or estimate the amount of riba he got over all this period, he must give it away to charity if he financially can do that, even if it requires him to sell some of his properties. This is obviously with a sincere repentance and seeking forgiveness from Allah. Otherwise, he should repent and make istighfar and do as much as he can of charity.

Allah Almighty knows best.

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Name Mohd - India

**Question**

As-Salamu `alaykum. Can a Muslim rent out a place to a Bank (dealing in interest)? Will the rent thus received be halal?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Yes, since a bank also does several permissible activities and by renting he is getting the compensation for the usufruct he gives.

Certainly this is not one of the best actions a Muslim can take!

Allah Almighty knows best.

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Name Huda - Palestine

**Question**

As-Salamu `alaykum. I kindly request your advice on the following. I have an accumulated interest rate amount from my bank account which I want to give away as

charity. Please let me know if there are any conditions for such an act? Do I need to tell the person or institution about the source of the money, and does it have to go to a specific cause, or shall I treat it like any other sadaqah? Thank you.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Huda,

You may treat it like any other sadaqah, and no need to inform the person/institution about its nature unless you give it to a mosque or to buy copies of the Qur'an whereby many scholars would maintain that it is inappropriate to use such money for these purposes.

You can also read: [Should We Take Interest Money or Leave It for the Bank? And Donating Interest Money for Building a Mosque](#)

Allah Almighty knows best.

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Name ahmad - United Kingdom

**Question**

Can you tell us if its okay to take out a student loan at the universitys in the UK if we can't get the money easily from anyone else. This will involve giving back more than I borrowed depending upon inflation rate and interest rates.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Ahmad,

Student loans do not make a necessity in my opinion and they must not be taken unless under very strict conditions such as a student is about to be expelled or graduation delayed. There are other means to finance education including quitting education for a semester or two to work and then come back.

You can also read: [Loans in Non-Muslim Countries](#)

[Student Loans with an Interest Rate Linked to Inflation](#)

Allah Almighty knows best.

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Name Hicham - Morocco

**Question**

Concerning your answer concerning taking a bank loan with interest. I would like to inform you that in Morocco, there is lobby who own the banks and prohibits any Islamic bank implementation. Also the government has no will for that. In addition, there is no sale with ajal. I really live in a difficulty in the current house (big distance from work, no adequate school for my daughter and non-educated children in the residential area)

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Hicham,

But in Morocco there are leasing companies and you can establish housing cooperatives, why don't you create your own means outside the banking system if it is as you described!?.

Allah Almighty knows best.

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Name Imtiaz Khan - India

**Question**

I am going through financial problem. What kind of businesses can I take up to make money in a short period of time? I don't want to be in business throughout but due to monetary problem I want to take it up only for a short period of time.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Imtiaz,

If I knew I would have become a very rich man.

Allah Almighty knows best.

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Name mariam - Germany

**Question**

knnen sie mir erklären, was bedeutet A-SSalam ali-kom.

Knnen Sie erklären, was bedeutet ganz genau die Vorherbestimmung und schicksal im islam? Bitte antworten sie mie auf Deutsch oder Franzsich.Danke und salam alikom

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Mariam,

Sorry for not knowing german language

Allah Almighty knows best.

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Name soraya -

**Question**

What is the Islamic viewpoint on mortgages as there are some conflicting views.

I took out a mortgage a few years ago when I got divorced so I could buy a modest home for my children and I.

Also, as a single mother I wanted to live in a safe area. I could not have done with this without a mortgage. Am I incurring 'ithm' on myself for taking out an interest-bearing mortgage? I took out the smallest possible loan for my circumstances and intend to pay it off as quickly as possible.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Soraya,

If you live in a Muslim minority country, I think there will be no sin, in sha' Allah because of the circumstances you described.

If you live in a country of Muslim majority I believe you should cooperate with other persons like you to create islamic financing facilities that would help such situations. You can also read: Scope of Necessity that Relaxes the Prohibition of Mortgage Allah Almighty knows best.

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Name dalal - United States

**Question**

I run several websites and have advertising links to help pay for my sites. Is it haram to have an advertiser to a non-halal financial institution? Advertisers that include mortgage, credit repair, and refinancing sites?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Dalal,

These links may be used by many persons for whom it is permissible to use them, I therefore think that it is not haram to have these links advertised on your website.

Allah Almighty knows best.

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Name noureddine - Belgium

**Question**

Respected scholar, I have some money in my country of origin. The money is losing its value but my sister proposes me to lend that money for a long period and that she gives it back in Euro's at a very respectable currency conversion. Is that allowed or is it considered as riba?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Noureddine,

If you lend euros you get back euros and if you lend dirham you should get back dirham. You may get back any other currency including euro provided it is priced at the rate on the day of payment not on any other rate.

Allah Almighty knows best.

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Name Muhammad - United Kingdom

**Question**

Soon I will be starting a job and in sha' Allah, when I get my first salary it will be well over the nisab amount, which in the UK is around £700-£800 pounds.

This money will go into my bank account which I use on a daily basis to buy food, clothes etc. I want to know, the day I receive my first salary I want to give zakah because I haven't given zakah in the past but only regular charity such as for donations on the day of Jumu'ah after the prayer.

So after my first salary I will have around £2000 in the above mentioned account. How shall I give zakah on that? Will I have to remember the date I give it on, and then the

following year, whatever money I have in the account, which is above the nisab amount I would do the same?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Muhammad,

Congratulations for your new job!

Zakah is due on a person only on lunar year after the day she/he has nisab. If this will be the first time you go above the 800 pound you will have to wait for 354 days after you reach nisab. Then pay zakah on the total balance you will have but you should deduct the amount you need for expenses until you get the next pay. Even now to determine whether you got nisab you must deduct the amount you need for expenses until next payment.

Allah Almighty knows best.

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Name Ibrahim -

**Question**

I heard some time ago that European banks are starting to run banks on the Islamic banking model in Africa in order to address local demand and because the model seems to bring revenues that are higher than the classical interest-based model. Some post-soviet countries, Muslim countries among them, are currently constructing their banking system from scratch.

Do you have any conclusive information about the ROI of Islamic banks which can be used to convince people in these countries? Is there any central body which promotes Islamic banking in Muslim countries and in central Asia in particular?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Ibrahim,

There are Islamic banks in several countries of the former Soviet Union as well as in some Asian countries who are Islamically-based and are always interested to grasp such opportunities. They are actually doing it. You can contact those banks for help.

Allah Almighty knows best.

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Name Khalid -

**Question**

Is the latest transaction banks' offer, i.e. fixed rate of 5% or 7% for seven years on purchasing a house considered mortgage? I don't question the issue of mortgage and when it is permitted, but I am asking if this type of transaction is riba or not? You can now get from Royal Bank the house with fixed rate for five or seven years.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Khalid,

Fixed rate is the oldest practice in interest. It is certainly riba. If this is not riba what is then riba!!?

Allah Almighty knows best.

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Name iqbal - India

**Question**

Respected Sir, I am from India and can I take a loan from the bank to start an industry?  
Thanks.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Iqbal,

No, as there is no necessity in it.

You can also read: Usurious Bank Loans to Start Business

Allah Almighty knows best.

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Name imtiaj - Bangladesh

**Question**

The loan giving system of Islami bank is difficult to undrestand. I know that the main difference is the presence of a buying -selling activity according to Qur'anic spirit. For example, if I need a loan for buying a TV they would buy the TV for me at 28000 which costs 20000 in the market. So the extra bucks is to be paid.

My question is: Is the presence of buying-selling is all to be nedded? If yes, what are the economic benefits because extra bucks still to be paid. I also want to know the "ultimate model" of loan giving of the time of our Prophet and the rigtly-guided caliphs.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Imtiaz,

Brother, you need to do some home word of reading . Please take it up to any bookstore and get a few books on Islamic financing. You may also go to a few websites and there are many under Islamic finance.

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Sunday, March 20, 2005**

Name Shah - United Arab Emirates

**Question**

Dear brother, As-Salamu `alaykum. How Zakah money is calculated on used jewelry? Is it as per the price of new jewelry of same used jewelry quantity or as per the present market price of that used jewelry? Jazakallahu Khairan!

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
Dear brother Shah, Zakah is on gold/silver jewelry and it is calculated as 2.5% of the price of gold/silver on the day it is due, end of Hawl (lunar year). This is of course, provided the conditions of Zakatability are fulfilled: reach Nisab, it is stored/not used normally or it exceeds normal value of her peers.

You can also read: When to Pay Zakah on Jewelry

Zakah on Jewelry and Zakah on Jewelry and Precious Stones

Allah Almighty knows best.

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Name A. H. -

**Question**

As-Salamu `alaykum. I have bought a land one year back of which I until date did not derive any income. Then intention was to build a farmhouse at the same time if it appreciates sell it for profit. Is Zakah payable on this? Last week I have to see another land and thought of selling the above to buy this. In this scenario, how do I calculate my Zakah this year?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother A. H., obviously, you have double intentions. I suggest that you had better pay Zakah at 2.5% of the market value of the land if you decide to sell it very quickly (that is lowest possible market value).

Remember that Zakah is due every lunar year. This means that Zakah for this first year is due on the 354th day after you purchased this lot.

Allah Almighty knows best.

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Name Abid - United Kingdom

**Question**

As-Salamu `alaykum. What does Islam say about sharing inheritance? My father passed away three years ago and my mother wants to settle the inheritance according to the Sunnah. There is only my mother, elder brother and myself involved.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Abid, if your father is not survived by any of his parents and the only survivors are as you mentioned: your mother takes 1/8 of the net estate (after payment of all debts, funeral cost, and any Wasyyiah (will) your father may have left; this third item must not exceed 1/3 of the estate value after payment of other first two items) and each one of you, the two brothers, take 3.5/8.

Allah Almighty knows best.

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Name rahma -

**Question**

How is considered buying things from somebody which you know that they're stolen, and then making commerce with them. And how is considered accepting a gift from these things which in fact are bought but from somebody who has stolen them.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Rahma, it is forbidden to buy goods from a person whom you know is not the owner. Stolen goods belong only to their true owners and it is not permissible for any person to knowingly buy any of them.

In fact the true owner maintains her/his right to these goods no matter under what hand they may be. The true owner can take them from you without any compensation and the person in whose hand such good is found may have to compensate the owner for loss of usufruct and inconvenience and any other cost incurred to recover the stolen goods. Besides, buying goods that you know are stolen is a crime of collaboration with the thief according to our Shari'ah and according to common laws too.

Allah Almighty knows best.

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Name Shariff -

**Question**

Is working with interest-based bank permissible or not? If permissible under what **context?**

I am a student in University of Dar es Salaam (UDSM) in Bachelor of Commerce (B.COM). My interest is to specialize in Financial banking but unfortunately there is no Islamic bank in my country. Furthermore, I need to be the one who will start to establish the idea of Islamic Banks in my country for the Allah's sake.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Shariff, if you avoid writing Riba contract, signing them on behalf of the bank and/or be a witness to any such contract, it is permissible to work in a conventional bank. It is certainly a collective duty of all Muslims in any area to establish Islamic banks that satisfy their needs for financing.

You can also read:

Working with Banks

Working for Banks: Islamic View

Allah Almighty knows best.

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Name shah - United Arab Emirates

**Question**

Dear brother, As-Salamu `alaykum. This is in addition to my question, which you have replied already. I think this is my mistake that I could not present my question properly. Actually, I wanted to know about the consideration of 'value' as used and new gold/silver jewelry has different market value. Hence, for the used jewelry (gold/silver);

what 'value' should I consider to pay zakah: (1) Current value of new jewelry of same type and quantity (of that used jewelry) or (2) Current market price of that used jewelry?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

You have to pay Zakah according to the current market price of the used gold or silver.

Allah Almighty knows best.

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Name Abdullah -

**Question**

As-Salamu `alaykum. I'd like to ask about an act of selling-buying in non-Muslim countries.

1. After buying something and beginning to consume, Muslim remembers that they forgot to weigh goods (i.e. he just trusted the seller without real weighing). What should Muslim do? May he just continue to consume it?

a. if the seller is Muslim (but it seems to be that the seller will think of a man as crazy if he tries to return him that thing.

b. Buyer is unaware about seller's religion.

c. It seems to be that seller is non-Muslim.

2. After leaving the place of buying, Muslim remembered that he forgot to count the change, which was given by seller (and now it is impossible to know what the real change was). Is it a duty for a Muslim to count money which seller gives to him? If yes, then what should he do, if he realizes that he forgot to count it? May he just consume products and change he got?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Abdullah, if you trust the seller you do not have to weigh or count. Of course, the religion, color, gender and ethnic origin do not affect the ruling. It is only a matter of trust if you can count and weigh every thing and there is nothing to be done if you forgot or decided not to; the sale remains valid and final.

Allah Almighty knows best.

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Name Yuki - Japan

**Question**

As-Salamu `alaykum. To begin with, I'd like to express my deep gratitude for your making exertion to elucidate plainly questions regarding economic aspects of Islam every time.

Now my question is about Islamic Economics. Is it safe to say that we can regard the Islamic Economics as "religious economics", which has originally been thought of by Jewish scholars and it has developed into Christian Economics and currently been

debated hotly in the US? Its basic content is like: would religious leaders gratify their desires (enhancing their utility) when the number of their followers increased. Could you possibly shed light on that point? Thank you in advance.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br.Yuki, no. Islamic economics is not the study of the economics of religious institutions like churches of religious associations.

Islamic economics is a part of the Islamic religion that is itself a way of life. As such, we, Muslims, argue two main points that make Islamic economics. One, the Divine Revelation is a major and profound source of human knowledge because God sent Revelation for humans to understand and follow. Hence, this Revelation, in its final form that is kept intact, through generations, is a source of knowledge in economics as well as in other fields, especially those related to human life, individually and in groups. This source of knowledge should be always coupled with the other source of observation and experimentation.

The second point is that because Islam is a complete system/way of life, it organizes all the aspects of human/social life. Thus, economics is one of the areas regulated in religion. In other words, Islam has its own economic system and economic worldview. This is based on foundations expressed in the Divine Revelation in the Qur'an and the Traditions (Sayings and practices) of the Prophet (peace and blessings be upon him). Accordingly, the other branch of Islamic economics is made of the study of this Islamic economic system and its functioning. If you consult the internet for references on Islamic economics, you will find many further references.

Allah Almighty knows best.

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Name M F -

**Question**

Sometimes I travel to Saudi Arabia and my friends ask me to bring them some things from there. in Saudi Arabia I pay, of course, in Saudi Riyal to buy these things but when I arrive in Egypt I get the price of the stuff in Egyptian Pounds. Is there any problem in this matter. should My friends pay me in Saudi Riyal.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. M F, you should calculate the price in Egyptian pounds on the day they pay you, and there is no problem if you get paid in Egyptian money. In fact, since this is a Wakalah to purchase, you can calculate the rate of exchange of your cost when you exchanged your own currency to go to Saudi Arabia. or even the rate on the day you purchased. In all cases you ought to fix the amount, they owe you in either currency and if the currency of repayment is different, you take the currency price on the day of repayment.

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Wednesday, Mar 16 ,2005**

Name Ismail - South Africa

**Question**

I have a 65-year-old aunt and she needs to work out her will. She has never been married. Both her parents have passed on. She has one brother and two sisters who are alive. Could you tell us what the correct shares are? Note, one of her sister's is late and I am aware that this sister falls out of the equation, but this sister has two children. Is it not their entitlement to be granted their mother's share (even though, the mother is late, they are still blood relations to there aunt? Is there evidence in the Qur'an or Sunnah to exclude them? Could you kindly advise? Jazakum Allahu khairan

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Ismail, I suggest that you consult my website [www.kahf.net](http://www.kahf.net) of ISNA's at [www.isna.net](http://www.isna.net) for a form that may help you in drafting the needed Last Will.

There is nothing in the Qur'an and Sunnah that mentions these children of a deceased sister. This is a matter of Ijtihad (personal reasoning), so you can't say that you know they get nothing. The Ijtihad that is adopted by several Islamic-based laws of personal and family life in several Arab countries including Egypt, Syria and Iraq (That are written by renowned Shari'ah scholars) was to give the children of the deceased within the limit of one third. For your case in South Africa, you are going to implement the Islamic Law by means of a will; therefore, put it in the will anyway.

Have her assign it according to Shari'ah, (using the form, I mentioned because who know whether she is going to die before or after her existing siblings). If she is survived by a brother, a sister and two children of a deceased sister, the bother takes 1/2 the sister 1/4 and the children of the late sister 1/4 if one of them is a boy, this is to be distributed as 2 to 1 between the boy and the girl. If both are girls then only 2/3 of this 1/4 is to be given to them equally and the remaining 1/3 of the 1/4 is to be given back to the brother and sister on the rule of 2 to 1.

Allah Almighty knows best.

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Name Ahmad -

**Question**

Respected scholar, As-Salamu `alaykum. I was involved in a car crash and the insurance company said that I should demand compensation. I was very reluctant to do so, but upon the advice of a well-learned Muslim brother I decided to go ahead with it. Now, I have received a cheque and don't know what to do with the money. It does not feel right to spend it, since I don't feel like I've earned it. In addition, I am a full time student, and I took out a student loan and was wondering if I should pay that off using the compensation money? Or should I donate it all to a charity? Thank you

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Ahmad, if you did not claim any false injury you should not feel any embracement with the money, it is yours and you deserve it. However, if it was based on a false report and laid statement and there was no injury, including psychological shock and trauma, you do not deserve the money and you better cash it and give the money to a Muslim charity.

If it is some of this and some of that, you estimate the percentage and divide the money and in both last two cases you must make istighfar and repentance not to go to such a lie again because lying is one of the worst sins a Muslim must never do.

If it is determined that the money is yours, it is halal (lawful) to you and you can use it for the loan or any other purpose, insurance itself is permissible and lawful according to Shari`ah in spite of the existence of another opinion to the opposite but it is incorrect and much less convincing.

Allah Almighty knows best.

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Name Mohammad - Saudi Arabia

**Question**

Dear Scholar, As-Salamu `alaykum. Ours is the Muslim majority state in India. There is a sense of great dissatisfaction for not having a Muslim banking system. My query is: Is there a way we can start a sort of community waqf (endowment) whereby the money deposited would be invested in halal projects and benefit distributed amongst the investors?

If yes, how should we begin? Are there any legal procedures that we should take care of, etc.?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Mohammad, you can establish an Islamic bank, why not, there is one in India itself.

A waqf can be also made to manage such a fund because the return on the waqf itself must be for its purposes of Khayrat (good and beneficial acts).

Procedures and legal requirement need a specialized lawyer there in your state, there are many Islamic banks all over the world who would be interested in partnering with you in this venture, prepare a feasibility study and approach some Islamic banks. It needs professional works that can't be described in this window on a live Fatwa.

Allah Almighty knows best.

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Name Babangida - Nigeria

**Question**

I am a Muslim working in the Central Bank of my country (consisting of Muslims and non-Muslims), and the system is interest (riba) based. Though riba is haram as stated categorically in the Qur'an and Sunnah, some scholars use to give fatwa that Muslims in

our country should work in such an institution as a necessity (darurah) in order to protect Muslims' interest and try to effect changes. How valid are these reasons? Secondly, for how long should one continue to work in this kind of an institution as a necessity?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Babangeda, certainly, it is permissible without time limit!

The curse in the hadith is for writing and witnessing the riba in addition to taking and giving it. It is not haram (unlawful) to be a controller of it or a supervisor of the bank's activities. This is of course in addition to the national argument of defending the national interest in such an essential institution. However, you really must also work on establishing Islamic banks in Nigeria, it is about time, especially that there are several non-Muslim countries with such banks.

You can also read: Working with Banks, Working for Banks: Islamic View

Allah Almighty knows best.

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Name kamel - Algeria

**Question**

As-Salamu `alaykum. My wife goes to the cemetery every `eid and I have heard that graveyard visiting for women was haram. Is this accurate? Please explain!

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

This is not a financial question. However, according to the Hanafi School of Fiqh, visiting cemeteries for women is permissible; you don't need to apply the strongest view to your wife. The Hanbilites argue that it is not permissible for women.

You can also read: Can Women Visit Graves? Women Visiting Graves

Allah Almighty knows best.

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Name saira -

**Question**

As-Salamu `alaykum. I am a woman who works, not to support my family; we can do without my wage. My wage does make our living far more comfortable though and my husband wants and encourages me to work. I am a teacher in a secondary school in the UK. It is not an Islamic School. Given that, my primary function should be my husband and family, will I get reward for my work, my earnings? Jazakallah Khairun

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Sister Saira, insha Allah you will get all the reward for your work and for putting your income in the family expense that you do not have to do. Your work itself is also a sadaqah (charity) for you regardless of whom do you teach.

It doesn't matter whether Muslims or non-Muslims, your effort is the direction of making them better people, what more do you want?

Allah Almighty knows best.

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Name irfan - India

**Question**

As-Salamu `alaykum. I encountered a question after delivering Friday sermon about Riba. One of the listeners asked me: He is a government retired official. He got certain amount after retirement which he kept in local post office who in turn gives him certain amount per month for his household needs, the premium remaining untouched and same. He is unable to work as he suffers from brain hemorrhage and doctor has stopped him from any hard work, so he can't invest in any business. He says he can't see any reliable person whom he should give his money to invest in any business. His children are too young to hold any business. So does he come under those who are allowed to use money of Riba under compulsion? Please answer as he is waiting for a Fatwa.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Irfan, no, he can place this money with the Amanah Islamic Bank in India and get a halal (lawful) income. Riba taking is haram (prohibited), more even than Riba giving because there may be necessities for taking but not for giving.

Allah Almighty knows best.

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Name Imtiya - India

**Question**

As-Salamu `alaykum. Dear scholar, can we take care loans for getting a car?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Imtiya, no, car loans are interest-based like any other Riba-loans.

You can also read: [Can a Car Loan Be Islamically Justified for Necessary Needs? And Buying a Car or a House Using a Credit Card](#)

Allah Almighty knows best.

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Name Shoaib - Pakistan

**Question**

As-Salamu `alaykum. Please guide us about the markup (riba) on the provident Fund that is totally haram and no doubt about it. We want to ask you that which option is better for us to avoid this riba. 1. Not take this markup. However, if we don't not take

this markup that will be divided among other employees of the company equally. (This means that on my amount this markup (riba) is distributed among other employees). 2. Or If we take this markup and distribute it among those who are needed as without any reward. Which option is better? Please advice.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Shoaib, any earned interest must be given to Muslim charity and one should not take it to his/her own.

But are you sure that the markup on provident Fund is Riba? Did you study the whole structure of the fund, composition of funds and their utilization and the contracts that are used? I know several governmental provident funds that are not Riba-based. Just be sure about this point or send us complete details and we will give you detailed opinion insha' Allah.

Allah Almighty knows best.

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Name Raadhiyyah - Nigeria

**Question**

As-Salamu `alaykum. Please I would like to know who is most entitled to receive the interest accrued to ones savings account as a way of disposing it and cleansing your **wealth**.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

The best thing is to give interest money to Muslim charitable organizations and advise them to spend it on the Muslim poor and needy. If you are sure about a poor Muslim, person or family, you may also give it to them.

You can also read: Donating Interest Money for Building a Mosque

Donating Interest Money, Giving out Charity from Bank Interest, What to Do With Bank Interest

Allah Almighty knows best.

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Name Maria - Malaysia

**Question**

As-Salamu `alaykum. I was hoping if you could shed some light on what really formulates a loan that is accurately compliant with Shari`ah principles.

I would like to give you the prevailing concept of an Islamic loan that takes place in Malaysia.

I want to buy a house valued at MYR100,000 and apply for a loan to purchase it. The Islamic bank buys the house and "sells" it back to me for MYR200,000. From year 1-5, I pay fixed monthly installments, of MYR150 (computed at 1.5%); year 6-10 - a fixed rate of MYR300 (at 3%); year 10-20 a fixed rate of MYR700 (at 7%)- [the figures are only

examples.] Is this a valid Islamic contract? If not, how should an Islamic housing loan be formulated? Thank you very much for your time.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Maria, if the Islamic bank, or any other bank, buys the house cash and after that, it sells it to you on installment at higher price, this is a permissible Murabahah. It is ok from Shari`ah point of view and it is not called a loan it is rather financing. Loans are pure debts that must not have any increment.

Allah Almighty knows best.

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Name Ghulam Nadir - Pakistan

**Question**

Is stock exchange, keeping or buying company shares are halal or haram in Islam?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Ghulam, there is much detail regarding this issue. Trading shares of companies that do halal things and do not make Riba or any other haram transactions, is certainly halal.

You can also read: Investing in the Stock Market , Is Using the Stock Market Halal or Haram?

Allah Almighty knows best.

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Name Mahmoud -

**Question**

As-Salamu `alaykum. I have read all the fatwas on Islam online about working in an interest-based bank in a field that is not related to interest. However I am still confused on its permissibility because the fatwa does not provide isnad or backing from the Sunnah or the Qur'an. Could you please provide a hadith or verse that clarifies this? Could you also comment on the following: 1. [Help you one another in Al Birr and At Taqwa (virtue, righteousness and piety); but do not help one another in sin and transgression. And fear Allah. Verily, Allah is Severe in punishment.] (Al-Ma'idah 5:2). Does this include helping riba-based institutions do business? 2. The Messenger of Allah (peace and blessings be upon him) cursed the one who consumes riba, the one who pays it, the one who writes it down and the two who witness it, and he said, "They are all the same." Do scholars take this hadith to mean that anyone who helps with riba process is cursed, or do they take it literally and only curse the four positions mentioned. Jazakum Allah Khairan

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Mahmoud, the issue is itself ijthihad that has no verse or saying, where do I get you one? The prophet prohibited ten things in regard to liquor, but he only prohibited writing and witnessing in Riba (of course, besides taking and giving). Why do you want to expand on the hadith un-necessarily?

Finally, there is a difference between being permissible and being the best job in the world? It is certainly not the most pure job, but it is still above 50% in spite of being a help to the writer and witnesses! Claiming a thing as haram requires a clear evidence not mere preferability.

Allah Almighty knows best.

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Name Sami -

**Question**

Please advise on the following. I know of a couple of students who do not get any money from the government with help towards their education, and they do not have any jobs to support themselves. Their parents support them, however they can't support them at all times due to own expenses, I have got some interest money which I would normally give to charity, am I allowed to give this money to students for help with education expenses? They will be taking a student loan in order to get through the academic years financially (They are not poor families).

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Student loans that require them to pay interest are forbidden in Shari'ah and if these students are not poor, judging them on their own not on their families, you should keep giving your interest to Muslim charities to use it for the poor and needy.

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Monday, March 7, 2005,**

Name Kumuruzaman -

**Question**

Is it permissible to buy a sewing machine, computer and books etc. with zakah money to give them to madrasas for training of the madrasas students? If we do that will the obligation of zakah be discharged?

Normally, we are supposed to make the person to whom zakah is given the owner of the zakah fund or material. But if it is given to a madrasa, the madrasa becomes the owner, though it is used by the students. Please enlighten us of the correct way of doing this as we want to help the madrasas in our part of the country. With best regards.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Kumuruzaman,

The generally accepted opinion in the Hanafi school requires the condition of tamlik to the recipient of zakah. I personally go along with it although some contemporary

scholars argued for the permissibility, under strict conditions to keep ownership in hands of organizations. I happen to believe in the great wisdom of this condition because the wisdom of zakah is not only to take from the rich but also to make the poor an owner or to actually enrich him/her.

I think that it is also very important to provide such training centers with necessary facilities like the ones you mentioned.

The solution that was adopted by the Zakah Boards in Pakistan in the early 1980s is excellent: there are other sources of funds besides zakah, let us use such other sources for giving properties to organizations that help train and manage other forms of assistance to the poor and let us use the zakah money only for actually giving the poor and needy.

Hence, we must not use the zakah money for sewing machines and other equipment for centers that train the poor and keep the zakah money for stipends while being trained for providing such tools after graduation. This is what fulfils the agreed upon conditions of the distribution of zakah.

You can also read: Zakah and Charity: Signs of Gratitude  
Allah Almighty knows best.

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Name Rahmani -

**Question**

From the verse 43:32, I infer that economic inequality is a Divine decree. Could you please explain?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Rahmani,

When we use help from each other and pay for such help this is not economic inequality, but rather a specialization for each one in what one can do better.

Additionally, our religion does not accept the idea of simply rely on destiny. The Prophet (peace and blessings be upon him) in talking about destiny said "Take action, every thing [including every body] will go in [the direction of] what is more suitable [comfortable or easy] for it."

Finally, the fact that people have different qualifications, submitted to different social, economic and political conditions, naturally results in economic differences. Life would be very ugly if all of us are equal, imagine all men have the same features and all women are copies of each other!

You can also read: Between Trial and Punishment

Why Does Allah Allow Suffering and Evil in the World?

Allah Almighty knows best.

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Name Yasmeen - Norway

**Question**

Can we make specific amounts of money (share in the business) as waqf or Islamic endowment which is used in different halal business and the profit generated from that is only for the orphan, well digging as well as other similar projects.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Yasmineen,

Yes, certainly, no doubt about it. It is in fact being practiced all over the Muslim world. It maybe better to put it with institutions like Islamic banks. Share holding companies, etc. and you should define the objective and the check and balance on the managers of this waqf very clearly and in details.

Allah Almighty knows best.

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Name Maria - United Kingdom

**Question**

In the UK, the government is asking all parents whose children are born after September 2002 to open a child trust fund account. Once the child is 18 they have access to the money. Three types of accounts are available to choose from:

saving account – where you put money in and it grows with interest.

Second type is shareholder account – where the company/building society that you open the account with buy shares and you make a profit, according to the value of the shares. Third type is stakeholder account – they buy shares in more than one company so that there is less risk of losing money.

I want to know if any of the three options are permissible in Islam

If I don't choose one of the options, the government will automatically open a stake holder account for my son.

Therefore what is the ruling regarding this?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Maria,

Any option that is interest-based or that uses the money in companies whose main line of business is haram is not permissible in the Shari'ah.

You can open an investment account with the newly established British Islamic bank, or invest it with a stake holding company that allows you to select shares of companies that are permissible to own in Islam and go through the process of estimating the percentage of their activities that is not acceptable to give such a percentage out of the profit to Muslim charities.

Allah Almighty knows best.

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Name Shahnoor - United Arab Emirates

**Question**

Is zakah money calculated on used jewelry? This is as per new jewelry price or as per the present market price of same used jewelry. Which is subject to paying zakah?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Shahnoor,

Zakah is calculated on the market price on the day it is due of the zakatable item itself.

You can also read: Zakah on Jewelry: Scholars Debate

Allah Almighty knows best.

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Name AbuSumya -

**Question**

Jazakum Allah Khayran for your efforts. My question is the following: What do you think of financial guidance? Also, I have heard that once they give a loan they resell that to a bank. Is that ok?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. AbuSumya,

We don't give opinion on specific companies here on IslamOn line. But I can give you the rule that you can use to measure any company that claims it provides Islamic financing.

Check whether its contract is based on `ijarah or murabahah in contrast with a loan (do not look at what the company claims in its advertisements but look at the contract itself) and check whether its contracts have been approved by respected Islamic scholars or not. Once you apply these two tests you can judge any company.

If the contract is `ijarah-based, it can be sold to other banks because what is sold is the real estate, but if the contract is murabahah-based, it cannot be discounted at other banks because it creates a debt.

You can also read: What Is Murabahah (Cost-Plus Financing)?

Allah Almighty knows best.

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Name Mazin -

**Question**

Can we make specific amounts of money (share in the business) as waqf or Islamic endowment which is used in different halal business and the profit generated from that is only for the orphan, well digging as well as other similar projects.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Mazin,

I think your question is almost the same one I just answered to a sister from the UK.

Please look at that answer: YES.

Allah Almighty knows best.

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Name Sala - United States

**Question**

Can you tell me what type of insurance is halal in Islam? What is the general ruling about insurance in Islam?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Sala,

All kinds of insurance are permissible provided the contract is not interest-based. Only few forms of life insurance (unfortunately most common) are interest-based. All of the insurances are not interest-based; and, the subject of insurance must be permissible; e.g., insuring a shipment of liquor is haram. All other insurances are permissible.

You can also read: How Does Shari`ah View Insurance?

Allah Almighty knows best.

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Name abdulraheem - India

**Question**

Dear Scholar,

In India, we do not have any Islamic banks. I want to know can Muslims in India take interest-based loans from India to buy homes or flats or for any other commercial purposes. I appreciate your answer.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Abdulraheem,

In India, there is an Islamic bank and nowadays you can bank with it on the internet. Besides the Muslim community is very large that it can establish banks and financial societies.

It is not permissible to take interest-based loans from banks for any purpose except under necessities in the very narrow sense of the word. Actually, India has several Islamic financing societies and you should ask about them.

You can also read: Usurious Bank Loans to Start Business

Allah Almighty knows best.

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Name Muhammad Imran Sarwar - Pakistan

**Question**

I have been married 15 months ago. It was an arranged marriage. My wife's name is Tayyaba.

Sir, in the banging, she has a good relationship with my family, but with the passage of time the relationship between them became very worst. My wife was quite disobedient and my family was also not satisfied with her behavior.

In December 2004, my father-in-law came to us and abused both of us and asked me to take her away from here and vacant my house. I was quite upset at that time and could not say anything. I called my in-laws to come to my house. They came in the late evening and bring my wife with them. This happened on 18 of Dec 2004.

on 13 of Jan 2005 I got a notice from my wife to come to the court on 26 of Jan 05. We all went to the court and came to know that my wife filed an application for "tansekh-e-nikah", and in that application she put some allegations on me and my family.

Sir, at the end of the session the matter was quite reconciled and someone from our side asked them to tell us their conditions if they have any. Her father replied I will present it in a written paper. The next hearing was on 5 Feb 05. On that day her father presented a stamp paper to my father to sign it if he wants the daughter back home. That was an undertaking from my father.

1- He feels sorry upon that have done, and it would not happened again.

2- If he (my father), me or anyone from my family do anything wrong with her then the judge has the right to revoke this marriage and in that case we will give them everything that she brought with her on wedding,

3- We will pay the Haq Maher.

5- A penalty of RS. 50000 will also be paid if we could not act according to the undertaking.

Sir, me or my father do not agree to sign any kind of undertaking.

Her father wants divorce but I don't want to leave her and I think she also wants to live with me.

On hearing of 05 March 05, I finally asked the court if my wife says that she doesn't want to live with me then I will divorce her. Some people asked her and she wanted 1 week for decision and our next hearing is on 12 march 05.

Sir, My question is that: In the Muslim marriage is there anything beyond the "Nikah Nama". Is there is any value in Islam of that undertaking. Because when we get married we promise with each other to fulfill the duties of each other. And on 12 March 05 if my wife says that she doesn't want to live with me and then I divorce her, is it unlawful for divorce in Islam, means then will I responsible for the separation. Above all I want to live with her and my family also wants her to come back. Please reply me soon.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Muhammad,

This is a long question that has several missing points. We need the details of the undertaking to be able to tell whether they are acceptable.

Yes, there may be many conditions in marriage and most of them are permissible and must be fulfilled by the husband. Our beloved Prophet said that conditions in marriage deserve to be literally fulfilled even more than any other contract.

Also, divorce is permissible but out of all permissible matters divorce is the most hated act by Allah as we are told by the Prophet Muhammad.

Allah Almighty knows best.

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Name Omar -

**Question**

Salamu `alaikum. What is the minimum and maximum period of nifas? Thank you.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Please ask this question to a General Fatwa session.

Allah Almighty knows best.

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Name Muhammad - United Kingdom

**Question**

I want to know whether it is permissible to work in banks dealing with interest or not?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Muhammad,

Yes, provided you do not write an interest contract, fill in its application, process it, sign it or be a witness to it.

You can also read: [Working for Investment Banks](#) and [Working with Banks](#)

Allah Almighty knows best.

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Name Muslim -

**Question**

I gave some of my zakah to someone who claims to be poor while he has a lot of land (but no cash). He said that he did not want to sell any of his acres for one reason or another. Is it allowed to give such a person from zakah?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

If these acres are not needed for his living and can be sold with reasonable ease, he does not deserve to receive zakah money.

Allah Almighty knows best.

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Name Anwar - Pakistan

**Question**

I have been offered to join an investment bank in London in the technology department. Is it allowed for me to join it or not?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Anwar,

Yes, it is permissible.

You can also read: [Working for Investment Banks](#) and [Working with Banks](#)

Allah Almighty knows best.

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Name umm a.s. -

**Question**

I was just about to ask you the question which the brother from India asked. Sir, there aren't any interest-free banks here. The Amanath bank which you had stated earlier in a reply to me deals with interest.

I read in a previous Fatwa of yours, that there is a leniency in this issue, if there is a dire need.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Umm,

The Amanath bank does not deal on interest basis, you may have mixed up interest with murabahah transactions, they are different but close to each other.

There is no exceptions to the prohibition of interest to the best of my knowledge, cases of small Muslims minority is different.

You can also read: What Is Murabahah (Cost-Plus Financing)?

Allah Almighty knows best.

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Name Hediah - Australia

**Question**

In Australia, there are a couple of banks claiming to be Islamic, and yet many Sheikhs here say they are haram. In all honesty, it seems their system is exactly the same as a normal bank with interest. How can we tell the difference?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sr. Hediah,

Please give us detailed information about their transactions and contracts and we will tell you the difference. Unfortunately, most of imams in Mosques have little knowledge and experience about fiqh al-mu'amalat and about Islamic banking, they can't distinguish between Riba and murabahah or `ijarah.

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Sunday, Feb 27, 2005**

Name Zubair -

**Question**

Actually, my friend had taken 20,000 IRS from me to use in his business. He said that he will return them after 15 days. True to his word, he returned my money but he also gave me 2,000 IRS more. When I enquired about that extra money he said this is part of profit which he got in business. I say no this is interest and I would not take it but he says that this is not interest but rather it is a profit. Please clarify it to me, and what shall I do in this situation?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Zubair,

Riba is only when there is a condition in a loan, but if there was no condition in the loan and the borrower decided on her/his own to give an increment at his/her own discretion, this increment is a gift of appreciation and it is certainly permissible. The Prophet (peace and blessings be upon him) himself did that when he asked Bilal to return a debt on His behalf and he instructed him to give a little more.

Allah Almighty knows best.

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Name Abou Amine - France

**Question**

As-salamu `alaykum. Dear scholar, I have the choice between placing my money in a simple account or to place it in an interest generating account. If I place my money during 5 years on the interest generating account, I will receive a certain sum of interest which I would like to give it to charity. There are so many people who need this money to survive, but I fear that with this money the bank makes haram business. If I leave my money in a simple account, I do not receive interest but the bank makes haram business too. My question: can I use an interest generating account to having for only objective and intention to spend the interests on needy Muslims?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Abou Amine,

The principle is that you leave money in conventional banks only to the extent you need for your transactions, you should not leave large balances at all and instead invest the money you have in businesses and other forms of investment to make permissible profit on it.

For such small amounts, it is preferred to leave them in current non-interest generating accounts. We know that the bank uses them for making evil interest-based transactions but this is unavoidable and the interest the bank makes out of such small balances is small anyway. But sometimes, all of us who live in the west may have some large sums for a short period. In such cases I prefer that we put them in interest account and give the interest to Muslim charity just to deprive the bank from as much as you legally can and transfer such money to Muslim charity. Of course it is haram to take such interest money to ourselves.

Allah Almighty knows best.

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Name Sayed -

**Question**

I am an engineer working for a telecom company. As per job contract the company pays for healthcare for me and my family. This is done through insurance companies. Whenever I take a treatment I have to pay a certain amount and the rest is paid by the insurance company. What is your opinion regarding that?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

I go along with the opinion that insurance is permissible as long as it is not interest-based. Founding insurance contracts on interest happens only in certain forms of life insurance. Consequently, health insurance is permissible and there is no problem with it at all.

There is a view that all insurance is haram unless it is made cooperative and donation-based. It does not really carry much substance in my opinion. Insurance is today one of the basic needs of contemporary life and it is a very useful contract, it does not violate any of the Shari'ah established rules and principles.

You can also read: How Does Shari`ah View Insurance?

Allah Almighty knows best.

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Name aber - United Arab Emirates

**Question**

Five years ago, I married a man who is a Muslim on the passport only. He used not to believe in anything but I knew that he is coming from a good family and his parents are so attached to the Islam. I was convinced that I could help him and I tried a lot till he really reaches a point where he believes in God and he started to believe in the Qur'an but till now he is confused and not sure about the Judgment Day. I have a lot of problems with him and would like to know what do you advice me to continue harder with him or to leave him.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Aber,

This is a general question, please address it to the general Fatwa Session. My opinion is to continue to try harder with him.

You can also read: Ethics of Giving Sincere Advice

Allah Almighty knows best.

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Name Ahmad - United Arab Emirates

**Question**

I am interested in waqf (endowment) and one charity organization claims the donation given to them for waqf is used in property and the profit received is given to the poor. They say: the total donation to be paid towards a share, in any waqf sector, is £890 (total sum) provided that you are a UK resident (world wide price is 1300 Euro), and thus £90 will be deducted for administrative costs whereas £800 (capital sum) will be invested. The annual profit generated from the investment is worked out at the end of each calendar year (31st December) and it will be split into 3 portions: 80% goes to implementation (in one of the 8 sectors, selected by the donor) 10% deducted for annual admin costs. (for accounts, monitoring, reporting etc.) 10% added back to the Capital Sum (to increase its value/preserve it against inflation)

The next investment year will be [ $\text{£}800 + (10\% \text{ of the previous year's profit})$ ] and it will be continuously increasing every year in sha-Allah. The annual profit is estimated, for the time being, to be in the range of 5% to 10%. We invest in properties in the UK and the profit generated is in the form of rent received.

This is why waqf is considered to be an ongoing charity as we keep and invest the capital and spend only from the profit. Moreover, the capital is always increasing because we add to it 10% from the profit every year.

We will provide you with annual report (by end of September every year) in which we show the financial details of your share/profit and the project(s) it was put towards.

This applies to all the projects you have mentioned in your email. So in the income generation, we help people every year from the profit. In other words, upon receiving the profit we select a country in which an income generation project is being implemented and transfer the money to them so that they can utilize it in the project. For the qurbani, we implement a qurbani or more (depending on the price of the qurbani) every year in a country that we see that the qurbani prices can fit and in which there is a need for the implementation. The same thing applies to water as we select a water project every year in a different country and contribute to it. That is why we call it Sadaqah Jariyah as it is benefiting the needy always and it never stops in sha' Allah during the life of the donor and after passing away). So please clarify it to me. Is this Islamically waqf?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Ahmad,

Yes, the way you described in your question makes it an Islamic waqf, of course in the amount of the & 800. The 90 is a donation to the administration of waqf which is a Sadaqah too.

Moreover, you need to be sure about the use of the 80% of the profit. If I were to do this waqf project I would increase the percentage that is added to the capital because it is too little as suggested 10% of the profit equals 0.5 to 1% of the principal and such a percentage does not even compensate normal fluctuation in real estate prices.

Allah Almighty knows best.

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Name Ashraf -

**Question**

Is pre-foreclosure in real estate permitted in Islam given that the real estate investor (buyer) intends to buy the property of the homeowner after that owner failed to fulfill the lender obligation by paying off the loan?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Ashraf,

Yes, it is permissible because homeowners are required to fulfill their obligations to creditors. Their failure to do that make them in need to sell and they sell in pre foreclosure to avoid a forcible sale by foreclosure.

Abusing their need to force a very low price is incorrect but there is always a difference in market prices between persons who need to sell quickly and persons who have plenty of time and such a difference is always permissible.

You can also read: Working with Real Estate Foreclosures  
Allah Almighty knows best.

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Name Mustafa -

**Question**

I am a father for a family of 2 children and we are living in Belgium. I want to lend some money from the bank in order to buy a small house to live in with my family. I am currently paying high rent and economic wise. Is it better to buy a home than renting and also for the children if I passed away they can have a place to live in. Is it halal in this case to lend money from the bank?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Mustafa,

It seems to me that the circumstances mentioned in the well known collective Fatwa on buying houses on conventional mortgage apply to your case as you describe it.

This Fatwa argues that under such circumstances and with the lack of Islamic institutions that provide similar services but in accordance with the Shari'ah, it is permissible to resort to conventional mortgage.

You can also read: Scope of Necessity that Relaxes the Prohibition of Mortgage and "Necessity" that Allows Buying a House on Mortgage

Allah Almighty knows best.

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Name najib - Kenya

**Question**

As a teenager in my last year in high school I would like to get some important tips based on Islamic principles of how I can build stable economic base as I look forward to life without my parents.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Najib,

Obviously, you need to be a hard worker, find yourself a job or a scholarship to continue your study. If you are hard working you will get a scholarship for sure. Remember that the best asset you carry with you all your life is your honesty and integrity, they will go a long way with you.

Keep in mind that before you do any thing you should check its Shari'ah permissibility; Shari'ah is there to help you be always on the right side, not to make obstacles on your way.

Allah Almighty knows best.

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Name Usman Ali - China

**Question**

I have a question about Islamic Banking System. One of the banks stated about the Islamic Banking Loan procedure as follows:

Like I take loan from a bank and purchase a house, in which I invested 40% of the amount and the bank invested 60% of total. So now I have taken loan for 5 years, then I need to pay the 60% amount in 5 years time that is fine, which is fixed.

Beside that as the banks own the house (60% of house) so I have to pay 60% of the present rent amount along with the actual payment, so every month my share in the house will increase and the bank share will decrease in 5 years time. Like after few months my share will be 70% of the house then I need to pay 30% of the rent of the house at that time, along with my actual loan money.

Is the above procedure OK as per Islamic Laws? Please do provide me some links about having more/clear information about Islamic Banking.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br. Usman,

Rrent/purchase is permissible in Shari'ah, but in rent the bank does not give you a loan but buys with you the house and rents to you the share of the house that it owns.

If the contract you described is loan-based, then it is a forbidden Riba but if it is ownership-based it is then permissible rent purchase.

Please have a look at my website [www.khf.net](http://www.khf.net) and look in any internet search engine for Islamic financing or Islamic financing contracts.

Allah Almighty knows best.

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Name kadeja -

**Question**

As-salamu `alaykum. I am asking for two Fatwas; one concerns my husband and the other concerns me.

My husband and I are currently living in a non-Muslim country. When we decided to come to this country, our goal was to let my husband to get higher education. He has Bsc and he is aiming for PhD. We were hoping that while he is waiting for the university to start, we could earn some money to enable him to pay his fees. Unfortunately, he couldn't find a descent job and he ended up being not well paid. It is really hard for us to go back home. Also, it is a bit not easy for him to get a job here.

The system here in this country is as follows: students can borrow money form government as a loan. No interest will be accumulated while they are studying full time (or part-time as long as their income does not increase over a threshold). After they

finish the degree the interest starts accumulating on the basis of the annually earnings if the student is working. If he does not work, no interest will be accumulated. Also, if they travel overseas for more than 1 year the interest starts to accumulate.

We are really in need for my husband to start his M.A degree. It took us a lot of trouble to get to here.

I have read fatwa that says:

"Like all other loans, student loans are also permissible as long as they don't involve interest. However, if a student is in dire need to pursue his/her studies and no loans are available without interest, then in that case, under the rule of necessity, it will be permissible for the student to take the minimum loan and he/she should pay it back as soon as possible. This is of course, in the case when pursuing that field of education is also very important for the future of the Muslim student. But if a study is not necessary and it is only as a matter of enhancement of one's knowledge, then one should not take loans with interest." Dr. Muzammil Siddiqi.

The above was asking about whether my husband can do his studies. The following part is asking fatwa for me. I graduated from the electrical and computer engineering department in 2001. I tried applying for jobs here, but most of them are not suitable. I don't have any kids yet. My family (mother, father, brothers and sister) are all living here. The routine life in this country is a killer. Sometimes it gets so boring to the extent that I burst into tears.

I thought of this, starting a part-time Master of Engineering degree, but as for my husband I cannot afford it. I think, by doing this study I will be much less bored and I will feel that I have achieved something useful to everybody. The same situation for me, not interest will be accumulated until I start working or if I go overseas.

Please advise me on those two matters:

Is it permissible for my husband to borrow the loan. Can our case be regarded as a necessity case?

Is it permissible for me to borrow the loan, to get rid form the killing feeling of emptiness, especially I'm still young and have lots of energy?

### **Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Khadeja,

I don't agree with the details of the Fatwa that you quoted. It is certainly up to you to choose what you want to follow.

My opinion is that interest-based loans for students are NOT PERMISSIBLE unless in a special case when a student is in the middle of her/his study and need the loan to finish. The government student loan may be permissible if you can manage to pay it back without interest, I know this can usually be done with a little but affordable difficulty and tightening your belt. These loans give certain grace period after graduation and you can always add some part time work to them. This apply to both cases of yours and your husband. Give it a little more of hard work and I have no doubt that you will be able to

do it and have a combination of a loan that you can pay within the grace period, scholarships or student financial aid and part time jobs.

Remember jobs are not demeaning even if they are below your qualifications. May Allah help you.

Allah Almighty knows best.

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**LIVE FATWA SESSION, Islam on line Thursday, Jan 6, 2005**

Name Majid -

**Question**

Respected scholar, is it permissible to use a credit card during Hajj?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Majid,

Yes, provided you do not allow the balance to invoke the interest clause. The principle is that any use of the credit card that may cause the interest clause to become applicable is haram whether during Hajj or otherwise.

You can also read: [Paying for Hajj by Credit Card](#)

Allah Almighty knows best.

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Name Saida -

**Question**

I am about to go for Hajj this year. I am working and I have soft loan which in general for our office to take a loan either for buying a fridge or for buying a plot. Am I allowed for such a ritual?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sister Saida ,

You are not required to go for Hajj if you are under debts and the money that is to be used for the Hajj trip is needed to pay the loan. Long term loans are not included because they are normally meant to be paid from future income.

On the other hand, interest-based loans especially short term (soft loans as you mentioned) are haram according to Shari`ah and any money saved for Hajj should first be used to rid oneself from such interest loans because avoiding what is prohibited has priority over doing what is ordained. It is an occasion to make repentance for Hajj, start with any interest loan and pay it back to avoid the curse that we are told by our most beloved Prophet (peace and blessings be upon him) is on the taker and giver of Riba and then go for Hajj.

You can also read: [Hajj and Debts: Islamic View](#) and [Hajj and Debts](#)

Allah Almighty knows best.

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Name Hind - Australia

**Question**

Dear Scholar. Please allow me to ask three sets of queries: Firstly, if the debtor (X) owed money from the creditor (Y) but failed to pay it until he died. However, the former (X) has also collectible credit from somebody (Z) of the same amount but hesitant to pay it. Can he (X) charge it to somebody (Z) to pay the compensation of punishment to his creditor (Y) in the hereafter? Secondly, what is the punishment of unpaid debt in the hereafter if the transaction is done between Muslim (debtor) and non-Muslim (creditor)? Thirdly, what is the punishment of unpaid debt if both the debtor and creditor are Muslims? Jazakum Allah khayran.

Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sister Hind,

1. The rule we are told in the Qur'an is that each act is not mixed with other acts and no one can be charged for the sins or others. In your question x is required to pay the debt x owes to y during x's life and it can be taken from x's estate after death. If this is not done it is then left to God to charge x for the benefit of the creditor y or to pay y on behalf of x and forgive x.

Z's debt to y is part of the estate of y and z is required to pay it whether y is alive or dead.

What punishment God gives to persons who aggress against the rights of others is left to God alone and no one can speculate on it. What we know for sure is that not a single right is lost and God may even give more to any one who forgives others.

2 & 3 A right is a right regardless of the religion, color and ethnicity of debtors and creditors and every thing is accountable for by all women and men regardless of all the above again.

You can also read:

Procrastination in Paying a Debt

Repaying Debt with Gift: Permissible?

Bounteous Increase in the Repayment of Debt

Allah Almighty knows best.

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Name Mona -

**Question**

As-salamu 'alaykum. My husband bought a lot (130 SqM) last year at low-low price from his Aunt. The money we paid was already deducted with Zakah. Our plan is to build a residential house on it in the future. However, just recently, our neighbor wanted to buy it for a higher price because it is strategic location for his existing house. Incidentally, somebody is selling a bigger lot (200 SqM) at low cost. If we will sell our lot to our neighbor and buy the new lot being offered, do we have to pay for the Zakah again or do we have to pay only for the excess amount from the original or we don't have to pay any? Are the excess amount considered earned money? Jazakum Allah khayran.

Answer

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sister Mona ,

The excess amount is certainly earned income from Shari`ah point of view, this makes it subject to Zakah at 2.5% upon its receipt. If your intention actually changed from having the lot for a residence to making a profit on it, the whole amount you receive for it is subject to Zakah at the rate of 2.5% that is due on the day of your Zakah itself, i.e., combined with your other Zakatable assets (cash, bank accounts, etc.) for their same Hawl and Nisab.

If your intention to sell came only when you found this opportunity to exchange the two lots, you only pay Zakah on the excess amount when you receive it.

Allah Almighty knows best.

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Name Owais - United Kingdom

**Question**

Dear brother, As-Salamu `alaykum. While I was traveling on the plane, I used the public toilets and had no choice but to stand up. Unfortunately a small amount of urine went on my clothes. Is it permissible to wash just the area of the clothing which is unclean or does the whole clothing have to be washed. Jazakum Allah khayran.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Owais,

It is only the area that had najasah (impurity) on it that needs to be washed. But this is not a financial question anyway.

Allah Almighty knows best.

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Name Abdulrahman - United States

**Question**

I am a Muslim living in a non-Muslim country and I work for a bank in which we get paid base salary and commission according to sales and new customers that each one get. Is this job and the money that I get halal or haram? I like this job because it opens doors for me to a better ones and after a good experience. I want to return back to my country because I left school and I have no future except going abroad.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Abdulrahman,

If your work does not require you to make any interest based accounts or transactions it is not haram.

What is haram is to take Riba, give it, write a Riba transaction or be a witness to it.

You can also read: Working for Non-Islamic Banks

Working for Banks: Islamic View

Allah Almighty knows best.

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Name fati - Nigeria

**Question**

I'm tired of my marriage, he's so troublesome with everyone. I have two girls and a good job. I want to leave him, but I'm afraid he may take my children away to punish me. I'm equally afraid to fall into wrong ways, etc.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Fati,

This is not a financial question. I suggest that you consult an Islamic family counselor or resubmit your question in a general session.

Allah Almighty knows best.

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Name Ashkar -

**Question**

I want to put forward a question regarding the Sacrifice. Is it okay if we help the victims of the Tsunami instead of sacrificing an animal for the `Eid? That is to say whether the money used to buy the animal can be given to the victims of the Tsunami.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Brother Ashkar,

The sacrifice at the time of `Eid is intended for its own sake, it is not a normal donation. I am sure the victims of the quake in Tsunami will need the meat and I am definite that several of the Islamic charities that are working there have prepared for sacrifice programs for them. So you can through such charities, like Islamic relief in the USA and UK, send sacrificial donation and the charity will slaughter an animal on your behalf and distribute it there.

[Paying Zakah to South Asian Quake Victims](#)

[How Religious Organizations Can Help Disaster Victims](#)

[Helping Disaster Victims \(Special Folder\)](#)

Allah Almighty knows best.

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Name noureddine - Belgium

**Question**

Respected scholar, Please answer my questions.

1. If I have some interest money which I give to charity, am I allowed to add that donation to my tax paper in order to be listed in a tax category which is lower than mine knowing that I do donate more than my Zakah and only my Zakah is listed as donation.
2. How to establish nisab knowing that my money is split into two currencies. My goal is to draw back my money from my country of origin due to corruption and lack of trust. I will however encounter some losses. How do I calculate those losses into my nisab.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Nouredine,

1. Yes, you can add the interest money to donations for tax purposes. And you can take the maximum the law allows to reduce your taxes.
2. Nisab is simple. You don't need to bother. Just take the equivalent of each amount you have in each currency to unify the amount of your wealth in one currency. The nisab is these days APPROXIMATELY the equivalent of USD 1,000. and if the total you have, of money plus other Zakatable assets such as debts on others, jewelry, etc., more than USD 1000 pay the Zakah on the total at your Hawl, the first Hawl began when such total was 1000 USD.

Allah Almighty knows best.

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Name U. S -

**Question**

Dear Scholars As-Salamu `Alaykum! As far as I know, a physician must prescribe cost effective medicine to the best of his knowledge for his patient. Nowadays, a physician has to be kept a breast in his field of specialization otherwise; he will be left behind in the medical practice. He has to continue his medical education by attending national conventions, fora and the like. He has to be kept updated on the new drugs in the market also. However, in the Philippines, attending such gatherings incur big expenses to cover airfares and hotel accommodation especially if you are in the distant areas. On other hand, if you will prescribe specific brand of medicines promoted by drug companies of the same generic name and co-equal effect but higher prices you will be sponsored by them. That means that in exchange of their products, they will subsidize your airfare, food and hotel accommodation. What will be the Islamic ruling in this case? Jazakum Allah khayran.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear U S,

You cannot betray the trust of your patients for this benefit. It is in fact forbidden to do that because it is a clear betrayal of trust and the Prophet (peace and blessings be upon him) said "... and do not betray (even) one who betrays you."

Allah Almighty knows best.

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Name Ahmed -

**Question**

As-Salamu `Alayku, Insha' Allah soon I should pay Zakah as it will be a year since I got the nisab. My aunt "sister of my father" is in debt & could not pay back the loan & what she gain is not over the basic necessity but still running the business. Is it acceptable that I

give her the Zakah from my money. If I have to send the Zakah money to somewhere else, am I supposed to pay the fee for sending or it could be from the Zakah money?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Ahmed,

1. If your Aunt is really unable to pay her debt and you are sure about that, you can give her your Zakah to pay her debt provided that the debt is not to you or any of your parents.

2. You are required to pay for the cost of transfer if you decide to pay your Zakah to some body in another country or city. You are required to deliver your Zakah to the poor and this cost is a delivery cost. This does not apply when a Muslim charity does the same.

Allah Almighty knows best.

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Name muslim -

**Question**

As-Salamu `Alayku, my question is not related to Hajj but Zakah. Can someone pay their niece's remaining tuition to an Islamic school because her parents cannot afford it and does that amount count toward Zakah?

Also can I use Zakah to pay for my brothers' debts if he has huge debts that he is not able to pay off in the near future even though he works but can only pay for the maintenance of his family?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother muslim,

You cannot pay Zakah for school tuition of a child in America and Canada. I need to know the exact situation if in other countries.

Paying Zakah to your brother who is under debts is permissible if you think that in your situation and the miseries of many Muslims all around it has a priority, which may or may not be and you are the only one who decide on it.

Allah Almighty knows best.

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Name Student Urgent - United States

**Question**

Dear scholar, as-Salamu `alaykum. I am a Muslim international student in USA that I'm not allowed to work by there law; however, I'm working (to pay my tuition and rent) in a store where Hooka (Chicha or Water pipe) and moaassal (Hooka tobacco) are sold; is my money that earns is halal?

Also I would like to ask you if I work in Gas station where they sold tobacco and Lottery, but I won't sell lottery since I will work at night shift can my work turn to be halal in this

gas station? And if I sell scratch off it counts as lottery or not? I would like your advise on which work should I keep and please make du`a' for all that work in foreign country that Allah make our life halal. Jazakum Allah khayran.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother,

Your income is Insha' Allah halal. However, it is haram for you to sell tobacco or lottery, and if the scratch off is on pepsy and the like it is not haram but if it is paid for it becomes haram and must not sell it. It is not haram to work in such businesses as pong as you do not sell any haram yourself, knowing that it is on behalf of the business owner. If the business owner is a Muslim it is certainly haram for him to have such things in the store.

Allah Almighty knows best.

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Name Omar - Palestine

**Question**

Dear scholar, as-Salamu `alaykum. Am I allowed to give money to a Muslim charity if I know for sure the money will be used for Resistance fighters?

I support the resistance, but want to know if it is ok from Qur'anic point of view.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Omar,

It is permissible and rather encouraged to a degree that it may be an obligation to resist foreign occupation and support financially and otherwise people who resist foreign occupation.

Supporting resistance to foreign occupation must not be mixed with supporting aggressors whether they are Muslims or non Muslims. There are terrorists who make aggression against non-occupational human beings. These must be exposed as enemies of Islam and humanity and certainly must not be supported.

The evidence from the Qur'an and the Sunnah is countless; this is the Jihad by money as mentioned in the Qur'an.

Allah Almighty knows best.

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**Live Fatwa Session January 13, 2004 MAS.net**

**1. Question**

Posted By: Omar Ahmad

Assalamu alaikum, How could a Muslim invests his money in this country, considering that not anyone could invest his money in Islamic investments? Thanks, Omar Ahmad

**My Answer**

Bismillah arahman ilraheem alhamdulillah rub ilalaameen wa alsalaat wa alsalaam ala sayidna Mohammed wa ala aalihi wa sahbihi ajma'een Asalaamu alaikum wa rahmat Allahi wa barakaatu Dear Brother Omar Ahmad If we want to take the general principle that Muslims must not indulge in any prohibited transaction, whether interest or sale of prohibited products or any other prohibited ways of doing a contract, yes you are right. Muslims cannot invest in the stock market in America and the only way remains to them is direct venture individually or in cooperation with other Muslims. We do have alot of areas that need Islamic involvement, especially in creating financial companies that provide Muslims with Islamically compatible financing or business and personal needs. On the other hand, there will still be Muslim income earners who will not have such direct opportunities for investment and these are not small in number. The Shari'ah well-known rule is that hardship always calls for relaxation because this religion was not sent by God to create hardship for men and women. It is rather to make life better and always easier. Applying this rule requires reconsideration of investment in the stock market. Some well-known and respected Muslim scholars discussed this issue and came up with a few criteria to screen stocks of companies listed in the stock market to exclude the more serious prohibited practices so that Muslims may invest in stocks of companies that have lesser violations of Shari'ah. This set of criteria is the following: 1-The main line of business of the company must not be prohibited; this excludes conventional banks, entertainment business, liquor production and distribution, also military industry in America, etc. 2-The income from interest and other prohibited activities percentage of the total income of the company must be very small not to exceed 5 percent of the company's net revenues. 3-The total of receivables plus cash must not exceed one-half of total assets of the company. 4-Loans on the company should not be more than 33 percent of its market capitalization value. These criteria are applied by Dow Jones company as it created a special index called the Dow Jones Islamic Market Index. Stocks included in this index may be traded as an exception from the general principle on the basis of hardship removal. There are several companies in the United States and Canada that apply these criteria in their investments. Some of them established mutual funds and others make direct investment in the stock market. One of these companies belongs to the non-profit organization which is The North American Islamic Trust (NAIT, that also holds titles of mosques and Islamic centers and schools on the basis of the Islamic principle of Awqaf.) NAIT has established the Dow Jones Islamic Index Fund. You may ask about it in your local community or through the Internet. Wa Allahu a'lam wa alhamdulillah rub al aalimeen Dr. Monzer Kahf  
Question/Response #671

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## **2. Question**

Posted By: Bothaina Fadel

Is it haram to have a saving account? for an old woman who has no way to invest her money, is it O.K. that I open a saving account to get some extra money to help me surviving? Thanks, Bothaina Fadel

**My Answer**

Bismillah arahman ilraheem alhamdulillah rub ilalaameen wa alsalaat wa alsalaam ala sayidna Mohammed wa ala aalihi wa sahbihi ajma'een Asalaamu alaikum wa rahmat Allahi wa barakaatu Dear Sister Bothaina, Yes, interest is riba and riba is prohibited in Islam. Allah even threatens a war against those who keep dealing in riba (The Quran 2:279). I suggest that you should seek another source of income through permissible investments. Any interest that happened to be earned in the past is not yours, from the Shari'ah point of view. It must be given away to Muslim charities for distribution to the poor and needy (This is because we do not want to return it to the bank that paid it because it will then help the bank to make more profit and transactions that are considered illegitimate in Shari'ah). wa Allahu a'lam wa alhamdulillah rub il alameen Dr. Monzer Kahf

Question/Response #672

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### **3. Question**

Posted By: Anass

I would like to know if it is halal to lease from a non-Muslim financial institution here in the U.S?

### **My Answer**

Bismillah arahman ilraheem alhamdulillah rub ilalaameen wa alsalaat wa alsalaam ala sayidna Mohammed wa ala aalihi wa sahbihi ajma'een Asalaamu alaikum wa rahmat Allahi wa barakaatu Dear Brother Anass, Leasing is permissible in Shari'ah and there is no distinction between what is called in America 'financial leasing' or 'operational leasing.' In leasing, direct responsibility for the leased object; e.g. a car, falls on its owner while operational costs is the responsibility of the lessee. There may be some times conditions in lease contracts that may violate this Shari'ah principle. You should beware of such conditions. For instance, many real-estate lease contracts puts the insurance responsibility on the lessee for the structure itself, whereas it should be on the lessor. On the other hand, I have personally studied the lease contract that is used in California for cars and found it not violating Shari'ah requirements and most likely other states have similar car lease contracts. wa Allahu a'lam wa alhamdulillah rub il alameen Dr. Monzer Kahf

Question/Response #673

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### **4. Question**

Posted By: Nuha

What is the ruling of investing in Israeli companies, or companies that invest in Israel? Should those not be excluded by the Shari'ah screens like companies that deal with Alcohol, pork, banks, etc...?

### **My Answer**

Bismillah arahman ilraheem alhamdulillah rub ilalaameen wa alsalaat wa alsalaam ala sayidna Mohammed wa ala aalihi wa sahbihi ajma'een Asalaamu alaikum wa rahmat Allahi wa barakaatu Dear Sister Nuha, Yes, certainly Israel is a country that is established on occupied land and it is occupying more land that belongs to the Palestinians. It is forbidden for any Muslim to invest in Israeli companies. On the other hand, boycotting

companies that invest in Israel may have some details, especially when the investment is small and in civilian or humanitarian areas. There is no doubt that investment in companies that support the military occupation is not permitted in Shari'ah. wa Allahu a'lam wa alhamdullillah rub il alameen Dr. Monzer Kahf

Question/Response #674

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#### **5. Question**

Posted By: Nur Al-Huda

What Islam says about investing in the stock market? Is it a questionable matter?

**My Answer**

Bismillah arahman ilraheem alhamdulillah rub ilalaameen wa alsalaat wa alsalaam ala sayidna Mohammed wa ala aalihi wa sahbihi ajma'een Asalaamu alaikum wa rahmat Allahi wa barakaatu Dear Fellow Muslim Nur Al-Huda, Please read the answer to question #670 to Brother Omar Ahmad. Wa Allahu a'lam wa alhamdullillah rub il alameen Dr. Monzer Kahf

Question/Response #675

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#### **6. Question**

Posted By: Layla

My question is about the Islamic compliance services at non-Muslim financial institutions like CitiBank, GE, AOL, Riggs Bank etc... Are they truly Islamically compliant?

**My Answer**

Bismillah arahman ilraheem alhamdulillah rub ilalaameen wa alsalaat wa alsalaam ala sayidna Mohammed wa ala aalihi wa sahbihi ajma'een Asalaamu alaikum wa rahmat Allahi wa barakaatu Dear Sister Layla, Conventional banks that provide Islamic financial services usually have their own Shar'ah board that supervises their Islamic services. For any conventional bank, we need to know the names of the members of its Shari'ah advisory board and based on the trust and confidence in their knowledge and ability, we can have the answer to your question. I know for instance that the National Commercial Bank in Saudi Arabia has respected Shari'ah advisors that guide its Islamic branches. I also know that Citibank has an Islamic full fledge bank in Bahrain and this bank has its own advisory board that consists of reputed Shari'ah scholars. I am not aware that aol or Ge offer Islamic financial services. Wa Allahu a'lam wa alhamdullillah rub il alameen Dr. Monzer Kahf

Question/Response #676

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#### **7. Question**

Posted By: Amal

I am employed in an insurance company in the capacity of an analyst and management professional. Is there any guidance around the acceptability of this employment? Does my salary have to be purified? If so, how?

**My Answer**

Bismillah arahman ilraheem alhamdulillah rub ilalaameen wa alsalaat wa alsalaam ala sayidna Mohammed wa ala aalihi wa sahbihi ajma'een Asalaamu alaikum wa rahmat

Allahi wa barakaatu Dear Sister Amal, Insurance is permissible unless the contract is interest-based. Consequently, the main income in insurance is also permissible. As it comes from the premiums of the insured. It is also known that insurance companies invest in government and other bonds and earn interest. An Islamic insurance company must not do that because investment in interest-based securities is prohibited in Shari'ah. Therefore, if your job does not require you to make such interest-based transactions on behalf of the company, what you do in the company and your salary are permissible and halal. You should avoid making any transaction that is interest-based, whether on behalf of the employer or otherwise. There are people who argue that insurance itself is not permitted. I believe they are incorrect, although only a minority (that I call the 'enlightened minority') among Shari'ah scholars stand for the permissibility of insurance. This minority is led by the late Sheikh Mustafa Al-Zarqaa' (d. 1999) who was known as the most knowledgeable Shari'ah scholar of his time. Wa Allahu a'lam wa alhamdullillah rub il alameen Dr. Monzer Kahf

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**Live Fatwa, Sunday, Jan 18, 2004, Islam on line**

Name Akhtar from US -

**1. Question**

Respected scholar, I have read all relevant fatwas on lands purchased for homes, etc. I don't need a very lengthy discussion.

My question is, "I bought a piece of land in Dhaka, Bangladesh for constructing a house in 1993. I have not been paying any Zakah on it. Since the law and order of the country has been deteriorating day by day, if I change my mind in the future and sell the land and buy another house, do I pay Zakah? If I sell the land, and don't buy anything, do I pay the Zakah for the nisab of that year or the entire period I owned the land? Thanks for help!

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

This land that you purchased to build your residence on it is not subject to Zakah. However, if you change your mind and decide to sell it, you pay Zakah once only (2.5 of the proceeds of the sale) on the ground that this is the Zakah on fund acquired (al-mal al-mustafad).

Allah Almighty knows best.

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Name Khamis -

**2. Question**

Through my work, I used to purchase an EE United States Saving Bond (pay check deduction). I thought this way of saving is correct, but I stopped buying them later fearing they are Riba-based. But, I own a lot of these certificates, which mature in the next few years. They are double the value after 8 years ( if the I buy the certificate for

\$500 after 8 years I can cash it for \$1000) is this Riba? If so what can I do? Should I cash what I have and take only my money and give the reset to the needy?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. These US treasury pounds are interest-based. Interest in them is the differential between the purchase value and their face value if they are retained until maturity (the double value you mentioned).

Interest cannot be earned by a Muslim. It is not considered your right to have it according to the Shari`ah since an interest-based contract is void and does not generate its effect.

This means that you get only the amount you paid for these pounds and any extra amount above that is interest; you have to give it away to Muslim charity (either to poor and needy directly or through charitable organization). The Qur'an says: "and if you repent, you get only your principal with no injustice made by you or against you." (Al-Baqarah: 279).

Additionally, you have to liquidate these pounds as soon as you can, because holding them make a continuation for persistent of a prohibited investment.

Allah Almighty knows best.

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Name Hind - Australia

**3. Question**

My question is regarding interest, I'm currently renting a house and would like to purchase a house but in order for me to do so I would have to go to a bank for a loan. Is there any way that Islam permits this?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Interest is certainly prohibited for all kinds of financing, be it housing, business, cars, or any other form of financing.

Every prohibition may have exception in cases of needs or necessities. Like any other prohibition, if there is a pressing need for a need of the whole community (general need), the prohibition of interest is exceptionally relaxed.

This means that, in principle, there is no way for a Muslim to get house financing on interest basis, but if there are needs, this prohibition is relaxed provided that there are no Islamically permitted financing contracts available at competitive prices and cost. The need that we are talking about include family need for housing, suitable neighborhood, saving on taxes and other costs, building equity, etc.

Allah Almighty knows best.

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Name Hamid -

**4. Question**

Dear Dr. Monzer, I would like to ask the following questions about credit card: 1. On what basis – I mean fiqhi basis - did both the opponents and proponents of credit card base their view of prohibition and permission?

2. What are the cases of hardship that could be mentioned for the permission of credit card?

3. Does the hukm of credit card differ in Islamic countries where Islamic banks are available, or it is a general hukm?

4. Does the OIC have any fatwa on credit card? And if yes, what is their resolution?

#### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

1. The opponents of credit card found their view on the basis that it is an interest-based loan contract, consequently it is haram on the ground that it is Riba. There is no doubt that issuing such an interest-based credit card is not permitted for any Islamic/Muslim financial institution. On that basis, Islamic banks issued credit card that are not interest-based. Essentially, the bank withhold from your account an amount as a guarantee for the payment at the end of the grace period of the card, and each month if your current account permits it, the credit card charges will be deducted from the current account, otherwise the amount withheld will be reduced by the amount you due on the credit card and you will be asked to replenish the amount withheld. Islamic banks do not really benefit from the card itself and they provide it as a service to their valued customers. However, they benefit from the mudarabah deposit withheld as a guarantee.

This is also the essence of the OIC resolution on credit card that came in the year 1999 or 2000.

The proponents of the permissibility of using interest-based credit card found their view on the following:

a. While it is true that issuing interest-based credit card by Muslims is not permissible, accepting them by Muslim is permissible because they give a choice to the consumer of either going interest-based or settling within the grace period without any interest. The contract is not a loan contract, it is rather a prior acceptance of hawalah or it is kafalah by the issuer of amount charged by the user.

b. The permissibility of signing a credit card contract and using it is conditional on two points: 1) that the user is keen and able to pay within the grace period; 2) the user will not withdraw cash (because cash withdrawal generate interest from the day of withdrawal and does not have a grace period).

In other words, permissibility is conditional of not invoking the interest clause in the credit card agreement or by using the credit card as a free rider.

2. The permissibility is not based on Muslim/non-Muslim country, nor on needs for the interest-based credit cards. Many people can live without them, but they provide considerable convenience for Muslims who live in a twenty/1 century (please notice that all opponents of credit cards do not live in our time, they are still living in the fourteenth and fifteenth closed economy century.)

Note: the annual fee in credit cards is permissible and practiced by many Islamic banks.

Allah Almighty knows best.

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Name Michael -

**5. Question**

This question is related to Zakah. I'm a stay-at-home father of my two young sons, their wife works, thus I make no income. How can I pay my Zakah? I'm a Muslim, my wife is one of the People of the Book. Can we take some of that income she makes for Zakah or is that prohibited?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. If you do not have income or items of wealth that are subject to Zakah, you simply are not required to make any payment as Zakah. Zakah is a personal form of worship, it applies to each person alone and your wife is not required to pay Zakah, because she is not Muslim.

However, please remember that it is your responsibility to work and spend on the family, wives are not required according to the Shari'ah to spend on the family.

Allah Almighty knows best.

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Name abdul - United States

**6. Question**

I am in Love of a girl, who is getting engaged to someone else, can I propose her ?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

No, you cannot do it. It is better to submit your question to a General Fatwa Session.

You can also read:

Can I Wish to Marry an Engaged Person?

Allah Almighty knows best.

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Name - -

**7. Question**

1- Given the fact that interest is prohibited in Islam, what is the best way to grow your savings here in North America. 2- Are there any web links to Islamic Banks in North America?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

No, there are not, and unfortunately this is not yet organized by Muslims in North America although it is fard kifaya (an obligation on all who can do it) that we should have Islamic channel for investing our savings in North America.

