

## 118034 - Using the Saudi-British Bank credit card only to make purchases

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### the question

I have a Visa card from the Saudi British bank. I use it only to purchase, and I do not use it to withdraw cash. There are no annual fees on my card. What is the ruling on using the Visa card in such a way?.

### Detailed answer

There is nothing wrong with using credit cards if they are free of any of the following reservations:

1. Stipulation that interest or a penalty be paid in the event of late payment.
2. Charging a fee for issuing an uncovered card that is higher than the actual costs involved.
3. Charging a percentage of withdrawal if the card is not covered. It is permissible to charge the actual cost only; anything more than that is *riba*.
4. Buying gold, silver or currency with an uncovered credit card.

The Islamic Fiqh Council has issued a statement concerning this issue. Please see the answer to question no. [97530](#).

We should point out two things:

1. That it is not permissible to issue credit cards if there is a stipulation that a penalty be paid for delays, even if the customer is determined to make payments on time, because that is agreeing to *riba* and approving of it. See the answer to question no. [13725](#).
2. Many stores charge the customer a commission or fee at a rate as high as 3.5% when he makes a purchase using a credit card. This is not permissible according to the statement of the Islamic Fiqh Council.

And Allaah knows best.