



13725 - Are Credit Cards Haram?

the question

I heard that using credit cards is haram, but if I am sure that I am going to pay the bank within the time limit, so the bank will not charge any interest, is this also regarded as haram?.

Summary of answer

Credit cards are haram because the bank lends money to the user in return for interest, and this interest is the price of the annual subscription to the credit card.

Detailed answer

Praise be to Allah.

What you have heard about [credit cards being haram](#) is correct. Using them is haram even if the user is certain that he will pay the bank within the time limit.

[Credit cards](#) are haram because the bank lends money to the user in return for interest, and this interest is the price of the annual subscription to the credit card, as well as other interest charges which are to be paid to the bank if the user is [late in paying](#) .

The [cost of the card is a kind of riba](#) which the user pays to the bank, and this riba is paid by the user whether he pays on time or not.

Also, the user enters into a contract with the bank which means that he is obliged to pay interest if he delays payment. This is also haram, because it is not permissible for a Muslim to commit himself to doing something that Allah has forbidden.

The user may think that he can pay up on time, but then something happens to him that prevents him from doing so, so he pays riba to the bank.



Shaykh Ibn 'Uthaymin (may Allah have mercy on him) said concerning this kind of contract:

“A contract of this type is not permissible, because it involves riba which is the price of the card, and it also means committing to pay interest if payment is delayed.”

In another fatwa he said:

“This transaction is haram, because the one who enters into it commits himself to paying riba if he does not pay on time. This is an invalid commitment, even if he believes or thinks it most likely that he will pay it before the time is up, because circumstances may change and he may not be able to pay it off. This is a matter that is in the future, and no one knows what will happen to him in the future. So dealings of this type are haram.”

And Allah knows best.