Allah Almighty knows best.

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Name Mohamed -

## 8. Question

I live in the UK. The law in UK forces people who have cars to put insurance on their cars. I have put a fully comprehensive coverage (i.e. insurance) on my car. One of my friends mentioned that this type of cover is forbidden according to the Shari'ah and I should buy only third part coverage. I would like to get a comprehensive answer for this as my car was damaged in an accident and the insurance company will compensate me the value of my car according to my cover with them.

### Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. There are people who view that insurance is prohibited on the ground of Riba, gambling and ambiguity or gharar. However, there are others who are of the view that insurance does not have any Riba and gambling and the amount of gharar in it is tolerable and has precedents in the classical Islamic Fiqh.

I believe that insurance of all kinds is permissible provided that the contract is not interest-based (only sometimes of life insurance include interest) and the subject of insurance is permissible (e.g. insuring a liquor shipment is not permissible).

Since I believe that comprehensive car insurance is permissible rather it may be recommended, otherwise you would not be implementing the rationality that is required by Muslims as the Prophet (peace and blessings be upon him) is reported to have said: "Tie your camel and put your trust on Allah.", which implies that one should do what is required rationally and then leave the rest to Allah.

You can also read:

Fatwa on Insurance

Allah Almighty knows best.

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Name Safy -

## 9. Question

Dear sheikh, I'd like to ask you a question about Zakah. If a Muslim does not work in business nor in trade, what are the conditions in which a Muslim must pay Zakah? And is it enough if one's parents pay the annual Zakah on one's behalf or must the Zakah be paid individually? Also, I own some collector's coins and notes of which some still have legal value and can be used as regular cash. Will I have to add these to the %2.5 of zakah?

### Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Zakah is a personal worship that must be done by each Muslim who fulfils certain conditions. Basically, having income that provides for some surplus (savings) above your expenses and wealth items that have stayed with you for a full lunar year. If these conditions do not apply to you, there is no Zakah on you. Your parents, each one of them, would pay their own Zakah.

The collector's coins that you have are subject to Zakah provided they reach the amount of nisab (# US 1000) and a full lunar year (354 days) have passed from the day the value

reached nisab. Zakah is due at the rate of 2.5 % and is repeatable every lunar year, then after.

Allah Almighty knows best.

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Name A. El Haji - Netherlands

**10. Question**

Could you please explain a little about the Islamic viewpoint of stock trading?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Buying a stock makes you a partner owner of the company and therefore responsible for what the company does. Exceptions on the basis removal of hardship are discussed in detail in several fatwas that are available on [www.kahf.net](http://www.kahf.net).

Allah Almighty knows best.

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Name salah -

**11. Question**

My question is about interest. Before my husband became a Muslim he had gotten a student loan that has interest placed on it. How should he go about paying it back? Also, he has to child support which also has interest on it. How should he pay this without getting into trouble with the courts?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Whatever interest contract before your husband became Muslim or even after but before he repents from indulging in interest-based transactions or imposed by a court order must be paid. He must try his best to pay the principal due on him as soon as he can in order to reduce his indulging, as much as possible, in the sin of interest even if he has to make loans without interest from friends and family or put some tolerable pressure on the family expenses.

Allah Almighty knows best.

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Name sal -

**12. Question**

My question is regarding mortgage or any other debt in relation to paying Zakah. If one has long term debt such as mortgage or short debt such line of credit, how is it dealt when paying Zakah?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

In calculating the due Zakah, debts that are deductible from the Zakatable amount are only those that will be paid using parts of the Zakatable amount itself. This means that mortgage debt is not deductible because it is not going to be paid out of the balance you have today in your bank account. Also, a line of credit may or may not be deductible

depending on whether you are going to actually use the balance you have today to pay for the line of credit.

Take an example, if today is my Zakah calculation day and I normally expect my next cash in slow in to be thirty days from now, all debts due within these thirty days can be deducted from the amount of Zakatable items I have now even if some of these debts are an installments of mortgage or any due parts of a long term debt.

Allah Almighty knows best.

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Name Waqas - Pakistan

### **13. Question**

I would like to know if Islam allows one to operate as a middleman. What is the Shari'ah concept of a middleman? It was also made known to me that one can not sell a thing unless he has bought it and brought it in his custody. Is that true?

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

1. Working as a middleman may have two meanings: 1) to facilitate a transaction between two parties, this is permissible, it does not require you to be a seller or a buyer, you work only on commission basis to help bring the two parties together; 2) it may also mean buying from producers and selling to retail traders, like what wholesalers do. Here, we have two separate contracts that the middleman is part to each one of them. This is also permissible provided each contract is permissible on its own.

2. Yes, it is true that you cannot sell what you do not own, and you cannot sell what you purchase but did not yet take possession or custody of (delivery).

Kindly notice that this applies on items defined and determined on their own, such as this building, this car with body number ... or this computer that I have on my desk itself. If you sell/buy on description, it is permissible to sell what you do not own nor have possession of. The example is I sell you 10 computers of such and such specifications, it is permissible to make such a contract without having these computers in your possessions or in your ownership, provided that they can be made available by you before they are due for delivery to their purchaser.

Allah Almighty knows best.

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Name Youness - Norway

### **14. Question**

My question is about Riba. Can I use Riba earned from my bank account on da`wah materials or do I have to throw them away? If not, what should I do with this money?

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Acquired Riba should be given to Muslim charities. If the Islamic center to which you give decides to use it for da`wah material, it is permissible but it is preferable not to use such money for buying copies of the Qur'an for free distribution. You certainly do not

throw away this money as there are many poor and needy all over the world, mostly Muslims and many non-Muslims too.

Allah Almighty knows best.

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Name Waqas - Pakistan

**15. Question**

As-Salamu `Alaykum, kindly answer to the complete question. What is the divine system of financing? Is it pre-determined? How much rizq one is to get? If so can it change? Thank you.

**Answer**

Wa`alykum As-Salamu warahmatullahi Wabarakaatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

The divine system of financing is not interest-based. It can be founded on credit sale, leasing, or venture capital.

Rizq and life are predetermined by Allah, but He did not tell anyone of us what He set for us. He rather told us work hard as much as we can to acquire our rizq. Don't you see the bird starting their day early in the morning and they go back in the evening with full stomach and sufficient food for their babies?

Allah Almighty knows best.

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Name Waqas - Pakistan

**16. Question**

If someone asks me for a loan and I give him an equivalent amount of gold so that when he returns it he returns to me the same amount of gold and not the money, would that be Ok?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

You cannot give the equivalent of gold. If you give rupees, you get back rupees, and if you get gold, you back gold. You cannot make assumption.

Allah Almighty knows best.

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**Live Fatwa Session Jan 28, 2004, MAS.net**

Guest Name: Monzer Kahf

**1. Question:**

My wife just got a 403(b) pension plan from work, and although she doesn't have to contribute, she must elect where her funds will be invested, either with TIAA-CREF, Fidelity, American Century, VALIC, or Vanguard. When I looked at these companies, I found that even after you pick one, you have to choice among their programs where you want your money to go. My direct question is: which products should I invest in to avoid haram. Can you provide specific titles, like small cap, foreign bonds, Money Market, etc.

**Answer:**

Bismillahi Arrahman Arraheem alhamdulillah rubb al aalimeen wa alsalaatu wa assalaamu ala sayidina Mohammed wa ala aalihi wa ashaabihi ajma'een Dear Brother Raid Asalaamu alaikum wa rahmat Allahi wa Barakaatu: Before I answer your question, please allow me to mention that if this pension fund belongs to your wife, you should have no say or disposition about it. Certainly, you may advise or suggest your opinions but you do not have any authority on it. According to Shari'ah, properties of husband and wife are not mixed and the husband has no say over the wife's property. Now the answer. This pension fund being fully contributed by the employer only and being invested by the employer too is permissible and any new benefits from it to your wife are also permissible regardless of what the employer does or in what it invests the funds of this plan. However, since the employer is the participant in this pension plan, an opportunity to choose among different investment vehicles, it is the responsibility of your wife to refuse the evil of unlawful (from the Shari'ah point of view) transactions, including interest and unethical investments. Therefore, she should select mutual funds that are the farthest from interest, investment in stocks of conventional banks and casino companies, etc. This means that she should not select any mutual funds that invest in bonds only and if she has accessibility to the shares content of other mutual funds, she is required to select those funds that have the least investment in bonds and shares of companies whose main activities are prohibited in Shari'ah, as mentioned above (the report of the funds are usually made available to participants and they normally have listing of shares in the mutual funds). Wa Allahu a'lam wa alhamdulillah rubb ilaalimeen Dr. Monzer Kahf.

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**2. Question:**

Can you provide an exact definition of "riba"?

**Answer:**

Bismillahi Arrahman Arraheem alhamdulillah rubb al aalimeen wa alsalaatu wa assalaamu ala sayidina Mohammed wa ala aalihi wa ashaabihi ajma'een Dear Brother Shaukat Asalaamu alaikum wa rahmat Allahi wa Barakaatu: Riba is two kinds. The relevant kind to financing is defined as any contractual increment in a loan. The second kind of riba is called Riba Al-Fadl. It is defined as excess in amount or in time in currency exchange. This means that there will be riba al-fadl if you exchange gold (or dollars) for a different quantity of gold (or dollars) or if you exchange Canadian dollars paid now for U.S. dollars paid tomorrow. Wa Allahu a'lam wa alhamdulillah rubb ilaalimeen Dr. Monzer Kahf

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**3. Question:**

Are IRA's haram?

**Answer:**

Bismillahi Arrahman Arraheem alhamdulillah rubb al aalimeen wa alsalaatu wa assalaamu ala sayidina Mohammed wa ala aalihi wa ashaabihi ajma'een Dear Brother Ahmed Asalaamu alaikum wa rahmat Allahi wa barakaatu IRAs are permissible in Shari'ah. You are required to invest your IRA account in permissible investments, i.e. no

bonds and no prohibited stocks. Wa Allahu a'lam wa alhamdullillahi rubb ilaalimeen Dr. Monzer Kahf

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**4. Question:**

If I finance my home through an Islamic scheme, but in the end, I end up paying more in monthly installments, is that really conforming to the purpose of the reasoning behind not engaging in interest, that I supposedly am being abused when loaners charge me interest? If I pay more monthly to an "Islamic" scheme, am I not being abused there instead of when being charged interest?

**Answer:**

Bismillahi Arrahman Arraheem alhamdulillahi rubb al aalimeen wa alsalaatu wa assalaamu ala sayidina Mohammed wa ala aalihi wa ashaabihi ajma'een Dear Brother Jaffar Asalaamu alaikum wa rahmat Allahi wa Barakaatu: Interest-paid house financing is prohibited, no doubt about it. We must always seek house financing by means of contracts that are compatible with Shari'ah. The resolution of the second international Islamic Fiqh Conference held in Detroit in the fall of 1999 issued a fatwa that is in brief: if Islamically acceptable house financing contracts are not available, it is permissible for Muslim families living in the West to take interest-based house financing provided they have reasonable need to own their own residence. Monopoly and exploitation are also prohibited in Shari'ah similar to interest. Therefore, if an Islamic house finance provider charges more than competitive rates that are available in the market, conventional finance providers, we consider the Islamic provider as non-existing and apply the collective fatwa of the Fiqh Conference. Wa Allahu a'lam wa alhamdullillahi rubb ilaalimeen Dr. Monzer Kahf

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**5. Question:**

When giving zakat on possessions like jewelry, gold, is it obligatory to give every year, or just the year I acquired the item(s)?

**Answer:**

Bismillahi Arrahman Arraheem alhamdulillahi rubb al aalimeen wa alsalaatu wa assalaamu ala sayidina Mohammed wa ala aalihi wa ashaabihi ajma'een Dear Sister Sara Asalaamu alaikum wa rahmat Allahi wa Barakaatu: Zakat is a yearly obligation on wealth items such as jewelry, money and goods for trade. It has to be paid every lunar year (354 days) as long as the value of assets is still above Nisab. The first lunar year begins on the day you acquire Nisab, or the first time. Nisab is 85 grams of gold which is approximately equal to U.S. \$1000. Wa Allahu a'lam wa alhamdullillahi rubb ilaalimeen Dr. Monzer Kahf

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**6. Question:**

Assalamu Alikm, I have two questions, i have been asked by non-muslims and wanted to consult a scholar, so please answer me with details, wa jazakoum allah kheir... 1) What would you answer someone who says islam was spread by sword and Mohamed (PBUH) killed many people, some people give the incident of the jews during the battle of ahzab. ( PS: i am a muslim, and dont agree with that, however i am asking for a wise way

to answer non-muslims). 2) my second question is concerning the ("jawary" in islam: <women slave>) .. some people think that is degrading for the women and that the man can sleep with her without an actual marriage ... also what the legality of that issue in our days. wa jazakoum allahu kheir.

**Answer:**

The Quran in many ayat, in many occurrences, says that no one can be forced into belief or conviction. The Quran says in Sura 2: No one could be forced into religion. In another verse (Sura Yunes #10): Would you force people to become believers?" Which means the Quran rejects such a policy. In Sura al-Kahf (Sura of the Cave): the one who wants to believe, let him believe, the one who doesn't want to believe, let him disbelieve. I do not like to refer to history, because it could be controversial for someone who is a non-Muslim, but I refer to the Quran which is the most powerful source of knowledge for Muslims. If Islam were spread by the sword, then we know that the Prophet (saw) died 1400 years ago, but people are still adopting Islam freely. If it were by the means of the sword, then Islam would face the same occurrences that took place at the fall of Nazism, Communism, and other ideologies. The only faith and belief that is growing is Islam and Christianity. These religions are spread by the means of debate and dawah. Especially when it comes to Islam, it is the fastest and most adopted religion in the world. 2) Before discussing any details of the law of Islam you should decide if you are under guidance the Quran and Sunna, or you a rival for either of them. If anything of jawary is decided by the Quran, then you should take it. If you don't believe in the Quran as the book of Allah, then that is our major problem, so we should start solving that problem as a major priority. Nowadays, we do not have anything like jawary, so I need not get into this discussion because it is not needed.

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**7. Question:**

Alsalamo Alikom Dear brother in islam i am a physician,MD, work as Anesthesiologist at one of the major hospital in NJ and they r very busy my quetion rgarding Friday Prayer what should i do some times i do nt have time to go to friday prayer and my employer prevent me as the work has to be done i mean take care of the anesthesia as the surgeon work i cannt leave the OR unless i get some one to cover me and sometimes it s impossible so what should i do for my friday prayer should i queit that jop and try to find another one ? i tried to find another one but it s hard to find a good one the others r just either away from the muslim commuinity or take advantage of ur request and give u much less benefit for that reason even it s not welcomed to them please let me know . Alsalmo Alikom.

**Answer:**

You should find a solution for your attendance of the Jumaa prayer. Yes, you can miss it sometimes, but not to miss it on a regular basis. If the job does not allow you to make Jumaa, then you should look for an alternative.

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**8. Question:**

Is borrowing money with interest for purchasing a house, a car or furniture haram

Answer:

Any transaction that gives or takes interest is haram. The only time you could borrow money with interest is when you are in need of borrowing money for emergency or a necessity. If neither of those factors exist, then you cannot borrow money with interest.

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**9. Question:**

Assalamu alaikum, How could a Muslim invests his money in this country, considering that not anyone could invest his money in Islamic investments? Thanks, Omar Ahmad

**Answer:**

Bismillah arahman ilraheem alhamdulillah rub ilaameen wa alsalaat wa alsalaam ala sayidna Mohammed wa ala aalihi wa sahabihi ajma'een Asalaamu alaikum wa rahmat Allahi wa barakaatu Dear Brother Omar Ahmad If we want to take the general principle that Muslims must not indulge in any prohibited transaction, whether interest or sale of prohibited products or any other prohibited ways of doing a contract, yes you are right. Muslims cannot invest in the stock market in America and the only way remains to them is direct venture individually or in cooperation with other Muslims. We do have alot of areas that need Islamic involvement, especially in creating financial companies that provide Muslims with Islamically compatible financing or business and personal needs. On the other hand, there will still be Muslim income earners who will not have such direct opportunities for investment and these are not small in number. The Shari'ah well-known rule is that hardship always calls for relaxation because this religion was not sent by God to create hardship for men and women. It is rather to make life better and always easier. Applying this rule requires reconsideration of investment in the stock market. Some well-known and respected Muslim scholars discussed this issue and came up with a few criteria to screen stocks of companies listed in the stock market to exclude the more serious prohibited practices so that Muslims may invest in stocks of companies that have lesser violations of Shari'ah. This set of criteria is the following: 1-The main line of business of the company must not be prohibited; this excludes conventional banks, entertainment business, liquor production and distribution, also military industry in America, etc. 2-The income from interest and other prohibited activities percentage of the total income of the company must be very small not to exceed 5 percent of the company's net revenues. 3-The total of receivables plus cash must not exceed one-half of total assets of the company. 4-Loans on the company should not be more than 33 percent of its market capitalization value. These criteria are applied by Dow Jones company as it created a special index called the Dow Jones Islamic Market Index. Stocks included in this index may be traded as an exception from the general principle on the basis of hardship removal. There are several companies in the United States and Canada that apply these criteria in their investments. Some of them established mutual funds and others make direct investment in the stock market. One of these companies belongs to the non-profit organization which is The North American Islamic Trust (NAIT, that also holds titles of mosques and Islamic centers and schools on the basis of the Islamic principle of Awqaf.) NAIT has established the Dow Jones Islamic Index Fund. You may ask about it in your local community or through the Internet. Wa Allahu a'lam wa alhamdulillah rub al aalimeen Dr. Monzer Kahf

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**10. Question:**

Is it haram to have a saving account? for an old woman who has no way to invest her money, is it O.K. that I open a saving account to get some extra money to help me surviving? Thanks, Bothaina Fadel

**Answer:**

Bismillah arahman ilraheem alhamdulillah rub ilalaameen wa alsalaat wa alsalaam ala sayidna Mohammed wa ala aalihi wa sahbihi ajma'een Asalaamu alaikum wa rahmat Allahi wa barakaatu Dear Sister Bothaina, Yes, interest is riba and riba is prohibited in Islam. Allah even threatens a war against those who keep dealing in riba (The Quran 2:279). I suggest that you should seek another source of income through permissible investments. Any interest that happened to be earned in the past is not yours, from the Shari'ah point of view. It must be given away to Muslim charities for distribution to the poor and needy (This is because we do not want to return it to the bank that paid it because it will then help the bank to make more profit and transactions that are considered illegitimate in Shari'ah). wa Allahu a'lam wa alhamdulillah rub il alameen Dr. Monzer Kahf

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**11. Question:**

I would like to know if it is halal to lease from a non-Muslim financial institution here in the U.S?

**Answer:**

Bismillah arahman ilraheem alhamdulillah rub ilalaameen wa alsalaat wa alsalaam ala sayidna Mohammed wa ala aalihi wa sahbihi ajma'een Asalaamu alaikum wa rahmat Allahi wa barakaatu Dear Brother Anass, Leasing is permissible in Shari'ah and there is no distinction between what is called in America 'financial leasing' or 'operational leasing.' In leasing, direct responsibility for the leased object; e.g. a car, falls on its owner while operational costs is the responsibility of the lessee. There may be some times conditions in lease contracts that may violate this Shari'ah principle. You should beware of such conditions. For instance, many real-estate lease contracts puts the insurance responsibility on the lessee for the structure itself, whereas it should be on the lessor. On the other hand, I have personally studied the lease contract that is used in California for cars and found it not violating Shari'ah requirements and most likely other states have similar car lease contracts. wa Allahu a'lam wa alhamdulillah rub il alameen Dr. Monzer Kahf

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**12. Question:**

What is the ruling of investing in Israeli companies, or companies that invest in Israel? Should those not be excluded by the Shari'ah screens like companies that deal with Alcohol, pork, banks, etc...?

**Answer:**

Bismillah arahman ilraheem alhamdulillah rub ilalaameen wa alsalaat wa alsalaam ala sayidna Mohammed wa ala aalihi wa sahbihi ajma'een Asalaamu alaikum wa rahmat Allahi wa barakaatu Dear Sister Nuha, Yes, certainly Israel is a country that is established on occupied land and it is occupying more land that belongs to the Palestinians. It is

forbidden for any Muslim to invest in Israeli companies. On the other hand, boycotting companies that invest in Israel may have some details, especially when the investment is small and in civilian or humanitarian areas. There is no doubt that investment in companies that support the military occupation is not permitted in Shari'ah. wa Allahu a'lam wa alhamdulillah rub il alameen Dr. Monzer Kahf

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**12. Question:**

What Islam says about investing in the stock market? Is it a questionable matter?

**Answer:**

Bismillah arahman ilraheem alhamdulillah rub ilalaameen wa alsalaat wa alsalaam ala sayidna Mohammed wa ala aalihi wa sahabihi ajma'een Asalaamu alaikum wa rahmat Allahi wa barakaatu Dear Fellow Muslim Nur Al-Huda, Please read the answer to question #670 to Brother Omar Ahmad. Wa Allahu a'lam wa alhamdulillah rub il alameen Dr. Monzer Kahf

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**13. Question:**

I am employed in an insurance company in the capacity of an analyst and management professional. Is there any guidance around the acceptability of this employment? Does my salary have to be purified? If so, how?

**Answer:**

Bismillah arahman ilraheem alhamdulillah rub ilalaameen wa alsalaat wa alsalaam ala sayidna Mohammed wa ala aalihi wa sahabihi ajma'een Asalaamu alaikum wa rahmat Allahi wa barakaatu Dear Sister Amal, Insurance is permissible unless the contract is interest-based. Consequently, the main income in insurance is also permissible. As it comes from the premiums of the insured. It is also known that insurance companies invest in government and other bonds and earn interest. An Islamic insurance company must not do that because investment in interest-based securities is prohibited in Shari'ah. Therefore, if your job does not require you to make such interest-based transactions on behalf of the company, what you do in the company and your salary are permissible and halal. You should avoid making any transaction that is interest-based, whether on behalf of the employer or otherwise. There are people who argue that insurance itself is not permitted. I believe they are incorrect, although only a minority (that I call the 'enlightened minority') among Shari'ah scholars stand for the permissibility of insurance. This minority is led by the late Sheikh Mustafa Al-Zarqaa' (d. 1999) who was known as the most knowledgeable Shari'ah scholar of his time. Wa Allahu a'lam wa alhamdulillah rub il alameen Dr. Monzer Kahf

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**14. Question:**

My question is about the Islamic compliance services at non-Muslim financial institutions like CitiBank, GE, AOL, Riggs Bank etc... Are they truly Islamically compliant?

**Answer:**

Bismillah arahman ilraheem alhamdulillah rub ilalaameen wa alsalaat wa alsalaam ala sayidna Mohammed wa ala aalihi wa sahabihi ajma'een Asalaamu alaikum wa rahmat Allahi wa barakaatu Dear Sister Layla, Conventional banks that provide Islamic financial

services usually have their own Shar'ah board that supervises their Islamic services. For any conventional bank, we need to know the names of the members of its Shari'ah advisory board and based on the trust and confidence in their knowledge and ability, we can have the answer to your question. I know for instance that the National Commercial Bank in Saudi Arabia has respected Shari'ah advisors that guide its Islamic branches. I also know that Citibank has an Islamic full fledge bank in Bahrain and this bank has its own advisory board that consists of reputed Shari'ah scholars. I am not aware that aol or Ge offer Islamic financial services. Wa Allahu a'lam wa alhamdullillah rub il alameen  
Dr. Monzer Kahf

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**Live Fatwa Session, Feb. 11, 2004, MAS.net**

**1. Question**

Posted On: Wednesday, February 11, 2004

Posted By: Anass

What is the ruling on leasing a car and office equipment?

**Answer**

Bismillahi Arrahman Arraheem alhamdulillahi rubb al aalimeen wa alsalaatu wa assalaamu ala sayidina Mohammed wa ala aalihi wa ashaabihi ajma'een Dear Brother Anass Asalaamu alaikum wa rahmat Allahi wa Barakaatu: In principle, leasing cars and wquipment is permissible because leasing in all its kinds and definitions is permissible. However, it happens very often in the lease agreements in the US that certain conditions are included that violate the Shari'ah. This means one should read these fine conditions carefully and remove any condition that violate the Shari'ah. One example of such conditions is in equipment leasing, the insurance should be on the lessor and may be charged to the lessee as part of the rental installments but cannot be on the lesse because she is not the owner. This is not the same in cars because insurance in cars is more related to the driver than to anything else. Wa Allahu a'lam wa alhamdullillahi rubb ilaalimeen

Dr. Monzer Kahf

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**2. Question**

Posted On: Wednesday, February 11, 2004

Posted By: Layla

What is the best way to invest in a 401(k) plan according to the Islamic rules?

**Answer**

I have made an answer here and saved it. the person responsible for this site must correct the system. alhamdulillahi rubb al aalimeen wa alsalaatu wa assalaamu ala sayidina Mohammed wa ala aalihi wa ashaabihi ajma'een Dear Sr. Layla Asalaamu alaikum wa rahmat Allahi wa Barakaatu: you should choose the funds and stocks with the least amount of Haram activities in them. This means you should avoid bonds, stocks of financial sector, tobacco, military industries, entertainment, etc. Then when you liquidate your account you have to donate a percentage of each amount you liquidate to Muslim charity that is equal to the percentage that remains of not

permitted stocks (since your choice is limited to the funds and stocks of your company's 401k system). This donation is for the purpose of keeping your own money clean from interest. In fact, you must put such instruction in your last will too. Information about the stocks in each mutual fund is normally available in the semi annual reports of the funds. Wa Allahu a'lam wa alhamdulillah rubb ilaalimeen  
Dr. Monzer Kahf

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### **3. Question**

Posted On: Wednesday, February 11, 2004

Posted By: Muhammad

#### **Answer**

alhamdulillah rubb al aalimeen wa alsalaatu wa assalaamu ala sayidina Mohammed wa ala aalihi wa ashaabihi ajma'een Dear Brother Muhammad Asalaamu alaikum wa rahmat Allahi wa Barakaatu: it is the interest that the bank credit to your account. as simple as that. This means that if the deposits you put in your account are from Halal sources, your own money is the total of deposits minus expenses and withdrawals you make. This interest must be given to a Muslim charity, it is Halal for the poor and needy and Haram for you because it is not yours according to Shari'ah. Wa Allahu a'lam wa alhamdulillah rubb ilaalimeen

Dr. Monzer Kahf

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### **4. Question**

Posted On: Wednesday, February 11, 2004

Posted By: Abdussalam

if I bought 500 stocks for for 35 dollars each, when the stock price went up to 65 dollars I decided to sell my stocks. Is this allowed?

#### **Answer**

alhamdulillah rubb al aalimeen wa alsalaatu wa assalaamu ala sayidina Mohammed wa ala aalihi wa ashaabihi ajma'een Dear Brother Abdussalam Asalaamu alaikum wa rahmat Allahi wa Barakaatu: Yes, it is permissible. a stock represents a share ownership in a company. the new price reflect the market evaluation of this company. Wa Allahu a'lam wa alhamdulillah rubb ilaalimeen Dr. Monzer Kahf

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### **5. Question**

Posted On: Wednesday, February 11, 2004

Posted By: Rukaya

Some scholars have allowed Muslims to hold bank accounts even if they incur interest on the pretext that they cleanse their money from the interest accumulated. In the case of bank accounts it could be accounted as a need since it would almost be impracticable for one to keep his money at home in paper form. Thus the need for a bank account to

#### **Answer**

alhamdulillah rubb al aalimeen wa alsalaatu wa assalaamu ala sayidina Mohammed wa ala aalihi wa ashaabihi ajma'een Dear Sr. Rukaya Asalaamu alaikum wa rahmat Allahi wa Barakaatu: Yes, there is a need to invest in stocks for a large number of Muslims who

have some saving and have no other means available to them for investment. this is a fact of life in our world today. and this applies to Muslims in North America as well as to Muslims in the Muslim countries. This fact was even recognized in old times. most classical Fiqh books mentions this as the reason why Mudarabah is made permissible.(Mudarabah is for those persons who have savings and know some good and honest business person so they give her/him their money to invest it for them) Wa Allahu a'lam wa alhamdullillahi rubb ilaalimeen Dr. Monzer Kahf

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#### **6. Question**

Posted On: Wednesday, February 11, 2004

Posted By: Abdullahi

Can riba money be used to pay off a riba loan? If so, would this be considered purification of wealth?

#### **Answer**

alhamdulillahi rubb al aalimeen wa alsalaatu wa assalaamu ala sayidina Mohammed wa ala aalihi wa ashaabihi ajma'een Dear Brother Abdullahi Asalaamu alaikum wa rahmat Allahi wa Barakaatu: It forbidden in Shari'ah to make any Riba-basied contract whether you take the Riba or give it.This means that you must not earn Riba and you must not be a party to a contract to pay Riba. If it happens that for some reason your earned Riba, it does not become yours according to Shari'ah because it is illegitimate earning. Illegitimate earning must be given pack to its payer. But when you deal with banks, giving it back to the bank become irrational because you will be helping it make more Riba and giving it the pleasure of making mokerly out of you. In such a case, since it is not yours you MUST GIVE IT TO A MUSLIM CHARITY so they give it to the poor and needy. On the other hand, if you enter into a Riba-based contract, you commit that violation of Shari'ah and should carry the result of your contract, you cannot pay for it from money that is not yours.Hence, you cannot use Riba you got to pay your own obligations to others. Wa Allahu a'lam wa alhamdullillahi rubb ilaalimeen

Dr. Monzer Kahf

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#### **7. Question**

Posted On: Wednesday, February 11, 2004

Posted By: Saeed

was particularly interested to know what kinds of sectors islamic investors should avoid, like the financial sector. I assume that some smaller banks generate more revenue from profits arising investment returns on deposits received. Does it make sense to say that in a scenario where 80% of the bank's revenue is generated from investment returns (from financing development projects), then from whatever returns I might make as a Muslim investor in this bank, I would have to cleanse 20%? I know that I am oversimplifying the scenario for most banks am not taking into account the fact that halaal investment projects in the bank might constitute only a small part of the bank's overall profit. But assuming a direct relationship (each % of halaal investment by the bank contributes 1% of profit to the banks bottom line), is my reasoning correct. I am

also wondering to what extent my assumptions about the ratio of halaal to haram (investment vs loan financing) business dealings in a typical bank are sound.

**Answer**

alhamdulillah rubb al aalimeen wa alsalaatu wa assalaamu ala sayidina Mohammed wa ala aalihi wa ashaabihi ajma'een Dear Brother Saeed Asalaamu alaikum wa rahmat Allahi wa Barakaatu: conventional banks use their money in many projects but they provide money on the basis of LOANS. according to Shari'ah a loan must not earn any increment and any such increment is Riba that is prohibited in the Qur'an with the most strong words. They call it investment but in fact it is lending. investment in the economic sense is giving money on equity basis where you share the profit and losses. giving loans on interest guarantees the lender safety of principal plus guaranteed interest.. This is not permissible in Shari'ah. Hence regardless of the percentage the lending activities of conventional banks are not permissible in Islam. these activities make up a high percentage of their total activities. Wa Allahu a'lam wa alhamdulillah rubb ilaalimeen  
Dr. Monzer Kahf

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**8. Question**

Posted On: Wednesday, February 11, 2004

Posted By: Uzair A Haji

Is it permissible in Islam to use a paper money having no intrinsic value except being a promissory note and forced legal tender and not backed by gold? Isn't the use of a paper money a confined monopoly which can be inflated by the authorities at will thereby imposing illegal and secret taxation? What about usurpation of part ownership? The structure of co-ownership of the 'Islamic banks' in which the shareholders are invited to participate is not acceptable in Islam since it consists of an unjustified usurpation of the ownership of the minority shareholders in favor of the executive council or administrator which represents the majority. What about the payment of the usurious interest? Due to the very structures and the arena in which the 'Islamic banks' deal in a contract, fluctuation in value is generated which affects the individual transactions the bank makes. As a result any contracts made by the 'Islamic bank' are usurious. Isn't the so-called 'Islamic bank', 'Islamic economics' etc. a Trojan horse which has been infiltrated into Dar al-Islam? Please answer in detail citing the Quran, Sunnah and practices of the Salaf.

**Answer**

alhamdulillah rubb al aalimeen wa alsalaatu wa assalaamu ala sayidina Mohammed wa ala aalihi wa ashaabihi ajma'een Dear Brother Uzair Asalaamu alaikum wa rahmat Allahi wa Barakaatu: My only answer to you is to suggest that you read more about fiqh, the Fiqh axioms, Maqasid al Shari'ah, and Islamic economics and finance. You seem to be confused and mixing too many things together. Please educate your self on these issues and then we can discuss them. Wa Allahu a'lam wa alhamdulillah rubb ilaalimeen  
Dr. Monzer Kahf

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**Live Fatwa, Sunday, Feb 22, 2004, Islam on line**

Guest Name: Dr. Monzer Kahf

Name Rafouk -

### 1. Question

Getting a car via a leasing company: If someone wants to get a bank credit for buying a car or whatever, is he obliged to ask it from a usurious bank as of luck of Islamic Banks. The alternative of this is to get a car from a leasing company by paying regular rents each month with a buying option at the end of the contract.

The leasing company applies also the interest rate (usury rate) when calculating the rents. During the leasing period, the car remains the property of the leasing company. In the Islamic point of view, is this halal or haram?

### Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Leasing in general is permitted in the Shari`ah. Many car leasing in North America do not violate the Shari`ah requirements and it is not part of the lease contract where does the lessor get its financing from, on what basis it obtains financing nor what terms of reference (including interest rate) used in calculating rent.

What matter in a lease contract is that the car remains on the ownership of the lessor and it carries its implications. These implications include liability of a disaster that may destroy and major maintenance without which the car becomes dysfunctional. Unfortunately, major maintenance is normally covered by the manufacturer warranty and disasters can also be covered through insurance.

There is a need to clarify the insurance matter because while it maybe considered as the responsibility of the lessor, car insurance is heavily affected by the driver and her/his driving style. In either case insurance premium can be thrown, according to the Shari`ah, on the lessee as a part of the rental payment so that the rent will be: you pay me a given amount every month + giving me the service of insurance protection that is well-defined and specified.

Allah Almighty knows best.

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Name Mazin -

### 2. Question

I work in an hotel and I send customers to several agencies for excursion and those agencies every month send a commission money for me. Is it right to take it?

### Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Mazin,

If this kick-back commission is a normal practice in this kind of business (which I assume it is to the best of my knowledge), cashing it in your pocket is permissible, otherwise it should be given back to the customers if they are taking your referral on the basis of trust and friendship only.

Allah Almighty knows best.

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Name Ahmad - Sri Lanka

### 3. Question

Respected scholar, I have been offered a job as a sales manager in a motor vehicle company. But when customers buy vehicles, most of the time they will go through under leasing system (through a finance company) so am I allowed to take this offer? (I am jobless at present).

### Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Yes, it is permissible to work as a salesman in a car dealership and it is permissible to intermediate and actually write the application for leasing or the lease contract itself as long as it is lease financing.

However, if your customers opt for loan financing, you should not yourself write their loan application, because the Prophet (peace and blessings be upon him) mentioned that the Wrath of Allah is on the Riba-taker, its giver, and its writer, as reported by Al-Bukhari. Another version reported by Muslim adds "its two witnesses."

Leasing is essentially a permitted contract while interest-based loan is a Riba-contract that is prohibited in the Qur'an and the Sunnah.

Allah Almighty knows best.

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Name Samir - United States

### 4. Question

I have a convenience store where beer is sold, it is sold at the cost price. I do not make a profit or income from selling beer. If I don't sell it, I will lose my business to competition next to me and just across the street from me. Is that permissible? I know someone that took the beer out of his convenience store completely but he had to bring it back after about 3 months just to make a living, because he lost all of his business to competition.

### Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

If you cannot maintain a convenient store without beer, then you must choose some other business. The Prophet (peace and blessings be upon him) said that not only the liquor is prohibited, but He (Allah) who prohibits it, also prohibits its price. In other word, selling beer at cost does not relieve you from the prohibition, because of two things:

1. The act of selling is prohibited by the prophet in an authentic saying;
2. Its price, even at cost, is not halal for you.

It really does not matter whether the business that the business goes down or up. Regardless of that, a Muslim must only select a business that is permissible in the Shari'ah, and there is no necessity to be a liquor seller at all, in the United States or in any other country.

Allah Almighty knows best.

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Name Fuad -

## 5. Question

I am living and studying abroad with my wife and kids. We don't have income to continue our education (both of us are students), and we have two questions regarding earning money:

1. Is it halal to do scientific research on how we can produce food (from animals) from the by-products resulted from alcohol manufacturing. We should keep in mind that 95% of this by-product is water and the rest is solid matter. By this way we can get rid of this by-product in economical way and convert it to animal food.

2. The second question regarding working in a company that its major work is to produce alcohol, and the minor work is to produce food (from the by-product of alcohol) and to upgrade the quality and uses of this food in the animal. I have the opportunity to work in this company as researcher on upgrading the quality and the use of such food in the animal.

Is it permissible to work and to do research for this company. If it is haram and I have no other stable job to support me financially until I finish my education at the university, can I take it?

### Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Fouad,

I do not see anything prohibited in using the by-product of an alcohol manufacturing industry or feeding animals or any other purpose. The Prophet prohibited all actions/function as relate to producing alcohol and serving it, and this is not part of serving it nor part of producing it either.

You are only using materials that are not alcoholic in itself and that would otherwise be wasted.

Accordingly, I do not see anything prohibited in working as a researcher, limited to this area only, in an alcohol manufacturing company that uses this by-product as long as you are not part of research on producing alcohol itself. Your income will also be halal, in sha'Allah.

Allah Almighty knows best.

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Name Yasser -

## 6. Question

My question is about getting a car or a house using a credit card or mortgage as I am living in the USA?

### Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Using credit cards issued with an interest condition is permitted only in one space, that is, if you can pay, and you actually pay, within the grace period without invoking the application of the interest clauses. This means that you may not transfer any balance from one billing period to another.

Although we all use cards in North America, I only see extremely rare situation where a Muslim may be under necessity conditions to buy a given car or a car at a price that she/he does not afford to either pay cash for it or to take it on lease. This means that under normal situation it is not permissible to buy a car in the USA on interest basis (especially at this time where all car dealers offer zero interest and many of them with rebate too).

Allah Almighty knows best.

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Name Muhammed -

**7. Question**

1. Is Auto Insurance brokerage business allowed? 2. Is a business where an item is sold to a customer with the arrangements of financing involving interest is halal? Although we just take our profit-based on its price.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Any business is permissible provided two conditions are satisfied:

1. The object of the business in itself is permissible in the Shari`ah, such as car dealership;
2. And the contracts used in transaction are permissible in our religion.

Insurance is disputed and there are people who see it as prohibited on the basis of gambling, involving interest and ambiguity in the responsibilities of the parties involved. On the other hand, there are scholars who believe that insurance is permissible provided it does not include an interest clause. I go along with this second opinion.

Consequently, auto insurance is not only permissible, but is an indispensable part of the modern way of life. If auto insurance is permissible, then auto insurance business is also permissible.

You may sell any other permissible items even if you know that the buyer will finance her purchase through on the basis of interest. However, the Prophet said that the Wrath of Allah is on the taker of Riba, its giver and its writer. This means that it is prohibited to write an interest-based loan application for your customer.

Allah Almighty knows best.

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Name Ibrahim -

**8. Question**

Assalamu `alaykum. I appreciate your efforts and others for providing an Islamic alternative to the conventional mortgage.

But I feel that more still need to be done: A real Islamic mortgage should be cheaper than conventional mortgage and provide equal opportunity for all Muslims (poor and rich). Could you comment?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

The Islamic alternative of conventional mortgage should not be more expensive than the market. We must realize that any infant or new industry carries certain additional cost that it has to make from its customers.

This means that at the beginning it may be tolerable that an Islamic financing alternative may cost a little more than its conventional counterpart.

Financing the poor and the rich is a different issue than equal opportunity finance provision. Equal opportunity means that you provide financing to all those who qualify for it. A poor person who does not afford to pay for a house may live in a small apartment; he does not have to live in a house.

And a poor person who does not have minimum savings that qualify him to reduce the risk of financing does not have to buy a house. In fact, such a person may need help from Zakah and other charitable vehicles. Financing business is a profit-making business, it is not a charity, so is Islamic financing and we must not look at it as a charity. The same applies to selling clothes or household appliances, etc.

Allah Almighty knows best.

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Name Karim - Canada

### **9. Question**

I participate in my company retirement plan, in which I make the decisions regarding where the money is invested. Would you please tell what are the permissible funds with regards to an Islamic view.

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. In retirement plans, your choice is normally limited to a few funds offered by the plan management. You need to do 3 things:

1. Try to convince your plan management to offer the few Islamic funds that are available in the market today. There is an Islamic fund offered by the Bank of Montreal and there is the DJ Islamic Market Index Funds of NAIT (North American Islamic Trust), and there are a few other funds.
2. Make your selection of the available funds such as you select those funds that have least involvement of the prohibited stock. Prohibited stocks are stocks of companies in the financing sector, bonds, entertainment industry, military industry, and the like.
3. You need to always estimate periodically the amount of return that comes from funds that invest in some non-permitted stocks and in bonds and when you liquidate, you give away to Muslim charity a percentage of the estimated return that comes from non-halal investment.

All funds provide helpful information about the distribution of their investment among different industries and companies in their annual and semi-annual report.

Allah Almighty knows best.

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Name Md. - Bangladesh

### **10. Question**

Doctors in our country take percentage from pathological laboratory. In fact, in some case the laboratories send 10-15% of the bill to doctors so that the doctors send more patients. Is this Islamic?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

I believe this kick-back is not permitted, it is a bad practice and any Muslim doctor who receives it, must give it back to the patient.

Allah Almighty knows best.

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Name Sayed -

**11. Question**

What is the Islamic ruling regarding shortening stocks or equities? Is it halal or haram? Why is it allowed or not?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Selling stock short is as follows: you sell at the current price and borrow the stock from the broker on interest basis. Stocks are delivered to the buyer at the time of the contract. Later on at the due date you buy stock from the market and deliver to the broker in return to the previous lending.

Obviously, this transaction is interest-based. Actually you are not selling for future delivery; you are rather selling stock today and delivering them (as borrowed from the broker) and then buying the same at the due date to pay back your loan. The reason for its prohibition is obvious: the interest basis.

What do you mean by selling other equities short? For instance, it is permissible to sell cars, corn, Pepsi cola with given specification on delivery at a given future date and place with cash payment at the time of the contract. This is called in Islamic fiqh "salam", and it is permissible.

Allah Almighty knows best.

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Name IFTHI - India

**12. Question**

Is life insurance permissible in India, consider the political situation there?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Yes, it is permissible and for further details, please see my fatwa on islamonline.

You can also read:

Life Insurance from an Islamic Perspective

Allah Almighty knows best.

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Name shamsul - Bangladesh

**13. Question**

We often hear about the extravagance by the Muslims of the Middle Eastern countries while many Muslims in other countries like Bangladesh cannot afford their bread literally. Do you think it is Islamic?

Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Do you think, dear brother, that any Muslim would say it is permissible to waste resources the way many rich individuals in the oil countries do, while there are sufferance and dire need in many other countries like Bangladesh and Congo? This in fact applies not only to Muslims but also to any human beings who have a mind or a heart. It is forbidden in our religion to be extravagant even if there were no needs with regard to other people. It is obviously a lot more prohibited when there are needs like those in the poor countries. *Wala hawala wala quwata illa billah.*  
Allah Almighty knows best.

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**Live Fatwa, Sunday, March 21, 2004, Islam on line**

Guest Name Dr. Monzer Kahf

Name Hijaab - Pakistan

Psychologist

**1. Question**

Is working in a bank haram?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Working in a conventional bank is not haram provided you do not do any writing of interest-based transactions. In other words, the department of providing loans to the bank customers is not permitted. The Prophet (peace and blessings be upon him) put the wrath of Allah on the taker of Riba, its giver, its writer and its two witnesses, as reported in the authentic collection of Muslim.

You can also read:

Working for Banks: Islamic View

Allah Almighty knows best.

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Name Bilquise -

**2. Question**

Is it haram to buy shares from all kinds of companies?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Buying shares of companies that practice non-permissible contracts or produce non-permissible goods and services is not permitted in Shari'ah. This is because when you buy the shares of a company, you become a partner in it, and its board of directors and

executive officers represent you as a share holder in all the companies' decisions. This is equivalent to you taking these decisions because of the delegation of authority.

On the other hand, buying stocks/shares in companies whose business and transactions are all within the limits of Shari'ah, such as shares of Islamic banks, is permissible.

However, the majority of companies are in the third category whereby the main line of business is permissible such as all technology companies, but their management does sometimes undertake interest-based decisions and/or other non-permissible transactions. On these companies, the principle of prohibition must apply, because when it comes to doing anything prohibited, it does not matter whether it comprises all the activity of a company or some of it. What is prohibited in Shari'ah is just prohibited, all of it as the Prophet (peace and blessings be upon him) is reported to have said: "...If I ordain you not to do something, you must quit it completely..."

A group of Muslim scholars argue that the prohibition of buying stocks of this third category of companies (that actually make the overwhelming majority of companies listed in the stock market) would create difficulty and hardship or small investors who have no other outlet to use their saving. The Shari'ah rule is: whenever a hardship applies to a large number of people, there must be a relaxation of the prohibition. Consequently, this group of scholars argues that investment in these shares in such companies may be tolerable provided that a prohibited activity of their management does not make a large percentage of total activities of the company. And they went on to define the percentage of such activity that warrants tolerability.

Generally speaking, these criteria include that: interest income from interest and other prohibited activity should not make more than 5 % of the next profit of the company. The interest loans in the company should not make more than 30 % of the company's total resources. The main line of the business of the company is not prohibited in itself (this include conventional banks, companies that produce weapons as weapons are normally used for aggression in today's world, and the interest generating assets of the company do not make more than one third of the total assets.

You can also read:

Trading in Shares and Stocks

Allah Almighty knows best.

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Name Saima -

### **3. Question**

Is Zakah levied on rent if it is the only source of income? I am the elder one due to my parent's death. I have to look after my home. We are two sisters only and I receive rent to meet necessities of daily life. We got two flats in inheritance, one is for me in which we are living and another is for my sister which is on rent. I pay Zakah on another things but not on rent. The rent I receive is fully utilized not saved. It covers our expenses hardly. Now, should I pay Zakah on it ? I shall be thankful if you solve my problems.

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Rent received is not subject to Zakah if it is actually utilized for living expenses of the owner. It is only the amount that is left after the spending on the family that is subject to Zakah if it reaches a nisab (# US 1000).

If this extra amount accumulates to a nisab during the lunar year according to the view of Sheikh Yusuf Al-Qaradawi.

Other scholars add another condition: a lunar year must pass on any such extra amount after it reaches nisab unless you already have a nisab and this extra amount of rent is added to that nisab and then at the end of the year Zakah is calculated on the balance you have then.

You can also read:

Zakah on Rental Property

Allah Almighty knows best.

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Name Sayyed - Egypt

#### **4. Question**

Five people have agreed to hire 20 feddans and to cultivate them with banana. They have agreed that one of them will take the full responsibility of managing the cultivation from A to Z in lieu of one fourth from the net profit, let alone his share which is 1/5. Is this allowed in Islam bearing in mind that there is a Hadith in Al-Bukhari where the Prophet (peace and blessings be upon him) prohibited people of Madinah from cultivating lands in lieu of one fourth or one half and he permitted them to cultivate in lieu of a stated salary. I will be very appreciative if you provide me with the Shari'ah opinion in this regard.

#### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Yes, it is permitted. This is a muzara'ah, which is permissible in most schools of fiqh and in all when it comes to planting trees such as the banana you mentioned.

What is prohibited in muzara'ah is to assign to the manager the production of a specific part of the land, such as saying that the production of this feddan that is located in such a corner is a compensation for the manager. On the other hand, assigning a percentage is permissible.

Allah Almighty knows best.

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Name Said -

#### **5. Question**

As-Salamu `alaykum. I live in a non-Muslim country and the government is supporting my needs which they call social welfare and I don't have any job. Is this money halal or haram? Can it be used to contribute in building a mosque?

#### **Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

The money received as welfare in any country, Muslim or non-Muslim, is permissible in Shari'ah provided you deserve it according to the law. It can be used for personal expenses, giving charity, building a Mosque or any other purpose. The reason is that all governments, Muslims and non-Muslims alike, are permitted to give grant and assistance to people as long as such giving serves the public interest as defined in the society.

In fact, most democratic countries have welfare and taxation systems that are at least approved by the majority of the representatives of their people. This is unfortunately in contrast with many Muslim countries where unjust taxes and favoritism prevail.

You can also read:

Obtaining Social Benefits Illegally

Allah Almighty knows best.

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Name Ali -

### **6. Question**

As-Salamu `alaykum. Is it permissible to use visa card in Islamic Shari'ah? As we know that you get the same loan which is Riba, and like people living in the Western countries buying houses by mortgage, is this permissible? As some scholar says it is permissible if you live in a Western country and you cannot build your own house or rather it is too expensive. I know Islamic Shari'ah applies every where whether in non-Muslim countries or Islamic countries. Please give evidence according to Qur'an and Hadith.

### **Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Credit cards are permissible to use provided that you do not allow them generate any interest that you have to pay, while issuing credit with a condition of interest is not permitted.

In other words, Islamic banks are not permitted to issue credit cards with interest provisions in them.

The difference in location may sometimes affect the Shariah ruling because of the different conditions you live under. There are many published fatwas on Islamonline which you can read regarding the last point such as:

You can also read:

Islamic Ruling on Mortgage

"Necessity" that Allows Buying a House on Mortgage

Allah Almighty knows best.

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Name Emad -

### **y. Question**

I am a married person living in the UK with limited access to the housing market. I have read many fatwas on the subject of mortgages in the West and I need a clarification.

1. With regard to halal mortgages advertised in the UK. Most of them don't share the risk. To give an example, if you have paid off 80% of the principle after 20 years and you

fail to make a payments there after the property is sold and 20% are returned first to the lender and the remaining is then given back to your. i.e. If the property fetches only 20% in the auction then after 20 years of payments you get nothing. Are these contracts halal or haram.

2. If the case is I can't afford halal mortgages (due to the fact that there payments are some what higher and the initial deposit is fairly steep 17% is the minimum). According to some fatwas it is halal to use conventional mortgage. However most of these fatwas list – darurah or necessity as pivotal reason for allowing this. The question is: a- What defines darurah? I can always rent (but if I do, chances are I would never buy). b- If buying is a darurah then what can I buy. Do I buy the bare minimum, or do I plan for the future ( kids, appreciation of property value, location) c- Is any conventional mortgage acceptable. In particular, there is an interest only mortgage available in the UK in which you are only obliged to pay the interest on your loan and the principle is due at the end of the contract in say 25 years. Any payments you make on top of the due interest is taken from the principle and the interest is recalculated at set intervals. This works out to reducing your rent payments by up to half allowing you to buy your property perhaps quicker. Is this halal?

#### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

1. If you promise to make a payment and you fail to fulfill your promise, the other party has the right to charge you for any damage, because of your failure. It is you who is responsible for such damage. This means that if you buy on installment basis and you fail to pay the payment # 25 and the house then is only worth an amount that covers your liability, you certainly lose the entire amount you paid. This is in Shari'ah, in other laws, and also in common sense. Why should any body else share with you the result of your failure. On the other hand, if you go into partnership in buying a house, it is there where sharing may apply provided that you do not cause damage to your partner as a result of your breaking a promise you made.

2. If the available Islamic Financing program is not affordable for you because of the down payment, or it charges rates that are much higher than the market rate, then this kind of financing is considered no available to you although it may be available for those who can afford it.

3. The principle that is applied in the fatwa of mortgage in North America is the removal of hardship that applies to a large number of Muslims. It is not the principle of necessity. This kind of hardship is treated in Shari'ah the same way as necessity. The hardship in the housing issue for Muslims in the west is in the area of finding suitable residence at affordable expenses without losing on the side of security, social status, equity building, etc.

Finally, the (interest only) loan does not allow you to pay off the mortgage any faster than other options.

Allah Almighty knows best.

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Name tarik -

## 7. Question

I have some money and I want to invest in the stock market, bonds and mutual funds. The income for the mutual fund is from 80% investment in public utility companies. What's your opinion?

### Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Investment in bonds is not permitted in Shariah because they are interest-based. As for mutual funds; units have the same rules like stocks.

You can also read:

Trading in Shares and Stocks

Allah Almighty knows best.

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Name Nina - Malaysia

## 8. Question

1. Could you suggest a way according to Islam, how can I save money? For example from monthly income, how many percentage must I spend on food, clothes, saving, charity etc.? Would you recommend investing such as in unit trust/stocks in order to get more money?

2. I save my money in Islamic bank and also an organization specially dealing for hajj which we have in Malaysia. These places credit interests to my money. I understand in conventional banks this money is not permissible for Muslims to take but for these Islamic institutions? Is it permissible to take it? They have automatically deducted Zakat from my account and also invest in permissible companies.

3. Is it true that jewelry that I always wear and money in my savings account(in conventional bank) that I always make transaction with(deposit/withdraw) are not Zakatable? (because of frequent usage)

Thank you very much .May Allah bless your effort Dr.

### Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

1. I cannot tell any rules of how much you save and how to save it. It is your pulse and your discretion.

2. Islamic banks and Tabung Hajji do not give interest although they credit your accounts monthly because they calculate their profit on monthly basis. Those are in sha'Allah halal and permissible in Shari'ah.

3. Jewelry and checking and saving accounts, regardless in which bank should be added together in the calculation on Zakah each lunar year. However, Jewelry that you use normally are not subject of Zakah provided that their value in not much higher than what your peers have. If you are a salaried person, the amount of expenses you expect for the period from the day your Zakah is due and being calculated until the day your next pay cheque comes. The amount should be deducted from your total balances of the checking and saving accounts.

Allah Almighty knows best.

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Name Farooq - Canada

**9. Question**

Just yesterday, I was going over the fatawa regarding the permissibility of working for an insurance company. However, as you may know, there are several different aspects to working in the 'insurance field.'

Currently, I have a friend who is a Director in the Corporate Actuarial Department of RBC Insurance. His current job description includes researching and formulating policy for mergers and acquisitions of companies for the bank he works for [Royal Bank of Canada], and the issue of interest (also referred to as 'Rate of Return on Business investment) is always present.

My question is: 1. Would it be halal for him to work in such a capacity, or would he have to consider getting a different line of work? 2. Also, in the case that this is haram, are there any practical and halal suggestions you have for those who are in the actuarial line of work?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. The use of the a rate of interest business appraisal for the purpose of merger investment, etc. is not forbidden because business appraisal is not a loan between two parties.

What is prohibited is an increment in a loan. Additionally, working in the actuarial field is also permissible unless one indulges in writing or initiating an interest-based loan transactions. On the other hand, if this question belongs to a friend of yours why it did he ask the question? In other words, unless he requested to make this question to IslamOnline and seek a fatwa, it is not of your business to poke your nose in your friend's life. It is not appropriate for any of us to take the seat of judging others and formulating opinions on whether they are doing their things in accordance of Shariah and not.

Allah Almighty knows best.

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Name Fatema - Canada

**10. Question**

I get interest on my money in the bank and I usually give it to the poor, is that allowed?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Yes, any interest you may happen to receive must be given away to Muslim charity, either directly to a poor person or a trustworthy Muslim organization that distributes to the poor.

Allah Almighty knows best.

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Name Ahmed - Canada

**11. Question**

I am an undergraduate student studying in Canada. Mostly, my father supports me but I work part time to help, so I have some savings from before and from my work that amount to about US\$1300, is there any Zakah on me? And if yes, how much is it?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Yes, you are required to pay Zakah at the rate of 2.5 % each lunar year (354 days) Your first lunar year begins at the day you accumulated US 1000, which approximately equals nisab, and the end of each 354 days then after, you are required to pay Zakah at the same rate on the balance you then have as long as it is US 1000 or more.

Allah Almighty knows best.

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Name Youssef - Canada

**12. Question**

I have a student loan and have been paying it back for the last 8 years. Due to limited financial resources, I was paying the minimum monthly payment and recently, I make less than the minimum. Some friends who were in the same situation advised me to file for a bankruptcy, however, I am hesitating to do so.

Instead, I am trying to work out other plans with my financial institution (note that my loan keeps growing due to interests). My question is: Is it permissible to file for bankruptcy in my situation? What is the best option for me?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. I cannot tell you about the best option you may have because we do not give financial advice on this site. I can only tell you the Shari'ah position on your question of bankruptcy.

It is permissible to file for bankruptcy if you are really under financial hardships, i.e. you cannot pay your Zakah on your liability. Whatever the court decides as payment, you should then make and whatever is slashed out of your loan, is permissible to get about it and be relieved of it.

You can also read:

Claiming Bankruptcy: Is It Allowed?

Allah Almighty knows best.

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Name concerned - Canada

**13. Question**

A company that provides performance-based price forecasting and trading strategies to professional traders for a fee wants me to upgrade the software that generates their forecasts. Is this halal?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Yes, it is permissible to give software advice to a company like the company you mentioned whose main line of business is permissible, although it may undertake certain non-permissible activity.

Allah Almighty knows best.

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Name Abdul Rahman - Canada

**14. Question**

I am a new Muslim convert. When I was young, my parents bought me shares in an insurance company. I know the fact this is haram, but I still have not informed my family about my conversion as I am trying to do this gradually. I am still a university student and I am not independent enough to sell them without the consent of my parents. Unfortunately, these stocks are rising and my parents don't agree on me selling them, and in the same time I can't tell them why I want to sell them. What do I do?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

If you are above the age of 18, and you are legally permitted to sell these stocks without the consent of your parents, you should do that. You may use any excuse if you do not want to tell them about your real motive. You are correct; stocks of insurance companies are not permitted to buy and own, not because insurance is prohibited - it is not, but because insurance companies are heavily loaded with interest.

On the other hand, if your parents placed any restrictions on your disposal of these shares, you need to work out a way to convince them to shift these investments to some other companies such as technology companies, etc.

May Allah be with you in this endeavor!

Allah Almighty knows best.

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**Live Fatwa Session, March 24, 2004, MAS.net**

Posted On: Sunday, March 21, 2004

Posted By: dr khalid farooq

**1. Question**

sir. 1.can i give money of sadqa to my parents?let me know where can i give sadqa ctegorically. 2.interest given by my bank is haram or not.? thanks. dr khalid farooq.

**Answer**

Bismillah arahman ilraheem alhamdulillah rub ilalaameen wa alsalaat wa alsalaam ala sayidna Mohammed wa ala aalihi wa sahbihi ajma'een Asalaamu alaikum wa rahmat Allahi wa barakaatu Dear Br. Khalid, 1- Sadaqa as a general charity can be given to anyone, what you give to parents, spouse, children and other kins and neighbors is rewarded as a Sadaqah, even who you eat and wear is also rewarded. There are several authentic correct sayings to this effect. On the other hand, Sadaqah in the specific meaning of giving to charity has to be given to a deserving person or cause. Examples a poor and/or building a mosque. There is an authentic Hadith that indicates that giving a Sadaqah to a rich or astray-gone (a thief or adulterer) person is less favored than giving

it to a deserving person or cause. Additionally, Sadaqah in the meaning of the obligatory Zakah cannot be given to one's parents or any other person for whose living expenses the Zakah payer is responsible according to Shari'ah. Finally, you must remember that you are responsible for all the expenses of your parents, if they are in need, to the level and standard that you and your children live, if not better. 2 - Interest gotten from the bank is Haram. First, you must avoid any contract that generate interest as much as you can. Second, if it happens that interest is credited to you for any reason, the amount of interest must be given away to Muslim charity. You should not leave it to the bank nor take it to yourself. It is treated as money that has no owner that must go to the poor and needy and other causes of general benefit to Muslims. wa Allahu a'lam wa alhamdulillah rub il alameen

Dr. Monzer Kahf

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## **2. Question**

Posted On: Sunday, March 21, 2004

Posted By: a siste

Asalaamu Alaikum My husband and I live in an area in the U.S. rents are very expensive, it is virtually impossible to rent a apt for less than \$1600 per month (we have 2 daughters and 1 son and we are forced to rent three bedrooms) It would be actually less of a financial hardship to buy a home with a mortgage. We have avoided this idea up until recently and our situation is increasingly difficult because of the high cost of living. I have heard some fatwas on the issue of interest on a loan ruling it allowable if it is less expensive than rent and if it is for your only residence and not for investment etc. What is your opinion?

## **Answer**

Bismillah arahman ilraheem alhamdulillah rub ilalaameen wa alsalaat wa alsalaam ala sayidna Mohammed wa ala aalihi wa sahbihi ajma'een Asalaamu alaikum wa rahmat Allahi wa barakaatu Dear Sister, It seems to me from the info given in your question that the Fatwa of the Second International Fiqh Conference held in Detroit 1999 may apply to your case. In essence, this Fatwa argues that if Islamically acceptable contracts for house financing are not available and a Muslim family in the Western countries needs a house for any and all of the considerations of: schooling, living stability and facilities, equity building, tax reduction, appropriate neighborhood, etc., then such families may resort to conventional mortgage. There are several companies in the US now that offer Islamically acceptable contracts, but you need to evaluate their conditions, especially in regard to the percentage of down payment and the rate of rent or mark up they charge, whether you can afford these conditions. If you cannot afford the conditions of these Islamic companies, I suppose you may go for conventional mortgage according to the fatwa. wa Allahu a'lam wa alhamdulillah rub il alameen Dr. Monzer Kahf

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## **3. Question**

Posted On: Sunday, March 21, 2004

Posted By: aseel R

Assalam alaikom. (1) Is it ok to wear open toe shoes (flip flops)when you wear the hijab, like during the summer when it's hot? (2) I am the president of the MSA ( Muslim Student Association) at my highschool. I need some ideas for things to do to help our community and to help those who are loose in Islam to get in touch with Islam.I need something that will be fun and interesting that is within the guidelines of Islam. Thank you, and may Allah bless us all-Ameen.

**Answer**

Bismillah arahman ilraheem alhamdulillah rub ilalaameen wa alsalaat wa alsalaam ala sayidna Mohammed wa ala aalihi wa sahabihi ajma'een Asalaamu alaikum wa rahmat Allahi wa barakaatu Dear Sister Aseel, This is not a financial question, I suggest that you write to the your programs of MAS in regard to activities in schools, I know in our area, Southern California, there are many such activities and programs. For wearing open toe shes, the Hanafi school believes that the feet do not need to be covered, similar to hands. wa Allahu a'lam wa alhamdulillah rub il alameen Dr. Monzer Kahf

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**4. Question**

Posted On: Monday, March 22, 2004

Posted By: Mina

I like to know the rulings about retirement plan and life insurance, halal or haram. In the retirement plan there is increase (interest! or profit!), I like to know what I will do with this increase or interest. Thanks.

**Answer**

Bismillah arahman ilraheem alhamdulillah rub ilalaameen wa alsalaat wa alsalaam ala sayidna Mohammed wa ala aalihi wa sahabihi ajma'een Asalaamu alaikum wa rahmat Allahi wa barakaatu Dear Sister Mina, 1- Retirement plans are permissible, but you must choose funds and investment that are all permissible in Shari'ah (for instance, avoid bonds, stocks of banks and entertainment industry, etc.) if you manage your own retirement plan, or select funds and investment that has the least of the Haram it it is a company plan. Also when you make any withdrawal you need to calculate the percentage of the return (income) that is generated by non permitted posrtions of the funds and the companies you invest in their stocks, and give away to Muslim charity the same percentage of the amount you withdraw. Remember not all the profit/return of such investment is interest or forbidden for other reasons. 2 - Life insurance in controversial. I go along with the opinion that believes it is permissible with one condition: the contract must not have an interest clause. Obviously, this applies to term life insurance and to variable equity life insurance with proper selection of its investment and the giving to Muslim charity as explained above. wa Allahu a'lam wa alhamdulillah rub il alameen Dr. Monzer Kahf

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**Live Fatwa Session, April 21, 2004, MAS.net**

**1. Question**

Posted On: Saturday, April 17, 2004

Posted By: Manisha

What is the reasoning behind two women's testimony being equal to one man's? How is this equality??

**Answer**

Bismi Allah al Rahman al Rahim, al Hamu li Allah Rabbi al 'Alamin, wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala 'Alihi wa Sahabatihi Ajma'in Dear Sr.Manisha Assalamu alaikum wa Rahmatullahi wa Barakatuh, although the general question is not financial, the reference in the Qur'an to this matter came with respect to financial transactions, namely writing a debt document and getting it witnessed. The Qur'an itself gave the reason for having two women in this case: "So that if one of them errs, the other would remind her." Many scholars expanded the applications of this matter. I don't go along with it for the following reasons: 1) There unanimous agreement that one woman alone is accepted in the narration of Hadith and there are many Ahadith that we received through one woman only. such as many of the Ahadith that are reported by 'A'isha and other wives of the prophet and by many other women companions. Here is a witness given by one woman that the Prophet said or did something. This kind of witness is much more important than witnessing on a future debt between two persons because based on such Ahadith we establish the religion itself and its Shari'ah rulings (Ahkam), yet we accept only one woman, be she a companion or from any other generation (or chain) of narrators. Besides the criteria for acceptability of such a witness are the same for men and women, namely, the person must be righteous and having a trustworthy memory. 2) the Qur'an itself, in the case of a husband accusing his wife of adultery and not having any witness, mentions that the husband swears five times that she did it and then to deny that accusation the Qur'an says that she may swear also five times. This obviously means that they are equal in the weight of their testimony. 3) for all cases that there is only one woman or women only as witnesses, would the judge refuse her/their witnesses because there are no men with them, certainly one witness, male or female, has certain weight that influence the judgment when there are no others. This is applied by the Scholars for the issues that takes place between women only whether the nature of these cases are feminine such as giving birth or virginity or they are common in nature such as sale contracts and other transactions. 4) Islam gave women, for the first time in history the right to inherit and to take full unlimited power over what she owns. This includes making all kind of transactions, like selling, buying, giving gifts and grants, lending and borrowing, creating a future debt, etc. would it be sound that she alone can be the contractor of the debts and other transactions but she cannot be a witness? certainly not. 5) Verse 284 that mentions this issue deals with a matter that is only recommended, not required. the whole idea of writing a future debts and having it witnessed by two men or one man and two women is only a suggestion, not an obligation. It is unanimously known that we may create debts without putting them in writing and without getting them witnessed and the last part of the verse refers to this as al Imam al Shafi'i mentioned, We can't take a matter that the base of it is a mere recommendation and generalize it to make it a characteristic of this religion. let us take the characteristic of this religion the fact that one woman witness can tell us what the

Prophet, pbuh, said or the fact that she can along enter in any kind of business contract without approval or even informing her father, husband or any other male. My conclusion is that this Verse came for a special case and the atmost that can be said about it is that it cannot be carried over to other cases, it may have been limited to while travelling in caravans, or when women were not involved in business or any other thing like that. Wa Allah u A'lam, Wa Alhamdu li Allahi Rabbi al 'Alamin Monzer Kahf

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## **2. Question**

Posted On: Monday, April 19, 2004

Posted By: Ahmed

hi, I am planing to buy a house would u tell me please, some Muslim internet web site address to contact( mortgage, realtor, insurance, Bank). tkx

### **Answer**

Bismi Allah al Rahman al Rahim, al Hamu li Allah Rabbi al 'Alamin, wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala 'Alihi wa Sahabatih Ajma'in Dear Br. Ahmed Assalamu alaikum wa Rahmatullahi wa Barakatuh, I think it is better that this site refrain from giving specific names,so we will not be biased to any company. you should search under house financing in the USA. Wa Allah u A'lam, Wa Alhamdu li Allahi Rabbi al 'Alamin Monzer Kahf

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## **3. Question**

Posted On: Monday, April 19, 2004

Posted By: Abdullah

Is is true the mujahideen who are in the current state of making physical jihad do not have to pay zakat? I read a hadeeth in which the Prophet (pbuh) exempted Khalid ibn Al-waleed (ra) from paying the zakat because he was a mujahid in the cause of Allah.

### **Answer**

Bismi Allah al Rahman al Rahim, al Hamu li Allah Rabbi al 'Alamin, wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala 'Alihi wa Sahabatih Ajma'in Dear Br. Abdullah Assalamu alaikum wa Rahmatullahi wa Barakatuh, There is a Hadith that mentioned that Khalid and Al Abbas, the uncle of the Prophet, pbuh, refused to pay the Zakah to theZakah officer, but when the officer came to the Prophet, pbuh, he told him why they refused and it was not because he was a Mujahid. The Prophet told the officer that Khalid, who was asked to pay Zakah on his amours and sowrds, had already made them a Waqf (a trust devoted for a good objective) for Jihad; in other words he does not own them anymore because a Waqf goes out of personal proerty and becomes as if it is owned by Allah, therefore they are not subject to Zakah. As for al Abbas, the Prophet, pbuh, had already taken his Zakah in advance for two year when he needed some money for some expenses of Zakah and there was no funds available. in other words, a Mujahid is not exempt from Zakah but items that are made Waqf for Jihad are exempt. Wa Allah u A'lam, Wa Alhamdu li Allahi Rabbi al 'Alamin Monzer Kahf

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## **4. Question**

Posted On: Tuesday, April 20, 2004

Posted By: Ali

I would like to own a food franchise restaurant, but the menu contains few sandwiches with ham. The restaurant does not sell alcohol. Is it allowed to invest in such business? Thank you.

**Answer**

Bismi Allah al Rahman al Rahim, al Hamu li Allah Rabbi al 'Alamin, wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala 'Alihi wa Sahabatihij Ajma'in Dear Br. Ali Assalamu alaikum wa Rahmatullahi wa Barakatuh, The answer is NO. A Muslim is not permitted to sell any part of the pig for food. In fact the ham that is in a store owned by a Muslim must be destroyed and its price is Haram, cannot even be sold. The Prophet, pbuh, mentioned that one of the causes of the curse God made on some other people before us was that when they were prohibited to consume certain things they sold them and bought food with their price. Wa Allah u A'lam, Wa Alhamdu li Allahi Rabbi al 'Alamin Monzer Kahf

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**5. Question**

Posted On: Wednesday, April 21, 2004

Posted By: Nuha

I have a retirement plan [Keogh] and I am confused since I heard recently from an Imam that it is haram to have such account. Is this true? If yes can you advise me on how to get a retirement plan. thank you

**Answer**

Bismi Allah al Rahman al Rahim, al Hamu li Allah Rabbi al 'Alamin, wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala 'Alihi wa Sahabatihij Ajma'in Dear Sr. Nuha Assalamu alaikum wa Rahmatullahi wa Barakatuh, First, it is permissible to have any form of retirement plan. What is certainly prohibited is to invest the funds of such a plan (and any other funds) in prohibited investment such as interest-based bonds, stocks of companies whose main line of business is forbidden in Shari'ah such as breweries, conventional banks (not the Islamic banks), the entertainment industry, etc. In the Keogh plan, you can manage it yourself, you have to be careful to invest in stocks of companies that are permitted, or deposit the money in a mutual fund that restricts its investment to Islamically permitted stocks such as the Dow Jones Islamic index fund (IMANX), there are several other funds in the USA that limit their investment to permitted stocks. Wa Allah u A'lam, Wa Alhamdu li Allahi Rabbi al 'Alamin Monzer Kahf

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**6. Question**

Posted On: Wednesday, April 21, 2004

Posted By: Bechir

What is the ruling on having a home equity loan here in the U.S?

**Answer**

Bismi Allah al Rahman al Rahim, al Hamu li Allah Rabbi al 'Alamin, wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala 'Alihi wa Sahabatihij Ajma'in Dear Br. Bechir Assalamu alaikum wa Rahmatullahi wa Barakatuh, It is permissible to take home equity financing from Islamic companies that offer refinancing that is compatible with the

Shari'ah. Otherwise, a home equity loan is an interest loan and taking interest loans is Haram in Shari'ah. Of course, in case of necessity certain prohibitions can be relaxed. But you should realize that a necessity has to be true because you deal with God who knows the reality of things. Wa Allah u A'lam, Wa Alhamdu li Allahi Rabbi al 'Alamin  
Monzer Kahf

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**Live Fatwa, Sunday, May 9, 2004, Islam on line**

Name Sami -

**1. Question**

Can I work in a catering factory in which I may have to pack ham pieces for airlines while living in London?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Packing ham for food is part of serving prohibited food, and a Muslim should not serve anything that is considered bad or harmful according to Shari'ah. This means that it is impermissible in Shari'ah to package any kind of food/drink that is prohibited for consumption. There is no doubt that serving harmful food items, whether it makes a full time job or it is part and incidental, is prohibited.

Having said this, I should add here that working in catering is permissible in itself if one can avoid packaging bacon or any prohibited food or drink items.

Allah Almighty knows best.

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Name Nazeer -

**2. Question**

I wish to start a business partnership with two brothers in our community. All capital will be provided by me 100%. I invest the capital, and all of us are working partners. I would like to share profits with my two partners. How can I do this justly? Also, do I carry full liability for losses? Does this affect my partners? Your assistance is appreciated.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. A loss is defined as a decrease in capital. This is both in Shari'ah as well as in accounting standards. Therefore, whoever owns the capital carries the losses. That is why in the kind of contract that you are subjecting, which is mudarabah with owner of capital, working with the mudareb – this is permissible according to the Hanbali school of fiqh-, is permissible but you carry all losses in case that happened.

The distribution of the profit must take into consideration the labor provided by the other mudareb, in this case the other two brothers who are going to work with you. Each one of them should be assigned a share of the profit that must be determined in the contract. For example, partner A would get 15% of the net profit, partner B would get 20 % of the net profit, and you will get 65 % of the net profit, in consideration of both capital and labor you provide.

Allah Almighty knows best.

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Name Abdullah -

**3. Question**

Is it permissible to buy stocks and shares based upon research doing computer charts and following patterns? If I buy and sell stocks using this method and sell on the same day, is it permissible? Some people say this method is 'speculating' on prices, is it speculating? Is it still permissible?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. It is permissible to buy stocks and sell them on daily basis, as usually done by traders as long as you buy and sell stocks that are permissible to be purchased /owned. Day trading is permissible; it was practiced at the time of the Prophet (peace and blessings be upon him) by more than one companions including Abdur-Rahman ibn `Awf and Hakim ibn Hizam.

Obviously, they traded items that existed at their time including live stocks, clothes, and imperishable food stuff.

Allah Almighty knows best.

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Name Sarah, urgent -

**4. Question**

A few weeks ago, I had submitted a question about copying CDs and other such items for the sake of knowledge and in the answer I received it is okay to do so. Yet, my question is, what if one borrows a CD from a friend and then makes a copy? Is that allowed Islamically? Would it be allowed if one is in a tight financial situation or is it allowed in any case? Previously, you said that copy right laws are there to prevent illegal sales, yet if one is borrowing from a friend, are you not indirectly taking away the sales from the producer and would the case be different if you do not have the financial means and so will be missing out on the knowledge?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. All over the world, copy right laws do not forbid personal copying that is not used for making profits or sale. Sale of illegally copied intellectual product is prohibited both in laws and in the Shari'ah. Producers of intellectual products are not concerned with a personal copy you make to use at home. They are concerned about products that are sold in the Market and one should be more legal than the law itself.

