

113062 - A contractor who owns real estate and building equipment; does he have to pay zakaah?

the question

My father owns properties for rent and a piece of land. He owns some of it while he still is paying instalments of this piece of land. As for the properties, he rents them out. But what he gains from this does not reach the specific amount that must be paid as Zakah (2.5%) if this is the right proportion that should be paid as Zakah on properties.

He owns timber as well and two cars. I would like to know what should Zakah be paid on, and how much should my father pay?

My aunt is divorced. And my cousin is a widow and she has orphan children. I think my cousin deserves the Zakah to be given to her. What about my aunt? My aunt has a daughter who is working and they have a quite good income. Should my father give her a part of the Zakah as well? Or should he just give her money as a gift in order to strengthen the womb relations with the family? Bear in mind that my aunt's daughter does not dress modestly and she uses make up. I do not know if Zakah should be given to them. Please provide us with a detailed answer.

Detailed answer

Firstly:

No zakaah is due on the real estate and land unless the owner intends to trade in them. But that which he intends to use or rent out is not subject to zakaah. Rather zakaah is due on the rent if it reaches the nisaab (minimum threshold), which is the equivalent of 595 grams of silver, when one whole (hijri) year has passed since it was acquired.

The rate of zakaah that must be paid is one quarter of one tenth, i.e., 2.5%,

It says in Fataawa al-Lajnah al-Daa'imah li'l-Ifta (11/358):

With regard to the land that is rented out and the real estate that is rented out, zakaah must be paid on the rent when one year has passed, not on the land or real estate itself. End quote.

But if the owner is spending the rent straightaway, then no zakaah is due on it so long as he has not saved of it the nisaab for a whole year.

Secondly:

The lumber that your father owns because of his work as a contractor is not subject to zakaah.

The scholars (may Allaah have mercy on them) have stated that the tools of one's trade are not subject to zakaah, no matter how great their value, because the purpose of having them is to use them and not to deal or trade in them.

The same may also be said of the two cars; there is no zakaah on them so long as he does not intend to trade in them.

See the answer to question no. [74987](#).

Thirdly:

There is nothing wrong with your father giving zakaah to your paternal aunt and her orphan children, rather it is better to give it to them and that will earn a greater reward than giving it to strangers, because giving zakaah to relatives is better.

It was narrated from Salmaan ibn 'Aamir (may Allaah be pleased with him) that the Prophet (peace and blessings of Allaah be upon him) said: "Charity given to a poor person is charity, but charity given to a relative is two things, charity and upholding ties of kinship." Narrated by Ahmad (15644) and al-Tirmidhi (658); classed as saheeh by al-Albaani in Saheeh al-Tirmidhi.

As for giving zakaah to your paternal aunt and her other daughter, if they have sufficient income then it is not permissible to give zakaah to them, but if their income is not sufficient then they may given of zakaah whatever will suffice them, and anything more than that is voluntary charity and upholding ties of kinship, and it is not permissible to count it as zakaah.

But if your father would inherit from your paternal aunt (his sister) – if she were to die – then he is obliged to spend on her, and in that case it is not permissible for him to give her zakaah.

And he would inherit from her if she has no male child and if her father is deceased.

See the answer to question no. [6026](#).

As for the fact that she and her daughter wear makeup and do not dress properly, we ask Allaah to guide them, and that does not affect the giving of zakaah to them, but what you and your father are required to do is to keep on advising them.

And Allaah knows best.