

13361 - His property is for rent - does he have to pay zakaah on it?

the question

If a person has property that he has prepared to rent out, does he have to pay zakaah on this property?.

Detailed answer

Praise be to Allah.

Shaykh Muhammad ibn 'Uthaymeen (may Allaah have mercy on him) said:

There is no zakaah on this property, because the Prophet (peace and blessings of Allaah be upon him) said: "There is no zakaah due on the Muslim's slave or horse." Rather zakaah is due on the rents, if one hijri year passes from the time of the contract. For example:

A man rents out this house for ten thousand, and receives ten thousand after the year is over. He has to pay zakaah on this money, because one year has passed since the contract was signed. Another man rented out his house for ten thousand, five thousand of which is paid at the time of signing the contract, which he spent within two months, and five thousand was to be paid halfway through the year, which he took and spent within two months. When the year ended he did not have anything left of the rent, so no zakaah was due on it, because no full year passed with the money in his possession. In order for zakaah to be obligatory, a full year should pass with it in the person's possession.