Allah Almighty knows best.

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Name Fatima -

**5. Question**

What does Islam say with regard to selling and recommending medications that contain alcohol, e.g., a pharmacist providing medication which contain alcohol ? Is this allowed?

Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. The Prophet (peace and blessing be upon him) is reported to have stated that Allah did not make the cure of this ummah in what He prohibited for them. If Muslims today were scientifically advanced they would have not used alcohol in medicine. Actually, Muslims in the past invented the alcohol even the word itself is derived from an Arabic root but they did not use it in medicine.

Unfortunately, most medicines today are produced by non-Muslims and many of them contain alcohol. That is why when you take a prescription from a physician you should ask whether there is an alternative that does not contain the alcohol, and in case there is no alternative it is permissible to take medicines containing alcohol.

Allah Almighty knows best.

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Name Huda -

#### 6. Question

What shall the newly converted Muslims do with their families, if they have problems with alcohol? Must they leave the family and do not help them by money, because it's haram to help those who can spend it at wine, or must they stay and try to help avoid it as much as they can? And if parents need help by money, but Muslim is not sure that they will not buy wine with it, must Muslim give money? And how in general to be in such situations for new Muslims because we have to remember also that Muslims must be respectful with their parents anyway? Is there any du`a' to read about such parents?

Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister,

A Muslim who is financially able is required to help her/his parents and minor siblings if they are in need regardless of their religion. If you are sure that they will buy prohibited items with your money – this happens only if they have no other income and they only live on these prohibited items – you may not give them money to buy the prohibited item. But if you give them cash for their support, and you know that they will buy food or other thing with it, it is then not of your business to interfere in how they are going to use their money.

If you are supporting them only partially you can support them in kind instead of cash. For example, you may pay their bills of gas, electricity, water, etc. or buy them clothes and main food items.

Allah Almighty knows best.

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Name Sister in Islam - Australia

#### 7. Question

Is spending money on books and Qur'an to be given to Muslims for free (as a form of da'wah, gifts etc...) deemed charity/Zakah? Is Zakah obligatory upon the teenager who works? If this teenager is in a household which is involved in riba interest and so on is the sin on that teenager (who is 18 years old) even though it is the parents who made the decision to invest in property and loans? The teenager is obviously living under the affects of the loan (i.e. is in the house and using it and being in a lifestyle that is supported by the family). This teenager is also a sister.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

1. A person, teenager or adult, is required to pay Zakah only if she has assets/savings of her own that reaches the amount of nisab (# US dollar 1000) and at the end of a lunar year (i.e. after 354 days) she has at least nisab, otherwise if this condition does not apply, Zakah is not obligatory.

2. It is permissible to spend voluntary charity on buying Islamic books and copies of the Qur'an for free distribution to Muslims and non-Muslims.

3. Zakah must be spent only on any of the 8 categories that are mentioned in the Qur'an (9:60). Spending on da'wah in a country like Australia through Islamic organization, may be considered part of the category # 7 mentioned on this verse I have just quoted. Spending on da'wah may also include distribution of free books. Such a suggestion must be done by an Islamic organization.

4. A son or daughter living in the household of their parent are not responsible of what their parents do. If you think that they are doing a wrong thing such as investing in interest-earning assets you may advise them kindly but they are still responsible for your livelihood as long as you are part of the household. The normal customs of Muslims is that a male or a female choice would leave their parents household until marriage; of course there are exceptions such as traveling to study or work in other towns /areas.

5. Not all interest-based decisions are prohibited. You know that taking interest-based loan to buy the primary residence may be permissible if the purchase is needed and there is no Islamic financing available.

You can also read:

Virtues of Spending in the Way of Allah

Allah Almighty knows best.

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Name Hani -

**8. Question**

My questions are as follows: 1. Are there any resources on the internet where I can find information concerning what type of investment products we can invest our money in, i.e. options, derivatives?

2. I have been offered a job as an insurance representative, and I would like to know the Islamic view on Insurance? Can I accept this job offer? Thank you!

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

1. Options are not permitted according to the resolutions of the OIC Fiqh Academy, for more information I suggest that you look at the Fatwa Bank in IslamOnline. There are many fatwas on investment, stocks, ect. You may like also to look at [www.kahf.net](http://www.kahf.net) especially the fatwa section.

2. Insurance is permissible in my opinion, following the views of the late Sheikh Az-Zarqa, provided it does not include interest. Consequently working as insurance representative is permissible provided that you don't sell the kind of life insurance that is interest based.

You can also read:

Trading in Shares and Stocks

Allah Almighty knows best.

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Name Tuba -

### **9. Question**

Thanks for your concern in advance. May Allah forgive us all.

I wonder if there is anything wrong with using credit cards that are available by non-Muslim banks if you can't get one from an Islamic one.

You know some banks give bonus for using these credit cards that you can spend as money to buy things. In our country if you pay for something in cash that offer a good discount and if you pay by credit card they don' offer any discount. Can it be seen as that the bank gives you the discount?

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Using credit cards issued by conventional banks is permissible provided that you always pay within the grace period and do not use the card in any way that invokes the application of the interest clause. Also, getting the discount or rebate given by the card issuer is also permissible because it is a gift for promoting their business.

You can also read:

Is It Allowed to Use Credit Card?

Allah Almighty knows best.

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Name Ibn Nasir - Canada

### **10. Question**

I made Riba and only learnt after that it was haram to earn it. What should I do with the money I made?

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Earned interest must be given to a Muslim charity because it is not your money and you must not return it to the bank that paid it because that gives the bank an opportunity to make more evil transactions. Such money must not be kept with your own proper money.

Allah Almighty knows best.

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Name

**11. Question**

Is a son who is working, eligible to pay in money, for his father's needs, who is also working but with a lower income?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

A son is required to support his parents if they need his support regardless of the income of either of them. In fact, you will be doing better if you make them live at the same standard of yourself.

Allah Almighty knows best.

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Name jafar - Kuwait

**12. Question**

Is working as a web designer halal? The job of the designer includes playing around with living things such as photos of human being, animals etc...

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Photos are permissible because they are imaging, and working as web designer even with animation is also permissible.

You can also read:

Fatwa on Photography

Allah Almighty knows best.

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Name

Ahmad - India

**13. Question**

Being an orphan grandson, my father died before my grandfather. I have 6 uncles (father's brothers) and 3 aunts (father's sisters). My grandfather left a commercial land on his death. Three uncles and two aunts are in favor of applying Shari'ah rules regarding the distribution of the property while the rest uncles and aunts are in the opinion of equal division among ourselves so that I'm not deprived of the share. Kindly guide as to how this issue be resolved. Kindly tell me who is right and who is wrong. Can I get a share at all. If yes, then how much?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

The Islamic inheritance system decreed mainly in the Qur'an is obligatory and any Muslim who does not apply it is sinful and needs to repent to Allah along with applying the Islamic inheritance.

Also, any property taken by any heir above the share of the legal heirs that is decreed by the Shari`ah is haram and completely prohibited. You must advise your uncles and aunts to implement the Shari`ah.

According to the Shari`ah, the estate of your grandfather should be distributed into 17 shares. One share for each of the three aunts, two shares for each of the six uncles and two shares to the children of your deceased father, if you are his only child you take these two shares. This distribution is done under the assumption that your grandfather is not survived by a wife, his children are only ten as you mentioned and in application of the concept of obligatory last will or wasiyyah wajibah to the children of deceased child that is adopted by many contemporary Muslim scholars and included in the Islamic inheritance laws of many countries such as Egypt, Syria, Algeria, Iraq, Jordan. It is not in the hanafi school of Fiqh.

Allah Almighty knows best.

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**Live Fatwa, Sunday, June 20, 2004, Islam on line**

Name sayed -

**1. Question**

Is it permissible to participate in money making pyramids? This involves receiving a £3 payment into one's payable account from thousands of people, after distributing an email list via the internet. It is 100% legal according to UK law, but is it halal, to make money in such a way?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Sayed,

No, it is not permissible. This transaction does not provide any goods or services. What are you giving that will legitimize other people's money be given to you? The Prophet (peace and blessings be upon him) asked a similar question which indicates that you cannot take other people's money without providing a good or a service in exchange. This is a fraudulent exercise although it may be legal under certain man-made laws.

Allah Almighty knows best.

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Name Abdullah - Pakistan

**2. Question**

There are some development schemes in Pakistan working on co-operative bases: for example, if the people of the village give 30% of the development funds for the construction of sewerages system or roads then government will give you and participate in it with 70% of the remaining. Could you please tell me if we can give our interest of insurance policy for such schemes?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Interest money can be given to charity as well as to any service/project that benefit the general public. It is not considered sadaqah from the Shari`ah point of view. Consequently, if providing 30 percent of the cost of a public service project is not done on loan/interest basis, interest money may be given to this kind of project regardless of whether they relate to sewage, road, or water supply. The only reservation is that Mosques and free distribution of copies of the Qur'an should be purified from this kind of unclean money.

I happened to be a believer in the permissibility of insurance, be it commercial or cooperative in following the opinion of the late Sheikh Mustafa Al Zarqa (died 1999). I therefore argued that payment from insurance company to beneficiary, whether in hazard or incidents or in non-interest based life insurance, are halal or permissible. Certainly, one can donate to the projects of public services from one's own money whether it came from an insurance policy or otherwise.

Allah Almighty knows best.

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Name tshadi - United States

### **3. Question**

Is it forbidden to work in a place where pork is served?

Thank you.

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

The answer is yes and no. Yes, it is forbidden to work in serving pork and its component to any person, Muslims or non-Muslims, because pork is defined as unclean in our religion and a Muslim may not serve, as food, unclean things for any person.

But if a Muslim works in a place, like supermarket or a restaurant, where pork and pork product are served/sold whereby the job of a Muslim does not include handling such items, this is permissible and that the compensation /salary, the Muslim gets for this work is halal, in sha' Allah.

Allah Almighty knows best.

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Name Muslim -

### **4. Question**

Dear scholar, As-salamu `alaykum.

I know that Zakah on money is based on the lunar year. However, can I calculate my Zakah on money according to another calendar? For example, can I pay my Zakah on the 1st of Jan. each year?

### **Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

The calculation and payment of Zakah is supposed to be convenient to the payer, that is why the Prophet (peace and blessings be upon him) ordered the Zakah on livestock be

collected at a convenient time for their owner, e.g. when the livestock is taken for pasture and drinking fountains.

Accordingly, the International Organization of the Contemporary Fiqh of Zakah studied the issue of the lunar calendar and resolved that since many Muslim companies and individuals prepare their balance sheets on a solar calendar, it is permissible to calculate the Zakah on a solar calendar provided that the adjustment of the difference in the number of days is taken up to the Zakah rates.

Consequently, when you calculate the Zakah according to the solar calendar, you need to add 11/354 to the Zakah rates that will then become 2.577 %. This is in order to avoid the cost and difficulty of putting another balance sheet and closing accounts.

Allah Almighty knows best.

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Name Moslem -

### **5. Question**

Dear scholar. I would like to know if it is allowed to take a loan with interests to pay for one's education if one is living in a non-moslem country. Since Riba is considered haram, are there different rulings regarding this condition? And if there are some modifications in general, would you please tell me which? Thank you very much.

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

We all know that Riba is prohibited and interest is the most common form of Riba.

Under conditions of necessity, a prohibition may be relaxed. Taking interest-based loans to finance university and higher education does not represent, under normal circumstances, a necessity because of the availability of other sources of financing including parttime work. There is no necessity that a Muslim who does not have sufficient means should be a fulltime student in higher education. In addition, the observed fact that a university degree is not a prerequisite for success in earning one's livelihood.

I also recognize that there are cases where a loan may become necessary for completing certain educational commitments that have already started; such circumstances may on a case-by-case basis be included under a necessity that may relax a prohibition.

Allah Almighty knows best.

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Name Muhanad -

### **6. Question**

Dear Dr. Monzer, As-Salamu `alykum.

As far as I know, the nisab for Zakah on money is 85 grams of gold or 595 grams of silver; but the question is whether you should follow the nisab of gold or silver to give your Zakah on money, and which is better for the poor/the owner of the money?

### **Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

The nisab of Zakah on money and trade inventories is determined in our time in accordance to the price of the golden twenty dinar (= 85 grams). This is the almost agreed upon fatwa because the price of silver deteriorated to a level that makes it trivial and unrepresentative of richness. You know Zakah is due on the rich!!  
Allah Almighty knows best.

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Name Reef - United Kingdom

### **7. Question**

Recently, my father died and left a wife and 5 brothers one being half from our father. I have sorted the inheritance in terms of money and land and allocated to our half brother the same share according to Islamic law. However, I decided that our half brother does not have a share in the house. This house is shared between my brothers and our mother. I based my view on the following: the house was bought 30 years ago at a cost of 3 units. Over time my mother and I spent over 20 units on refurbishing it. During this time, our half brother moved out having been married and never contributed to the maintenance or repair of the house. I'm left to pay for my younger brother's marriage. There is no instance where our half brother made any contributions whatever to my younger brothers or even our father's funeral.

Am I right to assume that according to the basis of Islamic law he has no share in the house? Many thanks.

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

The answer is no; you are not right.

Any money you spent on the family house is considered a donation from you and contribution from your mother in the family expenses as long as you did not have an agreement with your father that by these spending you are either giving him a loan or buying a share of his property. In the Qur'an, a consensual giving from a wife to her husband is recognized as a gift or donation and it is good and pure for the husband to accept it.

Upon the death of your father, his estate should be distributed as one-eighth to your mother, and the rest equally divided between his five sons. Whatever you are going to pay for the wedding of your younger brother is your prerogative, you are not obligated to do that and if your half brother decides to contribute, it is well and good, and it is equally well and good if he decides not to contribute.

Payment for your father's funeral can be deducted from his estate before distribution, which means the share of your half brother in the cost of funeral can be charged to his share in the estate including the house you live in.

Allah Almighty knows best.

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Name Nasir - New Zealand (Aotearoa)

### **8. Question**

As-Salamu `Alaykum. I would like to study, but I couldn't afford the fees and the only option I got is to seek student loan - implies that I will not be charged any interest till I

am offered a fulltime position, and payment is above the minimum threshold. Brother, what is shari'ah's position on this matter?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Please refer to the other question we just answered about student loan.

Allah Almighty knows best.

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Name Talat -

**9. Question**

As-Salamu `alaykum. Is coloring hair black or anyother color haram or not?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

This session is dedicated to questions about Islamic finance and economy; please re-submit your question in the General Fatwa Session on Wednesday.

You can also read:

Dyeing the Hair: What Is Permitted & What Is Not

Allah Almighty knows best.

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**Live Fatwa Session, June 22, 2004, MAS.net**

**1. Question**

Posted On: Friday, June 18, 2004

Posted By: Shehrish

Asalam-o-Alaikum, My question pertains to Salah or the obligatory prayers. How must a muslim deal with a relative who does not pray or only prays occasionally? Is it permissible to marry such a person, inherit from her/him, or engage in other business transactions? Does he/she enjoy the rights which are of a muslim brother or sister? Please quote from the Qur'an and Hadith and if there are multiple opinions please state which school of thought states what and which opinion is the strongest. Jizakum Allahu Khairan

**Answer**

My Answer: Bismi Allah al Rahman al Rahim Al Hamdu li Allah Rabb al 'Alamin wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in Dear Br./Sr. Assalamu Alaykum wa Rahmatullahi wa Barakatuh. I can only answer from the financial point of view, which is my area. If a person does not perform the obligatory prayers with an attitude of denial of their obligation, then this person is not Muslim and a Muslim man may not marry her, nor a Muslim woman may marry such a man. Additionally such a person must not be allowed to inherit a Muslim whether inheritance is regulated by laws derived from Shari'ah as it is the case of most Muslim countries or is determined by a Muslim through a last will or a living trust arrangement as we could do

when we live under non-Muslim laws. The reason is that denial of the obligation of payers is denial of a basic tenet of Islam as it is well established in the Qur'an and the Sunnah that regular 5 times prayers a day are obligatory on each adult sane Muslim. The Prophet, pbuh, emphasized that prayer is the pillar of this religion without which it falls apart. On the other hand, if a Muslim does not pray regularly or continuously without denying the obligation, but only out of laziness/weaknesses and lack of care and interest, such a person can't be considered a non-Muslim according to the three schools although he/she is committing a grave sin of disobedience to God and such a person can't be deprived from her/his share of inheritance. In marriage, the advice of the Prophet, pbuh, and the companions has always been to marry a person who has Taqwa (Fear of displeasing God based on Loving Him so much that you become very keen to please Him). Of course, from a Da'wa point of view, you must kindly and politely do your best to advise/convince such a person to perform her/his prayers. Wa Allahu A'lam Wa Alhamdu li Allah Rabbi al 'Alamin Wassalam Sincerely,  
Dr. Monzer Kahf

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## **2. Question**

Posted On: Friday, June 18, 2004

Posted By: Abderahman

I opened a banquet hall last month in Chicago, It's almost the 1st for Muslim, but we have too many non Muslim who want to use it for their parties, Alhamdulillah I don't have a bar or sell alcohol, but the people want to bring their own in, I will provide them only with food and the place .is it permissible to let them bring their own alcoholic drinks into my banquet hall I wish I don't let them do that but the business with Muslims doesn't cover my expenses. Can I do it for certain time until I will have more business with Muslims? There is another issue which is we are the only Muslim banquet hall, if we are closed, the Muslim community will have their parties in non Muslim banquet hall!! Thank you

## **Answer**

My Answer: Bismi Allah al Rahman al Rahim Al Hamdu li Allah Rabb al 'Alamin wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in Dear Br. Abderahman Assalamu Alaykum wa Rahmatullahi wa Barakatuh. If you manage the party for non-Muslims you can't permit them to bring alcohol, it is your responsibility then that you do not serve alcohol in a party you manage. The issue of whether the Muslim community may or may not have a banquet hall owned by a Muslim is immaterial and does not influence the Shari'ah ruling. If the contract with non-Muslims who make the party is to rent the hall and its equipments from you and they manage their party on their own and the contract is silent on the issue of alcohol, and they decide to bring and serve it, it becomes their own business, it is permissible to rent them the facility, although it is certainly not the best thing to do because you know that they will do things, including serving alcohol, that are not permissible on your rented premises but it is not forbidden as long as the renting is essentially for permissible activity like a wedding between a man and a woman. On the other hand, it is Haram to

rent it to homosexual wedding or for a bachelor's party. Wa Allahu A'lam Wa Alhamdu li Allah Rabbi al 'Alamin Wassalam Sincerely,  
Dr. Monzer Kahf

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**3. Question**

Posted On: Tuesday, June 22, 2004

Posted By: Ali

My employer don't offer retirement plans. I would like to have a keogg account thru my bank. What is the islamic stance on that?

**Answer**

My Answer: Bismi Allah al Rahman al Rahim Al Hamdu li Allah Rabb al 'Alamin wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in Dear Br. Ali Assalamu Alaykum wa Rahmatullahi wa Barakatuh. It is permissible provided you do not invest the funds in the account on interest basis. There are several Islamically compatible funds where you can invest your personal retirement plan. Interest is prohibited under all banners and names. Wa Allahu A'lam Wa Alhamdu li Allah Rabbi al 'Alamin Wassalam Sincerely,  
Dr. Monzer Kahf

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**4. Question**

Posted On: Tuesday, June 22, 2004

Posted By: Mouna

Is it allowed to buy a house with a mortgage?

**Answer**

My Answer: Bismi Allah al Rahman al Rahim Al Hamdu li Allah Rabb al 'Alamin wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in Dear Sr. Mouna Assalamu Alaykum wa Rahmatullahi wa Barakatuh. The answer is NO. You know that interest in the most common form of Riba; and Riba is prohibited with the strongest terms ever in both the Qur'an and the Sunnah. Of course there are cases of necessities in which such a prohibition may be relaxed. Circumstances where a Muslim family in North America needs a suitable house for may reasons that include schooling, neighborhood decency, saving on rent and taxes, etc. such circumstances are checked on a case by case basis and the person involved is the only one who knows best her/his necessities and can assess them knowing that God is the Most knower Who can't be given wrong assessments! Wa Allahu A'lam Wa Alhamdu li Allah Rabbi al 'Alamin Wassalam Sincerely,  
Dr. Monzer Kahf

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**5. Question**

Posted On: Tuesday, June 22, 2004

Posted By: Nuha

Can you explain what is the difference between the Islamic banking system and the non-Islamic one?

**Answer**

My Answer: Bismi Allah al Rahman al Rahim Al Hamdu li Allah Rabb al 'Alamin wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in Dear Sr. Nuha Assalamu Alaykum wa Rahmatullahi wa Barakatuh. Essentially, while both provide financing on the basis of getting return, conventional banks provide it on the basis of interest-based lending,; they get the largest chunk of their resources on the same basis as interest earning loans to the bank (called deposits). On the other hand Islamic banks provide financing on the basis of either deferred payment sale, leasing or capital sharing; they get the bulk of their resources from profit/loss sharing deposits. The difference is not in the fact that they both earn from financing. In fact, this is the similarity that the Qur'an did not deny when the Unbelievers of Makkah mentioned it (2: 279). many people wrongly think that Islamic financing must be either free or only on the basis of sharing capital. Wa Allahu A'lam Wa Alhamdu li Allah Rabbi al 'Alamin Wassalam Sincerely,  
Dr. Monzer Kahf

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**6. Question**

Posted On: Tuesday, June 22, 2004 12:06 PM

Posted By: Nizar

I have a question regarding Zakat. Is there any Zakat to be paid on salary and how should I calculate it? I am an employee in an IT corporation. Thank you

**Answer**

My Answer: Bismi Allah al Rahman al Rahim Al Hamdu li Allah Rabb al 'Alamin wa al Salatu wa al Salamu 'ala Sayyidina Muhammad wa 'Ala 'Alihi wa Ashabihi Ajma'in Dear Br. Nizar Assalamu Alaykum wa Rahmatullahi wa Barakatuh. Zakah is on the rich and to be given to the poor and the Prophet, pbuh, said it repeatedly when he just put it in a nutshell. He and we know that there are details. If your salary makes you rich then there is Zakah on it! This means if you save from it an amount that over a lunar year equals the amount of Nisab (the criterion for Zakatability in Sharia'h that approximately equals US\$ 1000) then you have to pay Zakah on these savings. To calculate it, suppose we start the lunar year one with zero savings and you save from your salary \$100 every two weeks, at the end of year your Zakah becomes  $100 \times 26 \times 2.5\% = 65$ . Your second year begins with 2535 and you add your savings for the new period  $100 \times 25$  (because once we had 26 two weeks in the first lunar year the second lunar [year = 354 days] will have only 25 two weeks; the total becomes 5035 and the Zakah due for the second year is  $2.5\% \times 5035$ , and so on. Of course if you decide in the third year to go for Hajj using some of your savings you deduct what you actually spent for Hajj from the total savings. Obviously, you will reach the same conclusion if you look at your balance in the bank at the end of each lunar year and multiply that balance by the 2.5% rate of Zakah. Wa Allahu A'lam Wa Alhamdu li Allah Rabbi al 'Alamin Wassalam Sincerely, Dr. Monzer Kahf

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**Live Fatwa, Sunday, Dec 7, 2003 Islam on line**

Name Muhammad -

**1. Question**

Kindly guide me whether purchasing the goods on installments is right or wrong? Normally, we have to pay more than the original price while taking the goods on installment and the seller terms it as "rent". Your reply shall definitely help me. Thanks in advance.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. There are two distinct contracts, one is installment sale and the other is rent with option to buy. It seems the seller is confusing you about these two contracts.

Installment sale is permissible in the Shari'ah even if the price (the total amount of all installment) is higher than what the seller usually announces as the cash price whether the difference is expressed percentage wise (cash price + certain percentage) or a given amount added above the cash price.

It is, however, not permitted in the Shari'ah to make the contract optional with two prices: cash and installment, i.e. I sell you this commodity for either a 1000 cash or 1200 on e.g. installment.

The second contract is also permissible as long as the sale at the end of rental period is optional or at least the sale contract is concluded at the end of the rental period. The example of this contract is as follows: you rent a TV for 25 a month and you have the option to buy it after 6 months for an amount that is less than today's cash price by \$ 100 (the amount of rent paid) or more or less.

Allah Almighty knows best.

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Name Hatem - United States

**2. Question**

How can you consider credit card halal while the contract is 100% Riba? Even if you are not going to pay the interest, you have signed that you might pay it. Thus, the contract is Riba-based. What is the evidence that makes this halal?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Hatem,

The contract is not Riba-based as you think. It is in fact optional. It gives you the option to either go a ribawi way or a non-ribawi way. Is it wrong to have a contract to drink either water or alcohol? Or to eat either fish or ham?

Accepting such a contract on the part of the person who is given the option is permissible provided she/he is sure that a choice that he or she will choose the halal option only; obviously provided he or she has the ability to implement this choice.

It is certainly not permitted for a Muslim or a Muslim institution (e.g. Islamic banks) to issue a contract that contains this option, but remember we are only talking about credit cards issued by non-Muslim institution, for them Riba is a normal practice.

Allah Almighty knows best.

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Name Idrees Ahmad - Albania

### 3. Question

What is the punishment of not giving Zakah? Is there any other way that you can substitute Zakah. I mean if you give a lot of Sadaqah or feed poor people? Does it compensate you for not giving Zakah?

#### Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

1. There are two kinds of punishment for not giving Zakah. If you live under an Islamic Law, the Prophet (peace and blessings be upon him) said that for a person who does not pay Zakah, we shall take it from him (by the force of law) along with one half of his property (as a fine).

The second punishment is in the Hereafter. The Prophet (peace and blessings be upon him) said that he who does not pay Zakah will have his zakatable property (sheep, cows, camels, gold and silver etc.) stampeding him or closing in on his neck (for gold and silver) in the fire of Hell. Obviously, if the Islamic Law is not implemented, Allah will make judgment on such a violation of a basic Islamic pillar.

2. Zakah must be paid to its recipient with the intention of being a Zakah payment, because Zakah is a worship like prayers. If someone makes all the movement and reading of the prayer without the intention, would that be considered a prayer fulfilling the required obligation?

Certainly not; the same applies to Zakah. If Zakah for a given year is not paid, it remains a debt on the property payer and she/he remains under the obligation of paying that overdue amount, it can even be out of his/her estate after death, because it is the right of the poor and needy.

Paying sadaqah or charity does not compensate for the lack of payment of Zakah. However, when you pay a sadaqah to a person who deserves Zakah, you may make the intention that this payment is in fulfillment of your obligatory Zakah for the current year or for past year.

At the end of the current year, you may add all these payments intended as Zakah and deduct their total from the amount due on you as Zakah.

Allah Almighty knows best.

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Name muslim -

### 4. Question

Is there any Hadith, "La Riba Bayna Al-Harbi Wal Muslim" (there is no interest between Muslims and non-Muslim)?

#### Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

No, there is no correct Hadith about permissibility of Riba between Muslims and non-Muslims in non-Muslim countries.

Allah Almighty knows best.

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Name Hammad - Canada

Profession

**5. Question**

How should Muslims living in Canada/US buy a house since buying a house means paying interest?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Muslims in the US and Canada are required to establish financial institutions that provide them with financing for housing and other needs in ways that are compatible with the Shari'ah.

This is a collective obligation on all Muslims. It is especially addressed to those who are capable among them. Unless this collective is discharged of, all capable Muslims are considered sinful according to our religion.

Until that obligation is fulfilled, individual Muslim families who need housing may resort to interest-based financing provided that they are not able to obtain financing from conventional financial companies/banks on the basis of contracts that are compatible with the Shari'ah.

Allah Almighty knows best.

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Name muslim -

**6. Question**

Have you seen the non-interest loan to buy house in Canada by a housing society? It seems that they are exploiting the needy and charging more than the conventional banks. Are there terms and conditions are Islamic?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

No, I have not seen this contract, and I do not know this "housing society" in Canada.

I am familiar with the Islamic Housing Cooperative of Canada and I know that their contract is compatible with the Shari'ah. Compared with conventional banks, their charges are higher. However, this overcharge does not go to any private bodies because the Islamic Housing Cooperative is a non-Profit organization. It seems that we need several Islamic Housing Cooperatives and Profit-making private Islamic financing companies in order to have more competition among them so that their charges come down to normal.

Allah Almighty knows best.

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Name muslim -

**7. Question**

If a person has a valid reason to buy a house on interest-based loan but he choose not to take a loan and suffer hardship. Will he/she be awarded for this from Allah?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

To the best of my knowledge, the Shari'ah and the whole religion of Islam has been sent down by Allah to remove suffering and hardship, not to make Muslims suffer and live under hardships.

I am not aware of a reward for undertaking unnecessary hardship in this religion. No doubt, Allah knows best our intentions and He may reward whoever He chooses.

Allah Almighty knows best.

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Name muslim -

### **8. Question**

What is the difference on interest ruling in Darul-Kufar, Darul-Harb and Darul-Islam?

#### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

The basic difference is that Islamic Law is presumed to be in application in Muslim countries whereas it is not presumed to be in application in non-Muslim countries.

Allah Almighty knows best.

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Name sumaiya - Canada

### **9. Question**

I heard that credit cards are a form of Riba. Is there any harm in using them?

#### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Using credit card is not permissible in the Shari'ah if you know you are not going to pay all a balance within a grace period, because any delay in payment provokes the interest clause in the credit card contract.

Allah Almighty knows best.

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Name Khalid -

### **10. Question**

I read your fatwa on life insurance, and also that of great Sheikh Zarqa, may Allah bless your soul. However, the point that is not clarified is that even if you have a contract that does not entail Riba, the idea of insurance itself is Riba: you give money and receive a specified amount of money. I read the fatwa of Majma' Al Fiqh Al-Islami on this and it says at the end : "the only person who holds a different opinion on insurance, is Sheikh Zaraqa and it is left for him to reconsider it.

Is it a good idea to follow the opinion of one or two or 5 scholars while the most scholars in the Muslim world hold a different opinion, with my due respect to all of them.

#### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

You are correct that those who accept the fatwa of the late sheikh Zarqa are a minority among classical Muslim fuqaha', but the fatwa is gaining round in the circles of fuqaha'

who understand the complexity of modern life. It is so to the extent that certain kinds of insurance, especially car insurance, is becoming a necessity in all Muslim countries and many of them made it compulsory.

The argument that insurance is itself Riba is incorrect because premium are paid for security (comfort of mind) like the classical contract of road safety (it is a known contract in the Shari'ah) that you take this road and I guarantee your personal and property safety).

On the other hand, the amount paid by the insurer is a compensation for damage, loss, or as a result of a future incidents. The exchange is not between a premium now and a large sum later, except for one form life insurance that guarantees you a given amount after a given number of years. This contract is not permissible according to Sheikh Zarka. The final acceptance or non-acceptance of this opinion remains within your heart. As far as I am concerned, I accept it and preach it. I know that insurance is one of the basic relationships in contemporary life, not because of the capitalist or secularist system, but because of basic material and social modes of contemporary life especially in metropolitan areas.

Allah Almighty knows best.

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Name kamal -

### **11. Question**

I understand that you said that option trading on stocks are haram. If this is correct, why? Can I get more information on this matter? I can read Arabic well if you have anything in Arabic about this. Please advise.

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

The basic argument against options in the Shari'ah is that of their artificiality. Here is a contract that is fabricated only for the purpose of creating a market for it. There is nothing real about it. It is a derivative.

Kindly refer to the review of Islamic Fiqh Academy of the OIC, number 7, year 1412 (1992). There you will find the discussion on this issue and the resolution of the OIC fiqh academy. You can order this majjala from the OIC Fiqh Academy office in Jeddah, tel: Jeddah 6671664.

Allah Almighty knows best.

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Name Sayful - United Kingdom

### **12. Question**

A while ago, before I knew much about Islam and my duties, I arranged a loan for a car I needed. I did not realize that loans were haram, I am still paying off the monthly payments now for the loan and still have the car. Is it wrong that I still have the car now that I realize. Should I try to sell it (if so, what should I do with the money?) Will my prayers be answered considering what I have done in the meantime?

Thank you so much for a magnificent service you offer, may Allah be pleased with you all.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

If you need the car, you do not have to sell it, but you still have to honor your interest-based contract that you wrongly entered into. At the same time, you should try to get rid of this prohibited contract as soon as you can by making extra payment out of principle or by substituting your car with a smaller or cheaper one.

Allah Almighty knows best.

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**Live Session Oct. 15, 2003**

Guest Name: Monzer Kahf

Islamic Finance Fatwa Session.

Name: Brother

**1. Question:**

Asalamu Alikum, I work for a company whose payroll checks are withdrawn from a bank. They receive interest from the money they have in the bank. This is standard for nearly every company in America. My job is halal, I am a computer programmer. Is the money I am making halal? Should I try to find work from an employer whose money from payroll is not withdrawn from an interest bearing account. This would be a difficult task. Jazak Allah Khair May Allah Reward You

**Answer:**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum Dear Brother/Sister: Your salary is completely Halal in sha Allah. The fact that companies earn interest on its account with the bank does not affect your job or the compensation you take for it as long as what you do is permissible in accordance to Shariah. Allah knows best. All praise is due to Allah.

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Name: Muhammad

**2. Question:**

I am still confused about getting SBA loans in the U.S. Are they allowed or not? I want to start a small business and that's the only way for me to do it.

**Answer:**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum Dear Muhammed: Any interest based loan is not permitted in Shariah whether for small businesses or other objectives. The rules of exception apply to necessities and needs that affect a large number of people. It is not correct to claim that there is no other ways of financing small businesses. Such a claim indicates that you did not spend sufficient efforts in searching for better financing means/sources Allah knows best. All praise is due to Allah.

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Name: Nabeal

### **3. Question:**

Asalamu Alikum, A friend of mine and I were walking into The Home Depot. At the door a gentleman was there and asked us to if we wanted to purchase a Home Depot gift card. We did not feel comfortable with his demeanor so we simply walked by him. He followed and insisted that he needed the money. When asked why he was selling the card he told us that he received it as a gift but has no use for it at Home Depot but he really needs the money. I was still uncertain so I went into the store with the gentleman and verified the card. There was 180.00 on the card. The employee verified the amount for me and that I could use it if were sold to me. I purchased the card for 80.00. When we were leaving the store a security guard approached us and informed us of a crook who was selling stolen home depot credit cards. It was the same gentleman we purchased the gift card from. I asked if I would lose my 80.00. The security guard asked to see my card. He RETURNED it to me and said this was a GIFT card not a CREDIT card and can not prove the true source via the computer so it's my lucky day. He did inform me that the gentleman stole a faucet, returned it without a receipt and aquired the gift card. My questions is: Is the 180.00 dollars halal for me to use? If not, is at least the 80.00, and return to home depot the 100.00? Jazak Allah Khair May Allah reward you

#### **Answer:**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Aslamu alikum Dear Nabeel: Stolen property remains in the ownership of its true owner. Any hand on them must return them to the true owner. In your case, the gift card was not stolen; rather it was given legitimately (though through deception in exchange for the stolen faucet) by the proper issuing party (Home Depot's return counter). The \$80 you paid is certainly yours and you deserve it, but it should be paid back to you by the person who sold you the card. However, since the only thing you can resort to is the card itself, you deserve the \$80 out of it and you must return the rest or at least destroy the card after using \$80 of it especially that you purchase of the card was after consulting the appropriate desk in Home Depot. Allah knows best. All praise is due to Allah.

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Name: Ali

### **4. Question:**

I am in the export business, what is the Islamic stance on Letter of Credit?

#### **Answer:**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Aslamu alikum Dear Ali: Letters of credit for export is permissible because to you it is only a guarantee by your domestic bank for the price of the merchandise you are delivering in export. It normally does not charge you any interest because you are the beneficiary of the LC and if there is any interest accruing to you; it must be given away to Muslim charities. Commission charge on LC's are permitted in Shariah. When an importer opens a LC, s/he must be careful that the transaction does not involve any interests. This may require full coverage of the LC unless the bank grants interest free facility to the importer Islamic banks deal in LCs without interest. Allah knows best. All praise is due to Allah.

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Name: Brother

**5. Question:**

Salamu Alikum, Are you familiar with the Flex Spending program that some employer offer? It's a program in conjunction with the IRS. Every paycheck, pre-tax dollars are taken out of your compensation. This money is then put into a reserve for you to use a later date time for medical purposes not covered under normal insurance. The company will also match the amount you've withdrawn from your check 50% up to 300.00. So, if I took out 200, the company would give me 100. I'd have a total of 300. Is this a halal for me to participate in? I don't know how the additional 100.00 is acquired but it may be through haram ways (namely interest). Jazak Allah Khair.

**Answer:**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum Dear Brother/Sister: The assumption that you doubtfully made that companies contribution may be interest is baseless. The company pays the matching fund from its revenue regardless of wherever it comes from. This matching amount is a fringe benefit that is added to the nominal salary of the employee as part of the package of compensation for the work an employee does. It is like any other component of this package that is permissible (Halal) provided that the work you do is itself permissible. Allah knows best. All praise is due to Allah.

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Name: Brother

**6. Question:**

Salamu Alikum, My family has a business of providing statelitte dish service and wedding cards? Is the money we make from such services halal. There are many evils that come out of the TV and the bid'ah and haram that occur at weddings. Shukran

**Answer:**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum Dear Brother/Sister: Producing and Selling TVs, Satellite dishes, wedding cards and similar items like kitchen knives are all permissible. All these can be used for good and beneficial objectives and they can be put to immoral or criminal uses. The abusers of these means are responsible for their actions not the sellers of cards, knives, TVs and dishes. Allah knows best. All praise is due to Allah.

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Name: Nuha

**7. Question:**

What is the Islamic approach on stock options?

**Answer:**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum Dear Nuha: The OIC's Fiqh academy studied the issue of options in its 1412 AH (1992) annual meeting. It resolved that stock and commodity options are not permissible in Shariah because:

although they represent a financial right, but this right is not eligible for trading in Shariah. In other words this means that it is a fabricated right, not a real one, that is created only for the purpose of trading. Allah knows best. All praise is due to Allah.

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Name: Lobna

**8. Question:**

My employer offers 401k program to full time employees. I was planning to apply for that benefit but one sister working with me told me that it is not allowed Islamically to have a 401k account. Can you advise me on this matter?

**Answer:**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum Dear Lubna: Participating in 401 k plans is permissible. It is in fact a very useful plan and a good fringe benefit for employees. There is however a little problem with it because you are only given a limited choice of stocks and mutual funds to invest your 401 k money in. You need to do two things: Firstly, you need to choose stocks and mutual funds that have the least of prohibited transactions in them i.e. avoiding stocks of banks and companies whose main business is not permitted in Shariah such as producers of weapons of mass destructions that is used by the US government's army to kill hundreds of thousands of people around the world especially in Afghanistan and Iraq. Secondly, when you liquidate your 401 K you should estimate the percentage of the return on the combined contributions on the account, both dividends and capital gains, that comes from stocks of companies whose main line of business is not permitted in Shariah and give that much to Muslim charities. Allah knows best. All praise is due to Allah.

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**Live Session Oct 22, 2003 MAS.net**

Guest Name: Monzer Kahf  
Islamic Finance Fatwa Session.  
Name: jamal

**1. Question:**

Assalam Aleikum, I have a 401k and retirement fund that is provided by my employer. My 401 is all in stocks and lately discovered that the fund include stocks of banks. An investment firm is management my 401K. Is there anything that I could do to avoid this interest bearing stock? I also understand that the retirement fund includes interest rate calculation. How do I avoid that as well. Wa jazakum Allah kayar

**Answer:**

Bismalhi Al-Rahmani Al- Raheem Wa salat wa salam ala Muhammad. Asslamu alikum Dear Jamal: Your first question is answered in Question 541. For the retirement question, please give more details. What you mentioned does not give the full picture of the retirement calculation. Please give more details and I can answer it in sha Allah. You may submit it to monzer@kahf.com or in the next session. Wa Allahu Alem. Wa Al-Hamdolilahi Rabbil Al-Alameen

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Name: Ali

**2. Question:**

Can you explain to me the difference between the mortgage rate and interest. I am planing to buy a house and would like your advise on that point?

**Answer:**

Bismalhi Al-Rahmani Al- Raheem Wa salat wa salam ala Muhammad. Aslamu alikum  
Dear Ali: Mortgage real estate financing in North America is interest based. The word mortgage itself is innocent. It means lien (in Arabic: Rahn) or placing a lien on a property. The problem comes from the word financing. Financing is normally done on interest basis. This is the way all finance institutions, banks and other wise, make their contract. The only exception is the few new born Islamic financing companies. Interest based financing is undoubtedly forbidden in the Shariah. This mentioned in the Quran with most serious threat from God (2:275-279). The prophet (pbuh) also reiterated the prohibition in a saying considering it one of the gravest sins (in one authentic saying he considered it much worse then adultery). Home purchase and other transactions by Muslims in North America must be conducted in accordance with our faith. This calls for the establishment of as many as the market needs of Islamic financing companies and organizations. The second best would be to negotiate with conventional finance providers to accept the Shariah compatible of financing. Of course the prohibition of interest does not mean that financing shell be obtained free because no body is going to offer his/her money free. The Islamic alternatives are either lease based or sale based (of course there will always be financing through venture capital for revenue generating projects). Sale based financing is, in a sense, referred to in the Quran in verses 2: 275 and 2:282. It is essentially sale with differed payment or installment at a price that is higher then the cash price. In contemporary Islamic banking this is called Murrabah sale. Lease based financing is basically buying a property and leasing it to the customer with an offer to sell it at costs on installment. What would Muslim families in North America do when they need to buy residences while the two options mentioned above are not available or if an Islamic financing company is either exploitative in the rates it imposes or has difficult conditions to meet? This issue was studies by a group of specialist in Shariah and Islamic financing in the second international conference held in the fall of 1999 in Detroit and chaired by Sheikh Yusuf Al-Qaradawi. The resolution came as followed: 1- It is a Fardh Kiffayah (collective obligation) on Muslims in North America to establish Islamic financial institutions to satisfy their financial needs according to Shariah. 2- Until that becomes available, Muslims should try to convince conventional finance providers to accept Islamically compatible contracts. 3-Families who need to buy residences for any of a multiplicity of reasons (these include tax reduction, net worth building, quality of neighborhood, schooling, security, safety, and etc) may resort to conventional financing. This Fatwa is based on the ground that, there are important considerations for buying a resistance; these considerations are well recognized in the Shariah as they come under its general objectives. Additionally, although these needs are not of the degree of being necessities in the strict sense of the word, they are needs

that encompass a large number of people and accordingly they are treated the same way as if they were necessities. Wa Allahu Alem. Wa Al-Hamdolilahi Rabbil Al-Alameen

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Name: mustafa

**3. Question:**

Can you talk about the concept of price control(tas'ir) as understood in Islam.

**Answer:**

Bismalhi Al-Rahmani Al- Raheem Wa salat wa salam ala Muhammad. Asslamu alikum Dear Mustafa: The principle in the Islamic economic system is that pricing is not permitted. People must be left alone to determine what prices they like to sell or buy for. There are exceptions like when the bargaining powers in the market are tilted toward one party to the extent that one party exercises monopolistic powers (i.e. becomes able to impose his/her desired price on the other party). Such situations call for government intervention which may take different forms; one of them is fixing the price for a commodity/service. To know more about this subject, please consult several books on the market on pricing (almost all in Arabic) and some PhD dissertations in several Arab universities. Wa Allahu Alem. Wa Al-Hamdolilahi Rabbil Al-Alameen

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Name: jamal

**4. Question:**

Assalam Aleikum, 401k and Retirement Fund. Could you please explain, from islamic prespective, the thing to watch out for with a 401k and or retirement funds provided by employers and how to avoid the interest components of such plans and jezak Allah Kyaer

**Answer:**

Bismalhi Al-Rahmani Al- Raheem Wa salat wa salam ala Muhammad. Asslamu alikum Dear Jamal: : 401 K and similar employer offered retirement/saving plan are fringe benefits that are essentially permissible and the fact that there are violations of Shariah in the area of fund investment must not deter Muslim employees from availing of this fringe benefit. Normally such plans offer a tax reduction plus matching employer's contribution. The problem comes from the investment committee of the plan funds since it works according to conventional norms of investment in North America i.e. does not observe the Islamic rules of investment. What a Muslim employee must do is the following: 1-Select the funds with lease involvement in prohibited stocks (stocks of banks and other financial institutions, stocks of liquor breweries, military industry, casinos and etc). 2- Estimate the percentage of the fund's investment in prohibited stocks and give away the same percentage of the net earning of the fund to Muslim charities when you liquidate it. Remember that 401 K is subject to Zakah on a yearly basis, but its Zakah is not due until the liquidation of the funds. For more details please refer to my website: [www.kahf.net](http://www.kahf.net), Fatwa, Zakah, Zakah on 401 K Wa Allahu Alem. Wa Al-Hamdolilahi Rabbil Al-Alameen

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Name: Akram

**5. Question:**

I own some real state and a land, I would like to know the ruling of Zakah on them.

**Answer:**

Bismalhi Al-Rahmani Al- Raheem Wa salat wa salam ala Muhammad. Asslamu alikum  
Dear Akram: Real estate and land acquired for the objectives of selling them at a higher price makes you (from the Shariah point of you) a real estate trader. Such properties are subject to Zakah every lunar year at the market price at the rate of 2.5 percent. Real estate used as a personal and family residence, including houses assigned to other family members such as parents and siblings free of rent, are all Zakah exempt. Also exempt is land kept for the purpose of constructing a residence even if it were a second residence such as a summer vacation residence. Real estate and metropolitan land kept as rental properties are subject to Zakah at the rate of 2.5% on the market price every lunar year according to several scholars. However, the classical view as adopted by the OIC Fiqh Academy is that rental real estate is not subject to Zakah at all. If anything of the acquired rent is left as cash it becomes subject to Zakah on money within the known conditions of the Nisab and the passage of one lunar year. A third opinion is that of Shaikh Qaradwi that the rent is subject to Zakah on the net amount after consideration of all expenses and amortization at the rate of 10%. Agricultural land is not subject to Zakah at all. Only its produce is subject to Zakah at the rate of 5% if it is irrigated at high costs comparable to the costs of animal extracting water from a well. Otherwise, its rate is 10%. Wa Allahu Alem. Wa Al-Hamdolilahi Rabbil Al-Alameen

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**Live Session Sept. 24, 2003 MAS.net**

Guest Name: Monzer Kahf  
Islamic Finance Fatwa Session.  
Name: omer

**1. Question:**

What are some ways we (on a community level) can practically practice islamic economic system under the current capitalist system that exists in America? sorry, this is not a fatwa question, just asking for advise.

**Answer:**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum. Dear Omer. Answering this question requires a research study, please look at my paper, on this subject that was presented (by a reader because I could not attend the conference) in the first International conference of the Shari'ah Scholar Association of North America held in Texas in 1998. It is on my website, but sorry I don't remember it title now. Try to make some feedback too. Allah knows best. All praise is due to Allah.

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Name: Hassan

**2. Question:**

I know in Islamic Law of inheritance, a muslim may not inherity from a non-muslim, but in the case of living in the west, where sometimes muslim converts find themselves in situation of inheriting from their non-mulsim relatives. what is a person to do in this

scenerio? Is it considered inheritance if the parents put it for you in a will or is this case considered a 'wasiyyah' where then it becomes permissble to take from them.

**Answer:**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum. Dear Hassan: It is true under the Islamic law that Muslims do not inherit from non-Muslims and vice versa. There are several Saying of the Prophet in this regards and this is the view of the overwhelming majority of Muslim scholars including the affirmed opinions of the four schools of Fiqh. Muslims who live in countries that do not have Islamic inheritance laws, like us in the West, are required, as a Faridah, to make sure that their estate shall be distributed according to the Islamic law. Fortunately this is permissible through certain legal instruments that **MUST BE EXECUTED BY ANY MUSLIM WHO OWNS PROPERTY IN NORTH AMERICA**. Certainly the laws of intergenerational passage of properties of all the states within the USA are not derived from the Shari'ah. Therefore, while a Muslim's last will (or any other document that fulfills the same objective) must have a clause that prevents any non-Muslim from inheriting any part of the estate outside what is permitted through Wassiyyah and within its limit of one third, a Muslim may, rightfully according to Shari'ah, take any property assigned to her/him by law, or by willful decision of any other person whether this happens as a result of death or as a result of any other reason. This is the general rule. Consequently regardless of what name is given by laws or common jargon any property given willfully or by law to a Muslim is permissible for the Muslim to accept and take as completely Halal. This is not a rule of inheritance because the Islamic inheritance law is not in application but a rule of freedom of choice and action as long as it is not in violation of any moral principle or legal rule. The virtue of the non inheritance between Muslims and non-Muslims appear in countries that implement the Islamic law, such as the Arab countries, Iran, Pakistan, India on Muslims, etc. In those countries, they do not allow it except through a Wasiyyah and within its limits. Notice that there is a big difference between the meaning of the Wassiyyah in the Islamic tradition and the legal meaning of Last Will in the Anglo-Saxon legal tradition. In the latter it is a decition on distribution of property after death that extends the personal power of a person after the person passes away. In Shari'ah, since a person is only a vicegerent the property goes back to its true Owner upon death and He distributes it as He mentioned in the Qur'an. A Wassiyyah becomes a charity from God, because otherwise a person has no power after her/his passage away, to gain more reward by making some good actions that one missed doing while alive, and this extension applies only to one third, it is the exception not the rule. Allah knows best. All praise is due to Allah.

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Name: Ali

**3. Question:**

I have a small business and would like to borrow from a bank, is it allowed?

**Answer:**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum. Dear Ali: No,

unless in a case where your business is threatened of insolvency and such borrowing may save it. Interest is Riba and Riba is one of the most grave sins in Shari'ah. One that warrants a war from God and His Messenger. No other sin is described this way in the Qur'an. In the correct Sunnah Riba is weighed as worse than adultery with one's own mother! Allah knows best. All praise is due to Allah.

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Name: Anass

**4. Question:**

Is it obligatory to pay Zakat on my salary?

**Answer:**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Aslamu alikum. Dear Anass: Yes, if the saved part of it accumulates in a lunar year (354 days) to a Nisab at least (# US\$ 1000) and you pay the Zakah only on the saved part at the rate of 2.5% every year. Once you have a Nisab the next year you just see your balance of cash and other Zakatable asset, because that includes by definition your savings during the year. Allah knows best. All praise is due to Allah.

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Name: Muhammad

**5. Question:**

Can I have a non-Muslim business partner who believes in dealing with non-Islamic banks?

**Answer:**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Aslamu alikum. Dear Muhammed: Yes, provided that he is either not authorized to act on behalf of the partnership or he actually does not deal with interest unless out of necessity as defined in Shari'ah. Dealing with conventional banks for us who live in America is indispensable. But we essentially do not deal on interest basis and if it happens that some interest is accrued to us we give it for Muslim charity. Allah knows best. All praise is due to Allah.

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Name: Amina

**6. Question:**

I am still confused about the interest rate that "Muslim financial institutions" charge. Is there any difference with what non-Muslim ones do?

**Answer:**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Aslamu alikum. Dear Amina: Islamic financial institutions do not charge interest and if one does it, then it is not an Islamic financial institution even if it claims otherwise! This does not mean that financing is free. Think of it, why should I give you my money? Islamic Financing follows contracts that are permissible in Shari'ah. These contracts provide for a profit to the financier and a charge on the user of finance. This is not interest. The example of house financing when it is based on the Islamic way it is either done by virtue of a purchase/lease

contract or by buy cash and sell on installments to the customer. Both are permissible in Shari'ah although the charged rate looks similar to the rate of interest. The legal relationship is certainly different! Allah knows best. All praise is due to Allah.

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Name: Malik

**7. Question:**

What is the modern definition of Riba, based on the international monetary system?

**Answer:**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum. Dear Malik: It is the same old one because it came in the Qur'an and was practiced before Islam and has been set out in the Islamic Shari'ah for centuries. ANY INCREMENT PROVIDED FOR IN A LENDING CONTRACT. A basic characteristic of lending is when the borrower guarantee repayment, with or without material collateral, this means that whenever the principal is guaranteed by the user of the money any increment conditioned in the contract (as opposed to a voluntary non-previously-known) is Riba. It doesn't matter whether it is variable or fixed. Notice that there is another kind of Riba that came in the Sayings of the Prophet that is irrelevant to the issue of financing and lending Allah knows best. All praise is due to Allah.

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**Live Session Sept. 17, 2003 MAS.net**

Guest Name: Monzer Kahf

Islamic Finance Fatwa Session.

Posted Questions and Responses

Name: Shahid

**1. Question:**

when Islamic banks deal with non-Islamic banks how do they refrain from interest related transactions?

**Answer:**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum. Dear Shahid: Islamic banks normally enter into agreements with the conventional banks they deal with on the basis that they in principle deal cash only and if any delay happens from either party there will be no charge of interest. With banks with whom they have no agreement they only deal in cash and normally very rarely. Allah knows best. All praise is due to Allah.

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**Live Fatwa Session, Sept. 10, 2003, MAS.net**

**1. Question**

asslamu alikum Dr. Kahf Just a follow to my question last week about investing in bussinesses that are not 100% halal, I agree with you point about the Shariah protection of wealth, but in my understanding it does not stipulate to get rich in non-Halal ways if

you have enough money for your subsistence and that the clause to get rich is only under circumstances of halal bussiness adventures. Can you comment on that. thank you

**Answer**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum Dear Omar: When it comes to one individual alone, the argument that it is ok to leave savings idol and continue to pay Zakah may be acceptable. But that does not apply to communities and societies. The famous scholar Izz Eddin Abdul Salam (14th century C.E.) anticipated a hypothetical situation that is similar to what we are talking about that when most businesses become ridden by prohibitions. His answer was that Muslims would continue doing business and making investments and profit while avoiding as much as possible of what is prohibited. Allah knows best. All praise is due to Allah.

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**2. Question**

I want to borrow from a U.S. bank to do business, is it ok?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum Dear Ali: The fatwa about the exceptional resorting to interest based loans for Muslims in North America came with respect to home purchasing, it does not cover cases of taking loans to start or expand businesses. The argument on which the fatwa is based does not apply to starting or expanding a business especially that there are other approaches to finance business beginners. However in case of protecting a business from insolvency, resorting to interest based loans would be consistent with the exceptions of necessities that are known in Shariah. Allah knows best. All praise is due to Allah.

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**3. Question**

Posted By: Lamyia

Can you explain to me if the actual interest that is used is Riba? How can you explain the international trade on its financial side, knowing that big Western banks are behind that?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum Dear Lamyia: Interest as known in the banking system today is certainly Riba, since it is an increment in a loan. Any increment in a loan is Riba as defined in Shariah. Financing international trades and financing inventory can easily be done on the basis of Islamically permitted financing contract especially Murabah, Salam, and Istisna'. The Islamic banks have been doing that for three decades. Islamic banks are growing and expanding at high rate that is in the two digit area and most of their financing is international trade Allah knows best. All praise is due to Allah

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**4. Question**

Posted By: Anass

In this difficult time and luck of employment, I found a job with Citibank as a loan officer. Is it Halal for me to accept that job?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum Dear Anas: Working as a loan officer in an interest based institution is not permitted. This is covered by the correct saying of the Prophet (pbuh) "the wrath of God is on the taker of Riba, its giver, and its writer" (Reported by Bukhari and Muslim). Working in areas that do not involve you in writing interest based loans may not be prohibited such as an IT officer or teller. Allah knows best. All praise is due to Allah

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**5. Question**

Posted By: Heba

Is it true that we have to pay Zakat on salary, even if we are paying taxes, have two kids and a family -Also I am paying my loans to banks?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum Dear Hiba: The answer is yes with explanation. The amount you save from your salary after payment of old expenses including loans is subject to Zakah if it accumulates to the amount of Nisab(\$1000) over a period of one lunar year (354 days). If all your salary is spent on the family, loans and other items, then you are not subject to Zakah unless you have savings and other Zakatable items that are equal Nisab or more and one lunar year has passed. Allah knows best. All praise is due to Allah.

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**6. Question**

Posted By: Rajah

Is allowed to refinance my home with a mortgage corporation here in the U.S?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum Dear Rajah: It is certainly permissible to refinance a home for the purpose of reducing the rate of interest or buying another home for the family (eg. for a child/sibling who is getting married). Allah knows best. All praise is due to Allah.

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**Live Session Sept. 7, 2003 Islam on line**

**1. Question**

My question is regarding the Islamic financing. I have read that HSBC bank has recently launched some financing schemes for Muslims in the UK. Are Muslims allowed to accept financing from a riba-based establishment even though the nature of the transaction doesn't infringe upon Islamic teachings? Thank you.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Yes brother, Muslims are allowed to enter into contractual financing relation with any entity including conventional bank and financial institution regardless of their religions, ethnicity, or national or geographical affiliation as long as the contractual financing is compatible with the Shari'ah.

Here, you ought to notice that we Muslims who live in the Western countries deal always with conventional bank without any regard to the bank activities with other person as long as the relations we have with them does not violate the Islamic law.

Allah Almighty knows best.

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## **2. Question**

I would like to know the Islamic rulings on taking Life Insurance Policies. Is it allowed in Islam to insure one's life against natural death, accidental death, diseases or any unknown future situations.

Is it allowed to insure the businesses and other assets we own from fire, theft, natural calamities etc. Please advise in detail.

## **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Insurance is a new contract relative to our classical fiqh that was developed between the second and the fourth century of Hijrah.

An insurance contract does not protect or ensure against death, accidents, fire, theft, etc. An insurance contract provides for financial compensation/payment to relieve the affected person as a result of such incidents. Therefore, it is not accurate to think that life insurance is "against natural or accidental death".

Contemporary Muslim scholars have divided opinions on insurance. There is a group that thought that insurance is a gambling on the Will of Allah. I disregard this opinion because it is based on lack of understanding of what insurance is.

There is a group of respected scholars that argues that insurance contains an element of interest and ambiguity or gharar. Certainly, if interest is essential to an insurance contract, it must be then in violation of the Islamic principles. The same applies to ambiguity in relation to the basic obligation of the two parties of the contract.

There is another group of scholars led by the late Sheikh Moustafa Al Zarka who argues that insurance, life and others, is a very beneficial and useful contract that should be considered on the basis of the objectives of the Shari'ah that call for the permissibility of anything that is useful and the prohibition of anything that is bad. Insurance has certain similarities with contract and legal institutions known in the Islamic law, namely the institution of aqilah that requires the sharing of all extended family male members in the payment of blood money of killing by mistake; and the contract of guaranteeing road safety.

Furthermore, insurance contract is essentially based on the concept of redistribution of risk that is: pooling resources from a large number of people to compensate those who are hurt as a result of insured incidents. This concept is essentially a cooperative

concept where whether it is administered by a cooperative organization such as mutual insurance company or buy a profit-making organization such as a commercial insurance company.

Most insurance contracts do not have any interest clause. Some forms of life insurance policies are interest based, mainly what is called whole life insurance that provides for a lump sum payment after certain number of years (this lump sum is a result of part of the premium that is called investment premium placed on compound interest for a given number of year).

The amount of ambiguity in the contract is small and gives room to be removed through the process of the contract. Ambiguity results from the fact that the time of fulfilling the obligation of the insurance company (the date of death or accidents) is not known in advance.

Also, the amount required for payment depends, in other than life insurance, on the size of the damage which is not known in advance. This ambiguity is in fact tolerable because the detailed and sophisticated insurance rules regulations make both ambiguities removable by the time a payment by the company becomes due.

According to this view insurance, in all its kinds including life, is permissible provided that we avoid the contract that includes interest and obviously the subject of the insurance is also permissible (for instance, insuring a shipment of liquor) because it is prohibited to transport liquor as the prophet stated.

Allah Almighty knows best.

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### **3. Question**

My question is: A person requests a bank credit in a Western bank to do a business with the following agreement: a credit with 6 per cent to paying in 5 or 7 years with a lack of 1 or 2 years. This means that for 1 or 2 years the person who requests the credit does not pay any bank letter. But if before finishing the lack he decides to return the quantity given by the bank will have to return the quantity given more 3 per cent as penalty. Is this type of credit considered riba?

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

This 3 % penalty is in fact interest; it is not a fine that is caused by any reason other than paying an increment on the borrowed funds.

Signing an interest-based loan contract especially what is called line of credit that provides for a grace period for period without any interest maybe permissible under 2 conditions:

1. If the person is keen on avoiding interest and paying within the grace period.
2. If the person is actually able to make such payment, especially when we use nowadays the automatic withdrawal by the lender from the account of the borrower. If a borrower is not certain about these two conditions taking an interest based loan with a grace period becomes not permissible.

Allah Almighty knows best.

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#### **4. Question**

My question concerns an aspect of share buying. Normally, when shares are sold on the stock market the seller has to wait for up to 3 weeks for his money (settlement period). Some people require the money more urgently. In some cases, a third party is willing to pay the money immediately at a small discount (1 or 2 %). On the original settlement date the third party then receives the full amount of the transaction. In some countries this is known as spot buying. Is this practice halal according to Islam?

#### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. I don't know those countries that call discounted payment a stock sale; to my knowledge stock sale is compared to future sale and it applies to commodities, currencies, and stocks.

The discount of 1 or 2% by a third party who extends a loan for the period of three weeks settlement as you mentioned is interest. It is a prohibited notice as it equals an interest rate of 12 to 20 % annually.

By the way, stock transactions, buying and selling both, are settled within 3 days in the USA, and once you have an account with a broker/bank you can use proceeds of unsettled sale as base to make purchases that will also take 3 days for settlement. This is the first time I hear of 3 weeks time for settlement in the stock market. Are you sure about it?

Allah Almighty knows best.

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#### **5. Question**

I got some stocks' option from my ex-wife's job that we agreed about while we were filing the divorce papers. I haven't cash them yet and I didn't know it's haram or not. I was speaking to a brother from the Mosque about haram things and he mentioned to me that people's possession of stocks is considered riba. He does not know about my situation. Would you please tell me what am I supposed to do? Jazakum Allah khayran.

#### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. If these options are given by the employer as part of the employment package, then the option may be exercised by buying the company's stocks which is permissible. I would not suggest selling the option for cash because such a transaction carries similarity to options traded in the market that is resolved to be prohibited the OIC Fiqh Academy in its famous 1412 H resolution on options. It is not anyway riba.

Allah Almighty knows best.

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#### **6. Question**

Recently, I have convinced my mother that putting her money in saving accounts with interest is haram. However, she has asked me for an alternative. I want to recommend for her to move it to an Islamic bank. My question is "Is the return from Islamic banks

really "Islamic" meaning you get a percentage of the profit or is it just a randomly varying interest rate as some have claimed?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

The return on investment deposits in Islamic banks is really Islamic. Normally, Islamic banks have respected the Shari'ah scholars who review their contract and transactions and certify at the end of the year these transactions are within the limits of the Shari'ah.

The fact that the profit distributed by Islamic banks is close to the rate of interest in the country is caused by the reality that these Islamic banks actually compete with their conventional counterpart in their country.

Allah Almighty knows best.

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**7. Question**

What the Islamic rule on Zakah?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Zakah is the third pillar of Islam. It is obligatory on every Muslim. Its details are known in the Fiqh references.

Allah Almighty knows best.

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**8. Question**

Do you know any financial institutions in the EU that have non riba mortgages? Do you know any websites?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

No, sorry I do not know any financial institution in Europe that provides Islamcially permissible contract for housing or business.

Allah Almighty knows best.

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**9. Question**

Have you ever heard of a fatwa saying that a Muslim who does not purchase a house because of the riba and instead rents, that every dollar(pound riyal) he spends on that cause is counted as a good deed for him. I heard this fatwa before but I cannot remember its origin.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

No, I did not hear about this fatwa, and I doubt it ever exit. It does not seem rational.

Allah Almighty knows best.

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**10. Question**

Can you tell me how a dead persons property is to be divided amongst his heirs. Please answer with special reference to land, residential property, non-residential property, and Cash. It would be helpful to me if you could use an arbitrary number for the cash, say 100,000. How should I split this between my mother, my brother, my sister and I?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Your question requires more details. The kind of property does not affect the distribution of the estate of the deceased. The main heirs are children, parents, and spouse. If all these exist, other relatives do not inherit anything.

For details, please look at the schedule of mawareeth that is attached to the Last Will on [www.isna.net](http://www.isna.net) or [www.kahf.net](http://www.kahf.net).

Allah Almighty knows best.

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**Live Session Sept. 3, 2003 on MAS.net**

Posted By: OMAR

**1. Question**

asslamu alikum Dr. Kahf In your question you answered last week, you mentioned that the justification for small muslim bussinessman to invest in stocks which are not 100% hal usiness non the principle of of relieviing hardship. But it is my understanding that th usiness e of relieving hardship in Islamic Law can only be applied in situations where the hardship affects the majority of muslim society and not a small group like bussiness men. I know of of no stipulations in the shar usiness people have to become wealthy if they already have money to live. In other words, what hardships(keeping in mind the definition given above) to small bussiness people have so that this hardship can be eased.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum Dear Omar: A small correction before responding to your comment: In my previous answer I said small savers not small business men. This correction does not affect the subject. Hardship and/or inconvenience that calls for relaxation of a prohibition does not need to be comprehensive to the "majority of Muslim society" as you said. In fact it only applies to a majority of a class or a group of them. For instance, workers in garbage collection who may be a very small minority compared to the whole Muslim society may have difficulties in avoiding impurity (Najasah) on their cloths during their work, so it is permissible for them to pray while wearing their work apparel. Similarly, physicians or nurses may touch bodies of the other sex because it is difficult in their work to avoid that (this applies not only to the case a diagnostic necessity, but to other activities like changing cloths of a patient or helping them min other functions and in expression of kindness to them). Additionally, protecting and promoting property (wealth) is one of the basic and general objectives of the Shariah. Therefore you should know that the Shariah calls on Muslims to become wealthier even if they have money to live. The

hardship is in investing their small saving so that they may not be exhausted (consumed) by the repeated payments of Zakah as the Prophet (Pbuh) suggested. Allah knows best. All praise is due to Allah

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Posted By: Ali

### **2. Question**

Is it allowed to borrow money from a bank in the U.S. to do business.

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Aslamu alikum Dear Ali: The Fatwa of the second International Fiqh Conference held in Detroit in 1999 relates only to resident purchase. It calls for conditional relaxation of the prohibition of Riba on house purchases for Muslims in America if there are no other means of abstaining from Shariah compatible finances. If we want to extend this Fatwa to business using the same argument on which the Fatwa is based, one may say similar relaxation applies in the case when a business is under hardship for payment of certain liabilities. That does not apply to borrowing to start or expand a business. Allah knows best. All praise is due to Allah

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Posted By: Muhammad

### **3. Question**

What is your opinion on leasing new cars in the US? I am getting different opinions on it that there is some interest in it.

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Aslamu alikum Dear Muhammed: It is possible that you got several answers because car leasing contract are not completely uniform. I will give you my opinion on a car leasing contract that I know. It is used in southern California. This car lease contract gives the option at the end of the lease period to buy the car for a given amount, renew the lease on newly negotiated conditions or return the car and walk out; it also contains a fine for delayed payment. This lease contract is permissible. It does not have any interest clause. The fact that the lease company gets its money from interest based loans and it deals on interest bases in its other contracts does not affect the permissibility of this lease contract. If the lease contract you have is different from the one I described, please send it mas@masnet.org with special attention to Monzer Kahf and I will be glad to give you my opinion on it. Allah knows best. All praise is due to Allah

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Posted By: A

### **4. Question**

I would like to add that after 7 years of marriage, he proposed to give me 5,000\$, take my clothes and leave the house. How does it work financially?

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum Dear Sister A: In case of divorce, a woman is entitled to the following: 1-The unpaid part of the Maher. 2-Living expenses including residence for 3 months to accommodate Iddah period. 3-If there are minor children, living expenses including residence until maturity or marriage. If you remarry, these expenses go to the care provider of the minors who is supposed to be your mother if she is Muslim. 4-One half of the properties that are in husband and wife's name together. This applies to real estate, bank balances and stock regardless of who paid for or nourished these properties. Since the rule is: Joint properties are equally owned by the joint owners unless there is an agreement which specifies otherwise and who ever paid more then the other had voluntarily given the difference as a gift. 5- And all personal properties such as cloths, jewelry and properties in your name alone. Allah knows best. All praise is due to Allah

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Posted By: Assad

#### **5. Question**

I want to buy a town home, but I am not in need. It is not a necessity for me. I am just looking for privacy. Do you know of any Islamic Financing in the US? I have heard that Freddie Mac or Citibank has something going on? Do you know of any?

#### **Answer**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum Dear Assad: I know that guidance financial offers a lease/purchase that is compatible with Shariah as reviewed by a group of respected scholars I do not know any house finance scheme by Citibank. Privacy and equity building are important considerations should not be sacrificed by Muslims in America. Allah knows best. All praise is due to Allah

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Posted By: Muslim

#### **6. Question**

I recently read about selling loans (bay' al-dayn), I was not able to understand the form of this trade, and the rational for its prohibition. Also does this form of trading exist in modern day trades?

#### **Answer**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum Dear Muslim: Sale of debt that has future maturity is permissible only if the price equals exactly the face value of the debt. This means that a debt of \$10,000 that matures after 2 years can only be sold for \$10,000. No more, no less. Any deviation from the \$10,000 price is pure Riba. It is forbidden. This is well known in classical Fiqh and is reiterated by the OIC Fiqh Academy in a special resolution in the meeting of year 2000. This resolution came in response to some practices of discounting future debt by some Islamic banks in south East Asia under the claim that if the debt's origin is a Murrabah sale it can be discounted. There is no Shariah foundation of this differentiation. Any already due, but not paid, debts can be sold at any price. This is a form of swap. There is not Riba

included here and the only factor is the risk of the debtor. In other words, the difference is similar to collection fees. This kind of transaction is permissible in Shariah. Allah knows best. All praise is due to Allah

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**Live Session Aug. 27, 2003 MAS.net**

**1. Question**

Posted By: Zahara

AS Salaamu Alaikum, is there such a thing as halal investments, i.e. mutual funds, stocks, etc? Also, is there a way for Muslims to purchase homes without participating in riba?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum Dear Zahra: You have asked long and multiple questions. Investments in mutual funds are subject to the same principle as investment in stock because mutual fund companies are very similar to common stock companies from the point of view of being companies that deal with certain business. The business of a mutual fund is to trade stocks and bonds for the purpose of making profit for its members who are the purchasers/owners of units in the fund. Common stock companies can be classified into three categories from the point of view of the nature of their business and their transactions: 1- Companies who's main line of business/products is permissible and they do not make any transactions that are not permissible in Shariah. The example of this category is Islamic banks and any other company that produces no prohibited products and does not make any prohibited transaction such as borrowing from banks and etc. 2- Companies who's main line of business itself is prohibited such as Casinos and liquor breweries or the main approach of their transactions is not permitted in Shariah such as companies that specialize in bond trading ( bonds are interest based). 3- Companies whose main line of business is permissible such as car companies, computer producers and etc , but their management normally deals in prohibited transactions such as interest based borrowing or any sale contract that are invalid from the Shariah point of view (such as selling some merchandise before taking actual possession). Obviously the ruling over the first two categories is clear: The first is permissible and the second is not. The third category actually represents the overwhelming majority of stocks in the market and the principle is that when a person buys stocks of a company s/he becomes a partial owner of that company and whatever decisions and actions taken by the management are in fact taken in the name of stockowners on their behave by virtue of the authority given to the management from the general assembly which consists of all stockowners. In other words, a stock owner is responsible for all normal decisions (we are excluding fraudulent behavior) of the management. This is the position of the law of the land and the Shariah at the same time. Consequently, prohibited transactions including Riba are treated as if they were undertaken by all the owners of the company. The immediate conclusion should be in principle it is prohibited to buy stocks in this third category. However, this results in great inconvenience and hardships to all small Muslim investors, those who

cannot create their own companies and invest directly on their own. Hardship always calls for relaxation of the prohibition. This is a rule in our Shariah repeatedly mentioned in the Quran and the Sunnah. Accordingly a group of Muslim scholars went on to study means of reducing this hard ship and they came up with a few criteria to identify permissible stocks in this category, that is stock of companies whose management does not have much of prohibited transactions especially interest. These criteria are essentially the following: 1- The main line of the companies business should not be prohibited such as banks, casinos and producers of military and weapons industries that are used against the Muslim world. 2-The company cannot be dependent on borrowing for more then one third of its assets. 3-Earned interest must not exceed 8-10% of the gross earning of the company. 4- Whenever you invest in the stocks of these companies you need to estimate the percentage of your net profit that may have arise from prohibited transactions such as interest and give away that part of the profit to Muslim charity because it is not Halal to earn what you believe is coming as result of prohibited transactions. This means that any Muslim who wants to invest in stocks/mutual funds has to do some homework in selecting the stocks and the mutual fund and in estimating the ratio of profits that comes from prohibited deals. The Dow Jones company with the help of a group of respected Shariah scholars came up with a list of stocks that satisfy the above mentioned criteria and it came up with a list of stocks of which it made the Dow Jones Islamic Market Index that you can find on the Dow Jones website. There are in the market several, though new, mutual funds that are based on the Dow Jones Index or behave within its criteria. One of these is the Dow Jones Islamic Index Fund (IMANX) that was established by the North American Islamic Trust (NAIT). As for your second question about Home buying please submit it in a separate question field. Allah knows best. All praise is due to Allah

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Posted By: Malik

## **2. Question**

Asalaam aleikum. As a muslim, am I allowed to invest my money in a stock market? If not why? And am I allowed to bank with non islamic banks and if not why?

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful. All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Asslamu alikum Dear Malik: For the answer to your first question please look at the answer given to sister Zahra above. As for your second question, the principle is that where ever there exists an Islamic bank that can satisfy all of the needs of Muslim depositors and provide them with similar services at competitive rates it is then not permissible to deposit or use the permissible services (for instance borrowing on interest is not permissible) of conventional banks. This ruling is based on the concept of need that applies to a large number of people in order to avoid difficulties and inconveniences. Certainly, if any interest accrues to you as a result of your transaction with a conventional bank, it must be given to Muslim charities. You should not let such prohibited money be mingled with your own Halal money. This is not considered Sadaqa from a Shariah point of view, but in sha Allah you

will be rewarded for keeping your money pure from any Haram money Allah knows best. All praise is due to Allah

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Posted By: Yusri

### **3. Question**

Please tell us, if someone borrows money and there is a mutual consent on both parties that the money returned is going to be more than what was originally borrowed. Is that considered acceptable within Islamic Law.

### **Answer**

Due to the limitation of time, we were not able to answer your question. Please submit your question in next week's session with Dr. Kahf on Wednesday, September 3 at 10:00am EST.

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## **Live Session Aug 5, 2003 Islam on line**

Name:

### **1. Question**

Dear Prof., As-Salamu ` usines. I would like to know whether it is true or not that we cannot use a credit card issued in a country to purchase goods in other countries due to the delay in payment to the bank that has issued the card. If it is true, then online purchasing using credit cards to purchase goods from other countries will be forbidden (haram). Thank you, Jazakum Allah khayran.

