1. What is the primary purpose of Zakat in the context of Islamic finance?

* A. Revenue generation
* B. Social welfare and poverty alleviation
* C. Promoting investment
* D. Regulating industries

Answer: B

2. Which entity is responsible for the collection of Zakat in Saudi Arabia?

* A. Ministry of Commerce
* B. General Authority of Zakat & Tax
* C. Supreme Economic Council
* D. Central Bank

Answer: B

3. What is the Zakat rate typically applied to Zakatable assets?

* A. 2.0%
* B. 2.5%
* C. 3.0%
* D. 1.5%

Answer: B

4. The term 'Al-Hawl' in Zakat refers to:

* A. Fiscal Quarter
* B. A full Hijri year
* C. Gregorian Year
* D. Financial half-year

Answer: B

5. For companies maintaining commercial books, Zakat is calculated using:

* A. Direct and Indirect methods
* B. Profit-based methods
* C. Asset depreciation
* D. Inventory valuation

Answer: A

6. Items deducted from the Zakat base in the Manufacturing sector include:

* A. Cash on hand
* B. Fixed assets
* C. Inventory
* D. Receivables

Answer: B

7. What does 'Zakatable year' (Al Hawl) mean?

* A. Any fiscal year
* B. One lunar year
* C. Gregorian calendar year
* D. 18 months

Answer: B

8. Who oversees the implementation and compliance of Zakat laws in Saudi Arabia?

* A. Regional courts
* B. General Authority of Zakat & Tax
* C. Ministry of Finance
* D. Local municipalities

Answer: B

9. The main method for calculating Zakat base in Saudi manufacturing companies is:

* A. Adding assets only
* B. Deducting liabilities only
* C. Adding sources of funds and deducting non-Zakatable assets
* D. Estimation

Answer: C

10. Zakat must be paid within what time frame after the completion of a financial year?

* A. 1 month
* B. 3 months
* C. 6 months
* D. 12 months

Answer: B

11. The Zakat rate of 2.5% applies primarily to:

* A. Fixed assets
* B. Liquid assets and income-generating assets
* C. Machinery
* D. Investments in land

Answer: B

12. Zakat payers who do not maintain commercial books use which method of calculation?

* A. Deemed calculation
* B. Inventory method
* C. Direct assessment
* D. Yearly assessment

Answer: A

13. What does 'deemed calculation' mean in Zakat practices?

* A. Using estimated figures
* B. Calculating based on market rates
* C. Calculating without commercial records
* D. Adjusting for inflation

Answer: C

14. Investments in local companies are treated how in Zakat calculation?

* A. Always added to Zakat base
* B. Deducted if Zakat is paid independently
* C. Ignored
* D. Doubled

Answer: B

15. The primary document for Zakat declaration is called:

* A. Zakat Report
* B. Declaration Form
* C. Profit Statement
* D. Annual Return

Answer: B

16. If Zakat base is less than adjusted profit, Zakat is calculated on:

* A. Zakat base
* B. Adjusted profit
* C. The difference
* D. None

Answer: B

17. The Zakat rate of 2.5% applies primarily to:

* A. Fixed assets
* B. Liquid assets and income-generating assets
* C. Machinery
* D. Investments in land

Answer: B

18. Zakat payers who do not maintain commercial books use which method of calculation?

* A. Deemed calculation
* B. Inventory method
* C. Direct assessment
* D. Yearly assessment

Answer: A

19. What does 'deemed calculation' mean in Zakat practices?

* A. Using estimated figures
* B. Calculating based on market rates
* C. Calculating without commercial records
* D. Adjusting for inflation

Answer: C

20. Investments in local companies are treated how in Zakat calculation?

* A. Always added to Zakat base
* B. Deducted if Zakat is paid independently
* C. Ignored
* D. Doubled

Answer: B

21. The primary document for Zakat declaration is called:

* A. Zakat Report
* B. Declaration Form
* C. Profit Statement
* D. Annual Return

Answer: B

22. If Zakat base is less than adjusted profit, Zakat is calculated on:

* A. Zakat base
* B. Adjusted profit
* C. The difference
* D. None

Answer: B

23. The Zakat rate of 2.5% applies primarily to:

* A. Fixed assets
* B. Liquid assets and income-generating assets
* C. Machinery
* D. Investments in land

Answer: B

24. Zakat payers who do not maintain commercial books use which method of calculation?

* A. Deemed calculation
* B. Inventory method
* C. Direct assessment
* D. Yearly assessment

Answer: A

25. What does 'deemed calculation' mean in Zakat practices?

* A. Using estimated figures
* B. Calculating based on market rates
* C. Calculating without commercial records
* D. Adjusting for inflation

Answer: C

26. Investments in local companies are treated how in Zakat calculation?

* A. Always added to Zakat base
* B. Deducted if Zakat is paid independently
* C. Ignored
* D. Doubled

Answer: B

27. The primary document for Zakat declaration is called:

* A. Zakat Report
* B. Declaration Form
* C. Profit Statement
* D. Annual Return

Answer: B

28. If Zakat base is less than adjusted profit, Zakat is calculated on:

* A. Zakat base
* B. Adjusted profit
* C. The difference
* D. None

Answer: B

29. The Zakat rate of 2.5% applies primarily to:

* A. Fixed assets
* B. Liquid assets and income-generating assets
* C. Machinery
* D. Investments in land

Answer: B

30. Zakat payers who do not maintain commercial books use which method of calculation?

* A. Deemed calculation
* B. Inventory method
* C. Direct assessment
* D. Yearly assessment

Answer: A

31. What does 'deemed calculation' mean in Zakat practices?

* A. Using estimated figures
* B. Calculating based on market rates
* C. Calculating without commercial records
* D. Adjusting for inflation

Answer: C

32. Investments in local companies are treated how in Zakat calculation?

* A. Always added to Zakat base
* B. Deducted if Zakat is paid independently
* C. Ignored
* D. Doubled

Answer: B

33. The primary document for Zakat declaration is called:

* A. Zakat Report
* B. Declaration Form
* C. Profit Statement
* D. Annual Return

Answer: B

34. If Zakat base is less than adjusted profit, Zakat is calculated on:

* A. Zakat base
* B. Adjusted profit
* C. The difference
* D. None

Answer: B

35. What is the minimum percentage of inventory sales required before deducting properties under development for Zakat?

* A. 10%
* B. 25%
* C. 50%
* D. 75%

Answer: B

36. For a Zakat payer in the manufacturing sector, which of these expenses is NOT deductible?

* A. Personal expenses
* B. Business-related expenses
* C. Depreciation
* D. Wages

Answer: A

37. In the context of Zakat, 'Al-Hawl' is best described as:

* A. A lunar year
* B. A calendar year
* C. An adjustment period
* D. A fiscal term

Answer: A

38. The General Authority of Zakat & Tax applies which of the following to ensure compliance?

* A. Audits
* B. Notifications only
* C. Warning letters
* D. Tax reduction

Answer: A

39. Which of the following assets is generally exempt from Zakat in the manufacturing sector?

* A. Cash reserves
* B. Fixed assets used for operations
* C. Trade receivables
* D. Inventory

Answer: B

40. The Zakat declaration must be submitted by the Zakat payer in:

* A. Monthly installments
* B. Annually
* C. Bi-annually
* D. Every five years

Answer: B