CHANGE IN FINANCIAL STATUS AND ZAKAH

Q: 9 - 'Mr. "A" is Sahib-e-Nisab and pays zakah regularly Say in 1989 he paid his zakah, and when the valuation date came in 1990, his financial condition became adverse. Consequently he did not have the minimum wealth which is liable to zakah. hi other words, on the valuation date of 1990, he became a non Sahib-e-Nisab. In 1991 also, his condition was no better. However, in 1992, on the valuation date, he again became Sahib-e-Nisab. Now, the question is, whether Mr. "A "should pay the zakah of the wealth accumulated on his previous valuation date when it comes in 1992 or by virtue of his becoming Sahib-e-Nisab after a gap of two years, he should let one year pass on his new wealth and then pay the zakah?"
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A: In this case, the previous valuation date will not be applicable for the purpose of calculation of zakah. He will be liable to pay zakah after one full lunar year will pass on his newly acquired nisab of zakah.

The principle is that the valuation date, for the purpose of zakah, is the day on which the person acquires the amount of nisab for the first time. This valuation date will remain applicable as long as he remains Sahib-e-Nisab and he shall calculate his zakah on the basis of the valuation of his assets on that date each year. For example, Mr. A became Sahib-e-Nisab for the first time on the 1st of Muharram in 1408 A.H. Now, he shall calculate his zakah on the 1st of Muharram in 1409 A.H. if he is still Sahib-eNisab on that date. Thus, the first of Muharram is his valuation date for all the following years as long as he remains Sahib-e-Nisab. He will calculate his zakah on the first of Muharram each year.

If he does not remain Sahib-e-Nisab on the first of Muharram in any of the following years then the first of Muharram will cease to be his valuation date. Therefore, if he acquires the nisab once again, the zakah will be subject to the new valuation date i.e. the date on which he acquires the nisab second time.

Consequently, in the above example if "A" remained Sahib-e-Nisab upto Ramadan 1410, then he lost the Nisab, he will not value his assets for the calculation of zakah on the first of Muharram 1411, because he is not a Sahib-e-Nisab. However, if he acquires the nisab once again on the first of Rabiul-Awwal, 1411, and remains as such on the first of Rabiul-Awwal 1412, he will value his assets on the first of Rabiul-Awwal 1412, which will be his new valuation date. This new date will remain effective as long as he remains Sahib-e-Nisab on this date each year, and will change only when he ceases to be Sahib-e-Nisab on the first of Rabiul-Awwal in all of the following years.'

Contemporary fatawaa