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

Wa ` usines As-Salamu wa Rahmatullahi wa Barakatuh.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

No, it is not true that transactions on credit card in countries other than the issuing country are prohibited. If we look carefully at how these transactions are handled, we notice that payments at each stage does not violate the rules of sarf (currency exchange) as known in Shari`ah. The seller is paid upon presentation of the credit card slip by the sellers' local bank while the credit card holder is charged the amount of purchase in the currency of the credit card issuing agencies when the transaction reaches this agency. In other words, the currency exchange from the point of view of the purchaser is done exactly at the time the agency credits its correspondent bank for the amount in a different currency. The period of time between the purchase and the recording of debit/credit by the agency does not affect the transaction; it is only inter-bank time.

Allah Almighty knows best.

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Name:

### **2. Question**

I've bought a refrigerator on installments basis. This means that one has to pay some extra money with each installment which is interest. The cost of the refrigerator is 34000 and the amount paid as interest is 4000. Now, I want to remedy my act of having

some thing to do with interest, what should I do? Should I sell the refrigerator and give the whole money in charity. The selling price will definitely be less than what it was when purchased. I've also paid the cost along with interest. So can I keep some amount and give rest in charity. Please advise.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. If the purchase contract of refrigerator mentions a cash price, and interest additive and then installment price, the contract has a grave error from the Shari`ah point of view, because it amounts to selling at two prices, one cash, and one as installment. About this kind of purchase/sale contract, the Prophet (peace and blessings be upon him) said that the lowest price applies or the transaction is riba-based. Riba is prohibited being one of the worst sins a Muslim may ever commit.

If the contract only mentions one price or the installment sale (even if this price is calculated on the basis of cash-price + interest) the contract is then valid because Shar'iah recognizes and allows that the price of the deferred payment sale may be higher than cash sale.

Now if the contract is made according to the first paragraph, the remedy is to pay all remaining installment as soon as possible and negotiate with the seller to eliminate or at least to reduce as much as possible of the contractual interest and make repentance and usiness (seeking Allah's forgiveness) with a pledge inside your own conscience to avoid entering into any prohibited transaction in the future. Remember that one must check on the permissibility of a transaction before starting it.

Allah Almighty knows best.

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Name:

**3. Question**

I want to ask a question regarding latest technology. Millions of users share file on peer-to-peer programs like Kazaa and Napster which is a protocol for sharing files between users. With Napster, the files stay on the client machine, never passing through the server. The server provides the ability to search for particular files and initiate a direct transfer between the clients. In addition, chat forums similar to IRC are available. Napster is software that allows users to share the MP3 libraries with each other no matter where they are located. Napster provides a search capability for songs, chat capability for users to communicate in forums of like interest and an audio player. I want to ask for the Islamic ruling on such programs, as one is not paying for what is using.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. As long as the producer of these new programs offers this possibility of using them by several people without requiring every user to pay, free users are permitted because the program itself allows it. Don't worry much about the producers of these programs, they must have charged the first client sufficiently to make the profit they want.

Allah Almighty knows best.

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Name:

#### **4. Question**

I would be grateful if you clarify to us the Islamic ruling on whether Muslims are allowed to accept lottery funding to carry Islamic projects. The lottery in the UK gives grants for various projects. We would not be involved at all in the lottery process itself. Thanks.

#### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. The income of a lottery conducting organization is no doubt forbidden as far as the issuing organization is concerned, because lottery is a form of gambling that is prohibited in the Qur'an and the Sunnah. This means that it is forbidden for any Muslim individual/organization to initiate lotteries even if the objective is charitable or generally benevolent.

What do you do with such income after it happens? The only way, and the best way is to give it to charity and similar uses that provides help to the poor and needy at large. Usually Muslim scholars do not like using such "unlawful" money for building a place of prayer (masjid or musalla) or for buying copies of the Qur'an. The reason is obvious, but feeding the poor and financing other public welfare projects is certainly the only way in which such "prohibited" money can be used. The same applies to Islamic organizations and projects in the UK.

Allah Almighty knows best.

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Name:

#### **5. Question**

Until recently, my savings account gained a small amount of interest (1%-2%) but I changed it to a non-interest bearing account, because I felt this may be haram. Since I pay considerably more interest on my mortgage and the bank loans my funds to gain interest for themselves, is it acceptable to have an interest-bearing account? In addition, can I give any money gained in interest to charity? Regards, Javed.

#### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. If you can avoid placing funds on interest in any bank (or any other place too), this would be the proper and best way of dealing with your savings. This means you should invest in useful projects instead of leaving your savings to a riba-based bank that will use them to generate more prohibited transaction.

You certainly will be much better off making extra payments on your mortgage because then you would be reducing the amount of riba in the mortgage.

But if for any reason you find yourself with a large sum of money that you do not want to commit to any immediate investment (as in the case when you have future plans), it is not better to put such large sum in no interest accounts in a conventional banks. You

know that the bank will use them for interest-based lending, and it is better to reduce the evil of the interest-based capability of the bank by taking the interest on such temporary large sums and giving it to a Muslim charity. Reducing the evil is always better even by one single drop.

Remember that you will be rewarded insha'Allah for reducing the evil and for not allowing interest to stay with your own money by giving it to a Muslim charity, but this cannot be considered as sadaqa or Zakah as these terms are known in Shari'ah, because both must come from your own money and you do not own any earned interest.

Allah Almighty knows best.

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Name:

### **6. Question**

I'd like to ask about taking loan money from the bank for any purpose especially housing loan, which is repayable with interest. Is it permissible in the view of Islamic Shari'ah?

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Taking interest-based loan is prohibited because interest is riba that is prohibited in the Qur'an and the Sunnah with a threat of most severe punishment that includes a war declared by Allah and His Messenger (the Qur'an, 2:79) and the wrath of Allah as mentioned in authentic sayings of Prophet Muhammad (peace and blessings be upon him).

Of course, cases of necessity are excluded and necessities mean a serious threat to life, mind, religion, or property. Please also notice that India has an Islamic bank with several branches in several of the Indian states. It also has many local Islamic cooperatives that provides financing in accordance with Shari'ah.

Allah Almighty knows best.

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Name:

### **7. Question**

I have questions on Zakah. I worked from 1997 to 2002, but I never paid Zakah for that period, because I didn't know how to do it. I didn't know from what the Zakah is taken (savings only or savings and business) and right now I still don't know how to calculate it? Please tell me how.

To correct my mistake, I plan to pay 2.5 percent of my total gross worth (what I have now savings + cash in a brokerage account) in August 2003 and ask forgiveness from Allah for my mistake. But, I read in an article that I must pay all the Zakah that I owe in each one of those years, is this true? If the above is true, how can I calculate it? How much money I had each year back then? I don't have the data. Do you have a solution or should I just do as I plan in August?

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Unpaid Zakah remains as a debt on you until you pay it. Zakah is due on accumulated savings at the end of each lunar year, the first year begins on the day your accumulated savings + debts on others + cash on hand + any business inventory = the amount of usin which is \$ US 1000.

Now that you do not have record of past years, the solution is to make an educated guess on the first time you had a total of one thousand US dollars and from that date count the number of lunar year (354 days) until today, and pay 2.5 % x number of past lunar years x the total of present balances you have today of all usiness items including your brokerage account both cash and investments and pay this amount of due Zakah as soon as you can. Additionally, remember that when your current Zakah lunar year comes to an end, you should calculate the due Zakah for the present period following the same rules and pay it either directly to deserving poor Muslims or through trustworthy Muslim charitable organizations.

Allah Almighty knows best.

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Name:

### **8. Question**

What is the rule for life insurance that is linked with investment?

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Life insurance that has no interest component in the contract is permissible according to a very respected view in contemporary Islamic scholarship. If this linkage to investment is interest-based, then that part of the insurance contract is not permissible.

Allah Almighty knows best.

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Name:

### **9. Question**

As-Salamu `alaykum, I am a supporter of Islamic financial systems. usinesnce my house and car with Islamic finance. One of my friends once forward an issue that there isn't much difference between Islamic financing and intere't-based financing since both means the consumer still has to pay more when they finance something. In fact, in some cases, Islamic finance costs more than conventional finance, i.e. the profit rate of Islamic finance is sometimes more than the interest rates.

How could, my friend argue, that Islamic finance burden the consumer worse than does the conventional finance. Thus, no difference between the two. What would be our logical response to this kind of comments? Thanks.

### **Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the usinesf Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

The point that some Islamic financing institutions charge their customer more than what conventional banks charge for similar transactions indicates that such Islamic financial

institutions expertise monopolistic powers on their customers, such monopolies are forbidden in Shari`ah and these companies are making grave mistakes.

On the other hand, it is true there is certain similarity between riba and Islamic financing. The Qur'an itself does not deny it (2: 279). There is also similarity between the man/woman relation in marriage and in adultery, but in both cases the differences are also substantial to an extent that make one permissible and the other prohibited. Interest-based transactions are prohibited as clearly mentioned in the Qur'an and the Sunnah.

Allah Almighty knows best.

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Name:

### **10. Question**

As-Salamu `alaykum wa rahmatu Allah. Cher Professeur, Est-il inter usinesram) usinesvailler pour une compagnie d'assurance ?

### **Answer**

In th usinesof Allah, Most Gracious, Most Merciful. Wa `alaykum As-Salamu wa Rahmatullahi `a Barakat h.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. It is permissible to work in an insurance company that is specialized in medical, car, hazards, transportation and shipping, and other forms of insurance that do not involve interest. Keeping in mind that certain forms of life insurance normally have interest clauses, conducting transaction on behalf of the company that contains interest is prohibited. This means that it is permissible to work in a life insurance company provided you avoid offering or signing interest-based contracts on behalf of the employer.

Allah Almighty knows best.

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Name:

### **11. Question**

Respected scholars, As-Salamu `alaykum. Regarding Investment in the US stock market: M usinesy has invested a modest sum of shares in American companies. Is our investment considered haram in the light of the war on Iraq? I'm worried since is difficult to know whether these par'icular American companies are profiting by this cruel war on the Iraqi people.

### **Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the usinesf Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. The fatwa of boycotting American products also applies to American stock market and other financial investments in the United States. This fatwa was issued prior to the aggression on the Iraqi people the American government started early this year. This aggression also confirms the fatwa since the present American government conducts continuous campaigns to support aggression and occupation of Muslim land by foreign and alien countries and people. The fatwa certainly applies to all Muslims outside the

United States and they must all avoid, without harming their own interest, dealing with American markets, stocks and the like as much as they can.  
Allah Almighty knows best.

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**Live Fatwa July 8, 2003, Islam on line**

Name: Mohammad

**1. Question**

What is the Islamic ruling on working in a hotel as receptionist?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Muhammad,

It is permissible to work in a hotel as a receptionist or in any other position as long as your job does not require that you serve alcohol or any other prohibited item or purpose, because such a job does not fall under the prohibition mentioned in the authentic hadith of the Prophet with regard to serving alcoholic beverage which, by analogy, extends to any other similarly prohibited items or services.

Allah Almighty knows best.

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Name:

**2. Question**

I was told that Islamic banks do not pay interest. But what I see is that they give the same amount that other banks give, so what do you think?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Islamic banks accept investment deposits on the basis of mudarabah and distribute profit, which is halal and permissible.

The confusion comes from two realities:

1- Islamic banks live in a competitive environment with conventional banks. This means that they invest their money with businesses that have always interest-based alternatives for financing.

Consequently, the financing of Islamic banks cannot end up being more costly than conventional financing in order to keep their customers and expand their business. This means that the net profit they can distribute will always be very close interest distributed by conventional bank.

2- Islamic banks very often distribute quarterly profit on either of two bases. They make their accounting period every three months and calculate final results accordingly. Or they distribute free payment on the profit every quarter and they will adjust their distribution in the fourth quarter when they make their closing accounts and know the actual profit they realize."

Allah Almighty knows best.

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Name:

### 3. Question

Dear scholar, I am trying to buy a gas station in the US and most of gas stations sell beer and cigarettes. I will not sell either of beer or cigarettes because they are haram but the station has a manager and he may be interested in selling only cigarettes and he keeps all the profits as part of his pay. I would not sell or profit from cigarettes. But it is my store. The manager said that we will lose many customers that usually fuel there if we don't sell cigarettes. Please let me know the Islamic ruling on this.

#### Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. No, it is not permissible to allow the manager to sell cigarettes or beer on the premises that you own. It is not permissible in shari'ah, even if you do not take any profit from such sale. It is, in fact, worth than selling it for your profit because you are disobeying the orders of the Prophet (peace and blessings be upon him) for the benefit of your manager, not even your own benefit.

Allah Almighty knows best.

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Name:

### 4. Question

What is the stance of Islam concerning getting some insurance plans such as educational plan, pension plan, and burial plan? To apply for these plans, applicants are required to pay some amount, e.g. 2,500.00 monthly for period of 5 years. Then after full payment in 5 years, the applicant is assured that the total amount he/she has paid will be tripled in due time. In addition to this, the member will be earning some amount as percentage from other members without sweating for it. I am apprehensive to apply for this insurance plan because I am quite afraid that this would fall into the category of Riba (interest).

#### Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Insurance is permissible according to many contemporary Muslim scholars. I think insurance is consistent with the objectives of Shari'ah and it does not violate any of the Shari'ah principles or rulings. There are two conditions in insurance:

1. There must be no interest ingredients in the contract.
2. The insured thing must be permissible in Shari'ah (for instance, insuring a shipment is not permissible)

There are scholars who consider insurance prohibited on the ground that the contract is based on ambiguity (gharar). It is argued that the amount of ambiguity is tolerable, especially that insurance is based on the theory of probability and large numbers.

Allah Almighty knows best.

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Name:

### 5. Question

We (my family) are living in apartment and the place is too little for us. We would like to buy a house but it seems that we have to pay interest on it. What's the Islamic ruling on that? The place is too little for us that we even can't invite anybody (friends, relatives, etc.) to visit us at home.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Buying homes for Muslim families in North America should follow the principles established by Muslim scholars on the matter of interest-based mortgage. These can be summarized in the following:

1. There must be a need for purchasing the house. This need is below the level of necessity; it is only convenient whereby the lack of it make living conditions difficult and hard.

There are several considerations of need in this regard that includes adequate space as you mentioned, building equity, saving on rent and taxes, closeness to suitable schools, safety and decency of the neighborhood.

2. Muslims must first establish their own Islamic financing companies that offer house financing compatible with Shari`ah. If there are such company that provides such financing, then it becomes not permissible to resort to interest-based mortgage.

3. If Islamic financing companies are not available or they exploit the market by offering higher rates and/or let advantageous conditions, one must try to have Islamically compatible contracts with conventional banks and finance providers.

4. If the above is not feasible, conventional mortgage with conventional finance providers becomes permissible, insha'Allah, in accordance with the rule that "a need that affects any people is treated the same way as a necessity in relaxing a prohibition."

Allah Almighty knows best.

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Name:

**6. Question**

In some Arab countries, there are no Islamic banks, and only conventional banks accord loans for building houses or starting businesses, etc. In what conditions would be the use of such loans permissible. For instance, for a couple who has the choice to pay a monthly rate for all life, and to borrow money with interest; is it okay to do the latter?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

In those Arab countries, Muslims are required to establish Islamic banks or other companies and institutions that provide house financing on basis other than interest.

You cannot treat the majority the same as the minority. When you have a majority in a country, you certainly have the ability to create suitable institutions even if the government does not allow Islamic banks. You don't have to have a bank in order to provide Islamic house financing; you just have to be creative, proactive, and working collectively together.

Allah Almighty knows best.

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Name:

**7. Question**

As-Salamu `alaykum

My question is regarding Zakah. Suppose that we have more than 84 grams of gold, then we have to give Zakah. The question is: if we give Zakah as money, then shouldn't we give it next year, because the same amount (84 grams) will remain in us?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Zakah is a yearly (lunar year) religious obligation. You should give it every year as long as at the end of the year you have the amount of nisab that is required for the obligation. This applies to gold and silver, money and bank accounts, business inventory, debts on others and accounts receivable and other Zakatable assets.

Allah Almighty knows best.

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Name:

**8. Question**

As-Salamu `Alaykum. I live in Canada. ISNA in Canada has a housing loan program. Is that program lawful? Do you have a chance to look at the details of this program?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Yes, my dear brother, I have looked into the details of that program of the Islamic Housing of Canada, and it is within the limits permissible in Shari`ah. It may not be competitive in the Canadian market or it may not provide adequate financing for home buyers, because of its difficult conditions that are caused by its limited resources.

Allah Almighty knows best.

Name:

**9. Question**

As-Salamu `alykum. I am student doing higher education. I get a loan form local education authority, which I have to pay back with little interest. Is it haram to take that loan? If so, what advice will you give me? Jazaka Allah khayran

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Interest-based student loans are haram because they are riba-based and normally there is no necessity to take such loans. There are other means to finance education even if it takes longer periods of part-time study instead of full-time.

A Muslim should get rid of any outstanding interest-based loans that he/she may have gotten into as soon as he /she can. That is to minimize the period and the amount of interest he/she would be involved in while at the same time making repentance and seeking God's forgiveness through du`a' and istighfar.

Allah Almighty knows best.

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Name:

**10. Question**

I would like to purchase a car, but I was worried about the fact that financing is not directly from the dealer. Is it halal even if the financing is from a third party (A bank for example)? Jazakum Allah khayran

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Buying a car in North America on interest, in principle, is forbidden whether it is from a dealer or from a third party.

There are other alternatives that include buying a used car for affordable price without interest, and car leasing.

There are, however, rare cases whereby a person needs a very dependable car for running to work such as sales representatives, house repairs, etc.

For those people whose basic work depends on driving between places, buying a dependable care may be a necessity to earn their living. And if they could not arrange for suitable leases, buying a car on interest may become a necessity for them.

Allah Almighty knows best.

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Name:

**11. Question**

Some people cast doubts over the performance of the Islamic banks. They say that Islamic banks give low interest, while conventional banks give higher interest. What do you say?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. The fact is that Islamic banks do not give interest, because interest is an increment in a loan. Deposits in conventional banks are defined as loans and they generate interest which is prohibited according to Shari`ah.

Deposits in Islamic banks are investment on the basis of mudarabah, which is a partnership between a sleeping partner (the owner of money/depositor) and an active partner, which is the bank.

Additionally, while conventional banks provides financing on the basis of loans to businesses and they get interest that is also prohibited, Islamic banks provide financing on the basis sale contract; these contracts or mudarabah are permissible in Shari`ah.

In fact, Islamic banks very often distributes profits to the owner of investment deposits that is higher than the interest distributed by conventional banks. It may happen that a given Islamic bank in a given year may have distributed profits at a rate lower than interest given by some conventional banks, but generally speaking, Islamic and conventional banks work in the same market and they are competitors; none of them

can behave in a way that is very far from the rest of the market without risking going out of business.

Allah Almighty knows best.

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Name:

**12. Question**

I took a loan last year to buy a house because my mother and sister were with out home and now I realize that it is a big mistake. Now, I want to make repentance; please guide me.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Repentance (tawbah) requires quitting the sin from which we make repentance. This means you have to either substitutes the loan you made with Islamic financing from the Islamic bank in Sri Lanka or pay it back the soonest possible so that you minimize your involvement with interest and just make du'a' and istighfar.

Allah Almighty knows best.

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**Live Session, Sunday, Jun 8, 2003 On Islam on line**

Name Sadia-UK -

**1. Question**

As-Salamu `alaykum. Is the income of employees who work in food stores/shops that sell alcohol considered halal (lawful)? Also, is it permissible in Islam to eat from "halal" restaurants which also sell alcohol? Jazakum Allah khayran.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Sadia,

Income in compensation for working in stores that sell alcohol is permissible provided that the work itself does not include handling of alcoholic beverages, because handling these liquors is not permissible and consequently payment received for such a prohibited action is not earned lawfully from the Shari`ah point of view.

It becomes worse if the purchasers of alcohol are Muslims because alcoholic drinks are not considered a property for a Muslim and the only action that should be taken with them is to destroy them and drain them in the swage, whereas for non-Muslims (even in a Muslim land and under the Islamic laws) alcoholic beverages are considered properties protected by the Islamic law.

Eating in halal restaurants that sell alcohol is permissible as long as you don't share the same table with a person who drinks. It is, however, shameful for such restaurants to offer halal meat side by side with alcoholic beverages.

Allah Almighty knows best.

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Name Mohammed - Canada

## 2. Question

Respected Scholar. I own a house that I rent out to people to live in. I have a mortgage on the house, and it is just for renting. I guess it is revenue property. Is this permissible? As I was hoping to buy another house when I get married to live in and keep this one for my children to have in the future. Please let me know.

## Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Mohammed,

Purchasing rental property on conventional mortgage is not covered by the fatwa about relaxing the prohibition of interest as a last resort for Muslims living in the West to obtain residences for themselves and their families. You are having two long future plans, being unmarried yet and thinking of an independent resident for your children when they grow up!!

You can also read:

Purchasing Houses with Usurious Loan for Muslims Living in Non-Muslim Countries .

Allah Almighty knows best.

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Name KR - United Kingdom

## 3. Question

Can you please give a list of websites where I can get more information on Islamic finance. Many thanks.

## Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother,

There are several websites, please check under Islamic finance and under Islamic banking and you will have a long list. Besides, every Islamic bank has its own website that also contains useful information.

Also, you can visit my website at: [www.kahf.net](http://www.kahf.net)

Also, [www.islamicity.com](http://www.islamicity.com) has some useful information.

Allah Almighty knows best.

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Name K.S -

## 4. Question

I own a business that I want to sell. I got into agreement with a non-Muslim broker to promote it for sale for six month exclusive deal. After that if I don't sell it, I can do that in my own (this period of time extended to one full year in case that broker get me a client, so that client can't buy the business unless the broker gets his commission of 10% of the sale price). The broker sent me a client and he talk to me about doing a side deal away from the broker so as not to pay him the 10%. Please tell me if I do it am I sinning; is it haram (unlawful) to do so? Or I'm free since it's my business and I can sell it in any way that I want, considering that this client is a Muslim also and he asks me to wait for



## Answer

بسم الله والحمد لله ولصلاة والى رسول الله

أخوك الذي وفاه الله ذهب لى رحمة على ولاي جب على كسداد فيون ه من مالك لا خاص، متركه من تركت سد  
في ه الذي وفه إذالفهف تسدد الذيون في طريق قسمة الغرماء أي أن كل فيرئس دهنسبة م مجموع التي تركه لى مجموع  
الذيون

أحكام لفال سرفي لشريعة عروفة وهي مطلق في الس ودان وم عظمبال دال عربي بقحك الملقنون وهي باختصار : أنه  
إذ انبغت الفال ستاجر فان الذي ورلتي على يتسدد على قس طريق قسمة الغرماء مترك م كفيفي لعشة ذلك  
لشخص لمفيل سالفالتجار المينون لأخيك الذي صفا أعمالهم الحقهم الذيون من خالل المحاكف في أموالهم  
الشخصية فإذال مي كننت حصري لبعض هذه الذيون بدهي أنه استعبر فيون ا لك غة في ابل فيك حصري وم اي حصل  
في ه ليضل لم تركة ليوزع في ال طينك ما كننا

والله أعلم

Name Sa`d -

## 7. Question

أن عام لبحدى شرك المثل عاشر من رمضان ولش أنلش شرك تصرون قلالع املي نيقو بخصم 8% من ال ريد بلل ساسي  
، هذا في جوز ألي عامل أن فيس حب رنوده ولي سيم رفي هذا المشروع ، وناء في الاشتراك في هذا المشروع  
تصرف مبلغ ملي فاشرك في حل وفاة المشرك أو عجزه اللذي أولوغ مسن الم عاش في يضيف هذا المبلغ حسب  
مدة الخدمة ، ويصرف بشرك من لشركه من أحدينوك) وهذا يدل أن هذه الأموال التي يتخصم من العام ليرتود في  
أحدلينوك) ، وبهنا لشكل فيصرف أحدال عاملي بظلمة ككثير مطلق ، الي سؤال مل الاشتراك والامتد رافي هذا  
المشروع حالل أم حرام ؟ أرجو الإجابة بشرك لم نتحدي لأنني من عوام الناس الذين لا عرفون الفقه عن  
المدعا التلش رعي القصاصية

## Answer

بسم الله والحمد لله ولصلاة والى رسول الله

الاشتراك في الحصن دوق الذي كرتلف عم بلا غ عنالي وفاة أو ال عجز لعل عامل أو أسرت هجأز ولا حرم في ه إن شاء الله ،  
لاي طر في ذلك فلتعل لشرك في الأموال الم حرمه من ريدبال موظين بال عان في ذلك أن يضاف لى حرم  
من العام ليين مساهمات من لشركه وأي سيم رال مجموع من خالف تجار لشرك فيس ه

فإذا قامت إدار لشرك قب أي اسيم ر م حرم انوبال ذلك في ع في الإدارة لا في العام ليين لأن لال ق قيين العام ليين  
والإدارة فيس ه م حرمه في أساس درلنات الات الم فيباليه والتوازن بين واردات الحصن دوق القوم دفعوات  
التي تتبع ليه وهذا أم لي سلبا جزءا في ه

ولاح مهل ربال علىين

والله أعلم

Name Layal, urgent -

## 8. Question

As-Salamu `alaykum. I am married (al-Hamdullah) and my husband has recently taken out a mortgage. I would like to perform my Hajj with my parents insha' Allah, and I know my husband would not be allowed to travel. Would I be allowed to travel?

## Answer

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Layal,

If your husband is not allowed to travel for reasons that are related to the mortgage that is a different issue, but he has taken the mortgage to buy a family residence within the limit of the fatwa on taking conventional mortgage for Muslim families that need

residence at the time when Islamically permitted financing contract not available, taking such a mortgage does not prevent him from going for Hajj because this debt is a long-term one by definition and it does not hinder treating the cash one has as fulfilling the financial requirement for Hajj (the same also applies on Zakah on any cash one may have while under the burden of mortgage debt). In other words, if a person has cash that is sufficient to make the Hajj trip and still under a mortgage long-term debt, one is required to make Hajj.

Hence, it seems that you and your husband both may go for Hajj if other conditions are fulfilled.

Allah Almighty knows best.

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Name Daud -

### **9. Question**

Is it permissible for Muslims to work in places like McDonalds, etc., where the majority of food is haram, and you have to touch pork? Also should Muslims try not to work in such places as they are owned by Americans?

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Daud,

Working in places like McDonalds is permissible provided that you do not handle the sale of pork.

Besides, dear brother, the majority of the food is not haram. According to the majority of Islamic schools of fiqh (Jurisprudence), meat from animals slaughtered by Christians and Jews is permissible. This means that chicken, beef, and mutton offered by McDonalds and other food sellers are permissible. And it is also permissible to work in places owned by Americans regardless of their religion, the same way it is permissible to work in places owned by people of other nationalities regardless of their religion.

The minority opinion about meat requires the name of Allah be mentioned while slaughtering the animal (does not require the person who slaughter should be Muslim); this opinion is respected though it is the minority opinion, although those people who take this opinion working in a place that provides meat without mentioning the name of Allah on slaughtering is also permissible, because the Hanafi school does not prevent a Muslim from working in a place that applies the other opinions.

Allah Almighty knows best.

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Name Hind - Canada

### **10. Question**

We are interested to find out whether Sadaqah (charity) is considered as Zakah or general donation. When people donate to our Islamic center, some mark on their checks as Sadaqah and some as Zakah, and others as donation. We want to know how our center should treat charity named Sadaqah.

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Hind,

Sadaqah and donation should be treated the same when an Islamic centre receive them; they can be used for the general activities of the centre. Only what is marked as Zakah must be exclusively distributed to any of the 8 categories mentioned in the Qur'an: "The alms are only for the poor and the needy, and those who collect them, and those whose hearts are to be reconciled, and to free the captives and the debtors, and for the cause of Allah, and (for) the wayfarers; a duty imposed by Allah. Allah is knower, Wise." (At-Tawbah: 60)

Allah Almighty knows best.

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Name John -

**11. Question**

As-Salamu `alaykum.

Is breeding racing horses for prize money permitted in Islam?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Yes, breeding racing horses for prizes is permitted in Shari`ah.

What is prohibited is betting on horses racing.

Allah Almighty knows best.

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Name Hasan - United States

**12. Question**

As-Salamu `alaykum.

I work in real estates. So far, I have stayed away from assisting the consumer with finding or obtaining financing (both Islamic and traditional). I understand there are fatwas allowing purchasers to use financing for purchasing a property.

My questions are:

1. Is it acceptable for me to refer the consumer, who is interested in financing, to financial institutions? In other words, do I have to check to see whether the person qualifies for using financing?
2. If there is a service fee that the financial institution pays the seller for referral and processing, is it allowed for me to accept the fee/commission from the financial institution?

In all cases, I would be working for the buyer, even though the financial institutions may offer a certain commission.

Wassalam.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Hasan,

For your first question, it is permissible to refer customers, Muslims and non-Muslims alike, to financial institutions that offer Islamic home financing or conventional home financing because the evaluation of their situation and the decision to take either kind of financing belong only to the customer/buyer not to you. Your referral means you are helping them in evaluating their own situation and deals.

The commission you take for such referral should be known to the customer, otherwise there may be a kind of lack of disclosure that brings ambiguity to the honest advice a customer thinks that he/she is receiving from you.

Allah Almighty knows best.

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Name Faruq -

**13. Question**

Can Zakah be given to non-Muslims, who are poor or needy?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Yes, Zakah can be given to non-Muslim poor and needy. Yet, we must remember that in today's world there is a tremendous need and poverty among Muslims more than what Zakah can provide for. Therefore, unless there is another objective such as heart reconciliation, the priority should be given in Zakah distribution to Muslims especially that the Prophet (peace and blessings be upon him) advised that "you should not let your food be eaten except by a righteous person.

Editor:

For more details you can read:

Juristic Views on Giving Zakah to Non-Muslims

Allah Almighty knows best.

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Name Sami - United States

**14. Question**

If you adopted a child, is it permissible to give a part of your wealth to him/her in your will?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

First of all, adoption is not permitted in Shari'ah; it is clearly prohibited in the Qur'an. It creates a mess with regard to marriage, inheritance, and other family inter-relations.

However, fostering children is very much encouraged because it provides for care while it preserves the identity and family relation of the child. A fostered child may be assigned a share in the estate of fostering parents through a last will. Remember that the total of such assignment to non-heirs and to charities in a last will must not exceed one-third of the net estate.

Allah Almighty knows best.

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Name Shaukat -

Profession

**15. Question**

Many people who are needy today, were once well off. Such people, though in dire need, hesitate and refuse to take Zakah, as they consider taking Zakah as disgraceful. Is it necessary to tell the recipient of financial help that he is being helped from Zakah money? If they ask us, can we say "No, it is not Zakah, which is not true?"

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Shaukat,

These kind of people who are in real need and refuse to take Zakah are probably the most worthy to be given Zakah. Those are described in the Qur'an as you may think of them as rich. Certainly when Zakah is paid, the recipient needs not be told that it is Zakah.

On the other hand, there are many ways of avoiding a question without lying; you should not give incorrect information about what is paid, but at the same time you do not need to tell the whole truth to the recipient.

Additionally, we must realize that Shari'ah makes it obligatory on the poor to accept Zakah especially it is called in the Qur'an as a poor's right given by Almighty Allah and not a "charity" given by the grace of the rich.

Allah Almighty knows best.

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Name Abro - United States

**16. Question**

What is the Islamic ruling on Hedge Funds?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Most Hedge funds are not permitted in Shari'ah; however, some Islamic banks formulated hedging transaction within Shari'ah limits. You need to check with al Rajhi company for investment in Saudi Arabia and finance house in Kuwait.

Allah Almighty knows best.

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Name Ahsen - United States

**17. Question**

How can we decide whether a business venture is halal or speculative (provided it is a halal business and the only un-Islamic element is that of gharar?)

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Ahsen,

Speculation exists in all businesses. In the simplest form, you buy today to sell tomorrow at a price that you don't know. This is speculation.

What is prohibited is gharar, or ambiguity in a contract. Such ambiguity may relate to the amount or the due date of the obligation of either party in a contract.

There are certainly other transactions that are not permitted in Shair'ah, one of them is creating an artificial entity for trading such as buying and selling the Dow Jones index or any other index for trading option which are created by the law only for the purpose of trading.

Allah Almighty knows best.

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Name Amin - Canada

**18. Question**

I am a student studying in Canada. I'm supported financially by my father. I don't work. Do I need to pay Zakah on the money I hold for all my expenses?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. The answer is no. Money you keep for your future expenses is pre-occupied by this assignment. It is not money that is in excess of your needs. Zakah is obligatory only on what is above your needs provided it reaches the amount of nisab (payable amount) and stays for a lunar year.

Allah Almighty knows best.

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**Live Fatwa Session May 19, 2003 Islam on line**

Name Muhammad - Mauritius

**Question 1**

What is the Islamic ruling on working in a hotel as receptionist?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Muhammad,

It is permissible to work in a hotel as a receptionist or in any other position as long as your job does not require that you serve alcohol or any other prohibited item or purpose, because such a job does not fall under the prohibition mentioned in the authentic hadith of the Prophet with regard to serving alcoholic beverage which, by analogy, extends to any other similarly prohibited items or services.

Allah Almighty knows best.

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Name Aida -

**Question 2**

Dear scholars, As-Salamu `alaykum. I have read the fatwa of 29th September 2001 on mortgages in a non-Muslim society. I need further explanation on the point 4. ii (the buyer must not have another house). I live in a non-Muslim country and my family is in need of buying a house. We cannot get a loan in the Islamic way and our only option is to get an interest-based loan from a non-Islamic bank. I need to mention that I own a

flat back home. My parents rent it and use all the rent money to help them financially. If they do not have the rent money they would struggle and need other ways for support. I don't have any brothers. Are we still allowed to get an interest-based loan? The flat back home is fully paid and it is on my name, whilst my husband would be the borrower of the interest loan (and owner of the new property). The flat would not be able to cover the cost of the new house. Jazakum Allah khayran.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Aida,

The fatwa about resorting to conventional mortgage as a final solution for Muslim families who live in the Western countries implies that you are not taking the house for luxury or business. Whatever you may own in your home country is irrelevant because while living in the West you have no accessibility to that house or flat in your country of origin regardless of whether the property in the country of origin is rented or not. The idea is as long as you do not have accessibility for financing through your own resources or through Islamically acceptable contract and you need the residence, you may resort to conventional mortgage.

Allah Almighty knows best.

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Name Sami - Profession

**Question 3**

Is mortgage for buying property permissible?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

For Muslim families who live in the West and need residence, they may take conventional mortgage if they could not manage to have a financing contract that is compatible with the Shari'ah.

For further elaboration on this issue, you can read:

Purchasing Houses with Usurious Loan for Muslims Living in Non-Muslim Countries

Allah Almighty knows best.

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Name Brother in Islam - Profession

**Question 4**

Considering the atrocities committed by the US armed forces to Muslims worldwide, what's the Islamic ruling on a Muslim brother serving the US Army in the Computer Section? He is not directly involved in any direct combat.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother in Islam,

I think it is permissible for American Muslims to serve in the American army even with the present aggressive and unjustified attitude of the Bush administration in its attack on Afghanistan and Iraq.

However, I believe it is wrong for any Muslim to participate in those unjust attacks on the people of both countries. The same applies to any unjust war that any government wages against any other country, Muslim or non-Muslim.

If a Muslim soldier is asked to take active part in such unjust wars created by any American administration, he must decline and use his constitutional right of abstention on moral and religious grounds.

Allah Almighty knows best.

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Name Khalid -

**Question 5**

Is it allowed to work in a pizza store that sells pork, not as a cook but as a cashier?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

The rule is that: any item that a Muslim is prohibited to consume, he/she is also prohibited to sell even if this was on behalf of the owner. Consequently, selling the pork ingredient in Pizza is not permitted. Other jobs in a pizza shop that sell pork may be permitted provided that you do not handle the sale or the serving of a prohibited item.

Allah Almighty knows best.

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Name Sana' - Profession

**Question 6**

If not selling pork and alcohol is affecting your business, can you sell them only to non-Muslims?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Sana',

No, it is still not permitted to sell prohibited items. In fact, such items are not recognized as a property for a Muslim (e.g. if someone destroys them for you, the Shari`ah does not charge the aggressor for their value because their value is zero from the Shari`ah point of view). If selling such items affect your business, you can simply change your business and do not sell any prohibited or immoral items.

Allah Almighty knows best.

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Name Hani - Profession

**Question 7**

Why does Islam consider the interest from banks as "haram" although the money goes to investments. Are there real Islamic banks?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Briefly, interest is a charge on loans and loans do not mean investments. Investment causes you to the result of a venture which may be plus or minus. In interest, the whole burden is thrown on one party alone. Consequently interest is unjust.

For the second part of the question, there are real Islamic banks, around 200 of them in the world today, and they are growing on an average double digit annual rate. Please consult the literature in this area.

Allah Almighty knows best.

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Name Fiona -

### **Question 8**

Does a woman in Islam have a right to have some money for herself from the husband (e.g. every month to use it as she desires) and how important is it in relation to Islam. I know that the husband has already the duty to maintain his wife but every one knows the women have another expectations which the husband might not agree with.

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

What do you mean by the relation? please make it clear.

As you mentioned, women expenses are the responsibility of their husbands. In case of an unmarried woman, only if she needs her parents, children, and siblings are responsible for her expenses.

I believe that the spending responsibility of the husband covers all normal expenses including what can be called petit cash for more miscellaneous things that she may need.

Allah Almighty knows best.

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Name Khalid - Lebanon

### **Question 9**

Do I have to spend on my wife's parents if this contradicts with my parents who are in a dire need. I am not saying my parents need the help more than her family, but I can't afford both, so who is given priority?

### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Khalid,

To answer your question, we need to take it one step back; you are required from your own resources to spend on your wife, parents if they are in need, children, and any sibling if they need your financial support.

Your wife, if she is capable from her own resources, is required to spend on her parents who are in need. This obligation may be specific on her if she has no brothers or sisters who are financially more capable than she is.

This means that from your own resources you are not required to spend on your in-laws, but if you and your wife have resources (wealth or/and income) and you join

account together, then her obligation towards her parents should be fulfilled as much as yours towards your own parents.

Allah Almighty knows best.

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Name Ali - United States

**Question 10**

I am a university student in America and my school tuition and fees are covered by Financial Aid and sometimes Student Loans, and I have been trying to find an Islamic Answer regarding taking interest-based loans in a study situation. We all know well that interest is forbidden in Islam, but what can one do to go to school and in the same time avoid interest?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Ali,

In the United States you have many chances to have a part-time job beside your study. It is very unconceivable to accept a claim that any Muslim college student really needs a student loan; interest loans are forbidden. This is the position of Shari'ah, final and clear. Students have many other resources that they can tap on if they do not take the lenient rout.

Allah Almighty knows best.

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Name Saeed-US

**Question 11**

As-Salamu `alaykum. I am a medical doctor living in USA. I have been here for two years and I still work in a gas station although I am a green card holder. I couldn't take the test to work as a doctor for financial problems. The only option now is to take a loan and stay home to study for the test. I don't know if this will be halal or not as of course there will be interest but can this be considered a case of necessity?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Saeed,

In spite of your thinking that your study for the exam is necessary and that you do not have other means of financing it, I still do not see the matter as you see it. You may have reduced working hours, and really you do not need an interest-based loan to stay home, nor can you guarantee that if you take the loan you will pass the exam.

Just work harder like 18 hours a day, two third of them to study and you will pass the exam in six months, insha'Allah.

Allah Almighty knows best.

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Name Muslim -

**Question 12**

Dear Dr. Monzer,

Assalamu`alykum, in fact, I love you for the sake of Allah.

Here, I just want to ask you about something. During the American invasion to Iraq, you gave a fatwa that zakah cannot be given to the Iraqi army, because it's led by unjust regime. Frankly, I think that the Iraqi army was defending a Muslim land, Iraq, and its people against the unjust invasion. Also, I read some views that allow zakah to be given to the Iraqi people and army to defend their land and people against invasion. What I want to say is that though the Iraqi army was led by unjust ruler, they were defending an Islamic land and a just cause, so zakah can be given to them under the title: fi sabil Allah (in the Cause of Allah). Thanks

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother "Muslim",

I take exception. I still believe that zakah should not have been given to the Iraqi army at all. In fact, I am more convinced now than when that fatwa was issued, because the Iraqi army was not lacking financial resources, but it was in fact short on determination to defend their land and consistency of the army leadership with the interest of the people of Iraq.

I still believe now and then that zakah can be given to Islamic humanitarian organizations for distribution to the relief of the Iraqi people.

Allah Almighty knows best.

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Name Ron - United States

**Question 13**

As-Salamu `Alaykum, I would like to know the ruling of the following:

1. Is it OK to borrow money to buy a house in US?
2. Is it OK that one gets into mortgage business, and gets paid by offering mortgages to borrowers? This person is not a lender, only facilitator?

Thank You.

Wassalam

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother/sister Ron,

It may not be prohibited to advise people on what is the least evil in mortgage or where they can get a lower rate for better condition. But writing an interest-based mortgage agreement is forbidden, unless you know you are serving a Muslim family for which it is necessary to resort to such a conventional mortgage.

Your main question about buying a house on conventional mortgage is available in the fatwa bank.

You could refer to the following fatwas:

Purchasing Houses with Usurious Loan for Muslims Living in Non-Muslim Countries

Allah Almighty knows best.

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Name Roland - Germany

**Question 14**

Dear sir, some Muslims say that an Islamic State must not take taxes except what is taken in the first Islamic era like Zakah, Jizyah and the like? Must the Islamic State be bankrupted? Is there any progress or development in Islam?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. Zakah is not really a tax to finance the function of the government; it is a special form of financial obligation (like taxes) that is designated for a special objective which is to be spent on the eight categories as mentioned in the Qur'an (9: 60). Jizyah is a tax that is caused by military conflict which does not make a permanent or an important source of revenue for the budget. It did not make any important source all over the Islamic history and more specifically during the early time of the Islamic State after the death of the Prophet (peace and blessings be upon him).

However, the Islamic system calls for some kind of a constitutional restriction on the power of the government to impose taxes. This is based on an important hadith of the Prophet (peace and blessings be upon him) that prevents taking properties from people unnecessarily or without their consent to an exchange contract. The Islamic system assigns the minerals in the land as a source of revenue for the government and provides for imposing taxes only on the basis of necessity to finance vital functions for the society such as defense and fulfill the basic needs of the poor if Zakah proceeds and the other normal revenues are not sufficient.

In other words, taxes in the Islamic system are not the right of the government to impose and collect, but they are a necessity measure that is resorted to only when needed, keeping in mind that Zakah cannot be used to finance the functions of the government. This means that oil producing countries such as Libya or Saudi Arabia are not permitted to impose taxes on their own people unless it is proven that their oil revenues are all exhausted in vital and necessary functions and services the government provides to its people.

Allah Almighty knows best.

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Name Faruk -

**Question 15**

Is it lawful in Islam for a Muslim to own a hotel since there are some Muslims who own hotels and others also contribute in their building?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Faruk,

Yes, it is permitted to own hotels, rent, and manage them both in the west and in the Muslim countries, as long as you do not provide prohibited items or services (obviously

selling alcoholic beverages and renting halls for women and men dancing together are prohibited.)

Allah Almighty knows best.

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Name HOURIA - Morocco

**Question 16**

As-Salamu `alaykum. I have some questions about my work. I was working in an interest-based bank and I was especially in the departments which gives interest loans. Now I'm retreated. My questions are :

- 1- When I began work I didn't know that my job was haram; so is the money I earned from this period halal?
- 2- When I knew about this problem I thought a lot about it and I couldn't leave because my husband had problems in his work and told that if I leave my work he will go out of home and let me alone with three daughters in charge. So; was I obliged. Is my money halal in this case?
- 3- When I had the possibility I took my retreat earlier and the bank paid me an indemnity for going earlier. So what can you say about this indemnity. Is it halal or haram?
- 4- A part of my work was halal so can I eat from this part?
- 5- I helped my husband in the education of my daughters. Now they're graduated. If my money is haram what can you say about their diplomas? Are they partially haram? What can we do for that?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. For all the past earning the only thing you can do now is to make istighfar (seeking Allah's forgiveness), give sadaqah (charity), and other acts of `ibadah like prayers and fasting. What you earned, whether as salary or end of service compensation, was in exchange for the hours you put into that work. Allah promises to forgive all sins provided that you make sincere repentance. Your earning is similar to taking riba (interest) itself where you are required to return the riba that is taken because you have already given your time in exchange.

Although what you did as a work, if you wrote or signed interest-based contracts, is itself forbidden, the earning you got as a price of your time is not as haram as the action itself.

Allah Almighty knows best.

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**SESSION OF MARCH 23, 2003**

Guest Name Dr. Monzer Kahf  
Subject Islamic Finance Fatwa Session.  
Time Mecca From 18:45...To... 20:00

**Questions**

- 1) Name Salim - Yemen

**Question**

I am trying to be good Muslim. At the same time, I know what is haram and what is halal but one year back I took credit card and I was thinking to pay on time without interest. Unfortunately, I couldn't pay on time and I end up paying interest. The amount is not big but I couldn't pay now and I am really crying day and night. Also, I stopped using the card. What shall I do until I get money?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"You should try to negotiate with the credit card company to settle the amount you owe without paying interest. In most cases, credit card companies accept such payment, even if it were to put extra pressure on your spending and/or to borrow from friends and relatives.

If you could not or if you failed to obtain a good settlement, you have no other way except to pay interest accrued on your credit cards' balances until you complete all payment. You should keep asking for Allah's Forgiveness."

Allah Almighty knows best.

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2) Name Howaida - Egypt

**Question**

I have been thinking about what to do with the Zakah money. I'm not satisfied at all with just giving the money to people in need in order to buy some stuff, to get some new cloths, food etc.

Those people are the same every year. I think it would be better to help them become independent. I'm thinking of dedicating the Zakah money to one or two families and to help them start a very small project and share them the profit. In fact, I'm not interested in making profit. But If I don't do so, those people might not have the motivation to maintain their business. How do you see this approach? Thanks for your effort.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear sister Howaida,

It is permissible to give your Zakah to a small number of recipients who fall within the category of the poor and the needy. It makes no difference whether the form of the project you are going to make with the Zakah money is a principal business project or a form capital goods such as machine or a car to make it a taxi or in the form of inventory of goods that will be available for sale.

The only important condition is that the recipient family must be given the Zakah paid to them in a sense that they become the owner of what is given to them. You may not keep it under your disposal.

With the capital they own (the Zakah you give them) you may enter in partnership with them and you may become the manager by mutual agreement.

What cannot be done is to have your intention that this amount is theirs as Zakah and at the same time keep it in your name and under your disposal in the project you intend to make because in this case you actually did not pay the Zakah."

Allah Almighty knows best.

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3) Name Shukri -

**Question**

How can Muslims in the United States boycott the US products while living in America?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Shukri,

Muslims in United States are not required to boycott the US products. The call for boycott is for Muslims in Muslim countries to cut on their imports from the "aggressors" (i.e. the United States and Britain).

The share of Muslims in the United States is to express their opinion against the cowboy style aggression on other countries and peoples.

No one supports dictatorship, but no one morally accepts the aggression on other countries with the excuse of removing dictators.

What is more unfortunate is that such dictators are the creation of the American government policy towards most countries in Asia and Africa."

Allah Almighty knows best.

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4) Name Junaid - Ireland

Profession student

**Question**

Should Iraqi people accept the food given with bombs by imperialists?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"It is very unfortunate that the American government that is run currently by the ultra rightist double is trying to deceive the world through claims of food distribution and reconstruction after the bombardment of Iraq.

One analyst put it in a nice way that is "reconstruction and food are offered after the American bombs kill the users anyway."

The Iraqi people should not accept the food hand out from the authority which bombards civilians if they can do that."

Allah Almighty knows best.

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5) Name fathy - Belgium

**Question**

Why is it haram for the Iraqis to destroy the oil wells? I read that the scholars are saying so because these wells are the property of the Iraqis? But you know that America will exploit them and turn them into US property?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"The Iraqi oil is the property of the Iraqi people and they are the ones who are entitled to use it and exploit their own resources.

It is unfortunate that oil revenues have been mishandled by non-elected government in Iraq and other Arab countries. The Iraqi people and the people of other oil producing countries must not allow wrong hand whether Americans or dictators to take over their national wealth and the international community will stand with the right of the Iraqi people against any form of aggression. That is why Iraqis should not destroy their own assets."

Allah Almighty knows best.

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6) Name mona -

**Question**

As an economist, how can Muslims weaken the American economy in addition to the boycott?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"The effect of boycott is more symbolic and cultural than economic. The Muslim people all over the world are called upon to unveil the cultural superficiality of the American cowboy.

Muslims have many things in common with the American people in areas of human rights, rights of self-determination and human dignity. The big American companies are not a good representative of the American people, and Muslims all over the Muslim countries do not have conflict with the American people and they do not need work towards weakening the American economy; what they need is to deal with the few cowboy style Americans who run the current administration without any inferiority complex!"

Allah Almighty knows best.

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7) Name Saad -

**Question**

You are telling us that Muslims in the US are not required to boycott the US and Zionist products. What about eating in KFC and McDonalds while having so many alternatives?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Saad,

I don't see a violation of the boycott for Muslims in the United States in eating in any place they like to eat, because such eating is not part of export/import relations with the United States.

American Muslims are part and parcel the American society and economy."

Allah Almighty knows best.

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8) Name abdirahman - Kenya

**Question**

What do we expect from the current war on Iraq?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"We earnestly implore Allah to stop the current war on Iraq and bring an end to it very soon."

Allah Almighty knows best.

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9) Name - -

**Question**

I was wondering whether it is best to give Zakah money to Iraq through Islamic organizations, but am unsure as to how much the cost of the administration of the Zakah, and how much actually does it cost to go to Iraq? How does the system work?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"When Zakah is given through humanitarian Islamic organizations, it is possible that part of their Zakah, that usually does not exceed one eighth, used for administration.

The normal administrative cost of humanitarian Islamic organizations is usually much less than the average cost per dollar distributed by the American humanitarian organizations.

Besides, to my knowledge most, if not all, the Islamic humanitarian organizations in the United States finance their administrative cost from donations other than Zakah.

In other words, we have two points:

1- It is permissible in Shari'ah to spend part of the Zakah proceeds on administration.

Allah Almighty says: "The alms are only for the poor and the needy, and those who collect them, and those whose hearts are to be reconciled, and to free the captives and the debtors, and for the cause of Allah, and (for) the wayfarers; a duty imposed by Allah. Allah is knower, Wise." (At-Tawbah: 60)

2- Most Islamic humanitarian organizations in the United States spend all Zakah given through them on the recipients and pay for the cost of administrations from other donations.

When you give your Zakah to Islamic humanitarian organizations, you may mention that the amount is Zakah, and you may assign the country you want it to be spent in.

It is difficult for Islamic humanitarian organizations to deal with the issue of asset building for fewer families, although it is permissible on individual basis to give one's Zakah to a small number of recipients in order to provide them with capital that make them independent."

Allah Almighty knows best.

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10) Name w.A -

**Question**

Can Muslims in Iraq steal from the army of their enemies?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. "Muslims in Iraq must reject occupation by foreigners whether they are Americans, British or otherwise. Yet, in their rejection and resistance of occupation, they must abide by the Islamic rules and morality. We cannot learn morality from the aggressors. Stealing is not permitted in Islam, while resisting occupation is a legitimate struggle that all people have to abide by."

Allah Almighty knows best.

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11) Name Khalid -

**Question**

Is it allowed to give Zakah to our brothers and sisters in Iraq?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. "Yes, Zakah can and should be given to the Iraqi people who are suffering the atrocities and aggression of the American government.

The support to the Iraqi people can be given through Islamic humanitarian organizations."

Allah Almighty knows best.

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12) Name Wafaa -

**Question**

Do you think the Arab countries are capable of boycotting American goods and cutting all economic relations with them or they are puppet governments?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. "I believe that the Arab and Muslim people are able to boycott American and British goods and to cut their import from the aggressors' companies. The Arab people must do that regardless of the position of the Arab governments."

Allah Almighty knows best.

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13) Name Ruya -

**Question**

What about paying taxes to the US which are used for the purpose of aggression?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"My own taxes are used for social projects within America.

How can you tell that your taxes are used for aggression, don't you see that there is something wrong in this assumption, because you don't know what it is used for.

If you live in a country, you obviously have to be part of the economy and society of that country, and we American Muslims are part of the American economy and society, although we do not approve, like most Americans, of the immoral and illegitimate practices of the American government especially in international policy.

It has always been in support of dictators in the Middle East, Africa, Asia and South America, and it sided with the aggressors in Palestine. But this will change when the American people succeed in reforming the way persons reach into Washington D.C."

Allah Almighty knows best.

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14) Name Ujail -

**Question**

Some people say that it is better to channel the donations we collect for demonstrations and rallies to support the Iraqi people who are suffering as rallies and demonstrations do not help that much. Today, in UAE it has been made as a theme: "Donate instead of demonstrate"? What do you think?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"I believe that both demonstrations and humanitarian donations to the Iraqi people are now a must. We need to demonstrate against the aggression committed by the Americans and in all other countries in order to force governments to stop the aggression against the Iraqi people and to stand against this aggression by the new colonialist.

At the same time, we must help the Iraqi people through Islamic humanitarian organizations. The two (demonstration and donation) are interrelated as you cannot do one and neglect the other."

Allah Almighty knows best.

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15) Name Fouda -

**Question**

Dear Dr. Monzer, don't you think that we all back the US army in Iraq if we don't cut all economic dealings with the aggressors? What can we do to our governments who are deceiving us by saying that those products are not American or British?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"I believe that Arabs and Muslim people must boycott the aggressors' product and all import and export related to the aggressors' governments.

The relationship between government in the Arab countries and their people has always been strained since the beginning of the first dictatorial government in the area.

The Arab people should always work toward removal of all dictators and establishment of elected governments that represent their people."

Allah Almighty knows best.

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16) Name zahir -

**Question**

Can Iraq torture the American captives?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"It is certainly prohibited according to the Shari'ah rules to inflict physical and psychological torture not only upon human beings, whether enemies or not, captives or not, but also upon animals, even to animals that are permitted to be slaughtered or eaten. Torture is not permitted at all in the Shari'ah."

Allah Almighty knows best.

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17) Name Raga - United States

**Question**

Now, as we are in doubt of sending money to the Iraqis, since most of the organizations are missionaries, what do you suggest?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"There are several Islamic humanitarian organizations that have been helping the Iraqi people for years and are also licensed by the US government to collect donations in America and distribute them to the Iraqi people who have been suffering from the aftermath of the gulf war in 1991.

You should ask your local community about these Islamic humanitarian organizations that are licensed.

It is certainly forbidden to give donations or Zakah to any organization that preaches false religions or secularism."

Allah Almighty knows best.

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**SESSION OF MARCH 12, 2003**

Guest Name Dr. Monzer Kahf

Subject Islamic Finance Fatwa Session.

Time Mecca From 18:45...To... 20:

1) Name sayed -

**Question**

I'd like to know if discounting a cheque is riba- based. I mean issuing a cheque as I have issued a cheque which will take 5 days to clear in the bank and I need the money urgently so I give the cheque to someone who gives me about 90% of the money immediately but takes the whole amount when the cheque clears.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
"Cheque cashing is a form of hiwalah, which is a transfer of indebtedness from one person to the other. It must not involve any commission or reward to any of the parties (in international hiwalah there may be certain cost involved and this cost may be charged to either of them).

Consequently, the difference between the face value of the cheque and the cash amount you take is considered a form of riba, and it is prohibited to give as well as to take it."

Allah Almighty knows best.

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2) Name wahdan -

**Question**

We have a restaurant in the United Kingdom. Here (i.e. in the UK), we don't sale wine. Is it permitted to let customers bring their own wine and drink it in our shop considering that they will be using our stuffs?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Wahdan,

No, it is not permissible to allow customers to drink their own liquors in your shop. You must not provide any facility to drinking prohibited beverages on your premises since the Prophet (peace and blessings be upon him) mentions that the wrath of Allah is on ten people with regard to liquor. This includes offering it and serving its facilities."

Allah Almighty knows best.

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3) Name Fahmi -

**Question**

My question is regarding interest. According to Islamic law, it is haram to give money to financial institutions and collect interest at the end of a certain period. Can one gives the interest as a charity instead of spending it on himself? Is the interest money still haram and does the person get any reward for the charity he pays?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Fahmi,

Interest does not accrue at all according to Islamic Law; consequently interest that is paid to a person is still owned by the payer. The principle is that it must be returned to that payer.

However, we are often, as you mentioned in your question, faced with a situation in which the payer is an institution or a person whose business to give loans on interest basis, in such a case returning accrued interest to this person or entity would only help it to do more of this prohibited practice.

Additionally, that entity would make mockery out of the Muslim behavior. To avoid both, such accrued interest should be treated as if the payer were unknown. The

principle here is that if any money comes under a Muslim's hand whose payer is unknown, it must be given away to Muslim charity because it is not your money.

Obviously, you will be rewarded for keeping your own money clean from that which is haram, but this is not considered a charity in the strict meaning of the word as charity or sadaqa must be from your own money. Therefore, it is not rewarded as a sadaqa. Finally, once received by a Muslim charity or a Muslim poor man, this payment is permissible for them."

Allah Almighty knows best.

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4) Name samir -

**Question**

I am earning a monthly income and am eligible for Zakah. I would like to know how Zakah is calculated in Qatar. What amount do I need to deduct from my income (wife and child support, donation etc..) before I am left with the right balance of which I have to pay Zakah in the amount of 2.5%. Could you please provide me with a practical example, if possible?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Samir,

Zakah on salary is calculated as follows:

You estimate the amount you save from each salary cheque you get over a period of one lunar year if the total amount of these savings reaches nisab, which is 1000 \$ and this amount equals 4000 Qatari riyals. You then pay the Zakah at the rate of 2.5 % on these savings. In other words, we have deducted from your income all actual expenses for the household, gifts, donations, recreation, etc..."

Allah Almighty knows best.

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5) Name laila - Canada

**Question**

As-salamu `alaykum. Is mortgage haram? If anyone is thinking of buying a home, can they go through the bank? There is a long waiting list and it ends up to be more expensive when you do it through the Islamic housing. So what are the options?

**Answer**

Wa`alaykum As-Salaamu Warahmatullahi Wabarakatuh.

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear sister Laila,

Mortgage as practiced in the United States and Canada is certainly prohibited. It is interest-based and interest is one of the most grave sins as the Qur'an tells us.

However, Shari'ah itself is built on removal of hardships; consequently, the second International Fiqh Conference held in Detroit in the Fall of 1990 studied the issue of purchasing houses in North America and here is a brief summary of its resolution:

1-There is no doubt that buying houses for Muslim families who live in North America is one of the important needs that affects all members of the Muslim community and can therefore be treated as a necessity.

2-Muslims in North America has a religious duty to establish financial institutions that provide house financing on the basis of Shari'ah compatible contract.

3-Until this is achieved, they must, individually and collectively, seek a contract with conventional financial institutions that do not violate the principles of the Islamic Law, i.e. that are not riba-based such as lease to purchase contracts.

4-Until this is achieved, Muslim families who need to buy houses are permitted to resort to conventional mortgage.

If there is an Islamic financial institution that overcharges for its services or that cannot satisfy the demands of Muslim families, you treat it as it were no existing, and resort to conventional mortgage to satisfy the housing needs."

Allah Almighty knows best.

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6) Name shams -

**Question**

I would like to know whether trading of commodities such as wheat, rice, soybean, gold, silver, crude oil etc...,via internet or online trading services is halal or haram? Is the ruling different whether the trade is done through a breakage house or self-trading?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear Shams,

Commodity trading may be either spot or future. Future commodity trading is not permissible on the ground that both payments of the price and delivery of the commodity are differed and this is not permitted in the Shari'ah.

Spot commodity trading is permissible as long as the availability of delivery and payment exits in the spot period, i.e. 3 days. On the ground that three days is considered similar to delivery and payment within the time of the contract.

It does not matter whether trading is done through a brokerage house or through the internet."

Allah Almighty knows best.

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7) Name AM - United Kingdom

**Question**

As-salamu `alaykum.

Can you please advise whether the following method of funding a vehicle purchase is acceptable?

"Personal Contract Purchase (PCP) is a method of funding where an individual leases a vehicle for a set period at a fixed monthly charge.

At the end of the contract, there is an optional balloon payment which the individual can pay to buy the vehicle otherwise they can choose to return the vehicle with nothing further to pay. The monthly charge is governed by the initial cost of the vehicle, the

mileage covered, the period of the agreement and the estimated value of the vehicle at the end of the contract. "

The finance companies that offer this make the money from charging interest. Thus, this means you pay more money than if you were actually paying for the car in cash, but the amount is set at the start, and fixed installments paid accordingly.

In the United Kingdom, this is how individuals lease vehicles, as opposed to doing it as part of a company."

**Answer**

Wa`alaykum As-Salaamu Warahmatullahi Wabarakatuh.

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Car leasing contracts as you described are permissible according to the Islamic Shari'ah.

What you mentioned that in leasing you are charged more increment compared with buying on interest is in fact incorrect unless the company that offers leasing is monopolistic.

The reason is that leasing companies in the Western market have the same accessibility to the whole sale interest market as retail loan providers. This makes leasing very competitive of interest.

The fact that the leasing companies gets their resources from the same whole sale interest market is irrelevant to your contract as long as the contract between you and the lessor does not violate any of the Shari'ah principles.

By the way, you have made a good and accurate description of the car lease contract that deserves a compliment."

Allah Almighty knows best.

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8) Name Haroon - United States

**Question**

As-Salamu `alaykum.

Dr. Kahf, I wanted to know what types of investments that would be the most lucrative and wise for a practicing Muslim.

**Answer**

Wa`alaykum As-Salaamu Warahmatullahi Wabarakatuh.

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Haroon,

It seems that the best investment today in the US is to keep your money cash and committed and waiting for good opportunities after the fall of the hawkish cowboy from the presidency, then we might have a relief from consecutive recession."

Allah Almighty knows best.

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9) Name TAHA -

**Question**

As-Salamu `alaykum. I had to buy a car and I am currently paying interest on the money that I borrowed from the bank. Can I start dividing my money and put it towards the interest that I am paying on my loan? Thank you.

**Answer**

Wa`alaykum As-Salaamu Warahmatullahi Wabarakatuh.

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Taha,

Buying cars on interest is prohibited because there are always other means of transportation and other ways to procure cars.

Also, the interest you gain is not yours and it must be given to Muslim charities for the purpose of keeping your own money clean from riba. You cannot use what is not yours in order to pay for the contract you made even if such a contract is interest-based and you are paying a prohibited riba."

Allah Almighty knows best.

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10) Name mohammed - Egypt

**Question**

ما الحكم لما شرع يفي مع امالات البنوك؟

**Answer**

الحمد لله وصلاة ليس الم نهي رسول الله وعلى له وصيه اجمعين  
جميع الامع التال قديمة فطال فطنة محرمه لأل فطنة ميل الرب الم حرفي لشريعة، نهي لرغم من افتاوى  
السياسي التي صدرت مؤخر فحيب عض البلدان اسال هي في حرم الاقتراض فطنة من البنوك كم لي حرم الاي داعيها  
بقضايا  
وانت على أ نهم  
بل محرر  
نرجو من الأعل سئل ارس ال أسئلة لمال غة ال عوية ال لاطق س م نخر ب ي بل موق ع حيث أن ففصل فحة مخر ص لة ال سئلة  
المربطة لمال غة نال ل ي نية

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11) Name sheishaa -

**Question**

Is it halal to invest money in the following schemes:

1. Chit funds: In India there are schemes called chit funds. A chit fund is basically a fund in which a group of people invest money in a common fund every month. Then they make a bid and whichever persons bid is the least, he will take the money that month. So whichever person takes money earlier in the scheme will end up paying more money over a period of time.
2. Is it right to invest in Public Provident schemes offered by government post-offices, where we invest a fixed amount every month and the government gives back money after 15-20 years with a fixed percentage.
3. Is it correct to buy pension schemes offered by private companies? We invest a fixed amount every month for 15-20 years and then the company will pay us pension for rest of our life.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Sheishaa,

1-What you called chit fund seems from your description as having no investment whatsoever, yet there is an increment on the loan taken out of the funds. This increment is interest, which is the riba that is prohibited in the Qur'an. This kind of interest-based loan is certainly prohibited. On the other hand, if a group of period agreed that each one of them put certain amount of money every month to be given to one of them without interest, this form of cooperation is certainly permissible and encouraged in the Shair'ah.

2- Public providence scheme, here again the way you described it, seems as interest-based. Such scheme that returns to you the total amount of the money saved every month + their interest are clearly prohibited in the shari'ah. If contributing to such a kind of scheme is obligatory on government employees, the increment paid over the total amount of savings must be discharged to a Muslim charity in order to keep one's own savings clean of riba. If the contribution to such interest-based schemes is not obligatory, Muslims must avoid them and find out other venues for investing their savings.

3-Pension schemes offered usually by insurance companies are essentially based on actuarial analysis. They are based on the probability and percentage of contributors who will receive the pension and the probability of the duration of such pension. If the company that offers such pension schemes does not invest in interest-based investment or if it gives you the option to invest your savings in non-interest based stocks and/or mudaraba-based deposit with Islamic banks, such schemes would be permissible from the Shari'ah point of view. This is in fact what some Islamic insurance companies offer.

We must remember that some contemporary scholars argue against all forms of insurance, but I think they do not rely on strong evidence and some of them do not address the actuarial basis of insurance. If insurance is not mingled with interest, there is no reason why it should be prohibited."

Allah Almighty knows best.

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12) Name Hassan - Pakistan

**Question**

As-salamu `alaykum. Is this right to get shares of some oil or gas companies, earn their dividends and sell them when their prices are high? Whether company tells us or not that is how they earn that profit. Which company shares that are prohibited?

**Answer**

Wa`alaykum As-Salaamu Warahmatullahi Wabarakatuh.

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"In brief, it is permissible to buy Shares of companies that do not undertake interest-based transactions. The scope of permissibility is to the extent that makes the companies interest dealings a considerable minority of its activities.

Certainly, shares of conventional banks and of companies that produce goods or services are completely forbidden.

Oil and gas companies produce permitted goods. Therefore, you have to look only on the percentage of the interest-based transaction.

If you browse the Internet, you will find in the dow jones indexes an index of Islamic market dow jons and there you will find a list of companies that pass the criteria of not "having too much interest-based transactions."

Allah Almighty knows best.

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### SESSION OF JANUARY 26, 2003

Guest Name Dr. Monzer Kahf  
Subject Financial and Economic Issues  
Time Mecca From... 17:00...To... 18:30

#### 1 - Question

What is your opinion about the ISNA's project of providing a non-Riba mortgage? Some people are saying that is very difficult and unaffordable and that is why people still go for conventional mortgage while there is Islamic mortgage available? And if the ISNA's project is not good, what is the best option then? Is there any Islamic organization or bank that offer interest-free mortgage?

#### Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Mu'mmar,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

I think you are referring to ISNA Canada where there is an Islamic housing cooperative, because ISNA USA does not have such a program. The Islamic Housing Co-operative of Canada has a home financing program that is Shari'ah-based.

However, because of their limited resources they can neither accommodate high price houses nor large financing amount. Those people who cannot go with them may resort to other means of financing; there is an Islamic private company in Toronto that works in the same field. If the cost of financing offered by (an Islamic organization or corporation) is higher than the cost in the market, you may act as if the Islamic organization does not exist, because it has no right to charge you additional cost for your religion.

The general fatwa in this regard remains that for those Muslim families who need housing in consideration of several factors, may resort to conventional mortgage financing if they could not find a Shari'ah compatible financing contract."

Allah Almighty knows best.

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#### 2 - Question

Is evading taxes Haram?

#### Answer

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Basim,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Evading taxes in any country by legal means is permissible both in Shari'ah and in the law. Every tax payer is always encouraged to use all legal means and methods to reduce his/her taxes.

Illegal methods to evade taxes may be prohibited if they involve presenting full statements."

Allah Almighty knows best.

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### **3 - Question**

We are a large Islamic community. We are in the process of making Islamic environment for our kids by building, buying, establishing houses, and community centers around the Mosque. We are trying to buy all the houses around the Mosque from the non-Muslims, and thus the area and environment around the Mosque will be "clean" from any Haram acts and so it could be a safe environment to our kids.

To achieve this, we need a huge amount of wealth, and we have money shortage as we undertake huge projects in the community. Some people said that we could take a loan from the bank, even with Riba, as this is a need that could be treated as a necessity. What do your view about this?

#### **Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Jamal,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

The short answer is no. It is not a need that can be treated as a necessity to buy houses and businesses around the Mosque. Buying houses by Muslim families around the Mosque or elsewhere remains subject to the rule of the fatwa on mortgage. If a house is needed and there are no other means to finance it through Islamically accepted contract, one may resort to conventional mortgage."

Allah Almighty knows best.

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### **4 - Question**

As-salamu `alaykum. I have three questions:

1-I am a Tunisian student living in France. I had a grant for the studies. The organization managing my grant gave me an accommodation allowance and I perceived also another allowance from another organization. The problem is that I did not declare at the second organization the first allowance and I thus received an amount higher than that which I would have received in the case of declaration. Do I have to get rid of the money, which I perceived?

2-Is it necessary to pay the taxes in a country like France?

3-I have some jewels. I wear some of them usually and wear others in some occasions. Do I have to give Zakah for them?

#### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

For your first question, I don't think that obtaining money as a scholarship from different organizations and the overlap that is included is forbidden or has anything that is prohibited. Therefore, you may enjoy your scholarship very lawfully, insha' Allah.

For your second question, everyone who lives in a place is needed to pay taxes according to the law as taxes are usually used to provide services that are according to the law too. It does not matter whether you live in a secular or a Muslim country. Again in both cases, avoiding taxes by using loopholes in the law is permissible from Shari'ah point of view.

For the third question, there is no obligatory Zakah on Jewelry that you use usually or wear for normal suitable occasions that are considered for personal use (i.e. not as a store of value)."

Allah Almighty knows best.

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### **5 - Question**

In one of your answers in previous sessions, you said that the money of Zakah is not to be given for establishing Islamic schools since it is the responsibility of the Islamic community to take that initiative. Though this argument sounds logic, I have two **questions:**

- 1.What if the Islamic community is not strong enough to build an Islamic school? What if there are split and some people prefer the Islamic education, while others do not?
- 2.What do you say about the fatwa of Sheikh Al-Qaradawi and others that Zakah money can be given for building Islamic schools and centers as these acts fall in the category of "fi sabil illah".?

Jazakum Allahu khairan in advance.

### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Issam,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Let me begin from the end. The fatwa of His Eminence our Sheikh Al-Qaradawi regarding paying Zakah for Islamic schools is an old one that was issued about thirty years ago on a question from the United States, I was part of the discussion then. He may have re-stated it without looking at changes in circumstances in the United States.

The Muslim community in the United States today is no more than poor as it was then; it is incorrect to think that parents in the community, in their totality, cannot pay for Islamic schools and Islamic education.

Beside, there are other means for providing Islamic education through Islamic centers and Mosques whose establishment must also come from the community sources other than Zakah. Constructing Mosques and Islamic centers is the responsibility of the Muslim community and providing Islamic education is the responsibility of Muslim

parents. It should go back to this original ruling since it falls no more under the category of fi sabil Allah or in the Cause of Allah without extensive stretching of the term.

The da'wa needs that fall under fi sabil Allah today in the United States consist of promoting the cause of Islam between non-Muslims neighbors and community, defending Islam and Muslims against government oppression that comes with the Bush government and especially his Ashcroft tools and defending the Islamic ideals and the Prophet of Islam against bigotry which come from ultra-conservative right as well as the Zionists in the United States. Zakah can be spent on these causes in addition to helping Muslims who are fighting oppression and occupation of foreign troops in other areas in the world.

There is no more room at this time for Zakah of American Muslims to be paid for Islamic schools and Islamic centers and Mosques. Regardless of differences and splits within the community we must think and act bigger. We must observe the priorities of our national interests as a Muslim community in the United States."

Allah Almighty knows best.

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**6 - Question**

I purchased a plot and constructed a house, which is still incomplete due to lack of finance. I had the intention to sell it and reinvest the amount in property. The plot was purchased about 2 years ago and the total investment on plot is Pakistani Rupees. 13 Lacs and construction cost to date is about 12 Lacs Pakistani Rupees. What will be the rate of Zakah that I have to pay until today?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Murad,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Zakah is due on the value of the lot of land and construction on it as estimated on the day of your Zakah (= 354th day after the day you acquired Nisab and every 354 days since then) at the rate of 2.5 % every lunar year.

The land and the construction you have are for the purpose of sale, as you mentioned.

This means they are business inventory. They are subject to Zakah according to the above mentioned rate every lunar year."

Allah Almighty knows best.

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**7 - Question**

Our family is in a bit of financial struggle. However, our only car is dying down and it would be necessary to purchase another one in order to help us out of the financial troubles. Is it permissible to use a Riba-based car loan? We are looking for the best non-Riba deal as well.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Yasir,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

To my knowledge, if you live in the United States there can hardly be a need for a car to the extent that may relax the prohibition of Riba. Leasing is always available and there are many offers without interest as you mentioned."

Allah Almighty knows best.

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**8 - Question**

As-salamu `alaykum. I am confused on paying Zakah on my assets which are Jewelry. Some of them are being given to me by my parents on my wedding and some are bought as gift by my husband. All of them are in my personal use although some of them I used once in a year. None of them were bought for investment purposes. The total value of them is 500,000 Rupees. On which amount do I have to pay Zakah?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Saadia,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Jewelry that you use either on daily basis or for their relevant occasions, even if such occasions may happen once in a while, are still considered Jewelry in use. Consequently, they are not subject to Zakah at all."

Allah Almighty knows best.

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**9 - Question**

As-salamu `alaykum. I have noticed a new trend emerging in some stores recently. When I have paid for a transaction with a credit or debit card the authorization slip, which is normally just signed to show that you are the authorized card holder, has the following printed on it.

By signing you are agreeing to it. It states "As notified, I agree to pay 2.5% of the total (except cash back, petrol, concessions and retail export sales) to TCG card services ltd, for handling services it provides to me. The total amount paid is the same however I pay." The presence of this statement does not in any way increase or decrease the amount that I personally pay for the goods I wish to purchase. I am baffled as to why some stores want this agreement, as it doesn't result in any more payment from the shopper.

Since seeing this I have stopped shopping at the stores who do this until I have sought a ruling on it. Does the presence of this agreement in any way make this a Haram transaction?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Skinner,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

It seems that this note on the credit card slip is addressed to the seller not to you. It is an expression of the sellers' agreement with the card service provider, as long as it does not affect the amount you pay.

The commission paid by the seller to the service provider is permitted in Shari'ah." Allah Almighty knows best.

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#### **10 - Question**

I was there in the US and an Indian friend told me that she took a profit based loan to study medicine , and later on her family bought a house depending on the same basis. Is that permissible, keeping in mind that neither studying medicine nor living in an owned house is a real necessity?

#### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

Il praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Muslim,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

There is nothing that is called profit-based loan anywhere in the world, not only in the US. Loans in the US are given on interest basis. Interest is Riba, and Riba is prohibited very strongly in the Qur'an and in the Sunnah. I agree with you that there is no necessity to study medicine on a riba-based financing.

