

PAYING ZAKAH TO AN INDEBTED PERSON

Q : 3 ? ?A businessman suffered a loss in his business. He sold all his properties and paid his debts. He hired a house on rent and shifted from a posh locality to an ordinary locality in a far off area of the city and joined a service. From appearance his standard of living still looks like his previous one (although he is without a car, telephone and other luxuries). He is still under the debt of approximately Rs. 2 million. He pays some amount every month from his salary to his creditors. Now, the question is:

(a) Can his debts be cleared by Zakah money?

(b) If it is permissible, should we pay his debts directly to his creditors, or should we pay him first and then ask him to payoff his debts?

Please also note that this businessman has to receive about Rs. one million from other people which is being received by him in parts and after long intervals.

(c) Is it necessary to tell him that it is the Zakah money or can we pay him without any reference to Zakah, because he may feel humiliated if we tell him that it is a zakah money?

(d) If he pays some or all of his debts by Zakah money, then he again becomes a rich man, should he return the money of Zakah to its original owners, or can he pay it to other poor people, or he need not do it? (Ibid)

A: (a) The principle is that if the debts of a person are equivalent to his surplus assets (including his receivables) or are more than that, he is entitled to receive Zakah. Likewise, if his surplus assets are sufficient to clear his debts, but after paying his debts, his remaining surplus assets do not reach the quantum of nisab he can also receive Zakah. However, if his surplus assets are such that even after clearing all his debts, they are equivalent to or more than the nisab, he cannot receive Zakah.

It is worth mentioning that the term "surplus assets" include money and all those household goods and properties which are not required for his day-to-day needs.'

In the light of this principle, the businessman under question can receive zakah, because his debts are 2 million while his surplus assets (including his receivables) are less than that. Therefore, one can help him in clearing his debts out of the Zakah.

(b) If his debts are intended to be paid out of Zakah, the creditors should not be paid directly. Instead, money should be given to the indebted person who will pay it to his creditors, if he so wishes.'

(c) It is not at all necessary to tell the beneficiary of Zakah that he is being helped out of Zakah.

One can give him the amount as a gift or as a present without referring to Zakah. The only condition is that while giving it to him, one should have a clear intention in his heart to pay Zakah. Even if a person gave money to the beneficiary as a qarz or a loan, while in fact he intended to pay Zakah and never intended to get it back from him, the obligation of Zakah is discharged. However, if he comes thereafter to repay the loan, he should refuse to accept it.

(d) Once a person has received Zakah while he was entitled to receive it, he is not required to return it to the original payer, how rich he may become later .. Therefore, if that businessman becomes rich once again, he is not required to pay back the Zakah, neither to the original owners, nor to other poor people. However, he will be required to pay his own Zakah according to his assets owned by him at that time.

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