2822 - Is zakaat due on charitable money that is invested?

the question

A group of people collected an amount of money and determined that it should be paid exclusively to any of their number who falls on hard times, such as having to pay diyah (blood-money) in the case of manslaughter. They invested this money in business, and donate the resulting profits to charitable causes agreed upon between them. Do they have to pay zakaat on this money or not? Is it OK to pay zakaat to this charitable fund?

Detailed answer

Praise be to Allah.

If it is as you describe, there is no zakaat due on the money mentioned, because it comes under the rulings of waqf (endowment), whether it is frozen or is actively circulating in business. It is not permissible to pay zakaat into this fund, because it is not devoted especially to the poor and is not intended for any of the other purposes for which zakaat should be used. And Allaah knows best.