For housing there may be such a necessity that depends on the circumstances of the family in their living arrangements."

Allah Almighty knows best.

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#### **11 - Question**

Does Islam allow business competition? I mean Muslims merchants competing with prize of commodity.

#### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Yes, competition is permissible in business as long as no immoral undertaking or statements are made against one competitor."

Allah Almighty knows best.

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#### **12 - Question**

My father gave me a house, as a present because I told him that I am not allowed to inherit from a non-Muslim. Now, my siblings are very jealous because my father will leave a lot of debts after his death for them and my mother and he gave me the most valuable possession that he has. Do I have a moral obligation from the Islamic view to give my siblings or my mother a share from the profit I get if I sell the house one day, insha' Allah.?

#### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Aicha,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

The house your father gave you is a gift to you on his own discretion. From that point of view we do not have any Shari'ah or moral obligation to share with anybody including your mother or siblings should your father die. Debts that he may leave behind are not transferable to his heirs. They are charged to his estate and no heirs can be asked for the debt to be paid from his own assets.

However, there are two considerations that you need to keep in mind (apparently that you are richer than your mother and siblings). The first consideration is that you are responsible, according to Shair'ah, for the livelihood of your mother should she become in need for you financial help, the same applies to your sibling with more emphasis if they are minors, and even if they are adults as long as they are in need of their livelihood.

The second consideration is the consideration of being kind to your mother and sibling. Part of your kindness under the circumstances is to be financially generous to them."

Allah Almighty knows best.

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**13 - Question**

Dear Respected scholar, I'd like to know if there are different kinds of Zakah. I know that as Muslims we're supposed to give 2.5% of our money annually. But then here in the U.S. they say that the amount of money we should give before `Eid prayer is \$7-10. How much a doctor conforms that he/she only pays \$7-10 to the poor? How do they calculate this? If they are different kind of Zakah, can you please tell me when we're supposed to give the 2.5% because I only hear the imams talking about \$7-10 Zakah.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Yes, there are two kinds of Zakah, both are obligatory on Muslims. The first is Zakah on wealth and income. It covers most items of wealth, the part of income that is not used for consumption expenses, livestock, and agricultural products. There are exemptions that include all items assigned for personal use such as housing, car or cars, furniture and other household items, clothing, and women jewelry that are not kept as a store of value. The rate of this Zakah is mostly 2.5 % except on agricultural product where it is higher. This Zakah is due every lunar year.

The second kind of Zakah is the Zakah of breaking the fast of Ramadan (called Zakah-ul-Fitr). This is a kind of a toll Zakah; it is due on person, old or young, male of female, and mostly paid by the breadwinner of the family. The estimated amount of this Zakah is, as you mentioned, was US \$ 7-10 in the fast of Ramadan 2002."

Allah Almighty knows best.

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**14 - Question**

Can I give the total amount of Zakah to my grandmother who lives in Africa, so that she can do the Hajj? Her children don't have enough to finance it for her at the moment? Should I only give her part of it and the rest to needy people?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear sister Naziha,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

No, if your uncles are not able to help their mother, you are required to help your grandmother from your own money, not from Zakah, to the extent that makes her enjoy the same living standard you enjoy.

However, Hajj is not required for your grandmother if she cannot pay for its costs, but it will be a great privilege with a great reward to you if you give her a gift of the cost of Hajj from your own money. A rich person is financially responsible according to Shari'ah for her grandparents if those who are closer to them (uncles) are not in a position to provide the help.

Your Zakah must only be paid to any of the categories that are mentioned in the Qur'an (9: 60). And you cannot pay for any person for whom you're financially responsible."

Allah Almighty knows best.

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**15 - Question**

I have a question regarding an Islamic Finance system in the HSBC bank. The fund is called Ammah. In this fund they split your money into two parts. The majority goes in the system where they agree with a client who needs a certain good that the bank will buy it in its name and then resell it to the client on installments and for a higher price. The other part of the money which is a limited amount, they use it in buying stocks in the European stock markets of 20 defined firms that work in the fields of pharmacy, oil and food products.

The question is that they resell their goods for a known margin to them. They take part; give the customer (who deposited his money) a part. They say that because they know in advance for how much they will sell, so they can guarantee a minimum return on my money. I asked what if you lose the goods or something wrong happens, the answer was that we are credible bank and it is not common that we will lose in all our operations. So is this allowed in Islam? Defining a minimum return based on his pre-knowledge of his reselling price. Best Regards.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

The transaction of the HSBC bank that you described is permissible and was approved by a group of respected Shari'ah scholars. The bank employee who explained it to you was wrong. They do not guarantee a minimum return, he should have told you it is almost guarantee, and that is correctly, because Murabahah is a transaction based on pre-determined mark-up, whereby the bank buys certain commodities in cash basis and sells them on deferred basis to business. This is a Shari'ah compatible transaction."

Allah Almighty knows best.

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**16 - Question**

Please advise me with the following matter: Thanks to Allah I made a lot of money in the last 10 years. I divided my income, 1/3 to spend, 1/3 to save and 1/3 as donations, sponsoring orphans and help family members and close friends. Now the financial situation is little different, by reducing the standard of living to 70% of what it used to be my income will be enough for myself, my wife and kids. I like to keep my saving for my kids (marriage, business or inheritance) or for emergency. The interest from the saving I like is divided between Orphans (I previously sponsored) and general donation to needy people & organizations, my brothers and sisters (some of them are in need), needy family members, my parents who are not in need but little demanding. Of course I will not use the interest to pay Zakah or to any thing related to my expenses, my wife and kids. I have never taken interest in my life.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Fouad,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

To begin you should try to use Islamically acceptable means whereby you put your saving and degenerate permissible return instead of placing them in interest-generating accounts. This is the starting point any Muslim should take. Earned interest that happen in spite of our effort to make all our investment within the limit of Shari'ah may be used for charity.

The second point you need to keep in mind is that inadvertently earned interest should be given only to charity not to family members for whose need you may be responsible. Consequently, orphans and charitable organization may be given such earned interest, but brothers and sisters, parents, and other family members for whose need you may be responsible must not be given from interest."

Allah Almighty knows best.

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**17 - Question**

I have a question regarding working as a real estate agent and real estate appraiser in USA. Is it Haram to sell somebody a house knowing that he or she will be paying a big interest on that? And are there any differences in morality (through our Islamic point of view) between appraisers and sale agents? I just signed up for the real estate appraiser course and I wanted to be sure what is right and what is wrong. I would really appreciate your answer and I wish you all the best in your future work

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Working as real estate agent and/or appraiser is permissible even if you know that the buyer is going to use conventional interest-based mortgage. That is not of your business, you are only helping in the sale/purchase of the real estate properties."

Allah Almighty knows best.

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### **18 - Question**

By mistake, my husband got too much money from the company he works for last month. Is it allowed to keep it?

#### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

This money that your husband got by mistake must be returned immediately to its true owner.

Allah Almighty knows best.

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### **19 - Question**

My question is about the interest from Islamic Banks like Faisal Bank. Is such interest Halal or Haram? What are the evidences? What are the differences between these banks and other banks? May Allah reward you.

#### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Islamic banks, including Faisal Islamic Bank of Egypt, do not distribute interest to depositors. They distribute a share of the earned profit because they act as a mudarib using the money of the depositors. They also provide financing on Shari'ah compatible contracts.

On the other hand, conventional banks take deposits on loan basis. They also provide finances on loan basis. Any increment in a loan is interest, it is the same Riba that is prohibited in the Qur'an in very clear terms."

Allah Almighty knows best.

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### **20 - Question**

What is the Islamic view about privatization? I know that you have written a book on this topic in Arabic, please tell me how I can get this book?

#### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

In brief, selling public properties to private individuals is permissible in Shari'ah as long as it does not jeopardize the interest of the Ummah or the country.

The paper I wrote about this was in English and it is not now available on the web. I will try to publish it soon, insha' Allah."

Allah Almighty knows best.

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### **21 - Question**

My question concerns "United States Savings Bonds". I know that the bonds gain interest and this is Haram. However, my mother just gave an old savings bond to me, that was in my name. A relative had given it to me when I was a child, but I did not know about it until a couple of days ago. My question: since I did not know about it until the other day, and I did not have the intention to collect interest on it, am I able to cash it and keep all of the money? Does it count as a gift, which had gained the interest before it was given to me? Your answer is greatly appreciated. If it is all Haram, I intend to give the interest part of it to charity. If not, I could really use the money for essentials.

### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br/St,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

As far as you are concerned, this gift has been to you just two days ago, what you do is to go to bank and cash it. The money is yours completely, you have nothing to do with any interest that has been generating in the past. Any interest generated while the bonds is in your possession, that is from two days until the day you cash should be given to Muslim charities."

Allah Almighty knows best.

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### **22 - Question**

My question is about the business of cashing payroll checks for a fee (usually 1 to 2%). This occurs in businesses that are created just to cash checks and also in other stores that sell products but provide this extra check cashing service. Some workers or customers don't like to cash their checks in banks because they have to pay a fee to the bank if they don't have an account with that bank or they may not like the inconvenience of the bank such as having to show too many identifications or long lines of waiting, etc. The check cashing stores obviously have the expense of running the business, such as rent, salaries, etc. The stores that sell other products and cash checks also have the additional expense of employees, risk of robbery, risk of losing money when some of the checks bounce because the customer's company did not have money in the account or the check was stolen and also the fees that the store has to pay the bank for depositing all the customer's checks in the store's bank account. I have encountered these check cashing businesses in both Muslim and non-Muslim countries. Is this type of check cashing business Haram or Halal and what is the evidence? Jazakum Allah Khairan.

### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Hashem,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

There is a fatwa by the OIC Fiqh Academy that considers payment by check as cash even when you buy currency or gold and silver. The implication of this fatwa is that checks are like cash. If checks are like cash, then cashing them at a discount must not be permissible in spite of the risk and cost that you mentioned in the question.

I do not think that this business is a legitimate business from Shari'ah point of view although it is legal, especially that it focuses on a strata of population that is most disadvantaged those whose identity papers may have certain illegality regarding residency and permit to work. This business abuses them at a time that they are in need of help as they usually are the poorest."

Allah Almighty knows best.

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### 23 - Question

InShaAllah, I will receive a student loan before `Eid-ul-Adha for the last semester as the payment has been delayed, approx. \$ 2,000. Do I have to pay Zakah for it? Jazak Allahu khairan.

### Answer

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

1. If a student loan is interest-based, it is not permissible in Shari'ah unless it has a grace period for payment without interest and you know you are able to pay it within the grace period.

2. Any money that is appropriated for your future expenses for the period between the due date of Zakah and the time you get another payment in the future, is not subject to Zakah. So apply this rule to this case, please.

Allah Almighty knows best.

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### 24 - Question

My question is that I am living in a country where lots of lotteries took place. One of them is that we invest \$ 1000/= in bank they will issue us a certificate bearing a number which will be added in draw and upon draw there are very attractive prize in cash .Is that prize money Halal or Haram for me & if I spend some or all of that money in charity will I be rewarded by Almighty Allah?

### Answer

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Shadia,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

If the draw is not based on any cost to potential winner, it is then permissible and it cannot be called lottery. If so, you can use the money the way you like if you become a winner.

Allah Almighty knows best.

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## SESSION OF DECEMBER 6, 2002

Guest Name Dr. Monzer Kahf

Subject Financial and Economic Issues  
Time Mecca From... 17:00...To... 18:30

### **1 - Question**

If you forget to pay the amount you owe to the visa on time, and you remember after the due date, then you make Istighfar and felt sorry for not being aware of it, do you still get punished?

#### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Hatem,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

"When you forget payment of the credit card within the grace period, you still have to contact the company and ask them to drop the interest charge. In most of the time they accept if you insist and explain politely that it is for religious reason stating that in the history of your relation with them you never paid interest. If they insist, you have to pay that interest with Istighfar and make arrangement that you don't repeat such an oversight.

You know you can always make automatic payment by authorizing the company to withdraw from your account that relieves you from this headache. A company that insists on more interest payment is not worth to continue using its credit card and you may better off canceling it and use other cards."

Allah Almighty knows best.

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### **2 - Question**

Is it permissible to "Day trade" in Stocks and shares of technology companies? And is it allowed to do this using margin (credit) provided by the brokers?

#### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Atif,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Purchases of stocks on margins is not permitted because margin is always interest-based.

Day trading in stocks that are permissible in Shari'ah is also permissible.

On the other hand, buying and selling stocks of companies whose activities are not permitted in Shari'ah is forbidden."

Allah Almighty knows best.

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### **3 - Question**

I stole money from someone in the past and I made repentance sincerely. Now, I observe prayers and fast and do a lot of Istighfar but if I give the man the money back (which is only 80 Egyptian pounds) I will be exposed in my family and friends as the man is not that easy to keep it secret. What should I do now?

#### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.  
All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
"Dear brother in Islam,  
Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.  
You still have to pay him that amount and properly with some extra depending on the time span between the stealing and the repayment, because of the declining value of the Egyptian pound. In all matters that relate to right to other people, returning their properties is a condition for accepting repentance.  
You do not have to explicitly mention to him that you stole it, you may use some other words, like 'you came to realize that this money is his.'  
However, you still have to return it and remember that complete repentance wipe out the sins that were done before it. With this, you can always answer any family member who may feel otherwise."  
Allah Almighty knows best.

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#### **4 - Question**

I am a man who collects panties. I don't wear them, but I buy new ones for my collection. Is this Haram?

#### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.  
All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
"Dear Jwuan,  
Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.  
I don't see anything forbidden in buying panties whether you use them or not. However, if the final intention that you will sometime sell them, they must be subject to Zakah on a yearly basis."  
Allah Almighty knows best.

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#### **5 - Question**

I wanted to know whether it is permissible to work for a Jew or to take money from him (i.e., the salary)?

#### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.  
All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.  
"Dear brother Zyad,  
Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.  
It is permissible to work for any body regardless of the person's religion or ethnic background as long as what you do is originally permissible in Shari'ah and does not violate the interests of Muslims. For instance, it is not permissible to work in constructing Zionist settlements of occupation in the occupied land of Palestine.  
If the work is permissible, your salary will be also permissible."  
Allah Almighty knows best.

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#### **6 - Question**

I just read that Al-Azhar Research Academy said that fixed interest from a bank deposit is Halal. I'm confused since I always read that it is Riba, and therefore Haram.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Mohammad,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

This new fatwa of Al-Azhar about fixed return on bank deposits is a repetition of an old opinion of Sheikh Sayyed Tantawi when he was the grand Mufti of Egypt.

Now, he is the head of the Al-Azhar as appointed by the government, and this new fatwa came under his leadership.

The view that fixed return on deposits is permissible was argued by Al-Azhar Research Academy in 1965 and was refuted with clear arguments.

Essentially, bank deposits are loans as defined in both the deposit contracts and banking laws in Egypt and in other countries, and the well-established rule of Shari'ah is that 'any increment in a loan, be it fixed or variable' is Riba which is prohibited.

Sheikh Tantawi attempted to raise his view above the view of the International Fiqh Academy held in Abu Dhabi 1994 and the academy had a unanimous resolution that any returns on bank deposits (since they are loans) is a form of the prohibited Riba.

In that meeting, the members and experts of the International Fiqh Academy voted to strike the presentation of Sheikh Tantawi from the proceedings of the Academy because they felt it was very much erroneous."

Allah Almighty knows best.

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**7 - Question**

As-salamu `Alaykum. I would like to purchase insurance policy which is having pension plan. Is it Halal to purchase this type of policy? The policy is that we have to pay insurance premium for 10 years after that we will get pension for life time. Please advice, thanks.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Meer,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Insurance is permissible provided it is not based on interest. This is the opinion of the late Sheikh Mustafa Al-Zarka (died 1999), which I think is the right view. You need to check whether this policy is interest-based or it is based on investment in stocks."

Allah Almighty knows best.

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**8 - Question**

I want to know the Islamic Shari`ah on fixed deposits. Nowadays, it is a common practice among people to keep some money in the banks as fixed deposit, and banks are giving them some monthly money .Is it Haram? If it is the only income of those families then are they guilty according to Islamic Shari`ah? Please answer me quickly.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Br.

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Deposits with conventional banks are loans by definition in the banking laws as well as in the deposit contracts. The bank guarantees their principles and this is the substance of a loan.

In the Islamic Shari'ah, any increment in a loan is called Riba, and it is prohibited completely and absolutely in the Qur'an (2: 279) and in the Sunnah. It is considered one of the worst sins that provoke a war be declared from God and His messenger on its practitioner who do not quit their practice.

Muslim families should not invest their money in conventional bank deposits. In Islam this is not considered a "clean" income. If it happens that a Muslim earns interest, he/she must give it away to Muslim charity and not use it to his/her own expenses nor add it to his/her own assets."

Allah Almighty knows best.

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**9 - Question**

What does Islam say about making money on buying the property on mortgage (Interest paying) and rented them out and paying that mortgage payment?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Syed,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Interest-based mortgage is not permitted in Shari'ah.

In cases of necessity for Muslim families living in the West who need residences for their own and cannot find other means of financing that are compatible with Shari'ah, the second International Fiqh Conference held in Detroit 1999 resolved that they may take interest-based mortgage as a last resort. This fatwa cannot be generalized to cover other interest-based mortgages."

Allah Almighty knows best.

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**10 - Question**

I would like to know, in your opinion, what is the difference between conventional and Islamic bonds.

Also, I would like to know your opinion regarding the definition of Riba in Islam and interest rates in conventional banks. Thanks.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Hanzada,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Riba is prohibited in the Qur'an and the Sunnah; its exact definition is: any increment stipulated in a loan contract. Stipulated may mean either put as a condition on the contract or it is the customary practice in its area.

Consequently, any bonds that are issued with the condition of increment, fixed or variable is a conventional bond even if someone or some government calls it an Islamic bond.

Exception: the word bond is sometimes used not in the meaning of a loan to a bond issuer, but simply in the meaning of a certificate. Accordingly, if the bond is used with relation to lease contract even with the fixed rent for a long period, it is still permissible. The difference is that a lease (Ijarah) bond represents ownership of a fixed asset such as building, land, a bridge, sea port or an airport. And the fixed assets are leased to a company or a government for say twenty years at a fixed annual rent; this kind of bond is permissible in Shari'ah.

The OIC (Organization of Islamic Conference) and the International Fiqh Academy preferred to call it sak (pl. sukuk) in order to avoid the Arabic word sanad (pl. sanadat) that has become used exclusively for loan-based bonds.

Regarding your second question, basically conventional banks get deposits on loan/interest basis and provide financing also on loan/interest basis too. Islamic banks obtain deposits on silent partnership basis and provide loans on sale basis, lease basis, or active and silent partnership basis."

Allah Almighty knows best.

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**11 - Question**

My husband and I are planning to go for Hajj. I get regular pocket money and have substantial savings of my own. Can you tell me if I should pay for my Hajj myself, or is my husband obliged to do so?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear sister Somera,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Your husband is not obliged to spend for your Hajj, but most Muslim husbands do that as part of their good relations with their wives.

If your husband gives you that gift of taking you to Hajj on his expenses, it is well and good and he will be rewarded for it in addition to his Hajj regardless whether you are able to spend from your own money or not."

Allah Almighty knows best.

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**12 - Question**

I plan to go for Hajj, two months from now. Do I have to pay Zakah on the money I have at present, which will pay from my Hajj. This amounts to approximately \$3500. Thanks.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Nasser,

Upon the end of a lunar year (354 days) from the day you had a Nisab, you are required to pay Zakah on all the money you have provided you have at the end of the year a Nisab or more. The Nisab is about US \$ 1000.

The only exception is a contracted debt that has to be paid from the amount you have at the end of the year. If you didn't contract a Hajj travel agent before the end of the year and the amount of the contract becomes a debt on you that is to be paid from the money you had at the end of the year, you do not deduct the money you want to spend on Hajj. The amount of Zakah on US \$ 3500 is only US dollar 87.5 which is much less than the visa charge you paid to the Saudi Consulate."

Allah Almighty knows best.

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### **13 - Question**

I know that HSBC offers Halal mortgages and investments, but I have also learned that HSBC is an Israeli (or at least religiously Jewish) owned bank.

Shouldn't we avoid doing business with such organizations in light of current global conflicts?

Also, why is it that Jews offer Halal banking in the U.S., but not Muslims?

### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear sister maryam,

Any organization that supports the Israeli atrocities in the occupied territories is doing wrong and deserves to be boycotted. I personally don't know whether HSBC supports the Israeli aggression or not.

However, the permissible mortgages and investment they offer are genuine and compatible with the Shari'ah; they have credible Shari'ah board. There are also other companies that offer Islamically compatible mortgages that you need to search for in the US market."

Allah Almighty knows best.

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### **14 - Question**

Is it permissible to buy a grocery store which sells pork products in a country where Muslims are minority and continue the practice of selling pork products?

### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Semseddin ,

It is not permissible to sell or buy any forbidden product/materials. Consequently you may buy the store provided you exclude the inventory that contains pork ingredients. Whether the store is located in a minority/ majority in Muslim/non-Muslim country."

Allah Almighty knows best.

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### **15 - Question**

Could you please provide your view regarding equity option trading and its place in Islam. Thank you.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Sinan,

Please send me more details by what you mean by equity option trading to give you the proper answer.

However, if you mean stocks options or commodity options, the OIC International Islamic Fiqh Academy resolved (1412 h) that these options are forbidden. They are market created instruments that in the final analysis represent no real market transactions."

Allah Almighty knows best.

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**16 - Question**

Can I pray in a house whose owner is paying interest (Ribba)?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Abdinor,

Yes, you can pray in a house or any other place whose owner has bought it on interest-based mortgage. The sin of Riba transaction is on those who deal in it not on a person who steps in that place or make other transaction, including visit with them."

Allah Almighty knows best.

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**17 - Question**

I heard that Imam Abu Hanifah has fatwa about dealing with non-Muslim countries as follows: If Muslim lives in non-Muslim country he has the ability to deal with the people in this country exactly in the same way as they treat each other economically; that means as I understand I can use the credit card like any other American.

Please, I would like to have your comment about this issue to confirm this information or deny it.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Imam Abu Hanifah has an opinion about dealing in contracts that are prohibited in Shari'ah on moral basis but only on economic ground such as interest.

The basis of his opinion is that the Islamic law applies only to the Muslim country and cannot be imposed on people who live in non-Muslim countries. At the same time, individual Muslims wherever they live are required to observe the Islamic moral values, standards and rulings.

This means, according to Imam Abu Hanifah, that dealing in Riba with non-Muslims in non-Muslim country is permissible whereas selling pork or alcoholic beverages are not,

because the latter are moral-based. Also, theft and robbery are not permissible because the prohibition is also moral-based.

However, the official opinion the Hanafi school goes along with Abu Hanifa's disciples on this matter, which is the prohibition of interest-based contract for any Muslim wherever he/she may happen to live. This is also the opinion of other schools of fiqh."

On that basis, the International Fiqh Conference held in Detroit 1999 didn't found its resolutions on mortgage for Muslim families in America on the basis of Imam Abu Hanifa's view, but rather on the basis of needs that affect many people to the extent that they are treated as necessities."

Allah Almighty knows best.

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### **18 - Question**

I am working in the restaurant where the lady also sells wine.

I am working in the kitchen so I never deal with alcohol and she is also using non-zabiha meat of chicken and beef in restaurant. Is my salary is Halal or not?

### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger. It is permissible to work in a place that sells pork, alcoholic beverages, etc, provided that you don't handle the sale of such prohibited items; as you said you work in the kitchen. And your salary derived from such permissible work is Halal InShaAllah since you are not doing anything that violates the rules of Shari'ah.

With regard to meat slaughtered with mentioning the Name of Allah (many people call it Zabiha or Halal meat), the issue is disputed among Muslim scholars, the majority of them considers meat slaughtered by Jews and Christians without mentioning the Name of Allah is permissible and it is equally Zabiha like meat slaughtered by mentioning the Name of Allah. In any matter whether there are different credible Shari'ah opinions, the choice between them becomes personal and respected without condemning the other opinion.

Therefore, selling, offering, and cooking such meat is permissible even if you select the other opinion for your personal eating."

Allah Almighty knows best.

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### **19 - Question**

Can I eat with a person who earn his money from Riba?

### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Brother Hussein,

Yes, you can eat with a person who earns his income from Riba. There is no evidence in Shari'ah that people who earn income from prohibited sources must be boycotted."

Allah Almighty knows best.

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### **20 - Question**

Please tell me if I can pay Zakah on monthly basis like every month instead of paying once a year in Ramadan.

I will divide the total amount in 12 months and I want to pay monthly. Is that right?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Naveed,

Yes, Zakah can be paid in advance during the year; you estimate the amount that will be due on you at the end of the lunar year (354 days) beginning from the day you acquired Nisab (approx. US \$ 1000); this does not usually coincide with Ramadan) and pay during the year any amount you like to pay, on equal payment of not and on regular interval or not, provided that when you give any payment, you keep in mind the intention that it is for your Zakah. And you pay at the end of the year the balance that may be due on you." Allah Almighty knows best.

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**21 - Question**

My father made life insurance to be paid to me and I am the only daughter and he has two sisters and a brother. Am I going to give them from it?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear sister koky,

No, life insurance benefits, i.e. the amount that is paid upon the death of the insured, is not part of what the insured owned during his life.

Insurance distribution applies only to properties owned by a person when this person dies. It does not apply on things that he/she didn't own. Consequently assigning a beneficiary in a life insurance is a prerogative of the person who contracts the life insurance policy and the benefits you get as an assigned beneficiary are all yours and do not need to be shared with other heirs nor included in the estate of the deceased."

Allah Almighty knows best.

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**22 - Question**

If a Muslimah wishes to work in the field of Islamic finance are there any recommended courses of study? Also, is there any comprehensive list or group of such companies in the North East?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister maryam,

There are many courses offered on Islamic banking finance and economics, I doubt that any formal one is offered in the US universities as a formal course.

You may check a website called [www.ibf.net](http://www.ibf.net) and see if they have any English language courses on the internet that you may benefit from.

The main companies in Islamic home financing are, in addition to HBC, Samad in Ohio, Guidance Financial in Virginia. There is a company on Texas which is part of ICNA (Islamic Circle of North America)."

Allah Almighty knows best.

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### **23 - Question**

In one of your responses you indicated that in order for him to repent the person must give back what he stole and some extra to make up for the lost value of the Egyptian pound. But isn't this exactly why people say it is ok to accept interest, i.e., because the borrower is paying for the lost value of the money? It seems to me that if the person stole \$80 10 years ago, he must only repay \$80 now regardless of how much money the \$80 would be worth since the decrease in value is only due to inflation and other interest related factors. Please explain the difference if there is any.

### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Maryam,

No, it is not. The argument that interest is a compensation for the loss of the value of money due to inflation is a false one. There is interest even when there is no inflation although it is true that interest increases when the rate of inflation is high. What compensates for inflation is usually indexation. Interest is the price of money in a loan contract.

Returning of stolen property is a different issue, what was stolen had much more value than its nominal value today after a passage of a considerable number of years, and in returning what was stolen, one is required to make full compensation because theft is an act of aggression that has no moral excuse.

Allah Almighty knows best.

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### **24 - Question**

Do you have to pay Zakah on 401(k) or IRA as they accrue or only when you withdraw the funds? By law, I cannot withdraw the funds for about 30 more years without penalties.

### **Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister maryam,

Individual private retirement funds such as IRA, KIO, 401K and similar funds are Zakatable LIKE OTHER ZAKATABLE ITEMS. These are owned and managed by you. The restrictions imposed by the tax system do not negate the essence of ownership and do not make such funds like what is called in Fiqh 'al-mal al-Haram', which is money you lost and you do not know where it is. Government in accordance to Shari'ah has the right to make certain restrictions on the disposition of certain personal properties for certain objectives related to public interests and concerns.

Retirement funds that are similar to Social security are not subject to Zakah. Many companies have retirement systems to which every employee is required to contribute at a given rate and there is usually a matching money from the company, and they have an actuarial system, similar to that of life insurance companies for the calculation of pensions and/or lump-sum payments at the time retirement. Funds contributed or credited to an employee's account in such a retirement system are not subject to Zakah. I said earlier "like other Zakatable items" and capitalized it (as my system does not allow me to underline it) because it really depends on how the money in an individual retirement account is used. For instance, if you borrow (this is permissible in Shari'ah even if the tax system requires you to pay to the account interest because you are paying the interest to yourself) this money from your account to purchase a residence for yourself, borrowed money that is used for the residence or for paying emergency bills or any other use that is not subject to Zakah must be deducted for the purpose of calculating the Zakah, i.e., it is not Zakatable.

By the same token, money, in your retirement account, that is kept cash and treasury and other bonds (though interest is Haram and must be given away to Muslim charity) are subject to Zakah with no disagreement of any scholar that I am aware of.

The Zakahability of money invested in stocks and shares (that for Muslims must always be Shari'ah compliant) depends on the Fiqhi opinion you select for yourself. I will give you the areas of agreement and areas of different opinions and my opinion.

If these shares are purchased for the purpose of making money from capital gain by selling them once a good opportunity exists, they are subject to Zakah at the market value on the day Zakah is due (the 354th day after acquiring Nisab). This is agreed upon unanimously. If they are purchased for long term keep and to collect their regular dividends, the Opinion of the majority, as adopted by the OIC Islamic Fiqh Academy, is that only your proportionate share of the mobile assets of the companies you own shares in is subject to Zakah; Sheikh al-Qaradawi argues that only the income of these shares is subject to Zakah; and a minority, including me believe that the market value of these shares on the day when Zakah is due is subject to Zakah because these have really become financial properties that did not exist in the past (the only classical item which bears some similarity is debt you own on others and it is subject to Zakah) and that are owned in complete separation from the physical assets of the companies, to the extent that the identity companies and their assets' composition have in fact little relevance only, at far distance, to the investor added to it the complication of mutual funds that makes it impossible to implement the majority's opinion.

Finally, although Zakah may be due, its actual payment can be postponed without sin until this kind of money is actually recovered. because a payer is not required to pay the due Zakah from his/her other sources. The due Zakah on a given item is essentially payable out of the item itself. No doubt, if you decide to pay it from your current income and resources, it is fine and acceptable. The point is that you are not required to do so.

Zakah is due but it is not required for payment until you cash that money. The reason is that you do not have accessibility to it at the present, and the principle is that Zakah on any item is payable from that item. In other words, you may, but do not have to, pay its

Zakah from your other sources because its Zakah is not on these other sources. The final outcome of this is that if you pay its Zakah now from your income this is well and good. but if you do not pay it now and only calculate it and you sleep on it until you withdraw the whole money, and suppose you withdraw it with penalty or arrear taxes (any thing that turns out to give you less money than you thought when you made the calculation, you can revise the calculation and only pay Zakah on the actual amount received. Take the example of a debt on a person who is able to pay and recognizes that he is in debt to you for that amount. It is subject to Zakah every lunar year. if that person dies and his heirs deny part of the debt and you could not prove it otherwise. If you already paid every year, it is gone as Zakah and rewarded InShaAllah, but if you did not pay you can, now say after 20 years, pay Zakah for the past years only on the amount you actually collected."  
Allah Almighty knows best.

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### SESSION OF NOVEMBER 26, 2002

Guest Name Dr. Monzer Kahf  
Subject Islamic Financing Fatwa Session.  
Time Mecca From 20:30...To... 22:00  
1 – Name Ahmad -

#### Question

Dear Scholar. As-salamu `alykum, I have a brother who asked me to give this question? He has a private Taxi in Montreal in Canada, and his car broke 2 days ago. There are no Islamic banks in Montreal. Can he take a credit to buy a new car to work? He has no money. If not, what is the solution in his case? Please explain me what's Al-Murabahah and how a person can do it if he has money?

#### Answer

Wa`alaykum As-Salaamu Warahmatullahi Wabarakatuh.

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear brother Ahmad,

Let's begin with explaining the Murabahah. Murabahah requires the finance provider to buy the car in his name cash until after he takes actual delivery so the person sells it to the person who is going to use it on installment at higher price. In other words, the total amount of the installment adds up to the cost of the third buyer and his profit.

If someone has money and wants to help this brother of yours, he can buy the needed car and sell it to that brother on installment.

If this is the only source of income of this taxi driver and he does not find any means for financing the new car other than through conventional banks after making adequate amount of effort in searching, resorting to conventional interest-based maybe tolerable under the basis of necessity. But to my knowledge, there are two other means that are compatible with the Shari'ah which are available in Canada; the Islamic House Finance Corporation whose main office is in Mississauga (Ontario). It is with ISNA, you can contact it through [www.isnacanada.com](http://www.isnacanada.com). The second is the leasing agreement that is

very common in Canada and offered by all banks and car dealers. This kind of lease is the closest to the Islamic lease purchase that is known in Islamic banks.

Allah Almighty knows best.

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2 – Name Ibrahim -

**Question**

I have two questions as follows: 1. I have recently sold my house and made a small profit. I will pay Zakah on the profit in this year. I want to ask: do I need to pay Zakah on the profit next year and onwards. 2. I invested some of the profit from the house and get interest paid to me which I use for normal living expenses, as I am not working, and I don't receive any pension. Do I need to pay Zakah on the interest payments?

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Ibrahim,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Regarding your first question, I can say that Zakah is obligatory on all the cash you have not only on the profit. If you sold your house for any price, the cash balance you have on the day a lunar year is completed after having a Nisab (which is approximately 1000 us dollar) is subject to Zakah. In other words Zakah is not only on profit even if you live now in a rented house.

Interest-earned is not yours according to Shari`ah. It is forbidden to use it for your own living expenses. The Prophet (peace and blessings be upon him) said, "...and every flesh that is raised on forbidden income deserves to be in the hellfire more (than any other place)." Muslims must not invest in any thing that gives them interest. For any reason, if a Muslim happens to earn interest, it must be given away to the poor and the needy or to Muslim charities that provide humanitarian help to Muslims under stress and occupation such the Palestinians or Chechens.

Having the price of your house, and the profit you made on it do not qualify you as a poor even though you may not have presently any income or pension."

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3 – Name Esaam -

**Question**

Dear Scholar. As-salamu `alykum, I would like to ask about the defense saving certificates and as well the bank account on which we get profit but no loss. Are these Islamic? I want an answer in detail. Thanks

**Answer**

Wa`alaykum As-Salaamu Warahmatullahi Wabarakatuh.

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Esaam,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

need more information about the defense saving certificates. The general rule is that any amount given to the government, a bank, a developmental institution, or even a

private individual on the basis of guaranteeing the principal to be paid back, in addition to any increment whether it is determined at the time of the contract, ( buying the certificate) is forbidden because this is the Riba that is prohibited in the Qur'an and the Sunnah.

The same rule applies to bank accounts as well as to government issued certificates."  
Allah Almighty knows best.

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4 – Name Arwa -

**Question**

If I saved my money for a year but during that year I spent some of it, do I still have to pay Zakah? And if I don't have to pay Zakah, is it ok if I do? Jazakum Allah Khair!

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear sister Arwa,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

You have to pay Zakah at 2.5% every year on your saving every lunar year if the following two conditions are satisfied:

1- You got the Nisab (=approximately \$ 1000) on a given day;

2- you got at least a Nisab 354 days from that day.

If you don't have at least the Nisab after 354 days, then Zakah is not obligatory. You can give any amount as general Sadaqah and it will be good and rewarded many folds."

Allah Almighty knows best.

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5 – Name Emaan -

**Question**

Dear Scholar. As-salamu `alykum, My younger brother of a non-Muslim family (I'm the only Muslim) died suddenly. At the time the family was unaware of his financial status so we all contributed to his burial and funeral costs, etc. Afterwards it was determined through probate that he had several thousand dollars in unpaid wages, pension, and "life insurance". Everyone was first paid back for the funeral costs and several months later after everything was settled each family member received about \$5,000.00 each.

My question: From an Inheritance standpoint and the life insurance issue, am I allowed:

1. To keep the money that was repaid to me for my share of the funeral expenses 2. Is the almost \$5,000.00 sent to me lawful.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear sister Emaan,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

The general inheritance rule in Shari`ah does not allow for inheritance if the religion of the diseased is different from the religion of the heir. If you are living in a Muslim country where the Islamic inheritance law is in application you will not be given any share of the estate. Repayment of the expenses you shared is permissible anyway.

From your question, it appears that you do not live in a Muslim country where the Islamic inheritance law prevails. This is because you mentioned that the remainder of the estate was distributed equally to family members. Muslims who live under non-Islamic inheritance laws are required to apply the Islamic Law on their own estate when they die. This can be done by making a Last Will you can find a format for an Islamic Last Will on the Internet in either of these two sites:

[www.isna.net](http://www.isna.net) and [www.kahf.net](http://www.kahf.net)

However, the Islamic inheritance law that is applied through a Last Will does not obviously cover non-Muslims. Non-Muslims may have their own Last Will or their estate will be distributed according to the law of the state where they lived. The legal implication of this is the following, the law of your state gives you \$ 5000, it does not matter from where as it is really not your business as long as the law gives you the right to this money. It is certainly permissible to take it.

The source of life insurance payment is also permissible. Insurance of all kinds is distributed in the Muslim scholars' circles. Some object to insurance on the basis of ambiguity in the insurance contract but a growing number of scholars argue for the permissibility of insurance as long as it is not based on interest. Such death benefits are not interest-based so it is not permissible to seek your share of the insurance death benefit.

Allah Almighty knows best.

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6 – Name Mohammed -

**Question**

As-salamu 'Alaykum. Regarding Zakah on cash, do we consider the cash (bank balance) at hand at the end of every lunar year when Zakah is due, or do we consider the minimum balance which "stayed" with us throughout the year? Jazakum Allah Khayran.

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear brother Muhammad,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Zakah is due on the amount, i.e. the balance you have the 354th after having Nisab.

There is no consideration of additions withdrawals and averages during the year."

Allah Almighty knows best.

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7 – Name Razi - Netherlands

**Question**

Dear Dr. Kahf,

Is the following transaction Halal in Islam? Suppose I lend a friend of mine \$ 10.000 which is equivalent to 4 grams of gold. After 5 years this friend of mine has to pay me the money back. Only now the value of 4 grams of gold is equivalent to \$ 15.000. Therefore, I want to obtain \$ 15.000 of that friend of mine instead of the \$ 10.000 which I lent him.

Baraka Allaahu Feek

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

Dear Razi,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

This transaction as you described is pure Riba. The difference of \$ 5000 in the example you gave is Riba. The reason is that Shari`ah does not work on assumption and you did not give him 4 grams of gold but you actually gave \$ 10000 as a loan, so you are only entitled to \$ 10000 as repayment. If you give him gold and he sold it for \$ 10000 he then owes you the quantity of gold and he has to pay it back to you on the due date even if its value is \$ 15000."

Allah Almighty knows best.

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8 – Name Elif - Germany

**Question**

I read few times that we have to do Itikharah prayer seven time if you want to get a clear answer for your need. Is it true that I have to concentrate on any colors in my dream which I will get after I do my Istikharah as like white green, red and black? Could you please tell me, how to do correct Istikharah, and could you please give me a proof from the Sunnah for that!

**Answer**

In The Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger.

"Dear Elif Nida,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

This is a general not financial question. However Istikharah came in a correct saying of the Prophet. When you make Istikharah you will be leaving the matter for Allah to choose for you but there will be no color, no dreams and no message given to you of what Allah has chosen. The series of events after that is what is best for you that Allah has selected." You can read: Salatul Istikharah: Any Sign of Response?

Allah Almighty knows best.

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**SESSION OF NOVEMBER 19, 2002**

Guest Name Dr. Monzer Kahf

Subject Islamic Financing Fatwa Session.

Time Mecca From 20:30...To... 22:00

1 – Name Ra'uf -

**Question**

There is a system called Pentagon system. In this system every member earns a lot of money. The complete information is on the website: ([www.future.it](http://www.future.it)). We hope you can inform us about this system because many people entered this system and nobody knows if this system is Halal or Haram. Thanks a lot.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger, all his descendants and companions.

Dear brother Ra'uf,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Your question is not suitable for the live fatwa session, please download all the information about this Pentagon card and send them as e-mail to Ask the Scholar service, and then we will study them and give them an appropriate answer, insha'Allah. Allah Almighty knows best.

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2 – Name AA -

**Question**

As-Salamu`Alaykum, jazak Allahu khayran first of all. My Question is: I am a student in the university and I am about to graduate from undergraduate school. I am confused about what I should go on to do. I am concerned about several things. One of them is how my decision will affect my financial stability in the future. After understanding my situation, I ask you to elaborate on the term "Rizq" within the context of my situation. Will it make a difference what I choose on how much Rizq Allah will give me? Or is it all the same? Jazakum Allahu khayran and Ramadan Mubarak InshAllah. As-Salamu `Alaykum.

**Answer**

Wa`alykum As-Salamu wa Rahmatullahi wa Barakaatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger, all his descendants and companions.

Dear brother,

You should make it clear in your mind that whatever sustenance (Rizq) Allah will give you is going to be yours in the quantity and at the time Allah the Almighty prescribes. Nothing takes place in the universe except being pre-known and decided by Allah, Most High.

This is not pre-determinism nor fatalism because you do not know what is written for you up there, and you are required to use your utmost capacity to obtain what is best for you in this worldly life as well as in the life after. Almighty Allah has equipped you with abilities and knowledge that you must use and promote to their utmost.

The Prophet (peace and blessings be upon him) is reported to have said: "You will be given your sustenance (Rizq) as birds are given their sustenance." He (peace and blessings be upon him) continued, "They go in the morning hungry and they strived all day long to get their food and then come back in the evening with full stomach." Striving all day long is the duty of everybody and it is the means through which Allah the Almighty gives you sustenance. In another saying, the Prophet (peace and blessings be upon him) emphasized that one must use one's capability, stating that "everyone is helped (by Allah) to achieve the objectives of its creation."

Allah Almighty knows best.

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3 – Name Zeinab - Profession

**Question**

I owe money to a person whom I haven't seen for twenty years and I am unable to locate him. What can I do to pay my debt?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger, all his descendants and companions.

Dear sister Zeinab,

Wa Alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

You cannot do anything to pay your debts to this person whom you couldn't locate until now except keeping searching for him and praying that Allah will give him reward for the money he loaned you and that Allah the Almighty enables you to pay your debts. There is no blame on your part as you described in your question that you intend to pay the debt and you are trying to find the creditor.

Always prayers, du`a' (supplication), and Sadaqat (charities) should be with everyone of us at all times whether we have debts to pay or not.

Allah Almighty knows best.

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4 – Name Alami -

**Question**

I want to know about the business of motels. Is it possible that a Muslim can make a business of motels? I shall be thankful for your answer about my problem. I will wait for my answer. Thank you very much. May Allah bless you.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger, all his descendants and companions.

Dear brother Alami,

Wa Alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

Certainly the business of motel is permissible and decent; there is nothing forbidden in this business as such.

This business is deemed permissible provided that no abuses are made in it. Abuses are more often in motel business in many countries than in some other business like selling cars or candies. Motel businesses is combined sometimes with the sale of alcohol, prostitution, and other prohibited sexual practices and with unveiling beauties and parts of human body that should otherwise be covered under the name of entertainment. This is a prohibited form of entertainment. These attachment to motel business are not integral part of the business and they are immoral and prohibited in the Shari`ah.

Allah Almighty knows best.

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5 – Name Sami -

**Question**

Is there a limit for the profit margin?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger, all his descendants and companions.

Dear brother Sami,

Wa Alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

The answer is no, there is no limit on profit margin as long as there is no monopoly or practices of monopolistic powers. However, if a society decides to place certain limit on the profit margin in certain businesses, such action is not in contradiction with the Shari'ah. In other words, as long as there are no monopolistic practices limiting the margin of profit in any given business, it is a worldly matter that can be either left undetermined or acted on by the society and its government.

In case of monopoly, the government must interfere and set a limit on the profit margin or destroy the monopoly by fragmenting it into competitive entities. The objective of setting a price limit and/or a limit on the profit margin in the case of monopoly is to prevent exploitation of the other parties that deal with it.

Allah Almighty knows best.

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6 – Name rama -

**Question**

If you are living in the USA, would you buy a car, agreeing to pay monthly payments with interest?

**Answer**

Allah Almighty knows best.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger, all his descendants and companions.

Dear sister,

Wa Alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

No, I wouldn't. Buying a car on interest is forbidden because interest is the same Riba that has been prohibited in the Qur'an with the strongest word (please read Al-Baqarah 2: 279)

There are alternatives to buying a car on interest;

1. use public transportation;
2. use a bicycle which is available in many places in the United States;
3. buy a less costly car and pay cash;
4. lease a car and pay its rental every month. Although we know that the lessor is being financed on interest basis, this does not affect the contract between me as a lessee and the car dealer (lessor).

In spite of that, there might be an exception on the basis of necessity if a car becomes as essential to a person as a place to live in and he/she does not find any other means to finance buying a modest car. Necessities are exceptions that relax the prohibition to the extent of the limit of removing the necessity.

Allah Almighty knows best.

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7 - Name        muslima   -

**Question**

As-Salamu `Alaykum, dear sheikh,

Are we allowed to give money instead of food for Zakah? If not, does the food really have to be rice, grains, flour? Or can we give something that is more suitable to those living in North America? Jazaka Allah khayran.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger, all his descendants and companions.

Dear sister,

Wa Alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

Apparently you are asking about Zakah-ul-Fitr. Yes, it is permitted to pay Zakah-ul-Fitr in cash or any other food item that is most convenient to the poor. There is no determination in Shari'ah that Zakah-ul-Fitr must be paid only in a given food item, although four food items are mentioned in the hadiths of the Prophet (peace and blessings be upon him). These are barely, basins, dates, and dried yogurt.

From the time of the Companions, they started paying Zakah-ul-Fitr in other than these four items on the basis of being more convenient to the poor. They paid it in wheat and at later generations, they paid it in some Muslim countries in terms of rice.

As for cash payment, it existed from the first century of Islam especially in the metropolitan areas such as Damascus, then Baghdad, then Cairo. Cash payment is known in the earliest school of Fiqh, the Hanafi School.

Allah Almighty knows best.

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8 – Name saad   -

**Question**

Can you tell me the degree of necessity that allows you to go for mortgage?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger, all his descendants and companions.

Dear brother Saad,

Wa Alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

Necessity in Shari'ah is anything that is essential for the protection and safety of any of the five basic matters that are of most concern in Islam. These five things are: life, religion, mind, posterity (offspring), and property. All religions sent by Allah the Almighty and especially the final message, Islam, and the laws derived from it, have these five essential things in high regard. The general objectives of the Islamic Law are to protect, guard and promote these five things. Obviously, this includes avoiding any damage to either of them.

Necessities warrant relaxation of a prohibition. Yet, there are cases that are treated the same as necessities with regard to relaxation of prohibition. These cases consist of

existence of difficulties that make the protection of any of the five basic things hard for a great number of people. Avoiding such difficulties is upgraded to the level of necessity because it applies to a large number of people. This rule is known in Shari`ah as "a need that covers many people must be treated the same as individual necessity."

Needs of Muslims for housing in North America is well established. To buy a house is not a necessity although it is may very often be an important need especially if you live in cities of several hundred thousands and above in the US.

Difficulties of renting for families with children, high rent compared to installment on purchases, neighborhood quality, safety and security consideration, availability of decent schooling for children, availability of reasonable public utilities and public services including police response, tax rebate and income tax reduction, building equity - these are important considerations that affect most Muslim families in North America especially in the US. Although none of them is a necessity in the strict sense of the word, each of them, and all together, make important matters that are not negligible or marginal for most Muslim families. These are the considerations that warrant treating them the way we treat necessities with regard to relaxation of the prohibition of interest.

It must be clear here that the fatwa in this regard is preceded by charging Muslims in North America to take serious action to make available forms of financing that are consistent with the Islamic law. And only after exhausting effort in that direction that one may resort to conventional mortgage that interest-based.

Finally, determining the extent of affordability of each of these considerations is only a personal matter; each one of us alone is the only judge in determining how much difficulty he/she can bear before resorting to this relaxation. No one has the right to make judgment for another.

Allah Almighty knows best.

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9 – Name Afaf

**Question**

If you can afford the rent, can you take mortgage?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger, all his descendants and companions.

Dear sister Afaf,

Wa Alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

If rent is the only consideration and you can normally afford it, you should not resort to mortgage. However, if there are other considerations beside rent, put them all together and make your own judgment.

Allah Almighty knows best.

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**SESSION OF NOVEMBER 9, 2002**

Guest Name Dr. Monzer Kahf

Subject Islamic Finance Fatwa Session.

Time Mecca From 1:30 To 3:00

Questions

1 – Name muslim -

**Question**

I am living in the UK. Some of the websites (e.g. Microsoft) is doing a 'DAILYDRAW' which is exactly as if you are doing lottery, but you do NOT pay any money. If the numbers you selected coincide the choice you might be winning £1 million. Is that gambling even if you do not pay anything to play?

You might ask them how Microsoft is making money. That is an advertisement activity for Microsoft. And they are making hundreds of millions of dollars by giving a £1 million to a winner.

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger, all his descendants and companions.

Dear brother,

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Lottery that has been prohibited in the Qur'an is a redistribution of wealth without any reason on the basis of chance.

On the other hand, giving from one party to another on the basis of random choice (in Arabic Qur`ah) is not prohibited because it is not conditional on payment from the recipient population (all the individuals from among whom a random selection is made). The reason is that it is not lottery because it does not require any payment for the chance to win.

Selection by random choice was known before Islam and was even practiced by the Prophet (peace and blessings be upon him) in selecting which of his wives would accompany him in travel each time he made a journey.

Allah Almighty knows best.

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2 – Name shakir -

**Question**

Could I buy and give grains on half of my due Zakah amount?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger, all his descendants and companions.

Dear Br. Shakir

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Yes, you can distribute Zakah in the form of cash, food, and clothes and other basic goods usable by the recipient poor provided that you are giving what is best for the poor.

However, if your Zakatable assets are in cash or similar, You Are Not Required to buy grain for distribution. In other words, you can distribute cash or anything from your Zakatable assets themselves.

Allah Almighty knows best.

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3 – Name hatem -

**Question**

Is Zakah imposed on warehouses and showrooms used to develop the business in storing and presenting merchandise? If there is Zakah, then what is the rate?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger, all his descendants and companions.

Dear Br. Hatem

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Zakah is obligatory on all goods and other items if for sale. This means that inventory in warehouses and in showrooms is subject to Zakah along with other Zakatable assets such as cash, receivable, and other debts owed.

The rate is 2.5 % every lunar year (354 days) and the first Zakah year begins on the day your total Zakatable assets reach Nisab (approx. US \$ 1000).

Allah Almighty knows best.

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4 – Name mona -

**Question**

Lots of people argue that we have to give Zakah only on the jewelry we hoard and not on what we wear daily. Is this true or false?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger, all his descendants and companions.

Dear sister Mona

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Jewelry is subject to Zakah if either of the following conditions exists:

1. It is not used in a normal way. This does not mean daily use because some jewelry are only used for their occasions;
  2. The value of the jewelry substantially exceeds your peers and associates usually have.
- If any of these two conditions exist, jewelry is then Zakatable only to the extent that exceeds the amount your peers usually have. The rate will then be 2.5 % per year every lunar year (354).

Allah Almighty knows best.

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5 – Name fathy -

**Question**

My Question is about paying Zakah-ul-fitr as money. What are the Shari'ah evidences that one can pay Zakah-ul-fitr as money these days in US and send it to like Ethiopia with help of Global Relief Foundation? My family used to give rice as a Zakah-ul-fitr, but after I watched a video cassette that global relief foundation sent to me, I want to know

if we can send our Zakah-ul-fitr to them even if we are living in US? I heard that Zakah-ul-fitr needs to be given to people of the town or balad like if we live in US we can't send it to Ethiopia or like Iraq or elsewhere, is this true? If we can send to Global Relief Foundation our Zakah-ul-fitr does it have to get to the people of Ethiopia before salat-ul-`Eid? Please can you tell me how much should I pay Zakah-ul-fitr this year as money?

**Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger, all his descendants and companions.

Dear Br. fathi

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

The answer is generally yes, Zakah-ul-fitr can be paid in cash if cash is better from the point of view of the recipient poor.

We have correct sayings by the Prophet (peace and blessings be upon him) that Zakah-ul-fitr is due one Saa` (measure that equals 2176 gram) from barely, dates, raisins, or dried yogurt. These were common food in Madinah and its surroundings. At the time of the Companions (may Allah be pleased with them all), wheat started to become a food item for the well-to-do families, and was a lot more expensive than barely. They estimated that one Saa` of barely is equivalent in value to half a Saa` of wheat.

Consequently we have several reports from the time of the Companions (may Allah be pleased with them all) that they substituted value for the item that are mentioned in the saying of the Prophet (peace and blessings be upon him).

Ibn Taymiyah, one of the renowned scholars of the early ninth century of Hijrah, argued that the payment of Zakah-ul-fitr in cash in metropolitan areas such as Damascus where he lived, is actually better for the poor.

In payment of Zakah-ul-fitr the same criteria of payment of Zakah-ul-Mal apply. This means that if you have a relative in need, then payment to such a relative would be better than payment to a stranger. By the same token, payment to people and families who are under a dire need would be better than payment to other with milder need. Also, payment in the same area where you live is better than payment in other areas.

Applying all these together and considering the circumstances in areas where Muslims suffer from foreign occupation and deliberate action by foreign forces to make them suffer a dire poverty, such as Muslims in Palestine, Iraq, Gujarat, and Chechnya, certainly have higher priority for payment of Zakah-ul-fitr and Zakah-ul-Mal from Muslims in other areas especially we in the US.

Find the Muslim charitable organizations that make this relief reach these people, and it is better to pay your Zakah-ul-fitr through such charities.

The amount of Zakah-ul-fitr in US is 7 to 10 dollars per person, old or young, male or female. It is certainly more rewarding to give much in this blessed month of Ramadan. Your responsibility ends if you make your payment to the charitable organization before `Eid prayer even if the organization lays actual distribution until after the prayer. However, it is better to pay Zakah-ul-fitr earlier in this blessed month of Ramadan in order to enable the charity to make distribution actually by the `Eid prayer. Many Muslim charities in America offer distribution before `Eid if we can help them take good

planning by making early payment. It is an exception because of the time consuming the process of distribution.

Allah Almighty knows best.

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6 – Name shukoor -

**Question**

As-Salamu `Alaykum. I would like to clarify that if I have the same amount of gold ornaments for 10 years, do I pay Zakah on these every year (even though I have not bought any new ornaments) or do I pay the Zakah just once?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger, all his descendants and companions.

Dear Sister,

Yes, Zakah is due every year as long as what you own of Zakatable items is equal Nisab (approx. US \$ 1000) or more. Actually any amount of Zakatable items will go down to Nisab in 64 year if it is not growing and this is an intended redistribution of wealth, which is one of the objectives of Zakah. That is why the Prophet (peace and blessings be upon him) suggested that a guardian should invest the funds of orphans under his/her custody "so that Zakah does not eat them up."

Allah Almighty knows best.

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7 - Name omer -

**Question**

As-Salamu `Alaykum,

I normally pay my Zakah in the month of Ramadan every year. I sold my house in October for a small profit. I have this money in my bank account. We are now living in an apartment. What I would like to know is: do I have to pay any Zakah on this amount during this Ramadan or do I have to have this cash amount for a period of one year before I have to pay any Zakah on it; and what happens if I spend or invest it (say to purchase a house for us to live in) before the year is up, or whatever the time period may be. Jazakum Allah Khairan.

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger, all his descendants and companions.

If you already have a Nisab before the amount you received from selling the house and you are due for Zakah payment in Ramadan, you will have to include the price you received in the total Zakatable amount in calculating your Zakah. This is now part of the money you own and the money subject to Zakah, increment that comes during the year take the same Zakah year that is already established.

In the future if you use this money (for that matter from any source) to buy items that are not Zakatable such as a residence to live in or a means of transportation or clothing and furniture, you still simply calculate the due Zakah on the balance you have at the end of Zakah year, Ramadan as you said.

Allah Almighty knows best.

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8 – Name

**Question**

Is it allowed to borrow money from the banks in Canada and the U.S to do business or to expand an existing business?

**Answer**

Wa `alaykum As-Salamu wa Rahmatullahi wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah, and peace and blessings be upon His Messenger, all his descendants and companions.

Dear Br. /Sr.,

Riba is forbidden in Islam and it is one of the worst sins that provoke a war to be declared from Allah the Almighty and His Messenger on those who practice it (the Qur'an 2: 279). It really doesn't matter where you borrow from if you borrow on interest (the same Riba that is prohibited in the Qur'an).

The answer to your question is No, to create a new business or to expand an exiting one, one may not borrow on interest in accordance with the Shari'ah.

Allah Almighty knows best.

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**SESSION OF OCTOBER 4, 2002**

Guest Name Dr. Monzer Kahf

Subject Islamic Financing Fatwa Session.

Time Mecca From 20:30...To... 22:00

**Questions**

1 – Name abdrachid -

**Question**

Is Riba only Haram on the second house or is it in any case Haram?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear abdrachid:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Riba is Haram in all cases. Allah in the Qur'an forbids Riba and announces a declaration of war against persons who continue dealing with Riba. The prophet (pbuh) declared the wrath of Allah on the taker, the giver, the writer, and the two witnesses of a Riba transaction (Reported by Muslim). It does not matter whether Riba is a loan on the first house or on the second or on any other loan for any purpose what is so ever. All this is forbidden in the Islamic Shari'ah. However, any forbidden matter may have an

exception especially in a case of necessity that related saving and protecting life, religion, mind, posterity and offspring, and property. The present fatwa is that for families that need housing in consideration to difficulties to renting, decency of neighborhood, availability of good schooling for children, taxes and equity issues and etc, the prohibition is relaxed because such needs effect a large number of persons/family and consequently are treated the same way as if they were necessities. Obviously this relaxation of the prohibition rarely applies to a second house, education loans, buying new cars and other financing needs.

Allah knows best.

All Praise is due to Him.

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2 – Name Ali -

**Question**

If someone lends another one some money and it stays more than a year with him, is he required to pay Zakah for him?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Ali:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Zakah is due on debts due onto others provided that two conditions are satisfied: the debtor is capable of payment and the debtor recognizes the debt (does not deny it and the creditor does not have written evidence of the debts). This means that the creditor has to pay Zakah good debts. Obviously is not payable to or for "him". Zakah is payable to the poor and needy either directly or through Muslim charities.

Allah knows best.

All Praise is due to Him.

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3 – Name Khitam -

**Question**

Is it permissible for the person paying Zakah to pay it on installments, such as paying school tuition for a poor student?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Khitam:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Zakah may be paid in installments provided that the last installment is made on the Zakah due date. In other words, an installment is permitted if it is paid partially or wholly in advance.

By the way, paying the Zakah to a school for tuition for poor students is not an appropriate way to Zakah payment. The recipient must own the Zakah payment. The

recipient can be either the deserving poor or a Zakah agency such as governmental Zakah department in certain Muslim countries or a non-profit Muslim charitable organization that collects and distributes Zakah. Additionally, school tuition may not be one of the most important priorities for Zakah payment at this time because we have people dying of hunger or their lives are threaten in occupied territories or in anti Muslim riot ridden areas. You don't need to pay for school tuition while there are tremendous life saving needs for Zakah in Palestine, Gujarat in India, occupied Kashmir, and Chechnya not to talk about the millions who suffer from starvation and malnutrition all over the Muslim world.

Allah knows best.

All Praise is due to Him.

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4 - Name -

**Question**

Please Dr. Monzer, answer this question and give it some kind of proofs and clarification because it is of great importance to us. Can We give salaries of Imams or Qur'an teachers from Zakah?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear brother/sister:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

The answer depends on circumstances. In United States and Canada, Zakah cannot be paid to Islamic centers or building and expenses including salaries of Imam and teachers. The reason is that mosques and Islamic centers building and expenses are the responsibility of the Muslim community, Muslims must pay for mosques, Imams and teachers of Qur'an and Islamic studies from their own income not from the rights of the poor and needy(Zakah). Muslims in North America are capable to do so.

The item of Zakah recipient 'for the sake of Allah' is essentially for Jihad and there is tremendous need for it nowadays in occupied Muslim lands. By extension the term ' in the sake of Allah' may cover protecting Muslims who are threatened in their religiosity. This applies to poor Muslim communities that are flooded with missionary activity and secularist efforts to de-Islamize them while the community cannot pay for mosques and Islamic teachings because of its poverty. The latter case applies in certain areas in sub-Saharan Africa and probably some areas in India and Bangladesh. The Muslim community in the US and Canada does not fall in this category.

Allah knows best.

All Praise is due to Him.

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5 - Name        abdelmajid -

**Question**

As-Salaamu Alaikum wa Rahmatullahi wa Birrikatuhu,

My Question is about paying Zakah ul-Fitr as money. What are the Shari'ah evidences that one can pay Zakah-ul-Fitr as money these days in USA and send it to like Ethiopia with help of Global Relief Foundation? My family used to give rice as a Zakah ul-fitr, but after I watch a video cassette that global relief foundation send it to me I want to know if we living in USA can send our Zakah-ul-fitr to them? I hear that Zakah-ul-fitr needs to be give to people of the town or Balad like if we live in USA we can't send it to Ethiopia or like Iraq or elsewhere is this true? If we can send to Global Relief Foundatoin our Zakah-ul-fitr does it has to get to the people of Ethiopia before salat-ul-Eid? Please can you tell me how much is Zakah-ul-fitr this year as money? Wassalam.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear abdulmajid:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

The Hadith of the prophet (pbuh) about Zakah ul Fitr mentioned one "Sa" (unit of measure) of barely/dried yogurt or one half "Sa" of wheat. There is no mention of rice, other foodstuff or money.

Consequently, payment of Zakah al Fitr in rice or money came through ijtihaad on the basis of the objectives of Zakah al-Fitr (to make the poor happy for Eid as mentioned of sayings of the prophet (Pbuh)) and by analogy to Zakah Al-Mal whose objective to relieve the poor. The rule is that we look at what is more beneficial to the poor. If money makes the poor happier then it is better to pay in money. Ibn Taymiyyah made this argument for the case of money very clear. I have seen how ineffective the payment in rice is in Jeddah where rice is packaged in half Sa' (2.25 kilogram) where it is given to some "poor!" beggars who stand around the sellers of packaged rice and who sell it back to the sellers for half price where by this process is recycled again and again.

Payment through Muslim trustworthy charitable organization must be made before Eid prayer, preferably several days earlier to enable the charity to distribute it before Eid, but once you make the payment to the charity on time you have made correctly God willing and there is no sin in delaying payment even if the charity did not make the distribution before Eid prayer. I know that most if not all Muslim charities that announce acceptance and distribution of Zakah al Fitr make their actual distribution before the Eid prayer especially with the immediate communication means we have today.

Al-Maqidisi in his book Al-Muqhnii states that the rule of distribution of Zakah al-Fitr are the same as those of Zakah Al-Mal with regards to transferring from one place or another. This depends on two points: severity of need and relation to payer. Consequently Zakah Al-Fitr can be transferred from one area to another to satisfy needs that are more severe or to pay it to a relative where the Zakah becomes a Zakah payment and a form of kindness to a close kin as the prophet (pbuh) said. Finally, there is no doubt that there are much more severe needs in the countries that you mentioned then the in the Muslim communities in the US.

Allah knows best.

All Praise is due to Him.

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6 – Name khalid -

**Question**

Is there a limitation on how much Zakah money you can give to a needy relative? I have a relative who is a widow and has three girls. My father administers living expenses for this family and for future expenses of the girl's educational and marriage expenses. Is it OK to give money to him and how much can it be given, as the Zakah money I pay might exceed the family's immediate needs. Jazakallah for your answer.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Khalid:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

The limit for Zakah payment to one recipient is two fold: One, the needs of the recipient to the extent that makes her/him completely satisfied even by becoming productive and an earner of his/her satisfactory income and secondly the severity of other causes around which may deserve Zakah too. You can give that family, that you are sure of its needs as much as what makes them no more in need, but you probably need also to remember that there are very important needs for Zakah in areas where Muslims are suffering from occupation, riots and starvation

Allah knows best.

All Praise is due to Him.

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7 – Name yusuf -

**Question**

CAN MUSLIMS WORK IN CONVENTIONAL BANKS IN INDIA?IF THEY DONT ENTIRE ECONOMY WILL B IN THE HANDS OF NON MUSLIMS.I HEARD THE HANAFI SCHOOLS PERMITS IT? KINDLY COMMENT

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Yusuf:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Yes. Muslims can work in conventional banks provided they do not take charge of writing or signing interest-based contracts. This means all other departments are permitted to work in. Except for the direct handling of preparing a Riba based contract or signing it on behalf of the bank. This is the opinion of the greatest Muslim scholars of our time including Shaikh Zarqa (d. 1999), Shaikh Qaradawi, Shaikh Salami of Tunisia and Shaikh Darir of Sudan. The reason is: 1- as you stated Muslims should not be alienated from the economies of their countries and 2- we should not expand an area of prohibition without adequate evidence.

Allah knows best.

All Praise is due to Him.

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8 – Name Fathi -

**Question**

Al salam alaikum; I own a business in the United states (gas station). This business has been closed for a year. I was trying to sell it off or lease but I was unsuccessful with that. Recently, I found someone to lease it. This person will pay me a monthly rent which is 1/5 the rent I use to get when it was open. Also this person is planning to sell beer in it. What shall I do? If I keep the business closed further there might be consequences from the government-I can not keep the business closed for more than a year- and I might lose everything. I live in another state therefore I can not run the business or take care of it. What Shall I do? Barak Allah feekum

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Fathi:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

If your gas station is not licensed for beer sale and you are renting it without such a license you do not need to ask what he is going to sell. But now that you have already inquired and know he is going to sell liquor you should search for a tenant about whom you either do not know or you know he is not going to sell liquor. Beer and other liquors are not only forbidden in Shari'ah, but they are forbidden because they are harmful and morally shameful.

Allah knows best.

All Praise is due to Him.

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**SESSION OF September 24, 2002**

Guest Name Dr. Monzer Kahf

Subject Islamic Financing Fatwa Session.

Time Mecca From 20:30...To... 22:00

**Questions**

1 – Name Rizwan -

**Question**

one of our store which is located in saudi arabia, they annouce that if we r going there for buying something then they r giving us form to fill the answer of the question and then put it in the box, after a week they r making a draw, and who ever the winner, they r giving a gifts to that person. i wana know that these type of things allowed in Islam, in both cases yes or no, what r reasons. plz let me know through email

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Rizwan:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

The answer is yes these kinds of gifts are permissible in Shari'ah because there is no reason for the prohibition and the rule is that all transactions are permissible unless there is a reason for the prohibition, like a text (Nass) or an analogy (Qiyas).

This is not gambling since gambling is a form of redistribution of wealth based on a vain exchange in which you pay for getting a chance to win only.

Gifts given away on the basis of chance (such as drawing or a computer random selection) do not contain any exchange (payment) for the chance to win. They are donations from one party to the other. Existence of the promotion intention in the mind of the store owner or advertiser does not affect the transaction nor does it change its legitimacy in Shari'ah as long as one does not pay any amount of money ( even as hidden in the price of purchase commodity) for the chance to win.

Allah knows best.

All Praise is due to Him.

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2 – Name samah -

**Question**

Assalamu Alaikum brothers and sisters in Islam. I would like to have the scholar's opinion in this point. In my country owning, a receiver means paying a certain amount of fee annually to the government, which is not done in any other country as far as I know. My family in Sudan do not want to pay this amount of money to the government because the government has no right in asking for it in the first place, and in Sudan life is tough so you have to hang on to your money as much as you can. So what my parents who live in Saudi Arabia did was to smuggle the receiver into Sudan from Saudi Arabia and give it to our family here. The government does not know about the receiver therefore my family does not pay anything to the government. In case the government finds out that they haven't been paying these fees they will confiscate the receiver from my family. When i sort of brought up this topic with my father, he said they are thieves-meaning the government- because they are taking fees that they are not supposed to take. So my question for you is, I know that smuggling must undoubtedly be Haram in Islam, but in this case is it excusable or not??? Then I want to ask about not paying the fees, is it excusable considering the fact that the government has no right in asking for this money in the first place??? Lastly, I want to know if anything that my family knows or takes from the receiver i.e., information and any useful thing from the receiver's channels is Haram incase you decide that the possession of this receiver is Haram to begin with, considering the fact that what is based on Haram, is Haram all the way. If they have committed wrong , please show me how they could make up for their sins Islamically. Thank you, jazakumullaho khairan. Assalamo alaikom wa rahmatrullahi wa barakatoh.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Samah:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

In all matters on which there are no text in the Quran and Sunnah, even taken by analogy and Ijtihad, the main guidance becomes serving the interest of the Ummah as a nation as well as individuals.

Consequently, custom duties, taxes and fees imposed by governments must be looked at on the basis of the interest of the Ummah or the country and its people. There must be good reason for imposing taxes on TV satellites, receivers and cables. As a fact, many countries have such fees and taxes including several of states in the USA. The judgment that a given tax or fee is just or not cannot be made individually keeping in mind that there are taxes and fees that are unjust in many countries but such judgments must have some kind of collectivity in a given country.

On the other hand, matters that are purely relate to this world without having any religious values on their own such as taxes, custom duties and smuggling permitted goods must not be emphasized on the religious level. That is, although Islam is a total way of life it leaves a lot of room to deal with worldly matters at the level of this world without giving them much religious value. For example, whether you use fertilizer in farming or not or whether you shake the palm trees or not to have better fruits or whether to impose taxes or not or to avoid paying taxes or not are all worldly matters as long as the person does not put her/himself in a shameful situation that is morally demeaning or hurt other people.

Getting a receiver in the country hidden from the eyes of the government, confiscating it in case it is caught and imposing fees on receivers fall under this category of things that are of worldly concern with little religious value and we should not be adamant on searching for a religious evaluation for such actions although I would not use the term thief for the government that imposes fees or confiscates a receiver.

Allah knows best.

All Praise is due to Him.

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3 – Name Jameel -

**Question**

Assalamu Alaikum Can we rent our building to a bank (in India) which deals with "interest" in its operation.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Jameel

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

The present fatwa is that it is permissible to work in an interest based bank as long as one can avoid writing an interest based contract or signing it on behave of the bank. By analogy renting a building to a bank is also permissible on the basis of removal of hardship especially that banks do undertake a mixture of transaction in which some are permissible and some are not.

We must keep in mind that the prohibition of interest is based on an economic paradigm not on moral shame. This means that while it is permissible to rent a building as a bank office, it is not permissible to rent it as a prostitution house or a brewery for alcoholic beverages.

Allah knows best.

All Praise is due to Him.

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4 - Name Saima -

**Question**

Assalamu Alaikum, I have just completed an internship with an investment management company who specializes in pension funds. I am now returning to university to complete my degree and the company has offered me a position for when I graduate InShaAllah. However, it has occurred to me lately that perhaps it is not Halal for me to work there. I do not know a lot about issues of Islamic Finance, Riba etc. Please could you advise me on this so that I may ensure that my income is pure? I would be working in the IT department. Jazakallahu Khairun. Wassalamulaikum

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Saima:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

It is permissible for companies that specialize in pension funds because this is a basic, important and permissible service to working people. The fact that many pension funds invest in interest based bonds and other debts makes this kind of transaction prohibited not the basic service of managing pension funds. Wherever you work you need to avoid initiating or signing any contract that is based on interest because this prohibited as being covered by the saying of the prophet (pbuh)" the wrath of Allah is on the taker, giver, and the writer of Riba and the two witnesses of Riba".

Where ever you work since you are specialized in financial matters you really need to study the principles of Islamic finance so you do not fall in any prohibited trap.

Allah knows best.

All Praise is due to Him.

5 – Name Rafiq -

**Question**

Salam Alaykum my question is my brother find a job for me in assurance assurances des exportations.et je ne sais pas si Halal ou pas je suis un jeune diplome et j espere bien d avoir une reponse dans les delis les plus pres et salam alaykum

Notes: j aimerais bien de recevoir la reponse dans les plus proches delis francais ou anglais

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Rafiq:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Working in insurance companies is permissible as long as one avoids initiating or signing an interest based contracts on behave of the company. Insurance itself is also permissible according to the view of the most eminent contemporary scholar Shaikh Mostafa Al-Zarqa (died 1999).

Allah knows best.

All Praise is due to Him.

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6 – Name Tausif -

**Question**

Dear Brother, Assalamu Alaikum.

I have been told by Muslims that there is a Fatwa on Mortgages. That it is permissible for one to take a mortgage for a house if one intends to live in it and it is this person's only dwelling.

Secondly, it is allowed to take mortgage if one has 4 children and he/she cannot afford the rent of a big house. As in some countries in the west, you have to have a minimum set of rooms per individual living in the rental property.

In Islam, is there any special condition where one can take mortgage?

Please refer me to any Hadith which states this permissibility.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Tausif:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

The fatwa is: it is permissible to take conventional mortgage for families who need housing in consideration of matters like difficulty in finding rental places, financial differences related to taxes, amount of payment for rent or for installment and building equity, schooling for children, decency and cleanliness of neighborhood and etc.

Certainly this is the second best option if the best option is not available. The first option is that Muslim communities in the west must establish means and institutions that provide financing for housing and other needs in accordance with Shari'ah.

There is no Hadith on which this fatwa is based. The rule is that any prohibition may be relaxed in case of necessity or needs that apply to a large number of people. This is a well known rule in Shari'ah based on several verses in the Qur'an including Surah 5:6, Surah 22:78, Surah 24:61, and Surah 48:17.

Allah knows best.

All Praise is due to Him.

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7 - Name Aliya -

**Question**

Assalamu Alaikum,

My question deals with the handling of credit cards on the job I have read that some scholars agree that being part of any transaction that deals with Riba is Haram and should be avoided so does this mean that I cannot even charge a customer's credit card??? Also I wanted to know if using a credit card is really Haram, what if you pay your bills on time and avoid the interest?? Wassalam

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Aliya:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

The contract on which a credit card is issued contains a Riba based optional condition. That is if you do not pay within the grace period, you are going to be charged interest (Riba) for the delayed balance.

Some people consider signing such a contract prohibited. I don't agree with them. In my opinion there are details that need to be tackled. They are as follows:

1- A Muslim or an Islamic bank is not permitted to issue a credit card that contains this condition because imposing such a condition means that the issuer is open to take interest which is not permitted in Shari'ah.

2- For a Muslim customer to accept a credit card issued by non-Muslim institutions with the above mentioned condition is permissible because for her\him, they are signing an optional condition that allows her\him to choose between two courses of action one of which is permissible and that is to pay within the grace period and to avoid cash withdrawal (as you know cash withdrawals incur interest from the date of withdrawal). This is like being given a choice between drinking milk or drinking wine. Certainly it is permissible to accept such a choice verbally as well as in writing. There are however three conditions for the permissibility of signing such a credit card contract for a muslim customer:

A- Intention to pay within the grace period.

B- Ability to pay.

C- Avoidance of cash withdrawal or any use that insures interest immediately.

3- For Muslim merchants it is permissible to accept any kind of credit card because for them they are getting paid for their sold merchandise by an agent (a Wakeel) of the purchaser i.e. the issuing bank or company. The amount of the fee that is discounted from the bill is also permissible because it is against guaranteeing payment by the agent and avoiding the trouble of forfeited cash, checks without balance, and cash robberies from the store.

