

1117 - Zakah on loans which may not be repaid

the question

A person has money which he lent to some of his brothers and acquaintances, and he may or may not get it back. He is asking whether he has to pay zakah on it.

Detailed answer

Praise be to Allah.

If a person is owed money by a rich man that reaches the amount of the nisab, or when added to the money he has would bring the amount up to the nisab, he must pay zakah on it, and when he gets the money back he should pay zakah for the time that has passed, whether it is a year or more. If he pays zakah on it before he gets it, that is fine. If the person who owes the money is not rich, he should pay zakah one year after he gets the money, even if more than a year has passed. This is one opinion reported from Imam Ahmad; it is also the opinion of Maalik and of Shaykh Muhammad ibn 'Abd al-Wahhaab (may Allah have mercy on him). Allah is the Source of strength. May Allah bless our Prophet Muhammad and his family and companions.