Allah knows best.

All Praise is due to Him.

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8 – Name Khawaja -

**Question**

QUERY. 1- Allied Bank Ltd - Pakistan has introduced an "UMRAH" Scheme on Bank Finance. SYSTEM:- The total amount of Rs. 30,000 (Thirty Thousand) will be spent by

Bank in advance for the interested individual covering all expenses. The total amount of Rs. 30, 000 (Interest Free) will be payable by individual in easy installments of Rs. 2,000 Per Month after "UMRAH". If you know the Pakistan's Banking System which works on Interest system. So is it Justified to go on "UMRAH" for such a religious task??. Similarly, another Company in Pakistan has introduced. Finance "HAJ" Scheme like Allied Bank Ltd "UMRA" Scheme.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Khawaja:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

It seems to me that there is some information missing in your question. I doubt very much that Allied Bank or any other bank may give thirty thousand Rupees on loan to be paid back on installment for 15 months without any benefit to the bank. There must be some conditions that are mentioned in your question.

Taking an interest free loan to pay for the cost of Umrah is permissible but not advisable for two reasons:

1- One should make Hajj first and then Umrah because Hajj is obligatory on those who can afford it.

2- Hajj itself, not even talking about umrah, is not required nor obligated unless one owns the means to pay for the trip. It makes no sense from a Shari'ah point of view to take a loan to pay for Hajj expenses because you simply shouldn't go if you don't own the required costs.

Allah knows best.

All Praise is due to Him.

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9 – Name olol -

**Question**

Assalamu Alaikum!

Can a Sunni Muslim pray behind a Shia Muslim? Can I study Qur'an and Sunnah from a Shia teacher?

**Answer**

Please submit your question in the General Fatwa Session. This fatwa session deals strictly with financial issues.

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10 – Name Zhakir - Guyana

**Question**

1) can a Muslim work in an insurance company?

2) We need some advice on the issue of making our TV Station an Islamic station but we need programs and how can we make money to run the company?

**Answer**

For the first part of your question, please see the answer to Rafiq's question above.

As for the second part, please submit your question in the General Fatwa Session. This fatwa session deals strictly with financial issues.

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11 – Name takiyah - Egypt

**Question**

Is it Haram for Muslimah and Muslim to view pornography films?

**Answer**

Please submit your question in the General Fatwa Session. This fatwa session deals strictly with financial issues.

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12 – Name Nasreddin - Canada Profession

**Question**

I have read the Fatwa by the European council (headed by Shaikh Qaradawi) about buying a house by mortgage. But I am not really sure if I can take it in my case or not: 1- I am now living in Toronto Canada in a rental house, and I pay high rental which consumes large portion of my income. And I am thinking of buying a house by mortgage. But its a matter of comfort or convenience, I cant claim it is extreme "Darora". (Its because mortgage is less that the rental cost, and it will help me save some money and I will end up with owning a house, better that keep paying for rental that puts pressure on my life. 2- I don't have the total price available in cash; but I have some other properties in my home country which I don't want to sell. 3- There is a few Islamic financing associations in the area but they have a long waiting list that needs long time and of more important, they have a maximum limit for there share, which when added to the amount, will not be enough to buy the house. So I can't make it with Islamic institutions. My Questions are: 1- Do you think I am eligible to use mortgage according to this Fatwa. 2- Is this is a kind of Fatwa that we call "Rokhsa" that if we take it is no sin and if leave it we will be from " Ahl Azeema". 2- Also; how can we justify the word "Darora" or " Haja" mentioned in the Fatwa. Jazakom Allah Khair

**Answer**

Please see Tausif's answer above for a partial answer to your question.

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**SESSION OF September 10, 2002**

Guest Name Dr. Monzer Kahf  
Subject Islamic Financing Fatwa Session.  
Time Mecca From 20:30...To... 22:00

**Questions**

1 - Name Vaseem UK

**Question**

Are Private enterprises and private ownership of companies permissible under Islam?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.  
Glory be to Allah Lord of the worlds.  
May His peace and blessings be on His messenger Muhammad.  
Dear Vaseem:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Yes, they are and they were practiced as individual proprietorship and partnership at the time of the Prophet (pbuh)

Allah knows best.

All Praise is due to Him.

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2 – Name yusuf -

**Question**

DEAR MONSER KAHF

ASSALAMU ALAIKUM

I want to know about the view of Islam on bonus. when I say bonus the one which is not guaranteed in which a group of people participate and invest money and the profit is shared; for example in insurance the profit on the investment is not fixed its based on so many factors the death rate the investment and etc the entire business is participatory in which the profit is shared; now can we call this interest (Rba) or not. And also requesting little more information on difference between Riba and bonus. Yusuf

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Yusuf:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Bonuses are different from profit and interest (Riba).

Bonuses are usually given to employees for either performance or for the company's performance in terms of its profit. The same term bonus is used as a reward on government borrowing from the public whereby the government announces that it will give bonuses to bond holders which will be determined at the end of each period, three to twelve months. This kind of bonus is considered Riba and the OIC Fiqh Academy issued a resolution on this matter. The reason is that Riba is any conditional or customary increment in a loan.

Insurance companies make profit out of their business. It is profit on their venture as it is the result of the interaction of several factors that relate to the market, economy and the company's management. Profits are legitimate and permitted in Shari'ah, but the problem with insurance companies according to some Muslim scholars is not related to their ventures and profits. It is rather related to the contractual relationship between the insurance company and the insured. This problem lies in the Qarar (ambiguity and indetermination) of the obligation of the two parties in the insurance contract.

I personally subscribe to the opinion of the late Shaikh Mustafa Al-Zarqa (Died in 1999) that insurance permissible on the ground that it is a useful and even a necessary service in the contemporary world that is filled with hazards, it does not violate any of the basic principles and objectives of Shari'ah, it is in fact cooperative whether it is offered by profit making insurance companies or by cooperative corporations, the amount of Qarar in the contract is small especially when we understand the probability theory on which insurance is based.

Allah knows best.  
All Praise is due to Him.

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3 – Name Warraq

**Question**

The PLS account my question is about fix accounts and profit and loss sharing accounts. There business is on muzarbah and shirakat basis but the people say that they have only changed the name of Riba with profit especially the people of Pakistan. Can you guide us towards that matter?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.  
Glory be to Allah Lord of the worlds.  
May His peace and blessings be on His messenger Muhammad.  
Dear Warraq:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

I don't know what you mean by fixed account, so I cannot say anything about it. PLS accounts are based on a Shari'ah recognized relationship, Mudarabah or Musharakah. In this relationship the money owner gives the bank an amount to invest it in the banks business and shares with bank the profit that may result. Loses are distributed between all account holders in proportion to their fund. However, a PLS account with an interest based bank is forbidden because the bank uses these funds in Riba based lending. On the other hand a PLS account with Islamic banks are permissible because the banks do not provide any interest based financing since Islamic banks provide financing on the bases of installment sale, leasing and equity.

Allah knows best.  
All Praise is due to Him.

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4 – Name Wadi -

**Question**

Dear Scholar, Salam and thank you for your help so much and for Islam online for the work, may Allah help you. Please do not publish my question on the site, thank you. I have a question regarding Zakah for a divorced women. 1) After my divorce, the Imam has inquire my ex-husband (May Allah be with him and his new wife) to give me money for compensation. I was thinking paying Zakah over it, but did not know if the Zakah is due or not. Thank you. Salam.

**Answer**

In the Name of Allah The Most Gracious, The Most Merciful.  
Glory be to Allah Lord of the worlds.  
May His peace and blessings be on His messenger Muhammad.  
Dear Wadi:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Zakah is only on the part of income that is saved, i.e. what is in excess of living expenses provided that these savings accumulate, along with other Zakatable items, to at least the amount of Nisab (which is a criteria for Zakahability) that equals approx. US \$1000.

Most likely any support to a divorcee does not exceed the living expenses of a person. If this is the case, such divorcee is not subject to Zakah although it is an income.

Allah knows best.

All Praise is due to Him.

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5 – Name Wael -

**Question**

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh, respected scholars, I would like to ask you following question: working as a computer engineer in the west is it allowed to work for a non Islamic bank or an insurance or is this considered as Haram? Tshesak Allahu khairan.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Wael:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

It is permissible to work in banks and in insurance companies in both East and West as long as a Muslim does not write or sign an interest based contract and the income derived for this permissible work is also permissible InShaAllah. The reason for this is a combination of removal of inconvenience (Haraj) and keeping the prohibition within its limits as mentioned in the saying of the Prophet (pbuh).

Allah knows best.

All Praise is due to Him.

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6 - Name sayed -

**Question**

Assalamu Alaikum, First of all, jazakum Allahu khairan for his invaluable service. This question is of somewhat urgent nature. The question may have been answered in general before, but this question is focused on a particular set of circumstances and I hope the respondent takes note of these circumstances: We are trying to build a gymnasium attached to the local mosque. We decided to hold a fund-raising dinner. The event will consist of a dinner and a lecture. We fixed the price of the tickets at \$500 per dollar to avoid having to fund-raise during the dinner itself. After we started selling tickets and after a number of tickets were already sold (100+) local merchants donated a number of things (tickets for hajj, a car .etc.) with the suggestion that a draw can be held for the prizes among the ticket holders. The questions is: Given that the price of the tickets was fixed beforehand without consideration of the prizes; and that the ticket purchaser is receiving something in return for the ticket (dinner and lecture); and that the prizes were donated and not paid or (i.e. no portion of the ticket goes towards the price of the prizes), does this constitute a form of lottery? Should we refuse to hold a draw for the prizes? Jazakumullahu khairan for your response.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Sayed:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Giving these prizes is not forbidden and does not have any lottery or gambling feature. The prophet (pbuh) used random selection to decide who among his wives would go with him on his travels. This means that using any form of random selection by computer or otherwise is permissible in Shari'ah although the same is also used in gambling. This is only a means or procedure.

On the other hand, giving prizes is permissible whether they are paid for by the giver or given as donation as in the case you are asking about. The required condition to avoid gambling features: there must be no increase in the price tickets caused by the distribution of prizes.

Allah knows best.

All Praise is due to Him.

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7 – Name Rabbani -

**Question**

A family member placed some funds into a savings scheme a few years ago. The scheme has now matured and is ready to cash in. However some of the funds in this scheme are pure interest - it is ascertainable exactly how much of the fund money is interest. The company with which the scheme was taken out will not accept any money being left in the scheme i.e. all of it has to be cashed or re-invested. My problem is that I was under the impression that money which is interest is not owned by oneself, and hence nothing can be done with it - it cannot even be given to charity since it is not my money to dispose of. What shall I do with the interest money in the savings scheme? Can I even take it out? Can I give it to charity? Is there anything I can do with it, since the company is not likely to let me have any of the money unless I take it all. Thank you and may Allah reward you all. Ameen.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Rabbani:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

You are correct brother that accrued interest is not owned by you, but that does not mean you should not take it and give it to charity. You should take it in order to deprive the company or bank from additional resources from which they can make interest based transactions. You give it away to charity not as a Sadaqah because it must be from properties you own, you rather give it as funds that are in your hands that have no owner. You will be InShaAllah be rewarded for keeping your own money clean of such forbidden funds.

On the other hand, it is forbidden for a Muslim to deposit funds in interest-based accounts\investments\schemes. This means that initiating the process of earning

interest is forbidden. The only exception is when a Muslim has to make such a placement of funds under the circumstances of removal of hardships with no other alternatives and for purposes other than seeking interest earnings. Under these circumstances, initiating such accounts is permissible provided that accrued interest is given to muslim charity or general purposes such as helping people under occupation fight back the occupying power.

Allah knows best.

All Praise is due to Him.

8 – Name Khalid -

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**Question**

Dear scholars, Assalamu Alaykum I am a Doctor working as a general practitioner in the UK. During course of my duty I come across women who seek abortion and want to be referred to a hospital. I feel very strongly against this evil practice of abortion but at times when no other colleague is around I find my self compelled to oblige to such request. No doubt by doing so I contribute in this murderous act for which I seek Allah's forgiveness. Please advise me what should I do when duty forces me to do something which is against my faith?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Khalid:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Please submit your question to the General Fatwa Session.

Allah knows best.

All Praise is due to Him.

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9 – Name Abdelhamid -

**Question**

asslamu'alakum, dear scholar

what is view about interest in a bank account

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Abdul Hameed:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Interest in banks is forbidden and it is the same as Riba that is mentioned in the Quran. In this matter there is an opinion of the Research Academy of Cairo in 1965 and a resolution by the OIC Fiqh Academy in Jeddah.

Allah knows best.

All Praise is due to Him.  
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10 – Name mohsan -

**Question**

tell me pls that is it is fair to take tea to get mental rest? can we consider it as a drug?

**Answer**

Please submit your question in the General Fatwa Session.

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11 – Name shadya -

**Question**

two Ramadans ago I had a dream I don't what it meant. So I'm asking u if u can interpret it for me.

After i ate sahur i read acouple of ayas from suras al-bagara,alumran,and ayat-alkursi then i fell asleep.when i was half a wake half asleep,something like white cloud appeared to mewith noises.in this noise i felt it was saying "pick her up pick her up" and suddently i was up the roof.then i felt something telling me to make dua'a.il was dead scared.this thing kept on flying me up and down.this room in my dream became different.it was made of sticks and the instead of carpet it was dirt.after a while the thing brought me down really slowly.that was the most frightening dream i ever had.I didn't want to sleep in that room the next day. jazak allah khair.

**Answer**

Please submit your question to the General Fatwa Session.

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12 – Name Sara Iqbal -

**Question**

My question is about fix accounts and profit and loss sharing accounts. there business is on muzarbah and shirkat basis but the people say that they have only changed the name of Riba with profit especially the people of Pakistan. Can u guide us towards that matter

**Answer**

Please read the answer I gave to Yusuf (from India) above.

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13 – Name Sharfia -

**Question**

Peace and Blessing of ALLAH (SWT) be upon you.

What is the Islamic ruling on buying shares in companies? I understand, even if these companies do not trade in Haram products & services, they usually deal with loans and non-Islamic finances. If one owns shares, does he/she not become an owner? Please explain.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Sharifa:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Buying shares makes you a partner in a company and you will be responsible for decisions made by its Board of directors as such decisions are made on your behalf and to your account. Buying shares means that you are authorizing managers to take these decisions. That is why many Muslim scholars consider it prohibited.

It is obvious that a great hardship would be placed on Muslims especially small investors. Hardship should always be removed. This is why a group of scholars concluded that it is permissible to buy, hold and sell shares and stocks of companies under the following conditions:

1-The main line of the company's business must be permissible this excludes banks, the arms industry, casinos, breweries and etc.

2-The interest component of the company's income must be very little- no more than 5-10%.

3-The company must not be dependent on external loans such loans must not exceed 33% of the liability and equity side of its balance sheet.

4-The company should not be placing most of its assets in interest bearing forms, cash in bank and receivable must not exceed 50% of its assets.

According to these criteria the Islamic Market Dow Jones Index was formulated and you can find a list of shares that fulfill these criteria on the website of the Dow Jones Company.

Additionally, you need to give away to Muslim charity the part of income generated from such shares that you estimate is a result of the prohibited transactions made by the company. I would say that this may reach 10-15 % of dividends and capital gains for most permissible American and Canadian shares.

Allah knows best.

All Praise is due to Him.

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14 – Name saadiqah -

**Question**

Assalamu Alaikum ~ I've heard the argument "if Zakah were practiced as it should be, there would be no poverty in the Muslim World" several times. What do you say to this assertion and how can we organize our efforts such that Zakah does reach all Muslims effectively? What are the challenges? I look forward to your comments & JazaakAllahu Khairan.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Saadiqah:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

I think if Zakah is implemented in the Muslim world, or even in any country, poverty will be eradicated in the long run. However, elimination of acute poverty that prevails today in the Muslim countries requires a focus on developmental effort without neglecting Zakah.

It is unfortunate that most Muslim countries do not implement this beautiful redistribution tool which is the third pillar of our religion. It is also unfortunate that the few Muslim countries that implement certain parts of the Zakah system restrict it in terms of its potential and items subject to Zakah so that it has become ineffective.

Allah knows best.

All Praise is due to Him.

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15 – Name Muhammad -

**Question**

Assalamu Alaikum.

I am starting university in the UK this year. For study cost there is a choice of taking student loan. But a small amount of interest starts building up until you give it back to them. So when the loan is given back effectively we are giving more than what was taken. However they see the interest as inflation and say they do not get any profit out of this. I have seen all the Muslim brothers I know taking this loan as it is quite necessary for the studies and they say it is Halal. What is your view about this? Is it Halal or Haram? And why it is so?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Muhammad:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Interest is prohibited and any borrowing on interest basis, whether its rate is small or big, is also prohibited, unless under the necessity of survival or similar situations. University study is not a necessity; and there are other means to finance it including part time work, scholarships, financial aid, and etc

Allah knows best.

All Praise is due to Him.

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16 – Name friend -

**Question**

Dear Shaikh,

Are we allowed to get life insurance if we live in North America?

May Allah reward you.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Friend:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

I believe that insurance, life and other types, is permissible provided that the contract does not contain interest conditions. This makes the terms for life insurance permissible. There are other forms of life insurance that may also be permissible too.

Allah knows best.  
All Praise is due to Him.

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**SESSION OF AUGUST 27, 2002**

Guest Name Dr. Monzer Kahf  
Subject Islamic Financing Fatwa Session.  
Time Mecca From 20:30...To... 22:00

**Questions**

1) Name Amani -

**Question**

As Salaamu alaikum

I am married with children and work full -time. I pay all bills and do most of housework. My husband only works partime and contributes little to household. He can never make a firm decision on things, even his job. We struggle financially yet my husband wants me to follow him completely in decisions. To what extent should I obey my husband?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Amani:

Asslamu alikum wa rahmatul Allahi wa barrakatuh

I will only deal the financial aspects of your question. The matter of general obedience needs to be resubmitted in a general fatwa session.

Husband and wife are financially independent from each other. Your income is yours only and your husband has no authority on it. You can use it the way you like without even informing him. No permission and no interference in your decision is warranted in the Shari'ah.

House hold expenses including bills, food, and your personal expenses as a wife are all the responsibility of the husband. From a Shari'ah point of view and legally speaking, you are not required to spend a single penny on the household. However if you decide to spend that will be permissible and is considered as a voluntary contribution or donation from you to your husband and children for which you will be, Allah willing, rewarded from Allah and you certainly deserve to be thanked by your husband.

lah knows best.

All Praise is due to Him.

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2) Name Abdul Raheem -

**Question**

Assalaam Alaikum,

Dear Shaikh, I am an Indian, living and working in Saudi Arabia. I am not in a position to purchase or construct a home with my limited savings on cash. I was able to buy a land on the outskirts of the City after 10 years working in gulf. My question is: is it allowed for me and for those in my situation to take a loan from a non Islamic Bank to buy or construct the house for my family.

My second question is, a relative of mine kept a sum of five hundred thousand Indian rupees as fixed deposit under some bank scheme and after five years of period the money was doubled and from this money he brought a shop in my home country. Is this Halal or Haram. If it is haram how and upto what extent I should keep my relation ship with this relative.

Alf Shukr wa Jazakallah Khair

Fi Amanillah

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Abdul Raheem:

Asslamu alikum wa rahmatul Allahi wa barrakatu

Buying a home with interest-based loans from banks is not permitted as it is pure Riba based borrowing, which is clearly prohibited in the Quran.

The Shari'ah came down with general objectives to preserve and promote the five basic things of concern to woman and men. These five things are religion, life, mind, posterity, and property.

1-All the rulings of Shari'ah are intended to protect and promote these five things of concern including the prohibition of Riba. However, some times the protection of these objectives may warrant a relaxation of a prohibition as in the case of necessities or needs that cover a large number of people. It is on the basis of such necessities and needs that the Second International Conference on Fiqh in North America(held in Detroit in the Fall of 1999) resolved that the prohibition of interest can be relaxed for muslim families who need to purchase residences while considering the quality of schools and neighborhoods, the availability of decent public services and family financial and security including building equity and reducing taxes. If the situation in India can be considered similar to that of North America, I would say the same ruling applies. We must keep in mind that people may give different weight to each of the above mentioned consideration because their degrees of tolerance vary from one person to another and such variations are recognized in Shari'ah. Therefore it is only you who can decide for your self whether your needs for a residence under the circumstances justify the relaxation of the prohibition of interest.

2- With regard to interest accumulated in a savings or any other kind of account, interest remains prohibited whether it is fixed or variant and whether it makes the holdings of the owner to double in a short or long period of time. The only way to deal with such a situation in which interest accrues to a muslim is to keep all interest away from the proper money owned by donating it to muslim charities and not allowing it to mingle with ones own Halal money.

Allah knows best.

All Praise is due to Him.

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3) Name Ahmad -  
Profession

**Question**

My wife and I would like to buy a house but have limited income. It is cheaper where we live to pay a monthly mortgage than to pay monthly rent for an apartment in many cases. Can we buy a house utilizing a loan?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Ahmed:

Assalamu alaikum wa rahmatul Allahi wa barakatuh

Please view Abdul Raheem's answer above which deals with the same issue.

Allah knows best.

All Praise is due to Him.

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4) Name A concerned Muslim -

Profession

**Question**

Assalamu 'alykum dera scholars,

JazakumuAllahu Khayran for your beautiful answers.

I have some money (over \$1000), which my brother does some trading on it. How do I pay the Zakatul maal. And, what is the difference between Zakatul maal and other Zakat at the end of Ramadan. What should I pay? JazakumuAllahu Khayran.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Muslim:

Assalamu alaikum wa rahmatul Allahi wa barakatuh

Zakat-ul Mal is due on the properties of a muslim with the following conditions:

1- It should reach Nisab(Approx. \$US1000).

2- A full lunar year (354 days) must pass on the ownership of at least a Nisab.

3- The money should not be committed for payments of debts or eminent expenses for whom there are no other sources.

The rate of Zakat is 2.5% and is repeated every 354 days as long as the balance is still equal to or more than Nisab.

There is another form of Zakat which is called Zakat-ul Fitr that is due on every Muslim who owns at least a day's needs of food provisions. It is due on the head of the household for all family members including minors and lived in parents. The amount of Zakat-ul Fitr is the value of one meal which approximately is five to seven dollars in the USA. Obviously, it is due for payment every year by the end of the month of Ramadan.

Allah knows best.

All Praise is due to Him.

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5) Name SAID -

Profession

**Question**

Is it permissible for a Muslim living in western country to take a conventional mortgage (one with interest) as housing is very expensive for the lowly paid Muslim immigrants?

Notes

I am currently living in the UK and as all other Muslims housing is a nightmare for me. I don't want to buy a property through the conventional system of mortgage and neither can I raise the minimum requirement (10% of actual cost) required by some Muslim Finance Institutions (verify the information). At the moment I am technically a slave of the land lords as 80% of my wage goes to finance my current studio house. The alternative option is to take a mortgage and pay the little monthly payments in lieu of rent and live in a bit of comfort & avoid bad neighbourhoods.

**Answer**

Please see Abdul Raheem's answer above because it deals with the same issue.

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6) Name Khaled -

Profession

**Question**

Is there an Islamic way to buy a new house in America that can be affordable, not just for rich people?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Khalid:

Assalamu alaikum wa rahmatul Allahi wa barakatuh

The Islamic way for financing house purchase in America is for the muslim community to work harder together and establish the financial institutions that it needs such as house finance companies and cooperatives and/or to negotiate with financial companies and banks to accept the Islamic contract of financing such as Murabahah (installment sales) and lease purchase so that the problem can be solved once and for all instead of resorting to the second best solution that is based on relaxing the prohibition because of general needs.

Allah knows best.

All Praise is due to Him.

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7) Name AA -

Profession

**Question**

is listening to music permitted?

**Answer**

Please submit your question in the General Fatwa Session.

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8) Name Abdul -

Profession

**Question**

Dear Muslim Scholars, Assalamu 'alaykum:

JazakumuAllau Khayran for your efforts in answering the Muslim concerns.

A friend introduced me a way to do business with out opening a store or etc; he explained to me that the business will work as a word of mouth (telling people about the business so they can buy their needs from there –through the internet or by phone). The people who are registered to that business are called “Independent Business Owners” (IBOs). My job will be, as he told me, to bring people to the business to buy things from the company, so when ever the person I brought to the business or any one that comes to the business through the person I brought to the business buys things from the company, I will get bonus check from there. This means, I will earn through my advertisement and bringing people to the business; I also will be paid if any one, who came through the people I introduced to the business, buys any thing from the company. And the company sells every thing A-Z. So if a person (some one down the road) buys some Haram things, would I be accountable for that? I will never now who that person (the one who buys the Haram thing) might be, Muslim or non-Muslim; people could be in between us, so I will be only a referral for them. For example, I may tell the business to Ali; Ali may tell to Ahmed; and Ahmed may tell to John, so I may not know what Ahmed and John will buy! Let’s say John buys the Haram thing and of course he came through my business tree, would I be accountable for that? Is the money I will earn from there will be Haram since I will be paid if any one from my business tree buys things? By the way, this company is called Quixtar; you may know who they are! I know it is little bit complicated.

JazakumuAllahu Khayran.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Abdul:

Asslamu alikum wa rahmatul Allahi wa barrakatuh

The pyramid based commission system in business is permissible provided that the following three conditions are fulfilled:

- 1- Full disclosure of the amount or percentage of commission earned by the referring person so that new customers are fully aware that these referrals are not out of friendship and concern.
- 2- The commodities sold are permissible in Shari’ah.
- 3- The contract is in accordance to Shari’ah rule. For instance, if gold is sold through such a system, delivery of the items and the payment of the price must be done at the same time of the contract.

Allah knows best.

All Praise is due to Him.

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**Question**

PERSON LENDS SOME MONEY FROM ANOTHER PERSON. THERE ARE 2 QUESTIONS IN THIS. IF HE IS UNABLE TO PAY AND HE DIES. THEN WHAT IS DO YOU SAY. IT IS FORGIVEN TO HIM. OR HE WILL PAY ON THE DAY OF JUDGEMENT. THE OTHER IS IF HE PROMISED TO PAY 2 DAYS LATER. AND HE DIES ONE DAY BEFORE THE DATE. IT IS FORGIVEN. OR HE HAS TO PAY. PLEASE TELL ME OVERALL. SITUATION. ACTUALLY THIS QUESTION IS RAISED BY MY BROTHER. HE SAYS IT IS FORGIVEN IF YOU DONT HAVE ANY MEANS TO PAY IT. AND HE SAYS THAT PROPHET MUHAMMAD (PBUH) WHEN HE EXPIRED. HE HAD LEND SOME MONEY. FROM SOMEBODY. EVEN OSMAN RAZIALLAH UNHOU HAD THE SAME CASE. IS IT LIKE THAT. PL., EXPLAIN IN DETAILS. WITH COMMENTS FROM SHEIKH WITH AUTHENTICATED HADITH RELATED TO IT. TO SATISFY HIM. THANKS. REGARDS SHAH MURAD

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Shaw:

Asslamu alikum wa rahmatul Allahi wa barrakatuh

Debts do not die or evaporate in Shari'ah (except through a process of honestly implemented bankruptcy). Consequently, if a person dies with a debt the judgment is left to Allah Tala on the principle that the creditor will be compensated either from the debtor on the Day of Judgment or from Allah Tala.

Certainly, if a relative or a friend of the deceased decides to voluntarily pay the debt on behave of the debtor, this payer would certainly be rewarded by Allah, Allah willing, and the debtor is then relieved from this claim.

However, legally speaking from the Shari'ah point of view, the creditor would have no claim on the deceased relatives although, the creditor would have full claim on the estate of the deceased if there is any before its distribution to the heirs.

Allah knows best.

All Praise is due to Him.

10) Name WAHDI -

**Question**

Is it okay to finance home through the builder? Please advise

Answer

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Wahdi:

Asslamu alikum wa rahmatul Allahi wa barrakatuh

What matters in financing is whether it is Riba based or sale\lease based. If you can finance a home purchase through a builder on the bases of installment sale, it would certainly be compatible with the Shari'ah.

Allah knows best.

All Praise is due to Him.

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11) Name Jon -

**Question**

How will the new Afghan Govt rebuild there economy stronger then the previous econmomy?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Jon:

Asslamu alikum wa rahmatul Allahi wa barrakatuh

The Afghan government can rebuild the economy if it works hard and sincerely to serve its people rather than the pockets of its members or the economic interest of the foreign oil companies and the economic ambitions of the Bush\Cheney government.

Allah knows best.

All Praise is due to Him.

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12) Name Arshia -

**Question**

Excuse me, I sent my question before making end. - Some Muslim people in Czech Republic are criticize me to wear niqaab and black colour of my hijjab. Can I wear it or no. Thank you very much.

**Answer**

Please submit your question in our General Fatwa Session.

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13) Name JEFF -

**Question**

CAN YOU EXPLAIN YOUR GOD TO ME AND IS THERE ANY PROOF THAT MOHAMED EVER EXISTED.

IN MY RELIGION THERE ARE MANY ARTIFACTS THAT PROVE JESUS DID EXIST,I DONT UNDERSTAND HOW SOMEONE COULD TWIST A RELIGION AND SAY THAT IT IS RIGHT TO KILL PEOPLE.

**Answer**

Please submit your question in our General Fatwa Sssion.

-----

14) Name FADI -

Profession

**Question**

Hello, I have been using Canadian credit card numbers for a few years now for shopping on the internet. I have been told that since this money actually belongs to infidels, it is Halal tpo shop with their money without their knowledge just like "Mal-e-ghaneemat". Please elaborate your opinion on this. Is it really Permissble or not?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.  
May His peace and blessings be on His messenger Muhammad.  
Dear Fadi:

Asslamu alikum wa rahmatul Allahi wa barrakatuh

Using somebody else's credit card number is absolutely forbidden. It is the same as stealing from other people which is prohibited in the Quran and the Traditions of the Prophet (pbuh). Stealing is forbidden whether or not it is from a muslim or not and there is no way that our Shari'ah will allow such an immoral action. You cannot use the credit card number of anybody for your purchases and if you buy food with it, the Prophet (pbuh) said about this that the meat on you and your children that grow of such food deserves the Hell Fire more then anything else.

Allah knows best.

All Praise is due to Him.

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### SESSION OF AUGUST 13, 2002

Guest Name Dr. Monzer Kahf

Subject Islamic Financing Fatwa Session.

Time Mecca From... 18:45...To... 20:00

#### Questions

1 – Name Sheimah -

#### Question

Is it Haram to get a mortgage in order to buy a house?

#### Answer

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Shaimah:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Yes, certainly mortgage the way it is practiced in America is forbidden in Islamic Shari'ah. Mortgage financing is based on interest and interest is the same as Riba that is forbidden in the Qur'an. Allah (swt) described it in the Qur'an as one of the worse sins that a Muslim may do. Continuing the Riba practice by a Muslims may invoke a declaration of war from Allah and His messenger (Surah 2, verse 279).

However there is also the rule of necessity that is established in the Qur'an too. According to this rule, any prohibited matter may become permissible if it is necessary to save life, protect religion, protect mind and posterity (chastity/descendents), or property. If a conventional mortgage is essential to any of these necessities it may be exceptionally permissible according to the rule of necessity.

The Second International Fiqh Conference in North America that was held in Detroit in the Fall of 1999 discussed this issue and considered that there are quasi necessities(which are treated as necessities because many people normally have them). These include good schooling for children, neighborhood safety and decency, public utilities and services in the area, family future financial security and the consideration of

building equity, tax deduction and adequacy of income, and etc. The resolution of the conference was as follows:

- Muslims in North America are required to establish their own financial institutions that can provide financing via contract that are compatible with Islamic law. Those who are capable to establish such institutions are all sinful until some of them at least succeed in doing so.

2-Until such institutions are established sufficiently to cover all of the financing needs of the community, Muslims must seek financing from conventional banks in accordance with contracts compatible with Shari'ah such as lease/purchase and installment sale.

3-When ever non of the above is possible, those families who need housing, keeping in mind the considerations mentioned above, may resort to conventional mortgage financing under the rule of necessity although it is interest based.

Allah knows best.

All Praise is due to Him.

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2 – Name Kamel -

**Question**

Is it possible to wear a cross in a western country in order to avoid problems and to make things become easier?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Kamel:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

This session is restricted to Islamic finance issues. Please submit your question in the General Fatwa session.

Allah knows best.

All Praise is due to Him.

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3 – Name Sister -

**Question**

Assalamu Alaikum my question about that i any way to save my extra money with out investing stock exchange, insurances, business, properties etc with in Islamic limits?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Sister:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

If you live in an area where there is an Islamic housing cooperatives such as Toronto, Canada, St. Louis, Missouri; San Jose California you may consider saving with these housing cooperatives. Their rate of return is normally stable (6-9%). Their risks are very limited, but the only inconvenience is that they have limitations on withdrawals.

Otherwise, under your mattress, at this time, may be the best place to keep your money.

If you are in any of the countries that have Islamic banks you may consider an investment deposit with an Islamic bank.

Allah knows best.

All Praise is due to Him.

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4 – Name Haroon -

**Question**

Receiving and giving of interest is forbidden in Islam. If there is any exception for it what is the Islamic stands about buying motorbikes (or any thing) for loan having interest? We will get motorcycles for installment rate with an interest of 5% or more. Is it allowed?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Haroon:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Interest is certainly prohibited and practicing it invokes the wrath of Allah on the payer, the receiver, the contract writer and the two witnesses (as reported in Sahih Muslim from the Prophet (pbuh). Additionally, not abstaining from its practice invokes a declaration of war from Allah and His messengers we are told in the Qur'an (2:279).

The only exception from such a dreadful sin is the rule of necessity that is whenever life, religion, mind, posterity, property are in danger. I don't see such necessity in buying a motorbike. The rate of interest does not affect the prohibitions or the necessity. In other words, interest is prohibited whether its rates are high or low.

Allah knows best.

All Praise is due to Him.

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5 – Name sakina -

**Question**

I have a friend who is a stockbroker and he is worried that his earnings as a stockbroker are Haram. He says it might be like gambling what does Islam say about trade and investment? Is stock broking a Halal job?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Sakina:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Stock trading and brokerage depend on the business of the companies the stocks represent. Trading and brokerage of stocks that are permissible in Shari'ah, are also permissible. Stocks that are not permissible are stocks of companies whose main line of

products is forbidden such as alcohol, tobacco, conventional banking, weapons of mass destruction and etc. Also prohibited is stock of companies that indulge in forbidden transactions and practices. An example child/woman/minority abuses, interest based contracts, and other prohibited practices. But, the level of engagements in these kinds of practices affects the prohibition. If these practices represent a small percentage of the activities of a company, some Ulama argue that their stocks are permissible because otherwise we would be imposing too much hardship on Muslim investors and brokers and the Shari'ah always calls for the removal of hardship. Those Ulama came with certain criteria, where by such practices may not be more than 10%-33% of the company's activities. These criteria can be found on the website of the Islamic Market Dow Jones Index.

Trading and brokerage in interest based bonds are prohibited.

Therefore, as long as one can avoid trading and brokerage in the forbidden stocks, these activities are permissible in the Shari'ah.

Allah knows best.

All Praise is due to Him.

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6 – Name sayed -

**Question**

What is the Islamic ruling of property investment scheme undertaken to minimize taxes? I earn over \$60,000 in Aust. Dollars, Alhamdulillah. However in Australia my income is taxed at a rate of 48-49%. Now the interest component (in a property investment scheme) is 100% tax deductible. For instance if i pay tax of 40,000 and the interest paid on a property is 20000, then I make a 20,000 gain on taxes under this scheme. Can such a scheme be use to minimize taxes, in general? Thanking you in advance

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Sayed:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

The matter of deductibility of interest from income to reduce taxes is a common issue for all Muslims who live in Western countries (unfortunately, it also exists in many Muslim countries).

Interest based tax shelters are not a necessity from the point of view of Shari'ah. But since they affect a large number of Muslims especially those who live in the Western Hemisphere there is a general need that can be treated as a necessity because it affects too many people.

Protecting ones own property is no doubt a necessity for which a prohibition may be relaxed. But we are here facing a case of promoting property rather than protecting it and there is a clear difference between the two.

I don't give opinions of permissibility of interest based tax shelters but I see a strong case for it. This is a matter that requires a collective Ijtihad and must be submitted to

one of the congressional meetings of Muslim Scholars. At this time, I don't object to some one who needs to take an interest based tax shelter nor do I promote it.

Allah knows best.

All Praise is due to Him.

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7 – Name abdul moiz

**Question**

salamo alaiakum,

What are the conditions of Musharakah. Is it permissible to agree with partners to share in loss at one rate and in profit on another? For example if two person want to do business and one partner puts in 80% and another partner puts in 20% and it is the second partner who is running the business. Will it be ok to share loss in the ratio of the ownership and share profit at 50%?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Abdul Moiz:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

One of the important conditions of Musharakah is that losses have to be always distributed in proportion to capital shares. Any agreement to distribute losses otherwise is invalid. The reason for that is that a loss is a reduction of capital only regardless of the reason or the management.

(Some may argue that the decision of the manager caused the losses. The Shari'ah does not accept this argument because the manager was entrusted and authorized to take managerial decisions. However, the cases of negligence, dishonesty, and exceeding authority are charged to those who cause them whether it is the manager or any other partner.)

Profit can be distributed in a proportion that differs from capital shares in consideration of managerial effort, a new comer in a partnership who takes more risk, and etc.

Allah knows best.

All Praise is due to Him.

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8 – Name Brother -

**Question**

Is it permissible to work for a mutual fund company that invested their money in bond?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Brother:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Trading in interest-based bonds is prohibited. It is prohibited to broker such trades. If you work in a mutual fund company that does not require you to broker such prohibited

trades (as if you work in the Information Technology Department), your work and income are permissible.

Allah knows best.

All Praise is due to Him.

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9 – Name A. -

**Question**

Assalamu Alaikum,

Could you please explain me in detail how Zakah on saving is calculated from a year to another?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear A:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Once you acquire Nisab which is approx. US\$1000, you consider that date as the beginning of your Zakah year.

Upon passage of a lunar year (=354 days) from that Zakah Date and if you still have then US\$1000 or more, then you multiply the amount you have by 2.5% and that is the Zakah that is due for payment on that day.

Repeat that calculation and payment every Lunar year as long as you have a Nisab or more.

Please note that:

- 1- Delaying payment of Zakah without reason is forbidden and sinful.
- 2- You can pay before the date Due any amount of the Zakah provided you make the intention of the Zakah payment.
- 3- In determining that you have a Nisab, you add your other Zakatable items to the balance of the saving account, whether at the beginning of the year or at the end of the year. Such as current accounts, cash on hand and etc.
- 4- It does not matter that if during the year your balance went below the Nisab as long as it comes back to a Nisab or more at the end of the 354 days.

Allah knows best.

All Praise is due to Him.

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10 – Name fazal -

**Question**

Assalamu Alaikum dear brother anything prohibited in Islam has bad affect such as drinking, adultery, robbery what is the bad affect of giving or receiving interest.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Fazl:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Interest is unjust. The Qur'an describes it as taking the money of people with nothing in return (4:29). Interest is normally the price for waiting to get the money back. This waiting may or may not actually benefit the recipient of that money, so you are making something that is certain (say 7%) in exchange for something that is not certain and you do not know whether it is positive or negative. That is why interest is not fare. Some commentators used the term exchanging a certain amount of money for a benefit that is illusionary at the time of contract.

To make financing fare, money may be given on investment basis where the recipient and the money owner share the profit that result from investment in accordance to the proportion of profit distribution agreed upon between them at the time of the contract. Notice here that the actual profit is distributed not a presumed predetermined return on capital.

Allah knows best.

All Praise is due to Him.

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### SESSION OF AUGUST 20, 2002

Guest Name Dr. Monzer Kahf

Subject Islamic Finance Fatwa Session.

Time Mecca From 18:45...To... 20:00

#### 1 - Question

Assalamu 3aleikoum,

My question is about Profit Sharing and Partnership.

I have read in one book from Mohammed Nejatullah Siddiqi entitled « Parnership and Profit sharing in Islamic Law » that under « Musharaka » or partnership profits could be freely distributed according to a prefixed proportion whereas for the losses the latter had to be distributed strictly according to the capital share of the partners. (1)

Is it thus Halal to distribute the losses in a way that does not reflect the distribution of the capital between the partners? For example, if in one investment two partners agree that 80 % of the loses (and the profit) will be assumed by one of them without any consideration regarding their share in the investment in question, is that a valid agreement under Shari'ah or is the latter null and void as said in the extract below.

(1) Regarding distribution of losses Mohammed Nejatullah Siddiqi says: « Shortage or loss will always be distributed in proportion to capital proper. All Imam agree on this in spite of their belonging to different school of thought. Any condition agreed to in contravention of this principle would be declared null and void and would not be executed. » And concerning profit sharing, « Profit will be distributed among the partner in business in proportion settled by them. ». Mohammed Nejatullah Siddiqi entitled « Partnership and Profit sharing in Islamic Law », The Islamic Foundation, 1985, p.19 & 16. Jazakallah

#### Answer

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Sebastien:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

In Mudarabah and Musharakah contracts, there must be no condition that may, under any potential circumstances, interrupt the continuation of the principle of sharing in the profit and losses as it is decreed in Shari'ah: profit as per agreement and losses as per share in capital.

Any condition that distributes losses other than per share in capital is void and we revert to distributing losses in accordance with capital share (notice that in Mudarabah all capital is provided by the non-working partner). Consequently, if such a condition exists in a contract between Muslims in the West, be it Canada or any other country, this condition is not valid and the partnership concept itself remains applicable except this condition. Losses must always be distributed in accordance to the shares of capital because losses are simply a reduction in the amount of capital and nothing else. That is what losses materially are and the Shari'ah goes along with actual things as they are in real life.

Certainly as long as there is no fraudulent practices, negligence, or violation of the contract by the managing partner.

Allah knows best.

All Praise is due to Him.

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2 – Name Anwar -

**Question**

I am a student who is in his second year of studies in university and I have 2 more years to finish my studies. And my studies are being financed by my father. Unfortunately I have realized that my father's income might not be Halal. His company owns tourist resorts where they sell alcohol. Although the company does not have any dealings with the bar (does not get any profit from alcohol trade), the tourist resort which is owned by the company rents its space to the bars and restaurants which sell alcohol. Does this mean that the income through that company is Haram? Also, since there are NO ISLAMIC banks whatsoever in my country, all the monetary dealings are with non-Islamic Riba banks, which also leads to ominous conclusions. I have read a fatwa by Shaikh al-Albani where he says that in this kind of situation, one should stop the studies and start earning on one's own so that he will get away from haram money. Should I stop my studies immediately and start earning myself instead of having to rely on my father (which is what I am doing at the moment). Or should I continue my studies and then once I have finished the degree, start earning myself. Please advise on my situation.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Anwar:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

If you believe that your father's income, from which he finances your studies, is Haram you certainly must quite getting money from your father and live your own means (work and savings).

But I don't believe that your father's income is Haram the way you described in the question. If he is the owner of the resort company, renting to anybody without putting the condition that tenant may not undertake a prohibited activity is wrong but does not make there rent obtained for the leased property forbidden because it is against the use of the property and normally property is used for Halal things unless the leased property itself cannot be used except for forbidden things such as leasing a brewery of alcoholic beverages.

If your father worked in the resort company, he is selling his labor to the company as long as the job he does is permitted in Shari'ah( i.e. the job is not writing interest contracts or brewing alcoholic beverages). Take it easy brother! This religion is firm and one should approach it gently.

If you live in a country that does not have Islamic banks and to avoid having transaction with conventional banks creates hardships for you, it is permissible to deal with such banks as long as you avoid interest based relationships such as borrowing and time deposits.

Allah knows best.

All Praise is due to Him.

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3 – Name Very Important -

**Question**

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Please I would like to know what about loans that given to students from banks (with the guarantee of the minister of education of Quebec in Canada) to help them in their studies, is it Riba? I have no other source to finance my studies, and after finished till I get a job. Jazakoum Allah Khayran.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Brother:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Financing college studies with interest-based loans is not permissible because interest is forbidden and college study is not a necessity that warrants the relaxation rule for such a forbidden transaction.

There are several other means to finance education including part time work and grants. Some government student loans and government subsidized student loans have the condition of interest free for a period of time after graduation. That is if you pay the whole principle of the loan within that period (e.g. 18 months after graduation) you are charged no interest. It is permissible to take these loans if you are sure that you are KEEN and ABLE to pay within that grace period. Signing such a contract with that option is permitted because it amounts to signing a contract that gives you the option between

a permitted and a prohibited course of action and you know you are going to select the permitted course.

Allah knows best.

All Praise is due to Him.

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4 - Name Abdul - India

Profession Marketing

**Question**

Dear Scholar,

Is it permissible to have any kind of relation with jinn? As I heard from many people that if the person will be more religious then these jinn will be impressed on them is it? Please shed more light on this issue.

**Answer**

Please submit your question in our General Fatwa session. This forum is reserved for Islamic Economic issues.

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5 – Name Amine -

**Question**

Do the other scriptures such as the bible and torah in their current form prohibit usury?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Amine:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

The answer is certainly yes. I don't have the proper quotation, but you can certainly find it in two papers submitted in the last conference held by the LaRiba Company in Pasadena, California. These two papers are posted on under the latest conference (held March 2002). The two papers are written by a priest and a rabbi respectively.

Allah knows best.

All Praise is due to Him.

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6 – Name Ansar -

**Question**

Scholars of Islam, As-Salaam `Alaykum wa Rahmatullah wa Barakatuh. My simple question is that, the money won by PrizeBond is HALAL or not.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Ansar:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

I need you to describe in detail the Price Bond so I can give you an exact answer.

If it is interest free bond but the condition that a prize that will be determined by the government every period (3 or 6 months or 1 Year) to bond holders whose names are selected by certain random way, such a bond is forbidden and the amount of prize is in fact interest (Riba). Interest does not have to be predetermined, but it is any increment on a loan.

There is a collective fatwa issued by the OIC Fiqh Academy, you can find in the resolution of the OIC Fiqh Academy session of 1412 H.

Allah knows best.

All Praise is due to Him.

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7 – Name Mohamed -

**Question**

Assalamu Alaikum, May Allah guide us into right part. I would be grateful if you would let me know is it Halal to indulge in Futures and Options trading in Islamic point of view.

Regards,

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Mohamad:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh.

Commodity and stock future are not permissible in Shari'ah because the Shari'ah requires that either commodity or price must be executed at the time of contract.

Options are also not permitted because an option is not a financial right that does not qualify, according to Shari'ah, for independent transactions.

On both points there is a collective fatwa by the OIC Fiqh Academy issued in 1412 H.

Allah knows best.

All Praise is due to Him.

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8 – Name merna -

**Question**

Assalamu Alaykum...

excuse me if I am asking an embarrassing question, I wasn't close to Allah and I committed Zina but I stopped and I pray and I want to know if it's my future husband's right to know if I did something like this or not...

**Answer**

You certainly must not disclose this information to anyone due to a Hadith directly related to such cases. But for further detail, please submit your question in our General Fatwa session. This Session is reserved for Islamic economic issues.

Allah knows best.

All Praise is due to Him.

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**SESSION OF AUGUST 13, 2002**

Guest Name:

Dr. Monzer Kahf

Subject: Islamic Financing Fatwa Session.  
Time: Mecca From... 18:45...To... 20:00

Questions

1 Name Sheimah -

**Question**

Is it Haram to get a mortgage in order to buy a house?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Shaimah:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh

Yes, certainly mortgage the way it is practiced in America is forbidden in Islamic Shari'ah. Mortgage financing is based on interest and interest is the same as Riba that is forbidden in the Qur'an. Allah (swt) described it in the Qur'an as one of the worse sins that a Muslim may do. Continuing the Riba practice by a Muslims may invoke a declaration of war from Allah and His messenger (Surah 2, verse 279).

However there is also the rule of necessity that is established in the Qur'an too. According to this rule, any prohibited matter may become permissible if it is necessary to save life, protect religion, protect mind and posterity (chastity/descendents), or property. If a conventional mortgage is essential to any of these necessities it may be exceptionally permissible according to the rule of necessity.

The Second International Fiqh Conference in North America that was held in Detroit in the fall of 1999 discussed this issue and considered that there are quasi necessities (which are treated as necessities because many people normally have them). These include good schooling for children, neighborhood safety and decency, public utilities and services in the area, family future financial security and the consideration of building equity, tax deduction and adequacy of income, and etc. The resolution of the conference was as follows:

1- Muslims in North America are required to establish their own financial institutions that can provide financing via contract that are compatible with Islamic law. Those who are capable to establish such institutions are all sinful until some of them at least succeed in doing so.

2-Until such institutions are established sufficiently to cover all of the financing needs of the community, Muslims must seek financing from conventional banks in accordance with contracts compatible with Shari'ah such as lease/purchase and installment sale.

3-When ever non of the above is possible, those families who need housing, keeping in mind the considerations mentioned above, may resort to conventional mortgage financing under the rule of necessity although it is interest based.

Allah knows best.

All Praise is due to Him.

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2 Name Kamel

**Question**

Is it possible to wear a cross in a western country in order to avoid problems and to make things become easier?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Kamel:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh

This session is restricted to Islamic finance issues. Please submit your question in the General Fatwa session.

Allah knows best.

All Praise is due to Him.

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3 Name

**Question**

assalam u alikum my question about that i any way to save my extra mony with out invsting stockexchange, insurances, bussiness,properties etc with in islamic limits?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Sister:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh

If you live in an area where there is an Islamic housing cooperatives such as Toronto, Canada, St. Louis, Missouri; San Jose California you may consider saving with these housing cooperatives. Their rate of return is normally stable (6-9%). Their risks are very limited, but the only inconvenience is that they have limitations on withdrawals. Otherwise, under your mattress, at this time, may be the best place to keep your money.

If you are in any of the countries that have Islamic banks you may consider an investment deposit with an Islamic bank.

Allah knows best.

All Praise is due to Him.

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4 Name Haroon

**Question**

Receiving and giving of interest is forbidden in Islam. If there is any exception for it, what is the Islamic stand about buying motorbikes (or any thing) for loan having interest. We will get motorcycles for installment rate with an interest of 5% or more. is it allowed?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Haroon:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh

Interest is certainly prohibited and practicing it invokes the wrath of Allah on the payer, the receiver, the contract writer and the two witnesses(as reported in Sahih Muslim from the Prophet(pbuh). Additionally, not abstaining from its practice invokes a declaration of war from Allah and His messengers we are told in the Qur'an (2:279).

The only exception from such a dreadful sin is the rule of necessity that is whenever life, religion, mind, posterity, property are in danger. I don't see such necessity in buying a motorbike. The rate of interest does not affect the prohibitions or the necessity. In other words, interest is prohibited whether its rates are high or low.

Allah knows best.

All Praise is due to Him.

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4 Name sakina

**Question**

I have a friend who is a stockbroker and he is worried that his earnings as a stockbroker are Haram. He says it might be like gambling what does Islam say about trade and investment? Is stock broking a Halal job?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Sakina:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh Stock trading and brokerage depend on the business of the companies the stocks represent. Trading and brokerage of stocks that are permissible in Shari'ah are also permissible. Stocks that are not permissible are stocks of companies whose main line of products is forbidden such as alcohol, tobacco, conventional banking, weapons of mass destruction and etc. Also prohibited is stock of companies that indulge in forbidden transactions and practices. An example child/woman/minority abuses, interest based contracts, and other prohibited practices. But, the level of engagements in these kinds of practices affects the prohibition. If these practices represent a small percentage of the activities of a company, some Ulama argue that their stocks are permissible because otherwise we would be imposing too much hardship on Muslim investors and brokers and the Shari'ah always calls for the removal of hardship. Those Ulama came with certain criteria, where by such practices may not be more then 10%-33% of the company's activities. This criterion can be found on the website of the Islamic Market Dow Jones Index.

Trading and brokerage in interest based bonds are prohibited.

Therefore, as long as one can avoid trading and brokerage in the forbidden stocks, these activities are permissible in the Shari'ah.

Allah knows best.

All Praise is due to Him.

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6 Name sayed

**Question**

What is the Islamic ruling of property investment scheme undertaken to minimize taxes? I earn over \$60,000 in Aust. Dollars, Alhamdu li Allah. However in Australia my income is taxed at a rate of 48-49%. Now the interest component (in a property investment scheme) is 100% tax deductible. For instance if i pay tax of 40,000 and the interest paid on a property is 20000, then i make a 20,000 gain on taxes under this scheme. Can such a scheme be use to minimize taxes, in general? Thanking you in advance

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Sayed:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh The matter of deductibility of interest from income to reduce taxes is a common issue for all Muslims who live in Western countries (unfortunately, it also exists in many Muslim countries).

Interest based tax shelters are not a necessity from the point of view of Shari'ah. But since they affect a large number of Muslims especially those who live in the Western Hemisphere there is a general need that can be treated as a necessity because it affects too many people.

Protecting ones own property is no doubt a necessity for which a prohibition may be relaxed. But we are here facing a case of promoting property rather than protecting it and there is a clear difference between the two.

I don't give opinions of permissibility of interest based tax shelters but I see a strong case for it. This is a matter that requires a collective Ijtihad and must be submitted to one of the congressional meetings of Muslim Scholars. At this time, I don't object to some one who needs to take an interest based tax shelter nor do I promote it.

Allah knows best.

All Praise is due to Him.

-----  
7 Name Abdul Moiz

**Question**

Assalamu Alaikum,

What are the conditions of Musharakah? Is it permissible to agree with partners to share in loss at one rate and in profit on another? For example if two person want to do business and one partner puts in 80% and another partner puts in 20% and it is the second partner who is running the business. Will it be ok to share loss in the ratio of the ownership and share profit at 50%?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Abdul Moiz:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh One of the important conditions of Musharakah is that losses have to be always distributed in proportion to capital shares. Any agreement to distribute losses otherwise is invalid. The reason for that is that a loss is a reduction of capital only regardless of the reason or the management.

(Some may argue that the decision of the manager caused the losses. The Shari'ah does not accept this argument because the manager was entrusted and authorized to take managerial decisions. However, the cases of negligence, dishonesty, and exceeding authority are charged to those who cause them whether it is the manager or any other partner.)

Profit can be distributed in a proportion that differs from capital shares in consideration of managerial effort, a new comer in a partnership who takes more risk, and etc.

Allah knows best.

All Praise is due to Him.

-----

8 Name Brother

**Question**

Is it permissible to work for a mutual fund company that invested their money in bond?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Brother:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh Trading in interest-based bonds is prohibited. It is prohibited to broker such trades. If you work in a mutual fund company that does not require you to broker such prohibited trades (as if you work in the Information Technology Department), your work and income are permissible.

Allah knows best.

All Praise is due to Him.

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9 Name A.

**Question**

Assalamu Alaikum,

Could you please explain me in detail how Zakah on saving is calculated from a year to another?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear A:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh

Once you acquire Nisab which is approx. US\$1000, you consider that date as the beginning of your Zakah year.

Upon passage of a lunar year (=354 days) from that Zakah Date and if you still have then US\$1000 or more, then you multiply the amount you have by 2.5% and that is the Zakah that is due for payment on that day.

Repeat that calculation and payment every Lunar year as long as you have a Nisab or more.

Please note that:

- 1- Delaying payment of Zakah without reason is forbidden and sinful.
- 2- You can pay before the date due any amount of the Zakah provided you make the intention of the Zakah payment.
- 3- In determining that you have a Nisab, you add your other Zakatable items to the balance of the saving account, whether at the beginning of the year or at the end of the year. Such as current accounts, cash on hand and etc.
- 4- It does not matter that if during the year your balance went below the Nisab as long as it comes back to a Nisab or more at the end of the 354 days.

Allah knows best.

All Praise is due to Him.

-----  
10 Name fazal

**Question**

Assalamu Alaikum dear brother anything prohibited in Islam has bad affect such as drinking, adultery, robbery what is the bad affect of giving or receiving interest

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Fazl:

Assalamu Alaikum wa Rahmatu Allah wa Barakatuh Interest is unjust. The Qur'an describes it as taking the money of people with nothing in return (4:29). Interest is normally the price for waiting to get the money back. This waiting may or may not actually benefit the recipient of that money, so you are making something that is certain (say 7%) in exchange for something that is not certain and you do not know whether it is positive or negative. That is why interest is not fare. Some commentators used the term exchanging a certain amount of money for a benefit that is illusionary at the time of contract.

To make financing fare, money may be given on investment basis where the recipient and the money owner share the profit that result from investment in accordance to the proportion of profit distribution agreed upon between them at the time of the contract. Notice here that the actual profit is distributed not a presumed predetermined return on capital.

Allah knows best.

All Praise is due to Him.

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**SESSION OF AUGUST 6, 2002**

Guest Name Dr. Monzer Kahf

Subject Islamic Financing Fatwa Session.  
Time Mecca From 20:30...To... 22:00

**Questions**

1) Name ahmed -

**Question**

What is the "Hokm" of putting money in normal bank (not islamic) and getting rid of the profits? Is it still Haram ? Also what if the account in "Hessab Garee" ? Thanks a lot and Jazaku, Allah Kharian

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Ahmed:

sslamu alikum wa rahmatul Allahi wa barrakatuh

When you put money in a conventional (interest based) bank you are certainly helping the bank make business that is charging interest to other people, therefore whenever Islamic banks exist, they deserve your support because all their activities are conducted in accordance with Shari'ah as scrutinized and verified by their respective Shari'ah boards.

However, if you happen to have put money in conventional banks or if you need to do so, then it is better to take the accrued interest rather than leaving it to interest based banks as pure income. Interest taken this way must be disposed of to Muslim charity, the poor and needy, and general Islamic causes such as helping people under occupation (as in Palestine) to defend themselves against the occupiers.

Interest distributed this way will only be a cleanser of your proper money so that is not mixed with Haram income. It cannot be considered as Sadaqah and certainly not as a discharge of due Zakat.

This same principle of helping the bank applies to current accounts, but if you have to put funds in a current account in a conventional bank, such that no interest is generated, this action cannot be claimed as forbidden by any means because a current account that does not generate interest is a simple debt to the bank and there is nothing prohibited in giving an interest free debt with persons who practice interest (Riba) based relations.

Allah knows best.

All Praise is due to Him.

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2) Name sayed -

**Question**

A CREDIT Was GRANTED TO US IN THE COMPANY IN WHICH I WORK FOR THE PURCHASE OF A TOURIST VEHICLE WITH AS CONDITION: THE USE OF THIS VEHICLE FOR THE SERVICE, AND THE INTEREST RATE OF 3 %. IS THIS POSSIBLE TO BENEFIT FROM THIS CREDIT?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.  
May His peace and blessings be on His messenger Muhammad.

Dear Sayed

Asslamu alikum wa rahmatul Allahi wa barrakatuh

This kind of financing is interest based as you stated in the question. It is certainly forbidden in Shari'ah. The alternative for your business is leasing the said vehicle instead of purchasing it at 3 % interest based financing.

All Praise is due to Him.

Allah knows best

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3) Name Mu'mina -

**Question**

Asalamu Alaykum,

We have many debts to credit cards and have had them for many years, we haven't enough income to pay them since my husband's big loss in business. Is filing for bankruptcy haram?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Mumina

Asslamu alikum wa rahmatul Allahi wa barrakatuh

Filing for bankruptcy, when you are really under debt that you cannot reasonably pay them through individual and private compromised with the creditor, is permissible. A person came to the prophet (pbuh) with a similar case and the prophet told the creditors that you have to distribute the assets of the debtor between yourselves in perportion to your debts and you will have nothing else. However, try to reach compromises that will save your credit standing for future improvement in the business in sha Allah.

All Praise is due to Him.

Allah knows best

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4) Name Dean -

**Question**

ASA Dear Dr Monzer,

What other alternatives, in addition to Murabaha, does an Islamic Finance Company in a non Moslem Society have to assist its clients with the construction of their homes, in the absence of Muslim builders who may accept an Istisna Contract? Considering the high risks involved in executing the construction agreement with any builder on behalf of the finance applicant.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Dean

Asslamu alikum wa rahmatul Allahi wa barrakatuh

Istisna' Contracts are very similar to building contracts that are normally done in the U.S. and other countries that follow the Western legal heritage.

What you need to take is either of the following two approaches:

a- One three party contract( building contractor, finance company, and purchaser). The responsibility of each will be determined such that the finance company asks the contractor to build and pays him money in accordance with building schedules and phase wise deliveries as approved by its receiving engineer. In the same contract the relation ship between the purchaser and the finance company will be defined as a purchase of the building after it is finished and a payment schedule extended per their agreement.

b- Two separate contracts and a memo of understanding. The memo of understanding is between the finance company and the purchaser. It specifies that the purchaser ask the company to contract a given building contractor to construct the building with its specifications in its assigned lots of land. The price of that building will be determined on either cost-plus or at a given amount. The purchaser promises the finance company to have another Istisna' contract with it for the same specifications of building and against an agreed upon schedule of payment. A construction contract will be made between the finance company and the contractor and another Istisna' sale agreement will be signed between the finance company and the purchaser.

Actually the main difference between Istisna' sale and Murrabahah-to-purchase or the Orderer Sale is that in Istisna' you can make either of the two contacts before the other and you can make them together in a three party contract where as in Murrabahah you have to make one contract after the other (and after delivery of the product in the first contract) and you have to specify the price in each one of them.

All Praise is due to Him.

Allah knows best

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5) Name Hashem -

**Question**

Assalamo Alaykom Dear respected brothers,

We are in the process of proposing the Ijarah wa Iqtinaa model to be utilized by our Muslim Co-operative here in Australia to assist those who are unable to come up with up front deposits and lost in the rent cycle to eventually purchase their own homes. In your opinion, do you believe that the proposed model can serve the intended purpose? What would be the mechanism and the main features?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds. May His peace and blessings be on His messenger

Dear Hashim

Asslamu alikum wa rahmatul Allahi wa barrakatuh

Yes, the higher purchase(Ijara wa Iqitina') model of sale for members of housing cooperatives can serve its objectives in an excellent way, provided all legal aspects are completely covered and studied by a good lawyer in your country,

In my opinion, this contract has an edge over the Murabahah contract in that it accommodates any case of delinquent installment. In the long run financing, even in very good contracts, you still may have certain delinquency. In Ijara as long as a new amount is not paid towards the purchase of any share of the house, the rent shall be calculated based on the previous distribution of ownership. This means you are actually charging a higher rent for the delinquent payment because you do not consider a payment that is due but not paid in the distribution of ownership. Besides, a higher purchase agreement lends itself to refinancing should the housing cooperatives have an opportunity of refinancing with a finance wholesaler. The reason is that the houses cooperatives own a real estate that it could sell at any price (let the price be the present value of future installments).

On the other hand, Murabahah does not have these two advantages because it results in pure debts that cannot be discounted nor can accommodate a charge in case of delinquency.

All Praise is due to Him.

Allah knows best

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6) Name brother -

**Question**

Dear Sheihk,

When the husband/wife dye in the family, is it wajib to divide the inheritance? If a man pass away and he writes will to have his share giving out for Sadaqah, but the kids and wife do not want to divide the inheritance, what is the hukum in regard to this?

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Brother

Asslamu alikum wa rahmatul Allahi wa barrakatuh

The inheritance system in Islam is mandatory. It is given mostly in the Quran itself with only very few details that came in the Sunnah and almost nothing from Ijtihad (the exerting of effort to derive the rulings of Shari'ah).

Private ownership in Islam is defined as a grant given from God to men and women for the duration of their life only. Once a person dies the estate goes back to God. It is God, the most high, who distributes it to the heirs. He gave us in the Quran the full schedule of distribution that depends on the relation to the deceased and the gender of the heir. If a man dies leaving a wife and children(male and female) his estate becomes IMMEDIATLY a property of the heirs after payment of debts, funeral and other expenses and the amount of last will(will come back to this point in a moment), the net estate will be distributed as follows:

-1/8 to the deceased wife

-7/8 to the children on the basis of "a male takes twice as much as a female".

For Muslims in country that do not implement the Shari'ah inheritance law as we muslim communities in the United States, Europe, Australia and etc, writing a Last Will becomes mandatory to guarantee that our estate will be distributed in accordance with the Shari'ah(You may find a format of such a Last Will in : or ).

The Prophet (pbuh) prohibited any distribution through a Last Will to charities or Sadaqah and to non-heirs in excess of one third of the net estate. Consequently it is agreed upon that any last will that mentions a distribution of more than one third of the net estate to charity, Sadaqah, and to non-heirs is invalid in the amount that is in excess of one third of the net estate.

In your case the person who left a last will stating that all his estate should be given to Sadaqah while being survived a wife and children (male and female), this last will is invalid with regards to the two thirds of the net estate. In other words, only one third can be given to charities he specified and the rest must be distributed according to the Shari'ah formula stated above to the wife and children.

Allah knows best

All Praise is due to Him.

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7) Name Al-Amin -

**Question**

As Salaamu Alaikum. Is there a fatwa on purchasing a home using a Riba based bank in America? There are Islamic institutions but they usually require 20% down payments which many Muslims cannot afford. Jazakallahu Khairun.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Al-Amin

Asslamu alikum wa rahmatul Allahi wa barrakatuh

The Fatwa that is adopted in the resolution of the Second International Fiqh conference in North America held in Detroit in the Fall of 1999 and chaired by his eminence Shaikh Yusuf Al-Qaradawi can be summarized in the following:

Muslims in North America are required by the Islamic Shari'ah to establish financial institutions that provide them with needed financing for their business in accordance with Shari'ah. This is a Fardh Kifayyah (a collective obligation that makes all capable remembers sinful unless and until some of them fulfill it) on all Muslims in North America.

Until such institutions are established, Muslims may seek financing from conventional financing institutions that accept to make a contractual relationship on bases acceptable in Shari'ah such as lease purchase or Murabahah. Until that is done Muslims who need to purchase housing for their own residence may resort to interest based mortgage financing as long as such housing is needed taken into consideration the factors of equity and family security, neighborhood safety and decency, the tax rental factor, availability of rent especially for large families, school quality and etc.

Persons who need housing for any combination of these factors and for them whatever Islamic financing that exists is either not or expensive and non competitive available (either because of the 20% down payment or any other reason) may still resort to conventional mortgage.

All Praise is due to Him.

Allah knows best

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**SESSION OF JULY 30, 2002**

Guest Name Dr. Monzer Kahf  
Subject Islamic Financing Fatwa Session.  
Time Mecca From 20:30...To... 22:00

**Questions**

Time Mecca From 20:30...To... 22:00

1- Name

Mohammed -

Profession

executive(garment industry)

**Question**

How make salary useful and save for reinvestment, I mean to start small business.

**Answer**

Please check with a business consultant.

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2- Name Muslim

Profession Engineer

**Question**

Our Islamic center is one of the largest and most vibrant Islamic Institutions in the US. Friday prayers are held in three shifts with over 1000 persons in each prayer. We run two schools with over 600 students and countless social and educational activities. Our expenses are covered by the donations of our community on whom we depend after ALLAH SWT.

We are trying to develop long-term strategies to create sources of income to fund the activities of the mosque. The purchase of shopping centers, office buildings, apartment buildings, universities, hospitals, etc. would create a stable, long term source of income for the Islamic center in particular and would contribute to the growth and strength of the Muslim community in general.

We do not have sufficient reserves (\$10 Million to \$20 Million) to acquire such properties under the current circumstances. We are sending you this letter to seek your learned opinion on the legality (from a Sharia point of view) of the following arrangement under the circumstances outlined above.

The proposed plan to purchase a facility of say \$10 million US dollars will work as follows:

1. Islamic center will provide \$1 million US, a ten percent (10%) down payment, towards the purchase of the building.

2. The remaining \$9 million US, the balance of the cost of the purchase of the building, will be financed by a bank with interest over a term of ten to fifteen years.
3. The income from the facility would meet the financial obligations of the project (i.e. the masjid will not be paying anymore money into purchasing the building, the income generated will pay for the building as well as other projects for the community).
4. Each property is secured by its own equity.
5. At the end of the purchase term the value of the project may be fifteen million dollars including appreciation.
6. This would improve the financial statement of the institution and prepare it for larger projects in the sum of a hundred million dollars using the other assets to secure the project financing.
7. Therefore, from a million dollar investment over the term of fifteen years the community could be in a position to purchase one hundred million dollars worth of property.
8. Duplicating this methodology in a number of communities or organizations around the country, Muslims could firmly establish themselves nationally and would have a secure source of funding for their institutions instead of relying on subsistence donations.
9. Is the approach outlined above sound from an Islamic point of view?

If this proposal is permissible, please help us with few issues on implementation raised below:

1. Having other properties in the financial statement demonstrates a level of financial sophistication and capacity.
2. Can we use the existing assets of a masjid and properties as collateral to purchase other properties?
3. Recognizing that each property is secured by its own equity. The masjid in the portfolio will be exempt from liens.

We wish to help our community without violating our faith and request that you help us with your fatwa on the matters discussed above as soon as you are able to do so.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Muslim

Asslamu alikum wa rahmatul Allahi wa barrakatuh

As it is now, the fatwa on interest real estate financing is restricted to personal needs of families that have difficulties renting in matters related to cost and equity, schooling, future security of family, neighborhood safety and etc.

Keeping in mind that Riba is one of the worst sins as described by the Quran(It provokes war from Allah and His messenger). I think it is in appropriate to use a Riba based transaction to secure mosques and Islamic centers income stability.

With a cash of one million you certainly can negotiate leased based financing with banks. That would satisfy the Shari'ah requirements. The proposed plan, ambitious as it

looks, can still be fulfilled on the basis of lease. You should however be careful to avoid any interest clause in such lease agreements.

May Allah help you in these endeavors to help the Muslim community in North America

All Praise is due to Him.

Allah knows best

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3- Name A.

**Question**

Assalam Alaikum,

My 2 questions are: Is it permissible in Islam to buy stocks? And are there any particular rules or restrictions to that? please give a detailed answer if possible.

Jazakum Allah Khayran.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear A

Asslamu alikum wa rahmtul Alahi wa Barrakatuh.

Stocks represent partial ownership of a common stock company. Therefore, permissibility of buying stock depends on the activities of the company. By buying stock you become a partner in the company and whether you participate in decision making or not, all actions taken by the companies board of directories are done in the names of the stock holders and on their behave.

Activities of common stock companies may fall under either of three categories:

1- Companies that only make activities within the limits of Shari'ah such as Islamic Banks and Islamic insurance companies and companies that produce permissible goods (eg. computers or tables) at the same time do not indulge in any prohibited activity such as taken interest loans from banks. Buying, holding, owning and selling stocks of these companies are permissible whether stocks are bought for short term investment (hoping to gain a price differential) or for long term investment (hoping to earn dividends and capital growth).

2- Companies whose main line of activity is prohibited such as Hollywood movie production, conventional banks, casinos, liquor breweries and etc. Buying, holding, owning and selling stocks of these companies are prohibited.

3 Companies whose main line of business is permissible but the management undertakes certain activates and transactions that are prohibited. An example is most companies of the New York exchange that produce communication, manufacturing goods, foods, and etc. These companies deal with banks, in taking loans and putting deposits on an interest basis. They may also enter in contracts that violate the rules of Shari'ah. The Islamic ruling on buying, holding, owning and selling stock of these companies is being discussed by many contemporary Muslim scholars. The OIC Islamic Fiqh academy discussed this matter and issued a resolution a few years ago to the affect that the principle is that dealing in these stocks is prohibited because all actions taken by the management are taken on behave all share holders (buying stock makes you a

partner even though your power is very limited). However there is a group of scholars, minority as they are, who believe that such a ruling is too restrictive and negatively affects many muslim small savers who have very few other alternatives to invest, thus creating considerable hardship for a large group of Muslims. According to Shari'ah rules this called for a relaxation of prohibitions. This minority group argue that buying holding, owning, and selling from this category of companies may be permissible provided that certain criteria are fulfilled, The objective of these criteria is to be sure that total of non-permissible activities of the company only make a small percentage of its total activities to the extent that it may be tolerable.

Obviously these criteria may be subjective and selective because you are falling in a grey area anyway. They are the following:

A-The company must not be in category two as mentioned above.

B-The amount of earned interest must not exceed 10% of the companies earnings.

C-The leverage of the company(the rate of total liabilities/total assets) must not be high: 33% to 50% maximum.

D-The company must not be involved in producing/selling weapons that are used against Muslims fighting to liberate themselves from foreign occupation.

Allah knows best

All Praise is due to him.

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4- Name Muhammad

**Question**

Assalamu alaikum wa Rahmatullah wa Barakatuh.

Dear brother in Islam, I would like to know if it is allowed to take interest from the bank and give to the needy, or if is preferable to leave it to the bank.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Br. Muhammad

Assalamu alaikum wa Rahmatullah wa Barakatuh

It is better to take accrued interest on bank account you have and give it to the poor. This is certainly better then leaving this interest for the bank with which it can add to its capacity to further make interest based loans. This came as a result of a lengthy discussion of Shari'ah scholars during the first International Conference on the Fiqh of Islamic Banking held in Kuwait in 1984. However, the principle is that you should minimize accounts that generate interest for banks and use your money in better ways like investments that generate permissible income. In other words, the principle is to avoid interest generating bank accounts whenever you can do that without putting your self in a situation that makes the bank generate interest income on your behave and by using your money without giving it to you. If you have to have a bank account, especially with large balances, you better take the interest and give it the poor and needy and other general Islamic activities such as supporting people who are struggling against foreign occupation.

Allah knows best  
All Praise is due to Him.

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5- Name Amine -

**Question**

What is the definition of a Muslim country. It definitely is not a country that rules 100% by the Shariah law which does not exist today. It must be then a country where the majority of the population are Muslims. Does a Western country such as the US where there are 6 million Muslims qualify as a Muslim country.

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Amine

Assalamu alaikum wa Rahmatullah wa Barakatuh

As an Islamic economist, a Muslim country is either a country whose majority population are Muslim or a country that identifies itself with Islamic causes such as being a member in the Organization of Islamic Conference (if you look at the member countries of the OIC you will find several that have muslim minorities in their population).

There are clear cut cases of countries that cannot be described as muslim countries, the US is one of them where the Muslims are not a majority and the government takes aggressive and unjust stance against several muslim countries. It is a new colonial government. It is our duty as Muslim minorities in the US to strive to introduce a drastic change in the political stand of our government to rid of the colonial mentality that currently exists and make it stand for justice and fairness in the world.

Allah knows best

All Praise is due to him.

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6- Name Mr.Doubt -

**Question**

Assalamu Alaikum

Dear Sir

Dont you think that the Banks conducting Operations as the so called "Islamic Banks" are in a way exploiting the middle class believers. These institutions charge for an amount spend using Credit Cards in terms of dollars. In case of Loans and other facilities the person who is availing loan has to pay a heavy amount which is labeled as PROFIT. In such a scenario is it allowed for a person to approach the normal banking institutions for his needs???

Wassalam

**Answer**

In the Name of Allah, The Most Gracious, The Most Merciful.

Glory be to Allah Lord of the worlds.

May His peace and blessings be on His messenger Muhammad.

Dear Brother:

Assalamu alaikum wa Rahmatullah wa Barakatuh

I think your description of Islamic banks is inaccurate. Actually Islamic banks that operate in a competitive environment with conventional banks such as Islamic banks in Jordan, Kuwait, Qatar, Egypt, Pakistan and etc, behave in a competitive way and do not over charge for their services. They do provide financing, certainly not free, for a competitive return. There may be Islamic financial institutions that over charge their customers. In most of the cases such institutions exploit their captive market. This is wrong and must be condemned by Muslim scholars and public.

The existence of an exploitative Islamic financial institution should be disregarded whenever we discuss cases of necessitates for financing because the Shari'ah does not oblige us to pay a higher cost because someone on the other side of the transaction exercises monopolistic powers

Allah knows best

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### SESSION OF JUNE 27, 2002

Guest Name Dr. Monzer Kahf  
Subject Islamic Financing Fatwa Session.  
Time Mecca From 20:30...To... 22:00

#### Questions

##### Question 1

Assalamu Alaikum, I am planning to buy a home in US - Los Angles. I am not very needy to buy home. Only reason I am buying a home is to save rent money that i will be paying. I dont have enough money to buy a home so what are the options I have? I approached a Muslim financing organization that works on a rent to purchase basis, but they won't share the profit or loss on the property and hence i figured the rent i pay will be for the money i owe them and it will be same as any other US bank. So can you please throw some light to me? Regards Firoze

##### My Answer

Bismi Allah al Rahman al Rahim,  
Al Hamdu li Allah Rabbi al 'Alamin,  
Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in  
Dear Br. Firoze

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

If the finance company gives financing on a basis of a loan contract, any increment it gets is Riba even if the rate of such increment is calculated on the basis of rent.

On the other hand, the Fatwa on mortgage takes several considerations into account. They include the fact of owning equity as compared to renting, issues of saving and taxes, future security, children education, neighborhood and safety, etc. each one of us has his own evaluation of each of these elements and one has to make a personal sum of all of them together to reach a personal decision.

Wa Allahu A'lam,

Wa al Hamdu li Allah Rabbi al 'Alamin,  
Sincerely,

Dr. Monzer Kahf

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### **Question 2**

Salamon Alykom, I am trying to do car financing at my used car dealership. Let me tell you exactly how I will use the finance issue in my business. I would like to put two prices for each car. One for paying cash right away and the other for paying down payment and the rest will be done on monthly payment. For example if a buyer will pay all cash at once the car price would be \$1000. If he will not pay all at once the car price will be \$1100, he can pay \$500 as a down payment and three payments of \$200 each every month (to make the total of \$1100). Also whenever I will sale car by payments, there will be no interest (0% interest). I will state that clear on the contract with the buyer. Also the two prices will be very clear to the customers, So that every one knows the two prices and why they are exist. Also it will be very clear to the buyer that if he or she will not do his or her payment on time, I will have the right to repossess the car from him or her. Now the questions about that issue are: 1- since I am not taking interest on the deferred payments, doing the finance this way is Haram or Halal? Put in mind that the total price of the finance is higher than the cash price and that will be stated very clear to the customer. 2- The Issue of putting two different prices itself Halal or Haram? 3- What is the Islam view about repossess the car that I sold it to some one as long as he does not do the required payment that has been stated in the bill of sale contract? If it is Halal. How it should work? Does the buyer have any right of part of the money of the car if I sold it? Here in the USA they repossess the car and they sale it in the auction but all money goes to the dealer or the financing company or the bank and the buyer has nothing out of it. As you may see. I am trying to use the word of finance (Taksseet) with no interest at all. Gzakom Allah Khyran for clearing my confusion. Kamal

### **My answer**

Bismi Allah al Rahman al Rahim,  
Al Hamdu li Allah Rabbi al 'Alamin,  
Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in  
Dear Br. kamal

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

May God bless you for this endeavor. The plan you mentioned is permissible all of it completely, including the repossession. In repossession you must take the balance owed to you plus the cost of repossession and sale and any other cost caused by the delinquency of payments and return the balance to the customer. Actually banks do the same but they don't care selling at as low a price as the amount due to them only.

Please consult your lawyer and have him prepare the form of the installment sale. You can email me a copy to check it for you before you begin using it.

By the Way tell me where are you located to send you customers.

Wa Allahu A'lam,

Wa al Hamdu li Allah Rabbi al 'Alamin,

Sincerely,

Dr. Monzer Kahf

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**Question 3**

Can I own a house through the bank loan? If it is not where can I get Islamic financing? Lul

**My Answer**

Bismi Allah al Rahman al Rahim,

Al Hamdu li Allah Rabbi al 'Alamin,

Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in

Dear Sr. Lul

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

The principle is to seek Islamic financing from Islamic companies, or from conventional companies that offer contracts compatible with the Shari'ah.

If both are not possible and one needs to buy a house for the size of the family, future family security, schooling, neighborhood safety, tax and equity consideration, etc., one may then buy a residence house on the basis of conventional mortgage (which is Riba-based).

Wa Allahu A'lam,

Wa al Hamdu li Allah Rabbi al 'Alamin,

Sincerely,

Dr. Monzer Kahf

**Question 4**

Assalamu Alaikum, I have a loan of 120 000 Dh on my car which I am servicing monthly. I do have some cash (around 100 000 Dh) and if I just look at the cash, I have to pay Zakah, but if I consider the car loan, then I am under a debt. Is Zakah obligatory on me in this situation? Jazakumullah

**My Answer**

Bismi Allah al Rahman al Rahim,

Al Hamdu li Allah Rabbi al 'Alamin,

Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in

Dear Br. Jamaa

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

Yes, you are subject to Zakah on the 100000 Dirham if a lunar year have passed since you had a Nisab (approximately the equivalent of US\$ 1000) for the first time, and you are also subject to Zakah every lunar year since then.

This is atypical case of cash that is not earmarked for the payment of a debt. Only if you decide that tomorrow morning you are going to use the money to pay part of your debt then from the moment you decide until the day you pay it you are not subject to Zakah. You still are required to pay Zakah for the past years. Obviously this is a joke, so if you change intention not in a serious way such a change is meaningless and has no effect on the obligation of Zakah.

The rationale is very clear. Long-term debts are in fact against future earning not against present assets. They are actually paid, under normal situations, from future incomes not from present assets. Hence, present assets are subject to normal Zakah obligation.

Wa Allahu A'lam,

Wa al Hamdu li Allah Rabbi al 'Alamin,

Sincerely,  
Dr. Monzer Kahf

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### **Question 5**

Assalamu Alaikum, My question is simple. I have money in a saving account with one of the Islamic Branches of an Egyptian Bank. The Bank itself is not an Islamic bank but it has an Islamic branch which, they claim, it offers customers with Islamic investment instruments such as Murabahah, Musharakah, etc. and it does not offer ordinary credit facilities. Moreover, they have Shari'ah committee which approves all the Branch's investment projects. My question is it lawful to use the revenue earned on that money or is it considered as an interest?

Notes: Given the current economic circumstances, it is too risky and difficult to invest money in any project. Besides, this branch pays quite decent revenue compared with Islamic banks. Appreciating your prompt and clear response

### **My Answer**

Bismi Allah al Rahman al Rahim,  
Al Hamdu li Allah Rabbi al 'Alamin,  
Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in  
Dear Br. Ahmed

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

You are asking a question of confidence that you alone can answer. If the branch maintains autonomous accounts of its deposits and investment, and if you have confidence in the honesty of its management and ability of its Shari'ah committee then my answer is positive. What you get as income on your investment deposit account is InShaAllah Halal, permissible and you can take and use it for your family expenses and food. The point that it is a branch of a conventional bank does not hurt provided the above mentioned three points are satisfied.

Wa Allahu A'lam,  
Wa al Hamdu li Allah Rabbi al 'Alamin,  
Sincerely,  
Dr. Monzer Kahf

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### **Question 6**

I am working for a company that offers home equity loans via paying an extra of 2% on constant monthly payments . Elements : the Amount borrowed : MAD 150000 sum of all monthly reimbursements during 10 years:MAD 165 624 net extra amount: MAD 15 624 which represent 1% of the amount borrowed . Thus,the actual extra rate is 1% instead of 2%. Taking into consideration the fact that The official inflation rate in Morocco is 3% and knowing that even ISLAMIC BANKING INSTITUTIONS ( unfortunately absent in Morocco) offer in other countries Home loans at 2.5% fee , Can we consider that the loan forwarded by my company as HALLAL and the 2% rate is a compensation of the inflation lost incurred for my company in one hand and a participation in the management charges of the loan in the other hand ? MAY GOD REWARD YOU

### **My Answer**

Bismi Allah al Rahman al Rahim,  
Al Hamdu li Allah Rabbi al 'Alamin,  
Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in  
Dear Br. AMADDAH

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

Any conditional increment in a loan contract is Riba (interest) and prohibited. A claim that such an increment is to compensate for management expenses and inflation is not valid and does not justify such a conditioned increment. Cost of giving a loan is to be born by the beneficiary of the loan but what can be charged is actual cost not a percentage of the amount of the loan. There is no doubt that companies can calculate actual cost and it is permissible to charge it to borrowers. There is an OIC Fiqh Academy resolution to this effect in replying a question from the Islamic Development Bank. Inflation losses can only be handled after they become known and if they are substantial they can be compromised between the debtor and creditor on a case by case basis because there are many variables that interfere.

The case you are describing is a pure interest based loan case and it falls under the prohibition of Riba.

By the way, there seems to be a mix up between monthly and annual rates in your question. A monthly rate of 2% equals more than 24% annual rate if you consider the effect of compounding. Besides, the rate of inflation in Morocco is 3% annually.

Wa Allahu A'lam,  
Wa al Hamdu li Allah Rabbi al 'Alamin,  
Sincerely,  
Dr. Monzer Kahf

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**Question 7**

Assalamu Alaikum Dear Scholars! Is it permissible to buy automobiles on hire-purchase scheme from commercial banks [non Islamic in nature] operating in Muslim Countries in the Gulf? These banks charge a fixed amount as interest and calculate on a flat rate/annum. What is the alternative if such a contract is already signed and vehicle released from the Automobile firm? Thank you so much.

**My Answer**

Bismi Allah al Rahman al Rahim,  
Al Hamdu li Allah Rabbi al 'Alamin,  
Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in  
Dear Sr. maleeka

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

First, dear Sister, you have to check the Shari'ah ruling before you sign a contract and a car is released. To abide by the rules of Shari'ah you have to know them before you are involved in a transaction.

If the lease contract mentions a periodic rental payment, a period of the lease, an option to return the car or buy it at the end of the lease period, maintains ownership of the car in the name of lessor, holds lessor responsible for major maintenance, if any, during lease period, and does not have any interest clause for delayed payment or

otherwise, it is then permissible in Accordance with Shari'ah regardless of the identity of the other party (conventional bank), mentioning a rate of interest on whose basis the rent amount is calculated and the existence, or not, of a down payment.

If one, by mistake, enters into a prohibited contract, one need to repent, make Istighfar, and negotiate with the other party changes or annulment of such contract, but still honor it unless the law of the land allows you to do otherwise.

Wa Allahu A'lam,

Wa al Hamdu li Allah Rabbi al 'Alamin,

Sincerely,

Dr. Monzer Kahf

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### **Question 8**

Assalamu Alaykum, I have seen some Fatawa regarding insurance saying that all forms of insurance are a type of gambling (specifically betting something which is unseen or unknown). I would like to know how we in the west can avoid having insurance. It seems to me impossible firstly because by law we are mandated to have car insurance and if we do not many problems can arise. As for health insurance, if we do not have it for our children then its very difficult to get them medical care. It seems to me that we have "daroorah" here in the west to have the insurance. If one has a medical procedure it means without insurance you will be in debt for a lengthy period, thus putting a burden on you and your family. I have seen people go completely bankrupt and even go to jail over these matters. Under these extreme circumstances I find it harsh and un-pragmatic to say insurance is Haram for those of us living in the west. Your opinions please, Jazakah Allah khair.

### **My Answer**

Bismi Allah al Rahman al Rahim,

Al Hamdu li Allah Rabbi al 'Alamin,

Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in

Dear Sr. Susannah

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

Insurance is certainly anew kind of transaction that did not exist in the far part, at the time of the Prophet, Companions and the great scholars who came to be known as Fiqh schools founders and leaders. This means that we have to understand this new transaction and apply the general rules and principles of Shari'ah to find out its ruling from the Shari'ah point of view.

This is exactly what has been discussed over the past hundred year or so by many specialized scholars.

It boils down to two opinions: one opinion considers insurance forbidden on the ground that it involves a great deal of ambiguity regarding the obligation/liability of the two parties and the date they are due. The other opinion finds it a very useful rather indispensable invention with a tolerable amount of ambiguity that exist in many contracts especially when we notice that this new contract is actually based on the theory of probability and deals with large number of people with similar concerns because this considerably reduces the amount of ambiguity because it become

statistically almost known. (Actually there is a third opinion that looks at insurance as a gambling on the will of God, but this is disregarded because it misses knowing what insurance is).

The relaxing opinion is led by the greatest Shari'ah scholar of his time, the late Shaikh Mustafa al Zarqa (died July 1999). He adds two conditions : 1- there should no interest condition in the contract, and 2- the subject of insurance must be permissible in Shari'ah , e.g., it is forbidden to insure a shipment of liquor because it is forbidden to own it, ship it and use it.

Accordingly, if we adopt this opinion, all health, car, house and accidents insurances are permissible so are most kinds of life insurance. (You do not need to invoke the rule of necessity because, in my opinion, this means that our Shari'ah lacks positive stands on new issues).

Wa Allahu A'lam,

Wa al Hamdu li Allah Rabbi al 'Alamin,

Sincerely,

Dr. Monzer Kahf

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**Question 9**

Al\_salamo Alikom wa rahmato Allah wa barakato, I live in the states, and I'm new resident, as you know it's very hard (almost impossible) to live without a car in the South, so I bought a car by financing, and I was thinking that all financing is Halal, cause scholars in Egypt said it was ok, then after buying the car by 3 months, some of the brothers told me it was Haram. I'm using this car to go to work, and run my arans. My concerns are: 1- how can I correct this mistake? 2- Is the money I make by using this car as a transportation means Haram? Please help me the question of dealing with interest (Reba) is horrible and great sin, and I want to purify myself, and my earning from Haram. Jazakom Allah khayran. Al\_salamo Alikom wa rahmato Allah wa barakato.

**My Answer**

Bismi Allah al Rahman al Rahim,

Al Hamdu li Allah Rabbi al 'Alamin,

Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in

Dear Br.

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

Interest-based financing of cars and other things is certainly the same Riba that is mentioned in the Qur'an. It is a great sin to make such transactions and one has to begin by repenting to Allah, Ta'ala then try one's best to avoid any such transactions in the future and handle the existing one with the best one can to get out of the Haram as soon as possible. (By the way, Ulama in Egypt also say it is Haram, although some gave some confusing responses)

This means: after making Istghfar and honest repentance to God alone, you should try to pay it off as quickly as you can with incurring too much losses because God does not want us to bear heavy burden that are hard to carry. May of the forms of car lease contract are permissible. They make good alternatives.

The money you earn is InShaAllah Halal and permissible as long as the business you do is permissible, because the rule is not to extend the Haram outside its limit.

Wa Allahu A'lam,

Wa al Hamdu li Allah Rabbi al 'Alamin,

Sincerely,

Dr. Monzer Kahf

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### **Question 9**

If I gave a person 1000 dollars with the following terms, 1: I will pay 3% per years of my \$1000 to him as his services offered to me as asset management personal. 2: As payment of 3% of my money to him I expect him to provide me the following services. a)invest my \$1000 such a way that my lose of investment should not be more then 1% of my investment. b)If the profit is 20% of less due to him planning it will get all profit of my investment c)If profit is more then 20% then, first 20% is mine and additional profit will be equally divided between me and him. C) My clear instruction to him that if he does not generate any profit for me. I will not have any objection. That means, I will still be happy by paying him 3% as mentioned in section 1 for trying his services for me. d) Please note there are some investment plans available in which he can invest and put a condition that loss in the vestment should not be over 1%. Like buy the stocks, buy property and rent it etc. But I will not guide or influence him to select any option because I have full faith in this expertise for which I am paying is 3% as management fee.

### **My Answer**

Bismi Allah al Rahman al Rahim,

Al Hamdu li Allah Rabbi al 'Alamin,

Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in

Dear Br. Umer

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

There are too many assumptions and artificialities in your question, the least of them is "loss is not to exceed 1%". Then if it does exceed, what is the result?

I like to decline answering a question with too many theoretical, non-realistic assumptions. Please ask about a realistic case and send me the conditions of a real proposed contract to give you my answer.

Wa Allahu A'lam,

Wa al Hamdu li Allah Rabbi al 'Alamin,

Sincerely,

Dr. Monzer Kahf

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### **Question 10**

Assalamu Alaykum wrt. wbt. InShaAllah my email find all of you in the best of Iman. A brother suggested that he teach me day trading (futures)as a means of income. As i was laid off 3 months ago, can i pursue day trading as a means of earning Halal income? And wait for my employer to find me a job. ( I am on a H1-B visa in the U.S). I have heard mixed response to day trading. Some say it is halal and some don't. Sheik please keep in mind that Allah swt has given me enough money to pay my rent/bills and take care of

my family for few more months. Kindly let me know if there is even a trace of doubt regarding day trading of futures. May Allah swt bless you all an increase you in knowledge. Jazakallah khair. Wassalam Amir

**My Answer**

Bismi Allah al Rahman al Rahim,

Al Hamdu li Allah Rabbi al 'Alamin,

Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in

Dear Br. Amir

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

If you mean by day trading buying contracts and sell equivalent contract in the same day without keeping any balance to next day, the permissibility depends on the contracts you buy. There is an OIC Fiqh Academy resolution that concludes that commodity futures are not permissible. However, if you trade the same month you are in, the transaction is called spot because you can ask for actual delivery for the last few days of the month and this is not considered a delay as long as it has become known and customary, the trade is then permissible in application of the Fiqh Academy resolution of 1412 H.

Wa Allahu A'lam,

Wa al Hamdu li Allah Rabbi al 'Alamin,

Sincerely,

Dr. Monzer Kahf

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**Question 11**

Sir, I've been advised in an answer before about Reba in Banks in Egypt to deposit in Islamic banks like bank Faisal, and elmasraf elislamy, but how can they be dealing in different way, Islamic way, and give at the same time, very similar interest rate as other banks give, at least it should be different if it is based on their profit. jazakom allah kheir alsalamo alyukom

**My Answer**

Bismi Allah al Rahman al Rahim,

Al Hamdu li Allah Rabbi al 'Alamin,

Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in

Dear Br. Asser

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

I agree with you the similarity of rate of distribution at Islamic banks with the rates of interest at conventional banks is confusing. But you should not worry about it. They distribute profit. It is Halal, InShaAllah. They distribute at rates very close to conventional banks to remain competitive and they put the difference (sometimes they take from it too) in a special reserve account that aims at making the distribution smooth. Most Islamic banks have this reserve account.

Wa Allahu A'lam,

Wa al hamdu li Allah Rabbi al 'Alamin,

Sincerely,

Dr. Monzer Kahf

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## SESSION OF JUNE 20, 2002

Guest Name Dr. Monzer Kahf  
Subject Islamic Financing Fatwa Session.  
Time Mecca From 20:30...To... 22:00

Questions

### Question 1

What's the Islamic ruling on MLM (multi-level marketing) which is one of the types of e-commerce? It's very important to give a fatwa on the issue because most people don't know its ruling and engage in it. Wassalam

Notes: please make it clear to all of us especially the youth are not sure of its Islamic ruling and carelessly engage in this kind of marketing which is very popular in today's world of business.

### My Answer,

Bismi Allah al Rahman al Rahim,  
Al Hamdu li Allah Rabbi al 'Alamin,  
Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in  
Dear Br.

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

If you mean by multi-level marketing a marketing organization in which each agent gets commission on the sales he makes as well as the sales made by agents he/she brought in and those brought in by them and so on, then this kind of marketing organization is permissible provided there is transparency and full disclosure to all agents and purchasers that such commissions are paid. What is needed here that new comers into the organization are not lured in by friendship and illusionary sincere advice.

If this is not the meaning of Multi-level marketing, please explain it so I can research for its Shari'ah ruling

Wa Allahu A'lam,  
Wa al hamdu li Allah Rabbi al 'Alamin,  
Sincerely,  
Dr. Monzer Kahf

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### Question 2

Assalamu Alaykum, when changing international currency (Euro) to Algerian Dinar for example, does one have to follow the local bank amount or it is possible for one to follow the parallel market one? How much is the amount of Nisab in Germany. Baraka Allahou fikoum

### My Answer,

Bismi Allah al Rahman al Rahim,  
Al Hamdu li Allah Rabbi al 'Alamin,  
Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in  
Dear Br.

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

In currency exchange two conditions are necessary:

- 1- If you change large units for small units of same currency (e.g., 100 dollar bills for one dollar bills) the total amount must be the same; and,
- 2- The exchange must be spot, i.e., delivery of the two currencies must be made at the time of the contract.

This means: A) exchange of Euro for Dinar can be done at any price agreeable to the two parties as long as there is no cheating or big deviation from the price that prevails in the market. When government set prices for transactions that run through central banks you have to abide by that price only when you have to go through the central bank. Does it mean other prices, such as parallel market price or a black market price, are permissible if you can avoid the central bank? Yes they are permissible. B) Delivery must be at the time of contract, you cannot delay any part of the payment of either currency for any time, ven a few hours. But when such an exchange is done between countries and if the procedures of the transfers take some time (e.g., a few days), the transaction is still considered spot provided that you do not incorporate any intended delay in the procedure. Hence, you ask for immediate transfer and immediate charge to your account or you pay cash and any procedural time consumed until the other party receives the other currency in the other country does not violate the principle of immediate delivery.

Wa Allahu A'lam,  
Wa al Hamdu li Allah Rabbi al 'Alamin,  
Sincerely,  
Dr. Monzer Kahf

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### **Question 3**

Is the income from Defense Savings Certificates Halal in Islam? Defense Saving Certificates are issued by the Govt. We buy the certificates for a period of 5-10 years and get profit on them either on monthly basis or after the stipulated time. Please explain in detail.

### **My Answer,**

Bismi Allah al Rahman al Rahim,  
Al Hamdu li Allah Rabbi al 'Alamin,  
Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in  
Dear Br.

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

To answer this question we need more detail on these defense certificates. Are they loans to the government that the principal of the certificate is paid back at maturity? If they are loans, with a guaranteed principal, any return paid on them is Riba even if it is called "profit" because names do not change facts.

Wa Allahu A'lam,  
Wa al Hamdu li Allah Rabbi al 'Alamin,  
Sincerely,  
Dr. Monzer Kahf

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### **Question 4**

I am reading the debate about house mortgage and keen to get a clear guidance for myself. I am at the cross roads and unable to decide whether or not I can buy a house through mortgage financing. Upon arrival in Canada few years ago, I had enough money to purchase a house, however I wanted to delay the house purchase until I settle down . I had therefore invested it in stock market to avoid interest bearing investments. Very soon this money has been reduced to 30% due to current market conditions and poor advice of my investment broker. We have a cooperative Islamic organization in Canada that provides financing for house purchase to certain extent. Since arrival in Canada 3-4 years ago I had the intention to buy the house through this organization. They are doing a great job but unfortunately due to lack of resources they have to impose restrictions such as: 1) monthly rental payment and principal payment instalments are very high and unaffordable in my current income. 2) They cannot allow to rent out a portion of the house to reduce the instalment burden due to legislation being a cooperative society. The above reasons have not encouraged me to buy a house during the last 3 years while the prices of property are escalating. My rationale were the following: 1) If everybody run out of Islamic cooperative society, its cause will be greatly damaged 2) I can continue to live in rented apartment.

The above reasoning is fine but sometimes I think that I am depriving my family from better living and losing ground to give them a safe and secure future within my means. I request you to give me a verdict in view of the above situation. I shall continue with the present situation if this is the only allowed option. I however do not want to deprive my family if Islam permits me to purchase a house through mortgage financing in my circumstances. Jazak Allah Khair.

**My Answer**

Bismi Allah al Rahman al Rahim,  
Al Hamdu li Allah Rabbi al 'Alamin,  
Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in  
Dear Br. Syed

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

The considerations you mentioned are important and recognized in our Shari'ah, both the future security of the family, building equity, and the added tax reduction too.

Please be your own judge and make your own decision. If I were in your place I would give very serious attentions to these matters and I may consider buying a residence that is within my present means. You must realize that people differ in the weigh they give to different points that influence such a decision. I know very well the limitations of the housing cooperative of Toronto. I cannot respond to all the needs that exist in the Muslim community despite the tremendous and very beautiful job it is doing.

Wa Allahu A'lam,  
Wa al hamdu li Allah Rabbi al 'Alamin,  
Sincerely,  
Dr. Monzer Kahf

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**Question 5**

I would like to know about the investment in either [www.millfinltd.com](http://www.millfinltd.com) or Goldquest companies is it true from Islam views?

**My Answer**

Bismi Allah al Rahman al Rahim,

Al Hamdu li Allah Rabbi al 'Alamin,

Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in

Dear Br. Abubaker

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

I don't know the [www.millfinltd.com](http://www.millfinltd.com). Please furnish information to make a base for its judgment.

There are two pre-requisites for working with goldquest to become permitted in Shari'ah: 1) full disclosure to all persons you invite to become member, including the amount of commission you will make on their purchases as a result of your invitation. And 2) sale of gold and silver must be handled on cash basis, i.e., all the price must be paid cash and at the same time of the delivery ( handing it to the post office or shipping company) of gold.

Wa Allahu A'lam,

Wa al hamdu li Allah Rabbi al 'Alamin,

Sincerely,

Dr. Monzer Kahf

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**Question 6**

"General Provident Fund" is composed of the amounts deducted from the salaries of the employees and, the employer/government adds some 'handsome-percentage' on it then returns the employee on demand. Where the employee doesn't know what the employer does with his/her deducted amount. Is it interest because it is fixed for a year, and likely to change after a year, resultant in compound interest. What is the status of this 'compound-percentage/compound-interest' in Islam? Therefore Islamically unlawful (HARAM) to a Muslim, or it is lawful (HALAL) to a Muslim.

**My Answer**

Bismi Allah al Rahman al Rahim,

Al Hamdu li Allah Rabbi al 'Alamin,

Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in

Dear Br. Muhammad

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

Interest and compound interest are both forbidden in Islam. No doubt and no question about that.

If the Provident Fund gives interest, it is certainly forbidden. But please do not make judgment before getting full information about what is it given by the Fund. Are you sure they give interest? What are the uses of the fund, is it not managed by the government? What does it return to the employee in addition to the amounts deducted from salaries and paid by employers?

Is it like the American social security, i.e., it gives pensions on the basis of the number of years and salaries of contributions? Such pensions are permissible and if the

government uses the funds in interest it is a sin on the government and its decision makers not on you, because you are not paid on the basis of interest but on totally different ground (number of years of service and amount of salaries)

Wa Allahu A'lam,

Wa al Hamdu li Allah Rabbi al 'Alamin,

Sincerely,

Dr. Monzer Kahf

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### **Question 7**

When a business, the exporter, export some commodity the Government return some amount to exporter, in form of REBATE. What is status of rebate in Islam and due the businessman did nothing (product/services) in exchange of this money, therefore un-Islamic. Or is it REWARD, or FINANCIAL-BACKING from government, hence acceptable. And also with due respect I would like to ask, why the government gives the rebate. What is benefit to government, which it earns in this way?

### **My Answer**

Bismi Allah al Rahman al Rahim,

Al Hamdu li Allah Rabbi al 'Alamin,

Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in

Dear Br. Muhammad

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

Rebates are given by government to encourage certain economic activities. It is a subsidy that the government consider necessary to induce people and businesses to make certain transactions or produce/export certain goods. Such subsidies may serve good causes sometimes especially in the short run. They may help the economy recover from a recession or to overcome an overpriced national.

They are permissible if they are obtained legally without any fraudulent or cheating practices.

Wa Allahu A'lam,

Wa al Hamdu li Allah Rabbi al 'Alamin,

Sincerely,

Dr. Monzer Kahf

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### **Question 8**

If you purchase a house as your necessity on interest based payment as is the case in UK. The original house price was £80,000 in 1996 and cash deposit was paid only £5000 and rest was mortgaged. Now this house is worth £285,000. If I sell this house then I am certainly going to make some money. Is this halal and do I have claim on such money, if not then what percentage can be taken. Please give me clear guidance according to Quran and Sunna. Jazak Allah

### **My answer**

Bismi Allah al Rahman al Rahim,

Al Hamdu li Allah Rabbi al 'Alamin,

Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in

Dear Br. Shahid

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

If the house is purchased on necessity as you stated, its purchase was within the limits of Shari'ah, InShaAllah.

You own the house you purchased and any increase or decrease in its price is yours because you are the owner. This is an implication, in Shari'ah, of ownership. Any person who owns a property carries the financial results of the property owned. This is based on the definition of the right of ownership in Shari'ah. I don't think you would find any Verse or Hadith that states it because it is a definitional matter, not a ruling (Hukm).

Wa Allahu A'lam,

Wa al Hamdu li Allah Rabbi al 'Alamin,

Sincerely,

Dr. Monzer Kahf

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### **Question 9**

Assalamu Alaikum, The internet has many "games" in which you pick numbers, or play a virtual card game and if you win you may receive money prizes. Many of these games simulate common gambling games, but do not require the player to pay anything. Is this considered gambling from an Islamic standpoint? Also, are "sweepstakes" permitted? I mean the type of sweepstakes in which you enter your name in a box or in the mail and if your name is picked you can earn certain prizes such as trips, cars, and sometimes money. No purchase or payment is required from the player.

### **My Answer**

Bismi Allah al Rahman al Rahim,

Al Hamdu li Allah Rabbi al 'Alamin,

Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in

Dear Sr. Sumayyah

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

All sweepstakes, prizes based on drawing a name or number, and prizes given to games winners that do not require the player, or the person who is given the chance to win, to pay any amount of extra price are permitted and Halal. It is not good for a game to simulate gambling because it may develop a gambling habit at the players. But still the prize is permissible because it is not paid for. It is a pure voluntary contribution from a party who is interested in promoting certain commodities, activities, sports, etc.

Wa Allahu A'lam,

Wa al hamdu li Allah Rabbi al 'Alamin,

Sincerely,

Dr. Monzer Kahf

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### **Question 10**

Allah has mentioned in the Holy Quran, on several occasions, verses about loans. I have given a loan to someone, valued at 20,000 pounds and 10,000 dollars, with the hope of one day getting my money back. I have been waiting for 13 years, and have written numerous letters and made many phone calls. Buying lottery is haram but occionally I

buy tickets with the hope of winning back in many folds some of what I have leant. Allah has promised a great reward on the DAY OF PROMISES. Do I keep on waiting??? Tell me in what form will the hidden treasure come...?

**My Answer**

Bismi Allah al Rahman al Rahim,

Al Hamdu li Allah Rabbi al 'Alamin,

Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in

Dear Br. Burhan

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

God, may all praise and glory be due to Him, promised great rewards to those who have the right deed and creed. Giving loans is a good deed and forgiveness is also a good deed. It is a great sin however for any one to get loans from others and not paying them back.

Buying lottery tickets is forbidden in this great religion of Islam. It is gambling that is not acceptable as a reason for getting any income.

I know very well that the promise of God is the complete truth and it is going to come, certainly in the Afterlife but probably in this worldly life too. But it is not in the form of a winning gamble from a lottery ticket !

Wa Allahu A'lam,

Wa al hamdu li Allah Rabbi al 'Alamin,

Sincerely,

Dr. Monzer Kahf

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**Question 11**

is it allowed to borrow someone money to do business with, But with the condition that each month you get a certain amount of money no matter if the business is successful or not. example : A borrow to B 30000 Euro with the condition that B gives 300 Euro each month + 30000 Euro in some years. please give me proofs from Coran and sunna. and why the prophet has asked a sahabi to prepare the army by extanging camel(naqa) with 2 camels (naqa ) affidouna jazzakoum allah

**My Answer**

Bismi Allah al Rahman al Rahim,

Al Hamdu li Allah Rabbi al 'Alamin,

Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in

Dear Br. aksikas

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

Any condition in a loan agreement that give any increment to the lender is Riba. Riba is mentioned in the Qur'an and absolutely forbidden. The transaction you describe is exactly what is prohibited in the Qur'an. In fact even if the monthly amount is not fixed but variable and even if it is not paid periodically it is still interest and prohibited. The rule is that any loan with increment is a Riba transaction. This is a transaction that God declared war on those persons who practice it (the Qur'an 2:279) and there are several Sayings of the Prophet that puts the wrath of God on those who deal in Riba.

The sale of a camel for two is different. Don't you notice that camels are not alike but euros are alike!

Wa Allahu A'lam,

Wa al hamdu li Allah Rabbi al 'Alamin,

Sincerely,

Dr. Monzer Kahf

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**Question 12**

Assalamu Alaikum, In our community we have a fund managed by a committee. The fund basically collects all zakah money and distributes them to needy members of the local community. Zakah Al-Fitr money is all distributed before Eid to local needy members. Zakah Al-Mal is spent gradually throughout the year as the need arises. Throughout the years we have accumulated a sum of money because our collection exceeds our disbursements. Questions: Can we keep this excess money as a rainy fund in order to meet future unexpected needs? Can we invest this money? Can we use this money to buy a property and make it a Waqf for the needy and poor? Can we loan the money to start a Waqf and the money will be paid back later? Can we instead of giving free assistance to young needy people employ them in community work and projects and pay them salary from the Zakah fund? What is the exact definition of Al-Amiloon Alaiha? If we pay some one to buy and deliver food to a needy family would that qualify as Amiloon Alaiha expense. We appreciate your response with supporting daleel. May Allah bless you. I. Mukhtar

**My Answer**

Bismi Allah al Rahman al Rahim,

Al Hamdu li Allah Rabbi al 'Alamin,

Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in

Dear Br. Ismael

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

Your questions are important and intelligent.

- 1) The principle is to distribute each year the total proceeds of Zakah. A delay by the person who is required to pay Zakah is sinful, so is a delay by the committee unless there is good reason, from Shari'ah point of view. Keeping the money for rainy seasons is not an excuse when you carry it from year to year because every year you have new proceeds too, and after all the pockets of the community members are the reserve fund when need arises (it is in fact their Shari'ah instituted responsibility).
- 2) Zakah funds can be used to enrich the poor not only to keep them on minimum living. But more important, there are many needs in the Muslim world outside your community for Zakah, some of them may be more worthy than your poor and needy, why not giving it outside?
- 3) Investment of the Zakah fund is inadvisable, what will be the case of losses. There are no investments that are not risky, and who is going to carry the poor then? Remember, Zakah proceed is the right of those to whom it must be distributed.
- 4) Giving it as loans to certain categories of the poor is not a bad idea. Even if it is lost because the person may be a deserving anyway (such cases exist). However, giving

it to the rich as a loan is not acceptable because it is a benefit from Zakah money that is not deserved.

5) Zakah must be made a property of the recipient. You cannot make it Waqf. Besides, one of the conditions of Waqf is ownership by the founder of Waqf. Who owns the proceeds of Zakah before its distribution? You can buy a property and give it to the poor as a residence, a business place, or a source of income.

6) Yes, you can lend it to a Waqf for the benefit of the poor to be paid back later within a reasonable span of time.

7) If you hire the poor for community services, pay him from community sources, why from Zakah? Communities in North America are rich enough to be recipient of Zakah. (I believe that Zakah must not be spent on mosques and centers in North America, as the general rule is although in the past we used to permit it when the community was poor and threatened).

8) Hiring the poor, or others, for collecting and distributing Zakah in cash or in kind, and maintaining its accounting record can be paid for from Zakah. This is al 'Amilina 'Alaiha: collection, distribution, and maintenance of records and storage. You can hire the poor to do peripheral jobs that are not really needed, but they help a little and you do it simply to give him the illusion of getting a salary instead of free payment if it is found psychologically better. In this case you can pay him from Zakah.

Please do not hesitate to ask again if you need any clarification.

Wa Allahu A'lam,

Wa al Hamdu li Allah Rabbi al 'Alamin,

Sincerely,

Dr. Monzer Kahf

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### **Question 13**

Assalamu Alaikum Sheikh, We do have Islamic finance company in Australia, there is a fatwa of some scholars that Muslims at Western countries can go to the bank, where it was better to urge Muslims to go to Islamic Institutions rather than going to the Bank. So can tell us what is the fatwa in this situation?

### **My Answer**

Bismi Allah al Rahman al Rahim,

Al Hamdu li Allah Rabbi al 'Alamin,

Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in

Dear Br. Mohammad

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

The Fatwa of the Second International Fiqh conference in North America held in Detroit, Fall 1999 specifically mentioned that we must first find and make financial Islamic institutions that satisfy the need, then make Islamic contracts with non Islamic institutions and the last resort is conventional mortgage.

However, two conditions must be fulfilled: 1) the Islamic financing company must be really Islamic, tested and approved by respected scholars; and 2) it must not charge Muslims more than the prevailing rates and prices or in other words must not profiteer from having religiously captive customers.

Wa Allahu A'lam,  
Wa al Hamdu li Allah Rabbi al 'Alamin,  
Sincerely,  
Dr. Monzer Kahf

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**Question 14**

Is the concept of stock shorting as practiced in North American markets Islamically permissible. Please provide answer with explanation. Could you also kindly point out the name of the scholar(s) whom are addressing this question?

**My Answer**

Bismi Allah al Rahman al Rahim,  
Al Hamdu li Allah Rabbi al 'Alamin,  
Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in  
Dear Br. Ayyan

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

The Issue of selling stocks short was discussed in the OIC Fiqh Academy in 1412H. Its resolution can be summarized in the following: because shorting stocks requires borrowing the sold stocks from a broker at interest the transaction is forbidden. You notice that if you don't have to borrow stocks or you borrow them without interest, the sale short itself is not forbidden, provided it fulfills the conditions of the Salam sale. Salam sale is a cash for future delivery contract. It has a few details though.

Wa Allahu A'lam,  
Wa al Hamdu li Allah Rabbi al 'Alamin,  
Sincerely,  
Dr. Monzer Kahf

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**Question 15**

Dear Islamic Brother Assalamu Alaikum Wa Rahmatu Allah Wa Barakatuh. I left a Bank Job due to its Usury system. Now again my relatives are suggesting me to join a Bank service in UAE. My Uncle who is doing a Govt. Job in Abu Dhabi. During his meeting with Higher Govt officials of (Abu Dhabi). They remarked that you did wrong to left a bank Job. What you suggest with regards to work in a Multinational firm who takes funds from the banks. Should I join a bank or multinational firm? Tell me that how should I convince him in this matter in the light of Qur'an Majid & Hadith Mubarak. Please reply in detail at your earliest. So that I may able to send my uncle some ideas with respect to their offer to work in a Bank (Dubai Investment Bank).

**My Answer**

Bismi Allah al Rahman al Rahim,  
Al Hamdu li Allah Rabbi al 'Alamin,  
Wa al Salatu wa al Salamu 'Ala Sayyidina Muhammad wa 'Ala Alihi wa Sahbihi Ajma'in  
Dear Br. muhammad

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

Working in a bank may expose you to make transactions related directly to Riba and in case of Riba the Prophet, pbuh, put the wrath of God on the giver, taker and writer

(reported by al Bukhari). Besides, Riba is one of the worst sins according to Shari'ah, it is the only sin for which God declares a war from Him and His Messenger on those who do not quit dealing in Riba (The Qur'an 2:279).

On the other hand, working in a company whose main line of business is permissible, but may sometimes indulge in Riba transaction obviously gives you less exposure to such possibility.

Wa Allahu A'lam,

Wa al Hamdu li Allah Rabbi al 'Alamin,

Sincerely,

Dr. Monzer Kahf

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### SESSION OF JUNE 11, 2002

Guest Name Dr. Monzer Kahf  
Subject Islamic Financing Fatwa Session.  
Time Mecca From 20:30...To... 22:00

#### Questions

1) Name Amir -

#### Question

I have purchaed a house with conventional home mortgage. I took Dr. Qaradawi's Fatwa. My wife and 3-year old boy would like to have a swimming pool. Can I take a second mortgage for it, based on the necessity of it to us since my wife can not swim in public and I would like for her to teach my son as well. Is it justified?

#### Answer

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Amir:

Asslamu alikum wa rahamtullahi wa barakatuh.

The fatwa of Shaikh Al-Qaradawi does not apply to a second mortgage or a swimming pool. This is not like purchasing a house provided the conditions in the fatwa are satisfied in purchasing a house. Please note that the conditions of Shaikh Al-Qaradawi's fatwa as expressed in the resolution of the Second International Fiqh Conference in North America in the Fall 1999 under his chairmanship, includes the existence of a general need that is treated as a necessity and non availability of other means to purchase without interest. The desire for your wife to learn swimming is not a general need that can be treated as a necessity. Certainly you can teach your son swimming in public place.

Allah knows best.

Wa hadoulliahi Rab ul almeen.

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2) Name shahzad ali -

#### Question

Is leasing business allowed under the Injunctions of Islam? If not, Is it allowed for a Muslim to serve in a leasing company?

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Shahzad:

Asslamu alikum wa rahamtullahi wa barakatuh.

The leasing business is certainly permitted in Shari'ah. You are also permitted to work in a leasing company and to own one. Further, the income you derive is halal in sha Allah. However, most leasing contracts in North America have an interest clause in case of delinquency of an installment. This interest clause violates the Shari'ah rule. A muslim lessor or a leasing company owned by a muslim must avoid such a condition and replace it with a fixed fine that equals the estimated costs of processing a delinquent installment without including any costs of money(which is interest).

Muslim lessees are permitted to sign a lease contract even with that interest condition provided that they know they will not invoke its application.

Allah knows best.

Wa hamdoulliahi Rab ul almeen.

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3) Name Shaikh -

**Question**

Dear Alim Asalam O Alaikum w.r.w.b. I have been using the site for some time and I found it valuable . As every muslim knows that the using of bribe is prohibited in Islam. As I understand in simple words that extra amount of money which is given or taken for unlawful / abuse / wrong work is bribe. Now I'd like to ask that if a person gives extra money for his right / genuine work ( in my country and many other contraries it is very common practice that a person has to give extra money for his right work because without giving such amount it is very difficult to solve even the genuine problems ) Would it be called bribe for the giving person . Guide us Thanks

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Shaikh:

Asslamu alikum wa rahamtullahi wa barakatuh.

Giving a bribe is certainly prohibited. It is defined as a payment to get or facilitate what is not your right.

However, in the unfortunate circumstances where persons in authority do not give you what is your definite right without bribing them, it is permissible to give such ransom though it is absolutely forbidden to take it because ones own rights must be made available without cost and certainly without illegal and immoral extortion of properties or money from their the true owner.

Allah knows best.

Wa hamdoulliahi Rab ul almeen.  
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4) Name Abdul Lathief Reeza -

**Question**

I am a government servant who draws a salary which is not often adequate to meet all my expenses (e.g, Medical expenses) My government offers a medical insurance to all government servants having deducted a nominal amount as premium from the monthly salary of everyone. Being a Muslim, will it be within the bounds of Sharia to accept this insurance which is a great help for every one. Your ruling on this matter will be of immense value to all the Sri Lankan Muslims. Abdul Lathief Reeza

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Abdul Latief:

Asslamu alikum wa rahamtullahi wa barakatuh.

It is certainly permitted in Shari'ah to accept health insurance offered by government and employers as a part of the employment package.

Insurance itself (health and other insurances) is not agreeably prohibited. It is controversial. Even those Ulama who find it objectionable tolerate such insurance when it is a part of a governmental or employment package.

Allah knows best.

Wa hadoulliahi Rab ul almeen.

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5) Name Rajai -

**Question**

Asalam Alaikum,

I'm currently working in a company in U.S.A. The company provides a warehousing service "record keeping" Where we keep records of different companies and process those record to generate reports and statements to the clients. There are more than one service in which the company function. The first service involves the calculation of interest gained by the employee through their stocks bonds etc.. My Job requires me calculating this interest and sending it to the trustee "Bank " that will issue payments to the employee based on my calculations. Considering this might be included in the Prophet (SAW) Hadieth about the Riba dealers and people who help in the RIBA process. I will be transferring to a different department, which deals with health plans such as dental insurance , medical insurance, and life insurance. I've been told that insurance is HARAM so My question is

My work for this company at this department that keeps and maintain the records of employee medical insurance is it Haram or Not keep in mind that I will be processing transactions, Data Entry and reporting different Plans. Also working in this Company in general knowing it deals with Riba is considered to be helping in HARAM and ITHEM and 3edwan.

Sorry for the Length of the question and Please advice me. May Allah have mercy on us all .

**Answer**

the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Rajai:

Asslamu alikum wa rahamtullahi wa barakatuh.

Working in the company you described that maintains records and provides data on bonds (interest based) and insurance information is permissible and your income is, in sha Allah, Halal in either department.

Providing information about the bond's interest is permissible as long as your company and you as an employee did not purchase the interest bearing bonds nor are you the payer of the interest. You and your company are in fact not part of the interest transaction at all. Your company does not generate even information you are providing; you are only transferring information you obtain from outside sources.

Insurance is not agreeably prohibited. There are two trends in the rank of the Ulama about it: a classical majority who believe insurance is prohibited unless it is founded on mutual cooperative basis. And an intelligent minority led by the Shaikh Mustafa Al Zarka who believe that insurance is permitted whether it is mutual, commercial or other kinds of insurances provided the contract does not include an interest clause and the object of insurance is permissible in Shari'ah (e.g. insuring a liquor is forbidden because liquor is forbidden).

In matters that are controversial it is not easy for muslim scholars to claim that working a company that provides this product is forbidden.

Allah knows best.

Wa hamdoulliahi Rab ul almeen.

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6) Name Muhammad Farhan Idrees -

**Question**

What does Sharia says regarding the spot and future trading. Please tell me in detail.  
Jazak ALLAH

**Answer**

the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Farhan:

Asslamu alikum wa rahamtullahi wa barakatuh.

You are asking for a very long answer and you still want it in detail!!!

Stock and future trading is itself detailed in its several kinds and each one has its own position from the Shari'ah point of view. Here are a few points that are very brief that will help you research it in detail:

1- Future currencies and gold and silver are not permitted because of clear sayings of the Prophet (pbuh).

2-Spot currencies and gold and silver are permitted provided that debting and crediting of exchange items is done at the same time. That is exchanged items are actually

delivered at the time of the contract through the current accounts of the purchaser and seller.

3- Future commodities are not permitted according to the OIC Islamic Fiqh Academy(please refer to their journals dated 1412 H and later).

4-Spot commodities are permitted provided delivery is done within no more then 3 days of the contract, no matter when payment is done.

5-Future stocks are not permitted if they are based on borrowing from the broker.

6-Options (all of them) are not permitted because the object of the sale is only thin air created and defined by the Exchange. Please refer papers submitted to IOC Islamic Fiqh Academy and published in its journal.

Allah knows best.

Wa hadoulliahi Rab ul almeen.

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7) Name Mostafa Shoukry -

**Question**

Is margin trading in stocks halal ?

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Mostafa:

Asslamu alikum wa rahamtullahi wa barakatuh.

If buying on margin includes charging interest anywhere in the process of initiating and/or executing the contract, it is not permitted. To the best of my knowledge trading in stocks an interest clause as a centerpiece of the contract.

Allah knows best.

Wa hadoulliahi Rab ul almeen.

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8) Name SHEYMA ABDUL REHMAN -

**Question**

ASSALAM O ALAYKUM I LIVE IN CAIRO AND MARRIED TO AN EGYPTIAN,I HEARD ONCE ON TV BY A FAMOUS SCHOLAR THAT JEWELLERY,ANY AMOUNT WORN REGULARLY BY WOMEN ARE NOT WAJIB TO PAY ZAKAT ON THEM,UNLESS THEY ARE KEPT TOTALLY FOR FUTURE INVESTMENT AND IF THEY ARE GOLD BARS!HOW TRUE IT IS AND PLEASE LET US KNOW THE PROPER WAY OF ZAKAT ON JEWELLERY,THANKS.

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Sheyma:

Asslamu alikum wa rahamtullahi wa barakatuh.

Women's jewelry are not subject to Zakat as long as the following to two conditions are satisfied:

1-Jewelry is not in excessive amounts of what the woman's peers wear.

2-If they are actually worn by the women according to the usual and customary wearing (e.g. a necklace that is only worn in weddings and similar parties its normal wearing is in such occasions not on a daily basis like going to work and shopping.)

Consequently jewelry that is in excess to what is considered normal to her peers is subject to Zakat at 2.5 % every lunar year. And Jewelry that is stored in a deposit box and is not worn for its appropriate occasion is also subject to its Zakat.

The same applies to jewelry that is shaped as bouillon as long as they are to be worn by a woman

Allah knows best.

Wa hamdoulliahi Rab ul almeen.

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9) Name Otmane -

**Question**

Salam Alikoum, My question concern life insurance that several employers here in Canada offer to their employes. Usually it's one times the annual salary. However, one can purchase an optional life insurance for him or his spouse, and even his children. I would like to know what's hokme el Islam in this issue. Wasalam Alikoum,

**Answer**

the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear otmane:

Asslamu alikum wa rahamtullahi wa barakatuh.

Life insurance is permitted according to the late Mustafa Al Zarka and considerable group of Shari'ah experts provided that the contract does not contain an interest article. Insurance offered by employers without any charge to the employee is agreeable from the point of view because from the employee's point of view it is only a fringe benefit for a payment of a certain amount in case of death or other incidences. The employee is not contracting nor paying for it.

I go along with the opinion of Shaikh Zarka on insurance and I see it permissible by additional term life insurance and other kinds of insurance that do not contain interest in the contract.

Allah knows best.

Wa hamdoulliahi Rab ul almeen.

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10) Name Najib -

**Question**

Najib -

As-salamu `Alaikum Sheikh. I bought a house through interest and now I want to sell the house to gain profit. Is it permissible to use the profit?

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Najib:

Asslamu alikum wa rahamtullahi wa barakatuh.

Buying a house on an interest basis is forbidden unless there is a need that provokes the known Fatwa of "a general need may be treated as a necessity" that implies relaxation of that prohibition. That is for purchasing the house.

Now we are dealing with another issue that is you own a house and you sell it for a profit. Such profit is permissible as long as the contract is not fraudulently or has any other defects from a Shari'ah point of view.

Allah knows best.

Wa hamdoulliahi Rab ul almeen.

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11) Name Hadi -

**Question**

Salamo alaikum brother Kahf,

I have question about home financing from Lariba.

- Companies like Lariba offer home financing in USA. They claim it to be on partnership basis. I am in the process of applying for loan from them . But have some doubts. Would like to confirm from you before I go ahead with financing. would appreciate if you could let me know if you consider their business Halal

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Hadi:

Asslamu alikum wa rahamtullahi wa barakatuh.

I do not give opinions on persons and companies. If you have a specific question on a specific contract, please send the details.

Allah knows best.

Wa hadoulliahi Rab ul almeen.

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12) Name Omar -

**Question**

Asalamu alaikum

May Allah bless you sehikh

How can someone who has money in a bank in North America and there is a slight interest go around without getting the sin and falling into haram

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Omar:

Asslamu alikum wa rahamtullahi wa barakatuh.

Deposits in American banks by Muslims may take the form of interest free current accounts or interest generating other forms of accounts. If a muslim happens to earn

interest from a conventional bank, such interest must not be left to mingle with a muslim's money and must be given to muslim general charities such as the poor or Islamic centers. Having accounts with conventional banks in North America is permissible as long as there are no Islamic banks that provide similar services. This is on the basis of a general need without which great hardships will not be inflicted on Muslims in North America.

Allah knows best.

Wa hamdoulliahi Rab ul almeen.

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13) Name muslim -

**Question**

Sheik,

Is it permissible to work as account payable for a convention bank? If I pay out a checks daily including interest, is it consider as a witness to Riba based on the Prophet Hadith?

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Muslim:

Asslamu alikum wa rahamtullahi wa barakatuh.

Working in a conventional bank is not forbidden unless the worker himself/herself makes Riba based contracts on behave of the bank. This is the opinion of the greatest Muslims scholars of our time Zarka, Qaradawi, Dharir, and Salami. The basis of this Fatwa is removal of hardship from Muslims and their society.

Allah knows best.

Wa hadoulliahi Rab ul almeen.

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**SESSION OF JUNE 4, 2002**

Guest Name Dr. Monzer Kahf

Subject Islamic Financing Fatwa Session.

Time Mecca From 20:30...To... 22:00

**Questions**

1) Name Musa -

**Question**

I purchased for sales distribution some candy items that were manufactured in mexico that contain geletin in the ingrediants. I cannot return these items and there is contact info. on the candies of the manufacturar so I can inquire about the nature of the geletin(pork, beef and etc) used. Is it lawful for me to sell these products if I am in doubt about their contents.

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Musa:

Asslamu alikum wa rahamtullahi wa barakatuh.

The issue of gelatin, though very common in the United states, is not necessarily decisive from a Shari'ah point of view. Assuming that it is from pork, some Ulama argue that it has been transferred into a new substance—i.e. gelatin-- as compared to the skin and bones from which it is extracted. On the other hand, Muslim chemists claim that there is no transformation in gelatin as the processes of producing gelatin is only a process of isolating one of the substances that already exists in skin and bones. Based on this controversy, I think that if you find out that the gelatin used in your merchandise is from pork or mixed, there must be no haram in selling the candy to non-Muslim stores. We have in the Sunnah that the hide of pigs and dead animals can be tanned and used. Should you decide to give it as a sadaqah to non muslim charities you will, Allah willing, get the reward of at least the price of the other ingredients if not inclusive of the controversial gelatin.

Allah knows best.

P.s. Many gelatins in the market are purely chemical which do not use animal products because it is more expensive.

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2) Name Musa -

**Question**

one more think, if it is not allowed for me to sell these candies can i give them to a non muslim charity as Sadaqa.

**Answer**

See your answer above.

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3) Name Haroon abu Safiya -

**Question**

As-Salaamu Alaikum,

There is debate about the permissiblness of a new Islamic Mortgage company called "Guidance Residential". I don't know if you are familiar with their operation, but if you are, could you please inform us about their operations and whether or not is it permissible. Jazak Allahu Khairan. Was-Salaamu Alaikum.

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Haroun:

Asslamu alikum wa rahamtullahi wa barakatuh.

I do not know this company at all. Please supply more information. Also, on Islam Online, we do not discuss individual companies by name.

Allah knows best.

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4) Name Zia -

**Question**

If I borrow money from Banks to buy houses for renting purposes (as a business), I can get Interest Only loans (Mortgages) in the UK. When I file my tax return at the end of the year, I can off set the Interest paid to the banks from my profits. In this case as the Interest is being paid out of my tax liabilities, would this still be called Riba? For example, if my profits from the rented properties are £30,000 and my Interest payments to the banks are £25,000. For tax purposes my profit for this year will be £5,000 only, as Interest is off set against my profit for the year.

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Zia:

Asslamu alikum wa rahamtullahi wa barakatuh.

The loan you got from the bank in the example you gave is certainly an interest based loan and you are paying it from your income(the 30,000 pounds you receive as rent). The calculation of taxes is irrelevant to the fact that you are signing an interest based loan, which by itself is forbidden in Shari'ah, and you are actually paying interest (the 25,000 pounds in your example) which is also covered by the saying of the Prophet (pbuh): the wrath of Allah is on the taker, the payer, the writer (of the contract), and the two witnesses. (This is an authentic saying reported by Shahih Muslim). What you are suggesting is exactly the Riba prohibited by the Quran and Sunnah. What difference does it make if the British government charges you taxes on net or gross profit?!!!!.

Allah knows best.

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5) Name muslim -

**Question**

We travelled 150 miles to buy a specific type of computer, which we bought on a 12-months no interest finance plan. When we initially went through the checkout with the computer and its programs, the clerk rang up the sale with interest. When we brought the desire to have the no interest financing to his attention (even though we had repeatedly said that is what we wanted), the clerk had to cancel the sale through "return" where it showed we bought it and then returned it. Then we had to ring up the sale one more time with no interest. When we got the computer home, it was not what we expected, and some of the software did not work. They refused to accept the software back because it had been opened. When we received our invoice for monthly payment 5 weeks later, the corporation marked our account with a zero balance, and said we had returned the entire computer system and owed nothing. We still have the computer and the software which does not work. Must we bring this to their attention again, or wait until they recognize their mistake? What if they never do realize they made a mistake? Should I drive the 300 miles round trip once more to return the software, even though they refuse it, and let them know about the computer mistake?

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Muslim:

Asslamu alikum wa rahamtullahi wa barakatuh.

Your question was answered directly by me in the Ask the Scholar service which you should be getting the answer to in due time. If you want another opinion, please submit your question to our General Fatwa Session.

Allah knows best.

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1) Name Jibril -

**Question**

I am a US citizen by birth, The US sends 3 billion dollars a year to support the so called state of Israel, sent troops that killed many muslims in Afghanistan, bombed Sudan in the past and has seized the property of muslim charity organizations and muslim financial organizations. The US continues to discriminate against muslims in many ways. IS IT PERMITTED TO PAY INCOME TAX TO SUCH A COUNTRY, when there is no differentiation on where the tax money is used?

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Jibril:

Asslamu alikum wa rahamtullahi wa barakatuh.

As long as you live in the USA as a citizen and legal/illegal resident you certainly must abide by the laws of the United States. Falling in trouble with law is worse then the fact that part of your taxes is used by the government to take immoral actions against some Muslim countries and to support unjust and immoral occupation in Palestine.

As Muslims in the USA, Citizens and legal residents, while abiding by the law we are also required to be proactive in the political/social arena to change the immoral/unjust stand and policies undertaken by the gang that rules over US governmental institutions. Such changes can only come by active participation in the national and state affairs of our country. Remember that citizens and prospective citizens have this country and government to improve and make better. This is our destiny as American Muslims and out duty that our religion requires us to do in this society. We must realize that the Prophet(pbuh) and his message are sent by Allah as a mercy to the worlds. We have to make this mercy a reality in America.

Allah knows best.

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2) Name zakir -

**Question** Is buying and selling of shares whithin a short period of time permissable in Islam. Doesn't it look like a gambling activity when you bet that a particular share will go up or down and then sell or buy them accordingly? If this activity is forbidden then why our scholars taken a stand on this?

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Zakir:

Asslamu alikum wa rahamtullahi wa barakatuh.

Buying and selling shares within a short period of time is as permissible as buying and selling vegetables, fruits, and other commodities within a short period of time. The similarities is obvious because shares represent partial ownership in companies that are legal entities having a basket of fixed and mobile assets, other rights and claims, and cash and debts.

Gambling is not an activity of buying and selling commodities. It is "in vein" betting on irrelevant things such as horse running, coin or dice throwing, a wheel running, or random name or number coming out of a box or a computer. The essence of gambling is redistribution of assets based on pure vein action not on the fact that you are subject to changes that come in the future and you do not know anything about them today.

Every merchant who buys goods for sale in the market is subject to unseen future changes that are normally not known at the time of purchase.

Allah knows best.

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3) Name Esmail -

**Question**

SALAAM ALYKUM

Some stores charge you more than the price listed if you use credit card.

Can we use this method of payment? G.A.K

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Ismail:

Asslamu alikum wa rahamtullahi wa barakatuh.

The use of credit card is outside the limit of this question. So I will reformulate it as: Can a seller (who listed a given price) and a buyer agree to make their consensual sale contract at a price different from the listed price? The answer is certainly yes. It is permissible for a reason or without a reason. One of the reasons may be that when you pay by credit card the seller is going to be charged a certain percentage of the amount of sale as a commission to the credit card issuer. In other words, yes a seller can charge in this case a price higher then the listed one.

Allah knows best.

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4) Name important -

**Question**

Is it allowed for a Muslim to sell pork or tobacco if not selling them would affect his business

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Br./sister:

Asslamu alikum wa rahamtullahi wa barakatuh.

The answer is NO. Muslims, as owners of stores or employees, are not permitted by Shari'ah to sell pork, tobacco, liquor, and other prohibited items whether such abstentions negatively affects their businesses or not.

Allah(swt) gives the His blessings to those who obey the Shari'ah and obedience of Shariah is more important then what one may get in terms of negative affects on ones business.

Let me tell you this story that I personally heard from Zia Haqq the late president of Pakistan. I met him in 1986, he said he wanted to eliminate liquor service from the Pakistani Airline (PIA) and was warned that this would reduce its business; the company was then owned by the government. Two years after the elimination of serving liquor on its plane, the company actually showed improved financing rather than decline.

Allah knows best.

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5) Name ishaak -

**Question**

Assalam wa alaikum brothers. I live in the U.S for few years now, and I am in need of a formal education. I applied for financial aid and got approved "with 5% interest" , but I backed up because I'm afraid it's riba. Is it allowed for me to take it and get myself a good education? or do you know another way around? thank you for you advice. Assalam wa alaikum

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Ishak:

Asslamu alikum wa rahamtullahi wa barakatuh.

Most kinds of student loans in the USA do not charge interest if you pay within 18 months after graduation. These kinds of student loans are permitted to take if one knows he/she is able to pay the loan back within the grace period.

Student loans that charge interest outside what is mentioned above are not permitted in Shari'ah because of two reasons: Firstly, there are many other means of soliciting funds for education including grants, student financial aid, family and friends, and part time work. Secondly, education itself, especially higher education, is not a necessity for which the prohibition may be relaxed. For example, you are not going to be thrown in the streets or left without food if you do not have a university degree, certainly not in the USA. This is not to say education is not important or to deny its affect on future career, employment, and income. You can still obtain higher education within a longer period with a part time job and you can take few years off education for a full time job to save for future studies.

Allah knows best.

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6) Name sherif mohamed -

**Question**

i need to borrow some money to send to my family in egypt, as they are buliding a house. now i understand that i cant borrow it from banks as this is 7aram because of the Reba, and also this is not under the rule of necessity,my question is can i borrow this money from a friend and give it back to him with extra money on it?, for example he will give me 5000£ and i will give it back to him 5600, which is almost the same bank intrest thing, it will be as if he is investing in the house we are building.if i cant do that, what is the best thing i should do in this situation?

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Sheriff:

Asslamu alikum wa rahamtullahi wa barakatuh.

A contract in the way you suggest, borrowing 5,000 and agreeing to return 5,600 is an interest contract. It is prohibited because it is the same Riba mentioned in the Quran. Remember brother, when Riba was prohibited there was no banks and what was prohibited was Riba between individuals as you suggested. Find some other Halal way to get the funds that your family needs in Egypt.

Allah knows best.

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7) Name Ayse -

**Question**

Salam Aleykum

My husband is thinking about purchasing stock in a British company that sells pork products. Is this permissable?

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah, Lord of the Worlds.

May Allah's blessings and peace be on His messenger Muhammad.

Dear Aysha:

Asslamu alikum wa rahamtullahi wa barakatuh.

Buying stocks in companies whose main business is forbidden in Shari'ah is certainly not permitted in our religion because it makes you a partial owner, what ever the management of the company does is in your name and on your behave. Obviously Muslims are not permitted in Shari'ah to own, produce, and trade in pork and other prohibited items.

Allah knows best.

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8) Name Zameer Muhammad - Saudi Arabia

Question

I am a citizen of Sri Lanka.. Could you tell me why we got lots of sects within Islam like "jamathay Islam", Tableek Jamath, and many more but these are the two very active..they got lots of differences. With my understanding as I attended their getherings I find they sometime misguide people with false hadeeds. Please advise is it correct to follow and believe such groups...???

Answer

Please submit your question in our General Fatwa sessions. This one is specifically for finance issues.

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9) Name nesli -

Question

Es Selamu Alikoum.

may Allah reward u with ur efforts.my quesiton is that when w emake dua to our creator ,most merciful, Allah is it true that if we wish sth impossible?well for sure Allah is el Kadir and nothng is impossible for HIM but do we insist on keep on prayñ for it and if this thing is halal?Jazak Allah Khairan

Answer

Please submit your question in our General Fatwa sessions. This one is specifically for finance issues.

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10) Name Umlbrahim -

Question

Please can you tell me the strongest opinion on drawing children's books ( islamic) which entails at times drawing faces, cartoon style? thank you so much. Salmaaaykom-

Answer

Please submit your question in our General Fatwa sessions. This one is specifically for finance issues.

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11) Name kabir - United Kingdom

**Question**

is listening to music ok

**Answer**

Please submit your question in our General Fatwa sessions. This one is specifically for finance issues.

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**SESSION OF MAY 28, 2002**

Guest Name Dr. Monzer Kahf

Subject Islamic Financing Fatwa Session.

Time Mecca From 20:30...To... 22:00 Questions

**Questions**

1) Name yusuf -

**Question**

Assalam mu alaikum

first of I like to thank islamonline for their wonderful service to the ummah..I work in an american insurance company in India live on the commission earned on the insurance sold and premiums collected.Is my earnings halal or haram?Left to me I feel iam doing a noble profession by selling financial security which is very important to particularly to muslims because threat to life and property of muslims is high.Here there is no takaful but the risk is high.Some ulemas have given fatwa to buy insurance but not sell;but I feel this is ridiculous.because non muslims make money by selling them to muslims where as muslim youth need jobs.and the level of discrimination for muslim is very high. Is my view right needing your advice very much confused in life not able to focus on work due to confused.

**Answer**

In the name of Allah, The most Merciful, The most compassionate.

Praise be to Allah Lord of the Worlds.

Peace and blessings be on His final Messenger Muhammed.

Dear Yusuf:

Asslamu alikum wa rahamtulahi wa barakathu

To begin with, life and other kind of insurances are controversial among Islamic Shari'ah experts. Some Ulama view them as prohibited because of the amount ambiguity (Qarar) that is involved regarding the obligations of the two parties and the date the insurance face value becomes due.

I go along with the minority's opinion that insurance is permitted on the grounds the amount of ambiguity is tolerable especially that insurance is based on the theory of probability and large number of policy holders.

In special cases as in Muslims in India, I think the opinion you mentioned about some Ulama who encourage Muslims to take insurance is very wise. This morning I was asked about property insurance for mosques in the US after 9/11 and I gave the opinion that it must be obligatory to the extent that the executive committee of the association that runs the mosque must be prosecuted for neglect to take sufficient safe guards if they did not insure the mosque building. I fully agree that at this time life and property insurance for Muslims in India may not only be recommended but obligatory.

With regard to selling insurance, we must realize that in any controversial matter we should not oblige people to take the more difficult position. This means that even in normal times and situations working in an insurance company are permissible and the income you derive, as commissions and/or salaries, is in sha Allah Halal. Obviously if we agree that buying insurance is recommended, facilitating it for Muslims must a good and perhaps recommended way to earn a living.

Finally, you have given a lot of thought and wisdom in your questions and the views you expressed; may Allah reward and bless you.

Allah knows best.

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2) Name Mohammad Vasif -

**Question**

I am a business man.Is telling the wrong cost to the customers while negotiating Haram.(The Cost which I mentioned is the cost of goods at which I Purchase.)

**Answer**

In the name of Allah, The most Merciful, The most compassionate.

Praise be to Allah Lord of the Worlds.

Peace and blessings be on His final Messenger Muhammed.

Dear Muhammed:

Asslamu alikum wa rahamtulahi wa barakathu

Yes, selling the wrong cost is not permissible in business and trade. If you tell the cost you have to tell the truth only. However you don't have to mention the cost and as you know there are many other ways to tell about the cost without being specific that you are mentioning your own cost.

Allah knows best.

3) Name Amira -

**Question**

I'm working in the Internet field.I make web sites and host them.My question is about the working in the following web sites in anyway(Developing or hosting or even transfer hosting to another ISP).Is it halal or haram to work in?Web sites for dancers,wines,hotels that have bars inside,Art festivals,Hair dressers,Travel companies that want to show pictures for undressed guys or for churches.Please,tell me because this bothers me a lot. GAK

**Answer**

In the name of Allah, The most Merciful, The most compassionate.

Praise be to Allah Lord of the Worlds.

Peace and blessings be on His final Messenger Muhammed.

Dear Amira:

Asslamu alikum wa rahamtulahi wa barakathu

Developing, transmitting, and transferring websites that propagate immoral matter including nudity, dancing, prohibited material such as liquor, and ideas of idolatry such as believing in Christ (pbuh) as a god is certainly prohibited. Also if you are a Muslim ISP, it is also prohibited to sell a spots to such websites. Also prohibited are the earning received for such work.

Allah knows best.

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4) Name zaheera -

**Question**

alsalam alikom !

im a student from palastine who lives in umm el fahim (arab 48)and our university wanted from us to pay by the bank and as you that the banks are not an islamics so i wanted to ask you about this? what should i do ?

barak alloho feka ya ache!!

**Answer**

In the name of Allah, The most Merciful, The most compassionate.

Praise be to Allah Lord of the Worlds.

Peace and blessings be on His final Messenger Muhammed.

Dear Zaheera:

Asslamu alikum wa rahamtulahi wa barakathu

Making a payment through a conventional (non Islamic) bank is permitted whether there are Islamic banks in ones area or not. The same applies to all transaction that do not require entering into a contract that involves interest(riba)such as opening a non interest checking account, transferring money from one place to another, currency exchange and etc.

Allah know best.

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5) Name Luqman -

**Question**

As-Salaam Alikum

What is the ruling and on insurance in the west?

**Answer**

In the name of Allah, The most Merciful, The most compassionate.

Praise be to Allah Lord of the Worlds.

Peace and blessings be on His final Messenger Muhammed.

Dear Luqman:

Asslamu alikum wa rahamtulahi wa barakathu

Insurance, in the east or the west is a new phenomenon about which muslim scholars did not agree over for one and half century. The wise minority view is that insurance is permissible in all kinds provided the contract does not have any interest clause or article and that the subject of insurance in Shari'ah(eg. it is forbidden to insure a shipment of liquor because owning, buying, selling, transporting, and etc of liquor is prohibited). This minority opinion of the late Shaikh Mustafa Al-Zarqa(died in 1999) who was the undisputed most knowledgebase Shari'ah Scholar over the last quarter century since the death of Muhammed Abu Zaharah.

In brief Shaikh Zaraqa's opinion is essentially based on the fact that insurance is a good and beneficial, sometimes a necessity, kind of transaction invented in the West and and brought into necessity especially when iron (automobiles) started to move on streets. Granted that there is some ambiguity in the dates the obligations of the insurer becomes due, but this ambiguity is tolerable especially that it is based on the Probability theory and a larger number of policyholders.

Allah knows best.

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6) Name GHADA -

**Question**

HOW AND WHERE CAN MUSLIMS IN AMERICA INVEST THEIR MONEY?

**Answer**

In the name of Allah, The most Merciful, The most compassionate.

Praise be to Allah Lord of the Worlds.

Peace and blessings be on His final Messenger Muhammed.

Dear Ghada:

Asslamu alikum wa rahamtulahi wa barakathu

Your question is too general. There are many ways that people can invest directly or with friends and relatives. They can pool their resources together and create businesses and they can invest in Islamic housing cooperatives. There are two now: one in Toronto, Canada and one in Santa Clara, California. They can invest in North America Islamic Trust (NAIT). They can also invest through several Islamic investment companies and mutual funds. They can also invest directly in stocks that satisfy the criteria developed by a group of Ulama which you can find on the internet under the Dow Jones Islamic Market Index.

Allah knows best.

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7) Name Abdel Hakim -

**Question**

Essalam alaykum, I would like to buy a house and I don't want to take a mortgage with Ribah. I prefer waiting to have the total amount of the house and paying the entire value of the house. I would like to know if I have to pay Zakat for that money that is not invested to make profit. the Money is in a depot account bank without any interest. Djakakoum allahou khairan

**Answer**

In the name of Allah, The most Merciful, The most compassionate.

Praise be to Allah Lord of the Worlds.

Peace and blessings be on His final Messenger Muhammed.

Dear Abdul Hakim:

Asslamu alikum wa rahamtulahi wa barakathu

Zakat is due on any amount of money that reaches or exceeds the Nisab (approx 1,000 US dollars) if a lunar year passes regardless of the intention one may have for its future use including buying the first residence house that you need, getting married and etc. This means that you have to pay Zakat on the amount you are saving to buy a house provided the two conditions mentioned above are satisfied.

Allah knows best.

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8) Name jamal abdul jalil abduljalil -

**Question**

Alsalamo Alaikum if the firm i work for provides me with a free health insurance (nothing is deducted from my salary) this insurance refunds to me 80% of my medical expenses. this insurance is covered through an insurance company. premiums are paid by my firm. i bear nothing. is it halal to receive the insurance refund?

**Answer**

In the name of Allah, The most Merciful, The most compassionate.

Praise be to Allah Lord of the Worlds.

Peace and blessings be on His final Messengers Muhammed.

Dear Jamal:

Asslamu alikum wa rahamtulahi wa barakathu

It is permissible to get health insurance coverage through the company whether the company pays the premium or charges you a part of it. This is agreed upon amongst all

Muslim scholars on the ground that it is offered as a part of a package of employment. In other words, even the Ulama who do not like insurance agree on this case. Allah knows best.

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9) Name zeinab - United States

**Question**

Alsalam Alikum warahmatallah wbrakatuh

please, I bought a car and i pay moer than a half of the car cash,and the rest loan from the same combany bank, and my atention to pay the rest as soon as I have money, is that ok or haram.

thank you. salam

**Answer**

In the name of Allah, The most Merciful, The most compassionate.

Praise be to Allah Lord of the Worlds.

Peace and blessings be on His final Messenger Muhammed.

Dear Zainab:

Asslamu alikum wa rahamtulahi wa barakathu

Except when it is necessary for the family provider to go to work, buying car on interest is not covered by the Fatwa of the Second International Fiqh Conference held in Detroit in 1999. The fatwa deals with necessity housing, necessary cars are similar but necessary cars apply only to the family income earner provided there are no other means to get a reasonable dependable car that suites the situation of the purchaser.

If you are not the family income earner (if you are married, then your husband is responsible for spending on the family) buying a car with interest may not be permissible for you. What is Haram in this regard is not only paying a single dollar as interest but also signing a financing contract that is interest based.

Allah knows best.

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10) Name Robert - United States

**Question**

How does the Islamic religion look at suicide. Our class read a story called no music before mosque and at the end the boy hanged himself. does suicide mean disgrace or what in the islamic religion

**Answer**

This forum is strictly for Islamic Finance issues. Please submit your question in our regular fatwa session.

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11) Name YM - United States

**Question AA**

Is it permitted to wear Hijab when reading the Quran and take it off after that even when being out of home?

May Allah Bless you all

**Answer**

This forum is strictly for Islamic Finance issues. Please submit your question in our regular fatwa session.

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**SESSION OF MAY 14, 2002**

Guest Name Dr. Monzer Kahf  
Subject Islamic Financing Fatwa Session.  
Time Mecca From 20:30...To... 22:00

**Questions**

1) Name Hicham

**Question**

Assalamou Alaikom,

I do not have my own apartment, is it permissible to contract an interest loan to have one, otherwise how about leasing ? knowing that in Morocco we do not have islamic banks.

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah lord of the Worlds.

Peace and Blessings be upon the Messenger of Allah.

Dear Br. Hicham:

Asslamu alaikum wa rahmatullahi wa barakathu.

If there are excuses for muslim minorities living in non-muslim countries to take home financing conventional mortgages(interest based)because these Muslims are small in number, economically weak, politically cannot influence a change in favor of establishing Islamic financial institutions and usually deal with non-muslim institutions, these excuses do not exist in Muslim countries.

Dear Br. Hicham, you and other Muslims around you are called upon, as a faridha of Kiffyah, to establish Islamic institutions that can satisfy your needs or finances. You don't have to have an Islamic bank. House finance cooperatives can be established easily. Financing corporations can easily be convinced to take up Murabahah and/or these contracts for home financing, and I am sure you have friends, associates and colleagues with whom you can exchange lending facilities without interest. You have to be creative otherwise every single ruling of the Shari'ah will have someone to call for its changing because her/his circumstances. The Shari'ah is the eternal law sent by Allah Tala to be obeyed and followed.

With regard to leasing, most leasing contracts are acceptable in Shari'ah. However, some of them may contain an interest clause. You should be ware to check all the wording of any lease contract used for house financing. If you want to email it to Islam Online to check this document, we will be more then happy to do that, or you may ask some local enlightened Shari'ah scholar such professor Muhammad Al-Habib Al Tujkani. Allah knows best.

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2) Name Lateef -

**Question**

How can I participate in stock trading without violating the Shariah?

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah lord of the Worlds.

Peace and Blessings be upon the Messenger of Allah.

Dear Br. Lateef:

Asslamu alaikum wa rahmatullahi wa barakathu

Trading stock is permissible according to a group of Muslim scholars within the following conditions: 1- you must completely avoid stocks of companies who main business activity is not permitted in Shari'ah. These include banking stock, stocks of Hollywood entertainment production companies, arms and weapon production companies and etc. 2- you should limit your transactions of stock to companies that do not make a lot of prohibited activities although the main line of their business is permissible. What is "a lot" is not strictly defined. It can be argued on the basis of other areas in Islamic jurisprudence that anything that exceeds one third is too much to be tolerated, but sometimes even less than one third may not be admissible. Notice that depositors wait for a whole year on their saving account to get only 5-6%. So when it comes to interest transactions it is too much if the ratio of interest income to total net income of a company is anything more than ten percent.

Sometimes involvement in prohibited activities may be looked at from the angle of the percentage of the company's assets uses in non-permitted activities such as CDs or deposits in banks. Here some Ulama suggest the one-third rule may apply so that if the company has more than one third of its assets used in non-permitted transactions we then must avoid its stocks.

The basic problem that we are faced with here is that when you buy a stock you become a partial owner of the company and its executive board represent you in all their actions and decisions, whether you elect them or not becomes immaterial, as if they were your own agents.

The Dow Jones company in cooperation with a group of muslim scholars developed these criteria and set up a list of stock on that basis that you can find at the Dow Jones website under Dow Jones Islamic Market Index.

Allah knows best.

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3) Name Ali -

**Question**

Salam alikum,

Where can I find the list of companies filtered by Dow Jones Islamic index.

Jazajum Allah Khairan.

**Answer**

In the name of Allah. Most Gracious, Most Merciful.

Glory be to Allah lord of the Worlds.

Peace and Blessings be upon the Messenger of Allah.

Dear Br. Ali:

Asslamu alaikum wa rahmatullahi wa barakathu

Please look at the Website of the Dow Jones Company.

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4) Name yusuf -

**Question**

Assalam Alaykum,

dear brother in Islam,

in the last years i was able to built up some shops in africa selling used computers. i engaged my best friend in it and after some time he started to copy my business exactly the way i did it. he even choosed the side of his shop beside mine. as good friends in Islam we discussed the matter and he made a vow for Allah Subhan Tallah that he would stop doing this. this vow he made 2 or three times and Allah Subhan Tallah knows it best. after this he blundly started again a shop in an other country, again beside my shop and it hurts so much the friendship and i do not understand how such a good Muslim can do this to his brother. secondly i gave him money to pay a big debt i had with an Islamic Relief Organization and he told me that he paid my debt. after one year i found out from this relief org. that he did not paid my debt. when i confronted him he came up with a story which was untrue and when i informed him that i will leave the case to Allah Subhan Tallah on the last day he got very angry and told me: "it is finished" (our friendship).

now i am loosing a lot of business due to him and have great difficulties to control my anger if i have to meet him in one month time in a fair in africa.

my questions is:

my ex-friend is receiving a social welfare from the government in holland and while he is having income out of his businesses, he made his vow to stop but did the opposite, this is the second time on a major subject he made a vow for Allah SUBhan Tallah and breaks it. can i just greet him with Assalam Alaykum and avoid any other contact ?

i am a new Muslim and trusted my friend blindly, he always helped me with Islam talking and lecturing Islam, but now when there is money involved he changed Alhamdullilahi.

please advice what to do, as he put me in severe financial problems and really shocked my religion. Alhamdullialhi

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah lord of the Worlds.

Peace and Blessings be upon the Messenger of Allah.

Dear Br. Ali:

Aslamu alaikum wa rahmatullahi wa barakathu

This is more of a social issue that you may submit it to a specialist of Islam Online.

However there are two points that you need to make clear in your mind. 1- Competition is a natural thing. If your friend did not open a store beside your store someone else would and you cannot prevent it. It is immoral though that a friend steals your know how and copies it for his own benefit. 2- Whether he takes welfare or not is non of your business. There is no doubt that if he takes without being qualified he is morally as well as legally wrong, but you are not the one who needs to expose him or be an informer against him.

It is very regretful that a friend does that to his friend especially the dishonesty in not paying the loan he was given money to pay. It is even worse if such a thing comes from a person who poses as an Islamic teacher or propagator of Islamic values.

Allah knows best.

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5) Name Yasin Abdi-Hakim -

**Question**

Assalamu-Aleukum w.b.t,

I would like to ask about using credit cards and its relation with Interest based system of Banks

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah lord of the Worlds.

Peace and Blessings be upon the Messenger of Allah.

Dear Br. Yasin:

Asslamu alaikum wa rahmatullahi wa barakathu

Credit cards issued in America and most other countries (except those issued by Islamic banks) contain an interest clause. It applies if you withdraw cash from the machine from the date of withdrawal and on balances unpaid within the grace period, i.e. by the due date.

Issuing such cards with this clause is not permitted for a Muslim to do. On the other hand, signing a contract of a credit card with this condition in itself cannot be considered prohibited because the application of this condition depends on the choice of the card user. If the card user does not withdraw cash or delay payment beyond the due date, signing the contract and using the card become permissible like any other elective condition. It is up to the user to activate it or not.

This means that there are two conditions for the permissibility of using a credit card: 1- you do not use it for cash withdrawal or delay payment past the due date. 2- you know for sure that you can keep this condition. An easier way to pay on time is to authorize the card issuer to charge your account directly.

If these two conditions are not satisfied, signing the card contract and using it becomes prohibited.

Allah knows best.

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6) Name Muhammad

**Question**

What rate of interest is exploitive. As I give a amount to someone, and there is inflation and purchase power of money. If I give money to someone, he will get benefit it. And return me the amount after a year. Where purchase power of my money is not the same when I gave him.

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah lord of the Worlds.

Peace and Blessings be upon the Messenger of Allah.

Dear Br. Muhammed:

Asslamu alaikum wa rahmatullahi wa barakathu

Any rate of interest above zero is exploitive. The Quran (2:279) says that if you repent you get your principle only; no injustice is done by you or against you.

Inflation has nothing to do with interest. Neither one of them is the cause or effect or compensation of the other. If you give a loan and its real value is reduced by inflation is like if you keep the same amount of money in your pocket where by its value will also be reduced by inflation. Giving a loan is an act of benevolence and the debtor did not cause the inflation. Why should he be then required to pay for it?

Allah knows best.

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7) Name Raji -

**Question**

Alsalam Alaikum,

I'm currently working on the united states as a Programmer. The company I'm working at keeps records of people 401k plans and other things which sometimes require the company to calculate the interest on those records. My Job as a programmer does not involve me calculating this interest or dealing with the interest in any way. All the programs that I write are being used with a different kind of calculation that does not involve interest in anyway. also not everything the company deals with is interest. Is my Job Haram. Should I quite.

Jazakum Allah.

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Glory be to Allah lord of the Worlds.

Peace and Blessings be upon the Messenger of Allah.

Dear Br. Raji:

Asslamu alaikum wa rahmatullahi wa barakathu

Working as a programmer in a company that sometimes deals or calculates interest is permissible. There is nothing in the Shari'ah that prohibits this kind of job. The prohibition regarding interest is limited to persons who take it, give it, write its contract, and witness it. There is no need for expanding the prohibition beyond that.

Allah knows best.

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Name abdualgany - India

**Question**

alsalm alycom wa rhmt allah wa brcata.

what we should to replay for the misconception which the rejecters have towards mohammed (the peaces and blesses of GOD be upon him)they say how come mohammed has commanded the people to not have more than four wives at the momment he got married more than four and how can we replay about the accustion that massenger mohammed was having lust of flesh.

**Answer**

Please submit your question in a General Fatwa session. This one is concerned with issues of finance.

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**SESSION OF MAY 7, 2002**

Guest Name Dr. Monzer Kahf  
Subject Islamic Financing Fatwa Session.  
Time Mecca From 20:30...To... 22:00

**Questions**

1) Name Hicham

**Question**

Assalamou alaikom,  
I would like to have a car with leasing (rent with a buying option at the end of payment).  
Is this halal or haram?

**Answer**

In the name of Allah, Most Gracious, Most Merciful.  
Praise be to Allah lord of the Worlds.  
May Allah's blessings be on his final messenger Muhammed.  
Dear Br. Hicham

asslamu alikum wa rahmtul lahi wa barakatuh.  
Most car leasing contracts used in the USA are ok from a Shari'ah point of view, although they normally contain a punitive interest clause that applies in case of default or delay of payment. The idea is that a Muslim would not allow this interest clause to be implemented by not defaulting and not delaying any payment. The exercise of option at the end of the lease period is also permitted which is normally to buy the car at a given price or return it to the lessor or enter into a new lease for a new period. Either choice is also permitted in Shari'ah.  
Allah knows best.

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2) Name Mohamed -

**Question**

In Islamic banking, who takes precedence: the Sharia Board or the Board of Directors?  
What are the interactions between them? As good Muslims, how can we be sure that our money is used in the right way and for the right benefit?

**Answer**

In the name of Allah, Most Gracious, Most Merciful.  
Praise be to Allah lord of the Worlds.  
May Allah's blessings be on his final messenger Muhammed.  
Dear Br. Muhammed:  
asslamu alikum wa rahmtul lahi wa barakatuh  
In Islamic banks the issue of precedence between the Shari'ah board and the board of directors does not arise because the Shari'ah board is not an executive body and it does not have any decision making power. This is the way it should be because you cannot have two different decision makers in the same organization.

The authority of the Shari'ah board is to give opinion about forms of contract, procedure, manual, and other measures and transactions that are to be applied in the Islamic bank. Acceptance of the opinion of the Shari'ah board and its implementation is the sole responsibility of the board of directors. The board of directors is the only decision maker in all contracts, investments, employment matters and etc. It is the trust and confidence in the ability, honesty, integrity and responsibility of the board of directors that provide confidence to customers of Islamic banks. It should be noted that, accept for off shore banks, Islamic banks are subject to supervision and control of their respective central bank. This may add an element of confidence in the soundness of the banking system including Islamic banks in a given country.

Allah knows best.

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3) Name salih -

**Question**

assalamu alaykum

sheik,

the stock market has been so volatile lately. would it possible to put money in money market? can we use that money to distribute to the poors and can we take a portion of it to reflect the inflation rate? thanks.

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Praise be to Allah lord of the Worlds.

May Allah's blessings be on his final messenger Muhammed.

Dear Br. Salih

asslamu alikum wa rahmtul lahi wa barakatuh

Granted that the stock market is volatile excess funds may be left idle for a period of time, can such funds be put in interest earning uses such as money market, savings account, CDs, and treasury bonds? My answer to that is that although interest is prohibited and must not be allowed to mingle with Muslim owned money, letting funds stay idle is also in contradiction with the general Islamic teachings. While waiting for investment opportunities in permitted stocks or otherwise, putting large amounts of money in interest generating uses in Western banks for the muslim communities in the west becomes the least of the two evils: that is between leaving them idle or generating the interest.

Interest that is generated in such cases does not become a property of the muslim depositor because interest contracts do not generate ownership of any amount in excess to the principle according to the Shari'ah(the Quran 2:279). This interest must be given to Muslim charities or to Muslim general causes including supporting Muslims who are resisting foreign occupation as in Palestine and Chechnya; and the poor and needy especially those who are under oppression as in the case of Gujarat. No part of this interest may be used to protect ones own money against inflation or to dispose of ones own social/legal obligation such as payment of taxes and etc.

Allah knows best.

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4) Name Musa

**Question**

asslamu alikum

Thank you for answering my question two weeks ago about sale by sample or discription. But I realized that a part of my question was ambiguous and there may have influenced your answer. Let me make a clarification, In fact the products I sell by sample are the actual products that will be sold to the customer, there is no replacement for them if they are gone. The reason why is that I buy products from companies that go out of bussiness and in turn sell that same product to my customers. But in fact I do not buy it immediatly from them, but i ask them to hold the product for me for a limited time until i find a customer in which I sell them to whereby i collect the product from the going out of sale busniess and deliver it to my customer. So the very same product I show my customers is the same product I will be selling them. If those products are somehow gone, I have no replacement for my customer. But on most occassions, the people who hold the product for me usually hold true to that promise where they will not sell them to anyone else before i give them a final decision. Rememer in no case is any money exchanged between me and the so called distributer until i collect the product from him and in case is any money exchanged between me and my customer until i deliver the product, although a sales agreement had been reached earlier.

Now, is this considered selling something I don't have according to the hadith? If so, is it allowed under particular circumstances.

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Praise be to Allah lord of the Worlds.

May Allah's blessings be on his final messenger Muhammed.

Dear Br. Musa

asslamu alikum wa rahmtul lahi wa barakatuh

You are still selling a quantity of a commodity that you only show a sample of. That is still sale on sample. It is still permissible provided that you can make delivery of the quantity sold. The issue you are raising in this explanation is important, it amounts to: you may not be able to implement the contract if your supplier did not hold the quantity for you. In this case, I suggest that you put a section in the sale contract between you and your customer that gives you the right to back out from the contract within a period of time(eg 3 days) if you cannot get the same from your supplier. In either case you are not selling what you do not own, but with out option to withdraw from the contact you are obligated legally and in Shariah to effectuate delivery or to pay compensatory damage to your customer.

Allah knows best.

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5) Name haidar

**Question**

I work as an indent agent on commission basis which i get from suppliers overseas against orders secured from importers in my country who open Letter of Credit in favor of the suppliers. A payment is made against the Letter of credit. My question is...is the

commission so earned by me Halal or Haraam? because payment against the LC involves element of interest payable by the buyers or by the sellers even though iam not directly involved in matters of interest payment.

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Praise be to Allah lord of the Worlds.

May Allah's blessings be on his final messenger Muhammed.

Dear Br. Haider

asslamu alikum wa rahmtul lahi wa barakatuh

You are not part of the contract between the importers in your country and suppliers. As an agent you only facilitate their contacts with regard to orders you get from the importer and to give them to the supplier overseas. Therefore your services and your compensation is permitted as long as the commodities you place the order for are not prohibited in Shari'ah. Whatever interest is involved in the letter of credit is between the importer, the supplier and their respected banks. You are not a part of that. By the way, not all LCs involve interest.

Allah knows best.

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6) Name muhammed

**Question**

sheik,

because of the messy financial difficulties in my life...would it be possible to file bankruptcy?

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Praise be to Allah lord of the Worlds.

May Allah's blessings be on his final messenger Muhammed.

Dear Br. Muhammed

asslamu alikum wa rahmtul lahi wa barakatuh

Yes it is possible to file for bankruptcy if there are real and proper reasons for it. It happened at the time of the Prophet (pbuh) and he distributed the assets of the debtor between the creditors in proportion to their debts.

Allah knows best.

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7) Name Hasan

**Question**

Assalam alaykum wr wb!

Please explain if there is any difference between a "nominal interest rate" and the "real interest rate" while considering borrowing. To make it clearer, the real interest rate becomes negative when the inflation rate is higher than the interest rate, i.e. you actually return less money than you borrowed from a bank. Is that allowed? Plase advise on this issue.

Also pls advice what one should do to develop his business (e.g. start new project, expand existing one or others while considering the case when a loan is needed) if there is not a single interest free bank in his country?

Thank you in advance,

**Answer**

In the name of Allah, Most Gracious, Most merciful.

Praise be to Allah lord of the Worlds.

May Allah's blessings be on his final messenger Muhammed.

Dear Br. Hassen

asslamu alikum wa rahmtul lahi wa barakatuh

Apparently you know the difference between nominal interest rate and real interest rate. Your explanation is correct. What matters is the nominal interest rate because this is what enters in loan contracts. Any interest based loan contract is prohibited as clearly stated in the Quran (2:275-279). Taking interest based loans to start a business or to expand an existing one or for any other purpose except in the case of necessity is forbidden. Muslims where ever they are and whether they have Islamic banks or not are required to work together to provide financing to each other through permitted contracts such as equity participation, and to create necessary institutions that help facilitate the provision of financing in accordance with Shari'ah.

Allah knows best.

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8) Name MUSLIMAH

**Question**

Somebody asked me if there is a proof from the Qura'n or Sunnah about the husband's roll in the family (that he has to provide the food or money for the family, and that the wife doesn't have to work outside)..thanks

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Praise be to Allah lord of the Worlds.

May Allah's blessings be on his final messenger Muhammed.

Dear Sis Muslimah:

asslamu alikum wa rahmtul lahi wa barakatuh

There is an unlimited number of examples from the Sunnah to the extent that it has become one of the well known matters in Shari'ah that a marriage contract is exchange contract between a man and a women whereby the obligation of the wife in it is to make herself available, and the obligation of the husband is to provide her living expenses and other family needs and give her the Maher(a gift obligatory at the time of the marriage contract).

During the life time of the prophet (pbuh) an unlimited number of marriages took place in medina under his rule on the basis of this practice. At one time a women asked him that her husband does not give her sufficient money for her expenses and whether it was permissible to take from him without his knowledge; the prophet(pbuh) told her yes that she can take without his knowledge. In another report, when a marriage was terminated by a final divorce, the Prophet (pbuh) told the women to move out and live

in another place. This is a clear indication that her former husband is no longer responsible for her living expenses. Further the Quran makes a reference to living expenses of the wife being the responsibility of the husband in verse 2:233.

Allah knows best.

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9) Name Sara -

**Question**

Re bankruptcy.

Is it permissible to have debts forgiven in bankruptcy, or are those amounts, both principal and interest/fees, still owed to the creditors (corporations) according to Islamic guidelines? Also, does that change since I incurred most of the debts before becoming muslim? My lawyer assured me that the companies charge so much in interest and fees that the principal was likely paid off long ago. I agree for most of the debts, but I know that for one in particular (a loan that I took out long before becoming muslim), my payments would not have covered the principal.

(As a Muslim, I don't have the same highpaying job so I had to file bankruptcy; I could not afford even the minimum payments, let alone the whole balance).

I greatly appreciate your insight.

Jazak'Allahkhair

**Answer**

In the name of Allah, Most Gracious, Most Merciful.

Praise be to Allah lord of the Worlds.

May Allah's blessings be on his final messenger Muhammed.

Dear Sis Sarah:

asslamu alikum wa rahmtul lahi wa barakatuh

Yes it is possible to file for bankruptcy if there are real and proper reasons for it. It happened at the time of the Prophet (pbuh) and he distributed the assets of the debtor between the creditors in proportion to their debts.

It does not make a difference whether the debt is a principle or interest or fees or whether they are contacted and/or incurred before or after you become muslim as long as you have contracted these debts including their interest and fees conditions. If you do that as a Muslim you have done something wrong, but that does not relieve you from the obligation to fulfill your contract.

Very often, finance companies and other creditors are open to negotiation and accept compromises that get them back only the principle. If you can do that and avoid the payment of interest and fees, that is certainly the best. But if you cannot do that and their are true reasons for bankruptcy whatever unfulfilled balances of debt that remain are forgiven in Shari'ah as well as in law and you don't need to feel any Shari'ah pressure to pay these balances after bankruptcy.

Allah knows best.

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**SESSION OF APRIL 16, 2002**

Guest Name Dr. Monzer Kahf

Subject Islamic Financing Fatwa Session.

Time Mecca From 20:30...To... 22:00

### Questions

1) Name Musa -

#### Question

I am a bussiness brocker who acts like an agent in selling products from one party to another. More specifically, what I do is look at products that distributers have and take a sample of it ask him to hold this product for a time period, then go to my customers and show them the product. If they like they agree to buy it, I make the sale. Then return to the distributer, get that product and deliver it to my customer with my added commission. One thing to keep in mind is that no money is collected from the Customer until the product is delivered and no money is given to the distributer until the product is collected. Furthermore, the distributers in the overwhelming majority of cases have kept their promise in giving me a grace period whereby I can give them notice whether I finally want the product or not.

My question is whether this is an acceptable bussiness practice in Islam. Recently I have read in Bukhari a Hadith that says you cannot sell what you don't own. I am wondering whether my bussiness fits under this catagory.

Jazak Allahu Khairan.

#### Answer

In the name of Allah, Most compassionate, Most Merciful.

Praise be to Allah Lord of the Worlds.

Peace and blessings be on the Messenger of Allah.

Dear Br. Musa:

Asslamu alikum wa rahmatulllah wa barakatuh

What you are doing is sales on a sample or description. This kind of sale is permissible in Shari'ah. It is discussed in classical fiqh books.

Your purchases from suppliers need to be clarified. Are you getting an open offers or concluding sales with the suppliers that includes an option to cancel?

If you get an open offer (that is an offer from the supplier to sell you a given quantity at a given price extended for a certain period of time or unlimited time until you match the offer with an acceptance) the date of the conclusion of the sale contract is the date when you match the offer with an acceptance (after the sale you make to your customer on the sample or description). Then if you want you can make the delivery to be given to your customer by delegation of authority to receive the goods.

If you are concluding a purchase contract with the option to cancel the contract, this is also valid in Shari'ah.

Finally, please notice that the Ahadith dealing with selling things you do not own refers to specific things. For example, selling this car, this building or this commodity which is a particular thing(s) not owned by you. Those sayings do not apply to sales on description or on sample because these kinds of sales (sales by sample or description) refer to goods that will be obtained from the market or will be produced by the seller after the sale contract.

Allah knows best.

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2) Name Ahmad -

**Question**

What is the hadith about when the prophet said it is better to work with your hands rather than to ask for money.

**Answer**

In the name of Allah, Most compassionate, Most Merciful.

Praise be to Allah Lord of the Worlds.

And peace and blessings be on the Messenger of Allah.

Dear Br. Ahmed:

Asslamu alikum wa rahmatullah wa Brrakatuh

One of the sayings in this regard is reported by al Bukhari from the narration of Abu-Huraira. The Hadith gives description of a story of a man who came to the prophet asking for some financial help. The prophet (pbuh) asked him whether he had something at home to use as a productive asset. The man said he only had a pitcher and a little mat. The prophet told him to bring them to the masjid and he auctioned and sold them on behalf of the man for 2 Dirhams. He then told the man use one Dirham to buy food for your family and buy an ox with the other Dirham and bring it to the prophet (pbuh). The prophet (pbuh) attached a piece of wood to the ox and instructed the man to go the mountain and cut fire wood and sell it and come back after two weeks. The man came back two weeks later with ten Dirhams in hand and said he fed his family normally for all that period. The prophet told him: " it is better for one of you to take his ropes and go to the mountain to get firewood for sale then begging people whether they give you or not".

There is another Hadith that the prophet (pbuh) kissed the hand of a man that was swollen because of hard manual work.

Allah knows best.

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3) Name Ahmad

**Question**

Salamon Alaykom,

I am renting a house in the UK while have let my house back home (Iran) to a family. Do I need to pay Zakat from the rent I receive from my house in Iran?

Do I also need to pay zakat for the value of the house I have back home?

If I need to pay zakat for the rent I receive can I pay the zakat here in Stirlings while I am receiving it back home in Rials? This might mean to pay only one pound per month while in Rials this could be valued much more. The problem is the high exchange rate.

Thanks

**Answer**

In the name of Allah, Most compassionate, Most Merciful.

Praise be to Allah Lord of the Worlds.

Peace and blessings be on the Messenger of Allah.

Dear Br. Ahmed:

Asslamu alikum wa rahmatullah wa barrakatuh

Zakat on real estate is controversial, since we do not have specific text about it in the Quran or the Sunnah. Classical Fuqaha usually argue against it. According to them there is no Zakat at all on real estate nor on its rent. Zakat, for them, is only on money, goods for trade, live stock, and agricultural products. Therefore, if you get the rent and an amount of Nisab or more remains with you for a lunar year you have to pay Zakat on that money not because it came from rent but because it is money that stayed with you. Many contemporary scholars, and very few ancient scholars in our history, do not agree with that. These scholars believe that the general texts of Zakat (especially verse 9:60 and several sayings of the prophet) mentions the word Amwal (properties) and the word Qina (richness). Accordingly, real estate is part of Amwal and their owners are rich. Therefore they must be subject to Zakat.

I personally believe in the second opinion. Real estate is subject to Zakat according to their market value at 2.5% and their rent is also Zakatable if it is used for investment or for savings at the same rate (of course you deduct all debts owed on such real estate). The house you have in Iran, if it is kept for your personal use when you go there, it is not subject to Zakat because houses designated for personal use, even though their use may not be continuous over 365 days, are exempted from Zakat on the basis that they are owner occupied. If the house in Iran is rented you need to pay its Zakat. If some family members live in it free of rent and when you go there you use it, it is not subject to Zakat.

The rented house in the UK is Zakatable.

You can pay Zakat in Iran or in the UK on either or both houses regardless of the exchange rate. However if the amount of Zakat is more useful in Iran, as I imagine the case is, it is better to pay it in Iran especially if you can give it to kin and relatives whether from your local resources in Iran or by transferring it from the UK.

Finally, of the second group of Ulema his Eminence Shaikh Al-Qaradawi believes that Zakat on rented real estate is calculated as 10% of the net rent (after deduction of maintenance, taxes and other costs) or 5% of the gross rent.

Allah knows best.

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4) Name Khalid

**Question**

If someone has made his wealth of haram resource and then made Tawbah, is he supposed to give all his money for charity. If he does this how can he live. If someone used to be a singer and he used to sing bad music then he made Tawbah what is he supposed to do with his wealth?

**Answer**

In the name of Allah, Most compassionate, Most Merciful.

Praise be to Allah Lord of the Worlds.

Peace and blessings be on the Messenger of Allah.

Dear Br. Khalid:

Asslamu alikum wa rahmatullah wa barakatuh

You are actually asking two questions. The first is about resources obtained in a Haram way. These must be returned to their owners or their heirs if they are known; Otherwise

to Muslim charity. Then the person must live on income that is earned by means permissible in Shari'ah. For example, someone stole a large property from its proper owner and invested it and became rich with high income from this stolen property. All of it along with its income and revaluation is due to the proper owner or to charity as stated above.

A person who earns income singing "bad music" need not to give up his assets accumulated from his job because it is not agreed upon that this is forbidden; I wonder about your description "bad" of music. I do not know bad and good music. Music itself is controversial and some fuqaha believe it is permissible. Associating it with prohibited practices is wrong but does not make music itself bad or good.

Allah know best.

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5) Name M

**Question**

Is it ok to work for a US financial company selling mutual funds and insurance so long as you don't own any products yourself?

**Answer**

In the name of Allah, Most compassionate, Most Merciful.

Praise be to Allah Lord of the Worlds.

Peace and blessings be on the Messenger of Allah.

Dear M:

Asslamu alikum wa rahmatullah wa barrakatuh

Yes it is permissible to work for insurance companies and mutual funds since insurance is not agreed upon as prohibited and mutual funds are not exclusively forbidden. Both mix permitted and forbidden things together. That does not make working for them prohibited nor the income received from them Haram.

Allah know best.

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6) Name M

**Question**

If you are charged interest for paying income taxes late is their anyway to get around that religiously. I do not use interest, but what about situations which are seemingly out of your control (say you make a mistake on your taxes)?

**Answer**

In the name of Allah, Most compassionate, Most Merciful.

Praise be to Allah Lord of the Worlds.

Peace and blessings be on the Messenger of Allah.

Dear M:

Asslamu alikum wa rahmatullah wa barrakatuh

No, there is no way to get around interest. You have to pay to the government on delayed taxes. This is negligence on your part and you need to make Tawbah (repentance) and Istighfar (seeking forgiveness) and make a pledge not to fall in this negligence again. Muslims must always be keen to avoid falling in the grave sin of interest.

Allah knows best.

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**SESSION OF MARCH 11, 2002**

Guest Name Dr. Monzer Kahf  
Subject Islamic Financing Fatwa Session.  
Time Mecca From 23:00...To... 00:00

**Questions**

1) Ansori

**Question**

Assalamu ALaikum wrt

I have been convinced by some friend that the Islamic Finance through LARIBA has used the same concept as the conventional bank. They claimed that LARIBA is charged more than the bank. Can you please explain to me in detail about this matter? Please also let me know if there is any different opinion among the scholars about this? Jazakallahu Khayr!!!

**Answer:**

In the name of Allah, the Most Compassionate, Most Merciful.

Praise Be to Allah.

Peace and the Blessings of Allah on the Messenger Muhammad.

Dear brother Ansori:

asslamu alikum wa rahmutul Allahi wa Barrakathu

I cannot give a Fatwa on persons legal or natural. I give Fatwas on contacts, transactions, and activity. If you describe any of these things I will give you my opinion.

Allah know best.

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2) Hussein

**Question**

My question is that I'm dealing with a FOREX Co. (Foriegn Exchange Co.), which they are providing spot currency exchange on margin basis. But this magin is interest free (this offer only valid for muslims), in addition to the delivery of my account's balances in 2 busniess days (non-delayed delivery) . Please Advise, is my work Halal?

**Answer:**

In the name of Allah, the Most Compassionate, Most Merciful.

Praise Be to Allah.

Peace and the Blessings of Allah on the Messenger Muhammad.

Dear brother Hussein:

asslamu alikum wa rahmutul Allahi wa barrakathu:

The principle of currency exchange transactions that is called in fiqh Al- Sarf, is that delivery of both exchanged currencies must be spot at the time of the sale contract (exchange). However, there is a resolution by the OIC Fiqh Academy with regards to delivery in contract that some time requires a few days. This resolution addresses mainly international contracts because you have to go a complexity of routings. This resolution (#53/4/6, 6 annual session, 14-20 March 1990) considered the normal time that a transaction takes without being defined as future or forward to be fulfilling the

condition of spot delivery in accordance with Shari'ah. Consequently, two business days does not disqualify delivery in exchange contract to be still spot as long as you defined the two business days as non-delay delivery. But if the use of modern technology in banking transactions such SWIFT and other methods reduces these two days in two hours or seconds then the latter is defined as spot from Shari'ah point of view leaving the two business day period non acceptable.

On the other hand, the way you described the foreign exchange contract creates another problem that of the margin payment. The Shari'ah compatible Sarf contract requires full delivery of all the quantities of the two currencies and considers any partial payment, margin, as inadequate and unfulfilling of the condition of delivery at the time of the contract that is required in Sarf.

Allah know best.

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3) USA

**Question**

What do say about dealing in stock.

**Answer:**

In the name of Allah, the Most Compassionate, Most Merciful.

Praise Be to Allah.

Peace and the Blessings of Allah on the Messenger Muhammad.

Dear brother /sister Nadia:

asslamu alikum wa rahmutul Allah wa Barrakathu:

The stock market is not a game to be played, although game theory maybe utilized in explaining most of the decisions taken on its floor.

1) Buying stock is considered, from the Shari'ah point of view, on the same footage as entering into a company or partnership because when you buy stock you become a partial owner of the company. This implies that one may buy stocks of companies that deal in permissible goods and services through permissible kinds of contracts.

The result of this principle is that a Muslim is permitted to be a partial owner of a company that deals in permissible goods/contracts. The example is buying stocks of an Islamic bank or Islamic insurance company. By the same token buying stocks of conventional bank, casinos, and breweries is not permitted.

The majority of companies who stock is registered in the New York Exchange are however between these two extremes. Many companies produce permissible goods such as computers but may have certain subsidiaries that produce prohibited goods. For instance, General Motors is a car producer, but it owns banks, breweries, and Hollywood companies. Additionally, companies that produce permissible goods very often deal in contracts that are not permitted in Shari'ah such as interest based financing.

While the principle is that the management of the company makes its contracts and decisions on behave of shareholders which means that such prohibited decisions are taken in the name of all owners of stock including Muslims who buy the companies stock, this implies that a muslim stock holder is responsible for such prohibited decisions

and contracts. It is easy to derive that this argument must necessarily make buying stock of such companies Haram (non permissible).

Several Muslim scholars argue that such prohibitions creates a great deal of hardship for muslim investors especially small investors who cannot create their own companies or have a majority of stocks that allows them to be on the board of directors and be sure that all decisions are compatible with Shari'ah.

In view of this hardship that affects a large number of Muslims, several scholars argue for relaxation of the prohibition in application of the Quranic rooted principle that hardships must be removed. Hence they believe that within certain limit as long as prohibited decisions, products, and contracts make only a small percentage of the companies business, ownership of such companies must be tolerated. In other words, these Fuqaha rely on a well known Fiqhi principle that a majority is given the status of All or a minority may tolerated as long the majority is within the limits of Shari'ah. Yet the definition of what is minority needs to be discussed.

There are few indications in other areas of our rich fiqh that if a minority does not exceed one third it may be tolerated. Consequently, certain criteria, though subjective and argumentative, are put forward on the permissibility of buying stocks from this category of companies. These criteria are as follows:

1) Stocks of companies whose main line of business is prohibited must be completely avoided.

2) Companies that have indications of being heavily involved in interest-based contracts must also be avoided. The word heavily involved is measured in terms of a few ratio's that are receivable to total assets no more then one third; interest income to net revenue a maximum of 15% though preferably below 10%; long term liability to network no more then 50%.

3) When ever a Muslim buys stock of such companies she must always make an educated estimate of the percentage of income to her stock(in terms of dividends and capital gains together) that results from non-permissible actions and contracts of the company and give away this percentage to general Muslim charities in order to keep clean and permissible(Halal) the rest of the capital gain. This giveaway is not considered sadaqah or Zakat.

II) Sister Nadia mentioned actions and obligations. I am afraid she may have meant options and bonds. Since these two items are also traded on the stock exchange. Options cannot be traded in accordance with the decision of the OIC fiqh Academy that deliberated this subject in detail in its 7th annual meeting held in Jeddah in 9-14th of May of 1992 which concluded that option trading is not permitted in Shari'ah. The reason is the options are created only to be an object of trade. They are otherwise of no use and no benefit. In regards to bonds, all bonds are not permitted in Shari'ah because they are interest based and interest is the same as Riba that is prohibited with very strong condemnation in the Quran.

Allah knows best.

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4) N

**Question**

Assalamu alaykum

I have a few questions about two of the Islamic financial instruments that are used for financing houses:

1- Ijara wa Iqtina (Lease to Purchase)

This is the method most Islamic financial institutions in North America are using to finance houses, In this contract, as I understand it, the buyer is committed to buy the house at the end of the lease period.

**Question**

Should he/she buy it at the original selling price or at the market value of the house at the end of the lease period?

**Question**

How is the monthly payment (lease/rent) calculated? Should it be the same as the market value of rent of a similar property?

**Question**

During the lease period, who is responsible of the expenses? (Tax, maintenance, insurance, ....etc)

**Question**

Who is responsible of the expenses associated with the buying process? (Lawyer, house inspecting, land transfer taxes...etc)

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2- Murabaha (Cost-Plus Financing), Bai Muajjal (Deferred Payment Contract)

**Question**

What is the difference between these two systems?

**Question**

How is the profit calculated?

**Question**

Is this method halal in the case of a third party (Bank, Financial Institution, investor,) Buying the property for the sole purpose of reselling it to a client at a higher price on installments? The intention here is to make a fixed guaranteed profit, and there is no risk, as the client already promised to buy?

**Question**

Is there any difference when applying these two methods in financing a commercial property, a residential property, a car, or an appliance for example?

May Allah rewards you

**Answer:**

In the name of Allah, the Most Compassionate, Most Merciful.

Praise Be to Allah.

Peace and the Blessings of Allah on the Messenger Muhammad.

Dear brother N:

asslamu alikum wa rahmutul Allahi wa barrakathu

Your question is too long to be answered on live Fatwa. During the beginning of the session the host stipulated that you put one question per box. Therefore, if you need your questions answered, we request to send you question via email:

oawass@hotmail.com. Be sure to provide a return email address and we will send it to you.

Allah knows best.

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6) Nadia

**Question**

Assalam alikoum

Is it haram to play at the stock markets? To buy and sell actions and obligations?

jazak allah Khairan

**Answer:**

Please see the answer to your question in USA's answer box.

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**SESSION OF MARCH 26, 2002**

Guest Name Dr. Monzer Kahf

Subject Islamic Financing Fatwa Session.

Time Mecca From 23:00...To... 00:00

**Questions**

1) Sameh

**Question**

What is the fatwa on getting the different kinds of insurance? Are some allowed and some not? Please support your argument.

**Answer:**

In the name of Allah, The Most Merciful, Most Compassionate.

Praise be to Allah the Lord of the Worlds.

Peace and Blessings of Allah be upon Muhammad.

Dear Sameh:

Asslamu aalikoum Wa rahmatul Allahi Wa barakatuh

Insurance is a new transaction and new contract. Hence, we do not expect any reference to insurance to be found in the Quran, the Sunnah, or early classical fiqh literature.

Contemporary Muslim Scholars are divided into three opinions. A few of them reject all kinds of insurance contracts on the grounds that they are speculative on the will of Allah, and that is a form of gambling. This opinion doesn't have strong support among Shari'ah scholars. A majority of classical Shari'ah scholars reject all kinds of commercially offered insurance contracts, i.e. all insurance offered by profit seeking companies. Their argument is: as an exchange contract, insurance includes a great deal of uncertainty and ignorance with regards to the exchanged obligation of the two parties. You don't know whether you are going to pay one periodical premium or a hundred. And you don't know whether an insured accident (the thing you are insuring such as fire, earthquake, car accident, illness, health hazard, death, loss of shipment) will take place. This means that an insurance contract has a great deal of Gharar (uncertainty-cum-ignorance). This group of scholars argues that if insurance contracts are offered through a non-profit association or cooperative organizations, they become permissible provided that premiums are paid to the association or co-op on contributory (Tabarru') bases. If

people who want car insurance form an association and agree that they will contribute certain amount to its budget every year and the association would pay a certain amount of money towards any member or on his behalf in case an accident happens. A similar kind of arrangement or fund may also be run by the government like Social Security, workman compensation, and social insurance in most Arab countries.

The third opinion is championed by the late Shaikh Mustafa Al-Zarqa (a Syrian who died in Riyadh 1999). Shaikh Zarqa was the most renowned faqeeh of our time acknowledged by all people in the field. His argument is that as a new contract insurance serves a good and useful objective without violating any of the Shari'ah rules or axioms. If a thing can be done collectively or cooperatively, what is then the harm in someone taking it as his business from which he/she makes profit in bringing together all those people who are interested in a certain kind of insurance. If the contract is permissible, then offering it on an adventurous basis must also be permissible. As the an exchange contract, the amount of Gharar in it is not as big as other people thought, especially if we keep in mind that insurance can only be applied on the basis of the Theory of Probability and Large Number. There are classical examples of similarity in our fiqh heritage such as the guarantee of road safety and the system of Aqilah (financial support by the family of the a person who killed someone by mistake, for the payment of the blood money). Shaikh Zarqa and those who accept this opinion consider all insurances permissible with two conditions. All insurances means: commercially offered, cooperative/mutual, or government obligated; it also covers all kinds of insured incidences as mentioned above. The two conditions are: first, there must be no interest ingredients in the contract itself (whatever the insurance company does or does not do is non of the business of the other party) and secondly, the object of the insurance must be permissible e.g. it is not permissible to insure a herd of hogs or a shipment of alcohol beverages or the legs of a Las Vegas dancer.

I personally go along with Shaikh Zarqa's opinion.

Allah knows best.

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2) Ibrahim

**Question**

Asalamo Alikum, I live in Canada and would like to know what is the ruling on renting apartments for earning a living, say that u own a building and u rent those apartments as a way of earning a living?

Jazako Allah Khairan

**Answer:**

In the name of Allah, The Most Merciful, Most Compassionate.

Praise be to Allah the Lord of the Worlds.

Peace and Blessings of Allah be upon Muhammad.

Dear Ibrahim:

Asslamu aalikum Wa rahmatul Allahi Wa barakatuh.

Renting is permissible in Shari'ah. Renting is a form of sale since it is a sale of the usufruct (the benefit that can be extracted from an asset). The conditions required for a sale contract are also applied to a rent contract. In renting you can rent property for a

short or long period, in one rental payment or periodical rental payments. You can take a deposit for a timely payment of the rent as well as for security of the rented asset or property. You can also rent with or without utilities.

Allah knows best.

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3) Fouad

**Question**

As-Salamualikum. Is it allowed to copy American CDs based on the current war between America and Muslims all over the world?

Answer:

In the name of Allah, The Most Merciful, Most Compassionate.

Praise be to Allah the Lord of the World.

Peace and Blessings of Allah be upon Muhammad.

Dear Fouad:

Asslamu aalikum Wa rahmatul Allahi Wa Barakatuh

No it is not, the Quran says no bad deed may fall in place of another bad deed (wala taziro waziratan wizra ukhrah). The prophet (pbuh) said in an authentic hadith: "fulfill your trust, and do not betray it and do not betray he who betrays you".

Allah knows best.

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4) Maher

**Question**

Dear Dr. Monzer,

Thank you for your wise answers. I just got a question from one of my friends: What about late payment fee? Is it considered riba? It says in the phone bill if you don't pay your bill on the due date, the late fee is 1.00% per month (12.68% per year) of the outstanding balance. Is this riba?

Answer:

In the name of Allah, The Most Merciful, Most Compassionate.

Praise be to Allah the Lord of the World.

Peace and Blessings of Allah be upon Muhammad.

Dear Maher:

Asslamu aalikum Wa rahmatul Allahi Wa Barakatuh

Thank you for your comment. Late payment fees are permissible provided they do not include a price for money, i.e. interest. A late payment costs the creditor expenses for follow-up on individual bases. Compensation for this cost is legitimate and permissible in the Shariah. However, very often a late payment fee may hide interest as in the example you mentioned, one percent per month. The creditor is actually charging a high rate of interest close to the rate charged by several credit cards. Such a charge is Riba. A late fee may take either a given amount that is calculated on the bases of expected costs of handling late payment. It may also take the form of percentage of the amount do, not related to time and within a reasonable sealing.

Allah knows best.

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5) Khalid

Question

Is it allowed to give interest to build a mosque?

Answer:

In the name of Allah, The Most Merciful, Most Compassionate.

Praise be to Allah the Lord of the World.

Peace and Blessings of Allah be upon Muhammad.

Dear Khalid:

Asslamu aalikum Wa rahmatul Allahi Wa barakatuh

Interest one earns does not belong to that person according to the Shari'ah. In principle, earned interest must be returned to its payer. If the payer is an interest practitioner such as a bank, you do not return it to the payer because doing so would amount to helping the bank to make more evil transactions. It also makes you appear as a fool and Muslims must not put themselves in a position to be fooled. Consequently, the fatwa that is discussed and accepted by all contemporary Shari'ah scholars and that was adopted in the second conference of Shari'ah issues of Islamic banks held in Kuwait in 1994 suggests that we do not return earned interests to banks whether in the Muslim countries or in other countries. Such interest must be spent for the general welfare of Muslims and their communities.

Building masjids is the obligation of Muslims. This means that they must pay for building masjids from their own money. While it is permissible to give interest to build masjids, this kind of action is not preferable because interest is dirty. In fact, it is very often heard in Shari'ah scholars circle, if you ever use interest in building masjid facilities use it for the rest room structure not for the prayer hall structure. I personally believe we should give the earned interest to poor and needy Muslims or Muslims who are struggling to gain their political and territorial independence and leave the building of masjids from our own (clean) money.

Allah knows best

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**SESSION OF FEBRUARY 19, 2002**

Guest Name Dr. Monzer Kahf

Subject Islamic Financing Fatwa Session.

Time Mecca From 23:00...To... 00:00

1) Saif

Question:

What are the limitations of using Zakat money for building Masjids and Islamic Centers and operating them?

My Answer

In the name of Allah, Most Gracious, Most Merciful.

May Allah's peace and blessings be bestowed on Muhammad (PBUH).

Dear Saif:

Assalamu Alakum

A: The use of Zakat money for building Masjids and Islamic Centers is in principle not permitted because building masjids and Islamic centers is the responsibility of Muslim

communities and societies, it is a Fardh Kifayah on the rich Muslims and the Muslim leadership (governments).

However if the rich Muslims and governments fail to fulfill this religious obligation, the obligation is transferred to the Muslim community at large (i.e. to everyone of its members). If the Muslim community fails to raise sufficient funds to build needed Masjids and Islamic centers, then all members of that particular community fall in sin.

The use of Zakat money for building needed Masjids and Islamic centers may become permissible only in the case where Muslim communities are threatened of losing their religiosity because of the lack of such facilities because such use falls under the category of "fi Sabeel Allah" (For the Sake of God), which means essentially defending the Muslim community, land, and its religion. If there is no such fear, Zakat money may not be used for building Masjids and Islamic centers.

Allah knows best.

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2) Salih

**Question**

Dear Sheik,

We're living in an economy that runs through the function of interests. We don't have an Islamic bank in this country yet. Although we have some Islamic institutions assisting us to acquire a house through what they called "the Islamic way", they claimed to file to the government the conventional way. That means that they must assign a rate to the amount of loan they gave to clients. Therefore, what's the difference? Please shed some light in this matter. Thanks.

My Answer

In the name of Allah, Most Gracious, Most Merciful.

May Allah's peace and blessings be bestowed on Muhammad (PBUH).

Dear Salih:

Assalamu Alakum

A: There is a difference between home financing through institutions that give Shari'ah compatible contracts and institutions that give financing on interest basis. What matters to the homeowner is the contract that establishes her relationship with the finance provider. Worrying about what the finance provider does with the government is outside that relationship. Even in those cases that require such an institution to give you a certificate called interest paid rather than rent or part of the price (as in Murabah) to be used for tax deduction, the contract remains the framework of the relationship between the Muslim home owners and the finance providing institution and not this certificate.

Allah knows best.

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3) Salima

**Question**

If I save money, to live with that in the future, because I want to stop working. Should I pay Zakat for that money every year? If yes, in which part?

**My Answer**

In the name of Allah, Most Gracious, Most Merciful.  
May Allah's peace and blessings be bestowed on Muhammad.

Dear Salima:

Assalamu Alakum

A: If the money you are saving for the future reaches the amount of Nisab (US\$ 1000) and a Lunar year passes; you have to pay Zakat on all your savings at the rate of 2.5%. In other words, the answer to your question is yes every body saves for the future and all such savings are Zakatable.

Allah knows best.

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4) Nadia

**Question**

Am I allowed to use interests from a saving account to pay the charges for this count and to pay the interests for a loan?

**Answer:**

In the name of Allah, Most Gracious, Most Merciful.

May Allah's peace and blessings be bestowed on Muhammad.

Dear Nadia

Assalamu Alakum

A: The principle is that you must not enter into any contract that makes you a payer or a recipient of interest. Entering into an interest baring loan contract is forbidden and so is a contract of interest generating savings account.

If the person has already entered into a contract that requires her to pay interest, she is required to fulfill her obligation as soon as possible (eg. By making early payments on the principle). The contracted interest is a legal obligation by the law of the that land and unless you make a compromise with the creditor to do away with the interest then Shari'ah requires you to fulfill all financial obligations that you entered into by choice even if they are forbidden.

Interest you have earned is not yours according to the Shari'ah. You do not become an owner of it and the principle is that you have to give it back the payer because it is still her money. The implication of this rule is two fold: 1) you cannot use it to discharge your own obligations, and 2) since the payer is an entity (conventional bank) that practices interest in most of its contract, returning the earned interest becomes foolish in addition giving that entity more power to make further interest based transactions. Therefore, the Fatwa is to give earned interest to any Muslim charity rather than returning it the banker.

Allah knows best.

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5) Muslim

**Question**

Dear Dr. Monzer, what's your view of taking mortgage to get married if you are really scarred of fitnah and do not have anyone to support you?

**Answer:**

In the name of Allah, Most Gracious, Most Merciful.  
May Allah's peace and blessings be bestowed on Muhammad.

Dear Muslim:

Assalamu Alakum

A: The first solution for persons who are scared of sexual Fitnah is to fast as much as you can. If that fails, borrowing on interest may be permissible if the Fitnah is very serious, although I doubt that such a situation may arise for Muslims living in United States and Canada.

Finally, Marriage cannot be mortgaged.

Allah knows best.

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6) Muna

**Question**

Getting interest on my saving, can I give that money to Islamic groups?

**Answer:**

In the name of Allah, Most Gracious, Most Merciful.

May Allah's peace and blessings be bestowed on Muhammad.

Dear Muna

Assalamu Alakum

A: Interest earned from conventional banks must be disposed by giving it to general Muslim charities that includes Islamic Centers and Islamic Relief organizations. There will be, God willing, a reward for preserving your own money from Interest. There is no reward of Sadaqah because Sadaqah must be given from ones own money and this interest money is not yours.

Allah knows best.

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7) Mahmoud

**Question**

Is it haram to use credit card?

**Answer:**

In the name of Allah, Most Gracious, Most Merciful.

May Allah's peace and blessings be bestowed on Muhammad.

Dear Mahmoud:

Assalamu Alakum

A: Signing a credit card contract and using it in a way that generated payable interest is haram. It is then borrowing on interest.

Signing the contract, using it, and making the payments within the grace period and making no cash withdrawals (whenever cash withdrawals generate interest), is permissible because it amounts to a contract that gives you a choice to deal or not to deal with interest.

Allah knows best.

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**SESSION OF FEBRUARY 5, 2002**

Guest Name Dr. Monzer Kahf

Subject Islamic Financing Fatwa Session.  
Time Mecca From 23:00...To... 00:00

### **Questions**

1) Marriam

#### **Question:**

Is it allowed to invest in Non-Islamic companies who deal with Riba?

#### **My Answer**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah and peace and blessings be upon His Messenger.

Dear Marriam:

Muslims are prohibited to take any Riba based transactions whether they work as individuals or in partnership (companies included). That is why the Muslim jurists discussed partnerships that involve Muslim partners and non-Muslim partners who may undertake Riba transactions. The debate of the Muslim jurists goes as follows: if a Muslim partner has sufficient assurances that her/his non-Muslim partner would not take any Riba based transaction on behalf of the partnership; then becoming a partner with non-Muslims under these circumstances is permitted. If the Muslim partner is the sole authorized person to undertake transactions on behalf of the partnership (because Muslims do not deal in Riba) then he can guarantee that no Riba transactions will take place. It becomes obvious then, that such a partnership is permissible regardless of the activities of the non-Muslim partner because she/he has no authority in transaction making anyway.

Share holding companies are considered permitted in Shari'ah on the basis of being an extended form of partnership, where the owner through their general assembly elect directors and delegate decision-making authority to them. Hence, directors act on behalf of shareholders (owners).

If we apply these rules that are stated above, the immediate conclusion we come to is the one OIC (Organization of Islamic Conference) Fiqh Academy came to on this matter, which reads: It is forbidden to buy stock from companies who deal in interest or other prohibited transactions, although their main line of business is considered permissible (Halal) by the Shari'ah.

But a group of jurists argue that such a prohibition places hardships on a large group of Muslims, especially small investors who do not have many other options for investment in our world today. While the Shari'ah calls for removal of hardship at any time especially when hardship affects a large group of Muslims. The argument of this group of jurists goes on to distinguish between companies whose Riba based transaction makes a high proportion of their activities and those companies in which such transactions are a very small percentage. The matter becomes for these jurists, what is considered tolerable in such transactions and what indicators we should adopt to make this distinction.

Several contemporary jurists suggest 10- 15% interest earning/net-profit is a maximum that may be tolerated. They also added certain other indicators including a company leverage (rate of total liability to network), percentage of account receivable to total assets, and cash plus bank deposits/total assets.

Based on these criteria, the Islamic Market Dow Jones Index was created in February 1999. You can find this index and the companies that are listed in it on the Internet.

The conclusion is that if you want to take the opinion of this minority group of contemporary jurists, which is a respected opinion, one may follow the criterion on whose basis the Islamic Market Dow Jones Index is calculated and you may apply the same to other companies.

Almighty Allah knows best.

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2) Dino

**Question:**

Assalamualaikum,

Dear Dr,

If it's ok to buy a property on interest based mortgage, in what situation is riba haraam?

shouldn't we not take riba or at least discourage riba; as our sacrifice in this life (by paying rent instead of buying etc) will be compensated by ALLAH in the next life?

what do you think?

thank you.

**My Answer**

Wa `Alaykum As-Salam Wa Rahmatullah Wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah and peace and blessings be upon His Messenger.

Dear Dino:

Avoiding Riba completely is certainly the best solution. For involvement in Riba is the most serious sin because war from Allah and His Messenger is declared against those who undertake Riba transaction (the Qur'an in Surah 2, verse 279).

But Muslims like all other human beings have variant degrees of tolerance of hardships and one of the major objectives of Shari'ah is to remove hardships from the lives of women and men Muslims and non-Muslims alike. That is why necessities and general needs (needs in Shari'ah are lesser than necessities) are treated as circumstances where prohibitions are relaxed. We can make a general description of such general needs that relax the prohibition of Riba and permit Riba based mortgage transactions, but the application of such circumstances remain individual and thus place the burden of responsibility for such allowances on the individual who chooses to take them.

The Shari'ah came to promote and protect life, virtue (religion), mind and reason, family lineage, and property; any hardships affecting any of these aims calls for the relaxation of prohibitions especially when these hardships influence a large number of Muslims such as the Muslims community in America. These relaxation policies are not dependent on a life and death situation, but merely on difficulties posed to any of these five basic aims mentioned above.

The conclusion is: for certain people taking the difficult task of renting rather than building assets may be more rewarded by Allah. While for some others, taking a Riba based mortgage under circumstances that call for the relaxation of the prohibition may more rewarded by Allah.

Almighty Allah knows best.

3) H

**Question:**

Asalam Alikom

my parents are relatively wealthy, but they do not treat me like my sister and my two brothers because God gave me money and high education with a good position. i got married but they did not spent any thing on my wedding or (Jehaz) because they think I have enough to buy things for my self. this issue really irretate me and sometimes I feel like I don't love them and God will punish me for that, but I can't help it, because I feel they were unfair to me. Will God forgive me if sometimes I have these thoughts about them? and sometimes I feel that i'm not merciful with them?

**My Answer**

Alaykum As-Salam Wa Rahmatullah Wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah and peace and blessings be upon His Messenger.

Dear respected person:

The parents are not required in Shari'ah to give their financial support to their well-off children. In fact, well off children are required to take care, through gifts and other things, of their parents even if they were wealthy. Remember that your education and your good position at work, and to a large extent your very existence owes a lot to your parents. If you can get married from your own resources parents are encouraged to provide similar opportunities to your brothers and sisters. Unless you are equal or close to being equal, parents are not required to equate their gifts to their children. However, if the children are financially close to each other and none of them needs extra support because of certain circumstances, it is impermissible for parents to gift some of their children on unequal basis (regardless of gender).

Finally I suggest that you resubmit your question to a specialist in social fiqh.

Almighty Allah knows best.

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4) Hanan

**Question:**

Salamo Alikom

I live temporarily in the united states, and I save my money in a bank, where they add APR to my saving account each three months. I also sometimes use the credit card and they charge me interest. can I use the interest i got as Sadaqua, or to give it to in pay for the other interest charges?

**My Answer**

Wa `Alaykum As-Salam Wa Rahmatullah Wa Barakatuh.

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah and peace and blessings be upon His Messenger.

Dear Hanan:

1) Interest you acquire from a bank from your savings or other funds is not owned by you according to the Shari'ah. It is still the bank's money although it is accredited to your account. The Shari'ah rule is that any property that unduly comes in the hands of a

Muslim must be returned to its owner with an exception to the case where giving it back the owner empower her/him to do prohibited things. In such a case, you MUST give such money to general charity, preferably to Muslim here or abroad (it is obvious that there is a lot more need among Muslims in the world today then among non-Muslims). This money (from interest) that you give to charity is not considered charity because sadaqah has to be of your own money. You will, Inshaa Allah, be rewarded for preserving your own savings from being mixed with this prohibited earned interest.

2) Signing a contract to get a credit card(the application) is only permissible with the condition that a Muslim would not make herself/himself be involved in interest as a result of the use of the credit card. Interest in credit cards normally accrues on cash withdrawal and on delaying payment beyond the grace period (due date of the statement). So you should be careful not to allow interest to accrue on your credit card as it is Haram (unlawful). You cannot pay such interest from the proceeds of earned interest on the saving account because while you legally made your self owe the credit card issuer that forbidden interest you did not become an owner(of the unlawful interest from your saving account) according to Shari'ah.

Almighty Allah knows best.

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5) help

**Question:** Dear brother, please tell me the from islamic point of view, i am a business man, and for me to run my busniess i need some loan from the bank to keep the business running as u know it is very hard in these days, this money that i take from the bank, i have to pay interest. i try to find other ways to deal with this matter but i did not find anyway that does not have interest.like business need truck or extra money, please advice me as soon as u can, jazakallah

**answer:**

In the Name of Allah, Most Gracious, Most Merciful.

All praise and thanks are due to Allah and peace and blessings be upon His Messenger.

Dear respected person:

The resolution of the second International Fiqh Conference held in Detroit, USA in the Fall of 1999 argued that hardship such as finding good schooling, safety and security of the neighborhood, reasonably sufficient living space, and avoidance of loses caused by lose of equity and lose of tax reduction as hardship circumstances that may relax of Riba on house buying mortgages.

Expanding and promoting ones business is not part of these kinds of hardships.

Almighty Allah knows best.

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**SESSION OF JANUARY 23, 2002**

Guest Name Dr. Monzer Kahf  
Subject Islamic Financing Fatwa Session.  
Time Mecca From 23:00...To... 00:00

Questions

12) Name: ADNAN - United States

**Question:**

DO WE HAVE TO PAY ZAKAT FOR 401-K COMPANY RETIREMENT PLAN EVEN THOUGH THE MONEY IS CONSIDERED NON TOUCHABLE OR THE 401-K MONEY IS TOO MUCH THAT I COULD NOT AFFORD TO PAY ZAKAT FROM MY SALARY.

**My Answer**

al Hamdu li Allah wa al salatu ala Rasuli Allah,

Dear Br. Adnan,

The Zakatability of an asset depends on its amount (above Nisab), its ownership (whether you own it or not) and the passage of one lunar year (having at least Nisab at the end of the year as well as at its beginning).

If you own the funds in 401k, they are Zakatable. And if you can't comfortably pay from other sources, the payment of due Zakah is deferred until you can pay from either other sources or from liquidation of the asset on which Zakah is due, but remember to calculate due Zakah every year and then pay it when you can do that because Zakah is a yearly (repetitive) obligation.

Wa Allahu A'lam

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13) Name: MS - Egypt

**Question:**

Assalaamu alaykum. I have 3 questions regarding mahram relationships: 1) My parents got divorced and my mother later remarried to my step-father. I know that my father and my wife are mahram to each other, but is my step-father and my wife mahram to each other also? 2) A brother divorced his wife, is his ex-wife's mother (i.e. his ex-mother-in-law) and the brother still mahram to each other? 3) A brother divorced his wife, is his ex-wife's step-mother (i.e. ex-wife's father divorced her mother and remarried) and the brother mahram to each other?. In situation #2 and #3, only the brother and the ex-wife are muslim, in case that makes a difference. Jazakullah khair in advance for your answer.

**My Answer**

Alhamduli Allah wa al Salatu wa al Salamu Ala Rasuli Allah,

Dear Br.,

I can understand your dilemma, and you may add to it that in the US markets the companies that are least indulged in interest are mostly technology that have not been doing well for the past 21 months.

You know the criteria of 5-10% maximum interest is only an approximation because the principle is that no amount of interest is tolerated. These fluctuations may be sign from Allah Ta'ala to reconsider direct investment in goods and services, But I can't really argue that the criteria of interest with regard to stocks may be relaxed!

Wa Allahu A'lam

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**SESSION OF AUGUST 15, 2001**

Guest Name Dr. Monzer Kahf  
Subject Islamic Financing Fatwa Session.  
Time Mecca From 23:00...To... 00:00

## Questions

1) Name Mohamed -

### Question

Fact 1: Islam prohibits and strongly CONDEMNNS usury or RIBA. Fact 2: Islam abhors DEBT and strongly discourages it. Fact 3: Islam is the fastest growing Religion in the United States of America. American Muslims are 5-10 Million or about 2.5% - 4% of the general population. Problem Statement: Debt is a way of life in the United States of America. America is nation of debtors with \$7.2 trillion household debt. Last year, Americans charged \$1 trillion in purchases with credit cards and hold record-breaking \$675 billion in outstanding credit card balances and over 1.3 Million Americans filed for personal bankruptcy. In the last two decades credit card companies have spent aggressively getting rid of the stigma against debt and its sin twin usury. American Muslims are vulnerable to the lure of instant gratifications and many had fallen into the debt traps of credit card, mortgage, car, student and other loans. Many of our brothers and sisters who newly embraced Islam are carrying the burden of their old lives and many of the immigrant Muslims had fallen into the "buy now pay later" traps. My intention here is not to raise a point of discussions or debate about the evils of DEBT and RIBA. What I am hoping to achieve is twofold: 1- to have a discussion about the reality of the Muslim communities in the west who are in debt. These Muslims are in dire situation financially, emotionally and spiritually. They need helping hand to dig them out in these inescapable institutional traps; and 2- to find a practical and permissible solution that will keep with the spirit of "help ye one another unto righteousness and pious duty. Help not one another unto sin and transgression, but keep your duty to Allah. Lo! Allah is severe in punishment." (5:2) Solutions: 1- Raising community awareness about the perils of Debt and RIBA, 2- Educating Muslim families and individuals about how money works, 3- Debt Management. Questions: Debt Management might require refinancing or debt consolidation, which in turn might cause paying RIBA for the short term. 1- is it permissible Islamic to advise a Muslim to refinance his/her debt into interest bearing loan in order to become debt-free sooner. 2- is providing credit-counseling services, which help consumers to become debt free by negotiating directly with creditors to reduce and/or eliminate interest and late fees and consolidate debt a HALAL employment or is it considered as working as RIBA banks and institutions? Here is where the dilemma is: is the Debt Manager helping them "unto righteousness and pious duty" or helping them "unto sin and transgression?"

### My Answer

Bismillah Al-Hamdu Illah wa Salatu was salaam ala Rasuulullahi wa ala Alihi wa Asbihi ajmaeen

Riba is of course forbidden and it is a grave sin in Islam. Riba is a gross sin of injustice. While being under excessive debt is undesired, having debt-based relationships with others, within affordable limits is allowed and even encouraged. The Prophet, peace and blessings be upon him, in an authentic saying says that one who borrows from other with the intention to pay back as good people and Allah will help them repay their debt. Following through credit cards or through any other mean, such as mortgages at a time when the borrower is not sure whether he or she will be able to pay the loan on time

without indulging in interest (in the case of credit cards grace period) or with minimum amount of interest in the case of mortgage needed for family, safety and security, schooling, etc... (As came in the resolution of the first international conference of Fiqh in Detroit 1999) and borrowing for any unnecessary objective or use makes the borrower fall in the prohibited area. This applies especially on student loans although study is very useful and important it may not be necessary because there are other means of improving one's future income, such as on job training and job related education and other means to finance education without referring to student loans.

If for any reason a Muslims happens to have fallen in the trap of interest barring borrowing and/or buying on debt that carries interest the Islamic rule is always to get rid of the interest barring debts with the shortest possible period of time and the smallest possible amount of interest paid. This is not only for the purpose of saving ones wealth but also for the propose of reducing both the amount and the time span of indulging with the sinful practice of riba based relationships. This implies that debt management and credit counseling that aim at reducing the amount and time span and involvement of interest are always desirable and when ever a choice is offered of two evils one is required to select the least between them be it refinancing consolidation of debt or recurrence to re-mortgage to get rid of higher interest based debts. Counseling in this direction and for that purpose is always a step towards reducing the evil of interest for any Muslim. This also applies to employment in agencies that do such as thing, if one succeeds in the amount of evil born by a fellow Muslim, the helper in this reduction is insha'Allah rewarded by Allah, Ta'ala, not only through the employment compensation.

Raising the awareness of Muslims to the gravity of the evil or riba (interest) is always important and is rewarded also. And Allah knows best.

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2) Name Hussein - United States

**Question**

As a somewhat inquisitive and educated person, I have dwelled on the issue of riba. According to the ONLY definition I can find of riba in the Holy Quran and the Sunnah and Hadiths, is that it was the practice of pagan Arabs to DOUBLE the amount owed by a lendeer, and that this was the practice the Prophet (SAW) was trying to eliminate, and that riba was NEVER intended to apply or be defined as simple interest (at 6,7,8%)

**My Answer**

Bismillah Al-Hamdulillah wa salatu was salaam ala Rasuulullahi wa ala Alihi wa Asbihi ajmaeen

The Qur'an defines riba as any increment above the principal and considered any such increment as unjust as Allah, May he be glorified, says in Salat-ul-Baqarah 279. There is no mention in the Qur'an of doubling. Further there is a comparison between sales with postponed payment with a higher price than the cash price and lending on interest basis, a comparison that is rejected in the Qur'an (2:275). Further, the Annihilation (war from Allah and His messenger) mentioned in verse 276 refers to Riba as plain word. Riba means increments and that is all.

There are several sayings about the practice of Riba by pagan Arabs at the time of the Prophet Muhammad, peace and blessings be upon him, many of them refer to any increment in a due debt for delaying it to a new maturity. Yet, there are many other sayings that refer to initiating a debt by providing a loan that will be paid back in a higher amount than the loan. There are also sayings that refer to loans with periodical payments and charges on them.

Hence in the Hadith we have Riba in the form or rescheduling of debts and in the form of increment on loans.

The practice of Interest in conventional banking systems and in western interpersonal financial transactions represents an increment over a loan and or the amount of debt for rescheduling it for a new maturity, and sometimes for paying it on a day prior to maturity through discounting of future debts at a third party.

Relations of bank deposits and bank lending (normally called bank investments) are both lending relationships, therefore any increment in them is a riba increment, they violate the rule that you get only your principal amount with no injustice to you or against you. (2:279) And Allah knows best.

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3) Name brother

**Question**

Is it permissible for a merchant to charge customers more for shipping than what it actually costs (thus making a profit from the shipping)?

**My Answer**

Bismillah Al-Hamdulillah wa salatu was salaam ala Rasuulullahi wa ala Alihi wa Asbihi ajmaeen

The principal is a Muslim, and for that reason anyone there person must be honest to her or his word. So when I charge for shipping I should only charge the exact amount of the cost of shipping that I pay to an outside shipper.

If I provide the shipping service with my own shipping facility, I can then charge any amount that is within the market limit, i.e. with out any over charge that may fall in the area of ghabban (excessive price).

On the other hand if I make the charge for handling and shipping and the shipping is done by an outside company while I do the handling, then I can always charge an amount that is above what I pay to the shipping company, because I inform the other party that this charge is for both shipping and handling, not for shipping alone. And Allah knows best.

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**SESSION OF OCTOBER 17, 2001**

Guest Name Dr. Monzer Kahf  
Subject Islamic Financing Fatwa Session.  
Time Mecca From 23:00...To... 00:00

**Questions**

1) Name Salem -

**Question**

What is the economic objective of this War if any?

**Answer**

Assalamu Alaykum Wa Rahmatullahi Wa Barakatuh

let ME BEGIN WITH THE SECOND QUESTION: The tragedy of 9/11 is unique not only in its size but also in its location and circumstances. This is actually a major destructive action inflicted on America, within its land by external enemies, the terrorists. America did not feel this much humiliation all over its history. It did not have this much tragic nor this much destruction. Revenge is certainly the immediate reaction and finding someone to explode this revenge on is necessary because the attackers this time are faceless, and no doubt being faceless is a sort of cowardliness.

An important economic feature of this tragedy is that it is born only by America and alone. In the Gulf war, and in almost all previous wars, there were other partners, who carried either the financial bill or the devastating losses. Some estimates of the American losses as a result of the 9/11 tragedies put them at 350 billion, not to include the war on terrorists and on Afghanistan. Devastating damages, loss of jobs and employment, loss of transportation, loss of profit opportunities, loss in the financial and equity markets, losses in American foreign trade, bankruptcies, etc.

We have to add to this estimated figure the cost of the war launched by the American government on Afghanistan, Taliban and the Terrorists. There is no doubt that the cost born by the American budget is going to be a lot more than the losses inflicted on the Afghani government. Afghanistan is a country that lacks everything from food to civic and military infrastructure. Whatever destruction is being done by the American bombardment and raids is certainly much lesser than the cost of producing these bombs themselves. Therefore, The American budget is going to pay the bill of these attacks and if a friendly government is established there it will also pay the cost of rebuilding what is been destroyed!

We must not forget, however that all the economic losses make a very small fractional percentage of the Gross Domestic Product and the total figure of the Budget, about 3% and 9% respectively.

Wassalam

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2) Name Tarek - United States

**Question**

What is the estimated cost of events of September 11 and their aftermath?

**My Answer**

Assalamu Alaykum Wa Rahmatullahi Wa Barakatuh

The most important gain of this war is, in my opinion, non economic and is only local or domestic. The objective of the attacks on Afghanistan is to assure the American public that the government is defending them and is doing something hoping to punish the inflictors of the tragedy of 9/11.

The economics of this war takes us to the story of oil potentials of the Gaspian see basin, which is expected to play the role of major oil supplier in the second half of the twentieth century.

Wassalam

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3) Name Saladin - United States

**Question**

Salaaam a'laikum,

The U.S. economy was already on the downturn before Sept 11, besides the travel industry, did that event substantially contribute to an economic slowdown, and have we not already come back to a level that was prior to Sept 11?

**My Answer**

Assalamu Alaykum Wa Rahmatullahi Wa Barakatuh

Certainly we did not come back to a level before September 11, but keeping in mind that the economic losses of the September 11 attack make only a small percentage of the gross domestic product, the American economy is able to quickly recover. We should remember that the prosperity of the American economy has continuously found a major contributor in the American military industry. All over the American history military-led economic expansion constitute about 75% of the 2¼ centuries since independence.

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4) Name Ahmed - Pakistan

Profession

**Question**

Since Pakistan has joined in the coalition with promises of debt reduction, or rescheduling, the amounts seem only to be around \$500 million, when PK's debts hover, I believe, around \$38 billion. Is there more coming?

**My Answer**

Assalamu Alaykum Wa Rahmatullahi Wa Barakatuh

I think the amount of half a billion mentioned as an economic aid to Pakistan represent a first installment. It would be very unreasonable to assume that the government of Pakistan would accept that little as a total price for its share in the war. Some more aids, military and economic, must be coming and probably also some reduction in the existing American debt owed by Pakistan to America. We must also remember that removing the sanctions is an important element in the deal.

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5) Name sahar - United States

Profession

**Question**

What does the bombing mean for Middle East and Arab countries that subsist on tourism revenue?

**My Answer**

Assalamu Alaykum Wa Rahmatullahi Wa Barakatuh

The suffering of airline, travel, and tourism in the aftermath of the 9/11 tragedy is certainly not limited to the United States. These effects also influence Europe and Middle Eastern Arab countries. It is not only the tourism industry that is going to suffer, but also Arab investment abroad. Some preliminary estimates put the Gulf countries losses in their foreign investments at 25 – 40 billion dollars.

On the other hand, within the region tourism may pick up as an alternative to far away tourism.

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6) Name Naeemah - United States

**Question**

Since the United States has declared war on terrorism and so many restrictions have been put in place as far as security is concerned, how will this effect the economy as far as jobs being lost and the general public being too afraid to spend money?

**My Answer**

Assalamu Alaykum Wa Rahmatullahi Wa Barakatuh

Increased security means increased costs. This has two effects at the same time. Taxing the budget of the consumer and at the same time, substituting new jobs and opportunities for lost ones. The economic recovery looked for with the coming of 2002 will surpass the cost of added security and going back to normal is an expected attitude in any prolonged conflict.

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7) Name Laila - United States

**Question**

If people are afraid to spend money because they are insecure what the future will bring due to the war, won't that cause a recession in the U.S. Could it also cause economic problems for other countries?

**My Answer**

Assalamu Alaykum Wa Rahmatullahi Wa Barakatuh

We must remember that the United States economy is very much built on military industries and the contribution of past wars have always been positive for the national economy. This present conflict will not be much different although great losses are suffered within the American economy. But the ability of reconstruction is tremendous. And the short-term fear of spending does not bear much of a long-term effect on the domestic economy.

This war, because the nature of the events of 9/11 would necessitate a change in American foreign policy towards the Middle East, Africa and South Asia. This will have longer-term healthy consequences on the economies of countries in those areas.

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8) Name Muminah - United States

**Question**

We keep hearing about how Muslim countries in general are very poor in every aspect and that this is what fuels Muslim anger against the more powerful and prosperous (non-Muslim) West. Do you see the economic situation improving in the Muslim world?; what time frame is it reasonable to expect a change; and is there any hope for a change in the living conditions in Muslim countries when there are powers that sabotage any move to improve?

What can Muslims do today to relieve poverty all over the world?

**My Answer**

Assalamu Alaykum Wa Rahmatullahi Wa Barakatuh

This question about the prospect of economic change in the Muslims countries is very interesting. The answer to it must be very long and detailed that would take us outside the limit of this dialogue. The main problem in most Muslim economies today is not lack of resources, but rather restricted abilities to take initiatives in economic development. By restricted abilities I mean essentially two things: one, we must realize that development of personal initiatives requires high degree of economic freedom that is intrinsically attached to political freedom. That latter is unfortunately lacking in most Muslim countries. On the other hand, we have historical restrictions on personal abilities that is manifested in lack of systemic search for economic opportunities and systemic decision-making ability to deal with opportunities when they exist. The major contributor to this inability is the education system in most of the Muslim countries that lacks sufficient preparatory training relevant to economic development. Take for instance a country of almost thirty million people with tremendous economic opportunities in almost all fields of economic activity (Morocco). This country has about 15 universities, but one school of pharmacy, very little emphasis on business training and financial management and huge concentration on theoretical studies.

It is unfortunate that some of the prerequisites for economic development in most Muslim countries require drastic changes in other aspects of the existing socio-political systems at the time that there are pressure groups within these countries that oppose such changes because they are the beneficiaries of the status quo.

On the other hand, there are some examples of economic achievements in countries like Malaysia, Saudi Arabia, and Egypt that deserve to be studied and perhaps imitated in certain aspects.

Muslims in the United States can contribute to the economic development of the Muslim countries, especially through promoting international trade with the countries with which they have comparative advantage.

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