147775 - Ruling on gifts given to one who has a Visa card

the question

I have a Visa card that does not involve riba, i.e., I use it without the bank taking any interest from me. But Visa has a system called a points system or “Visa Rewards”. Every time I buy something using this card, they give me one point for every two dollars, and with these points I can buy travel tickets or pay off electricity and phone bills. Now I have a considerable number of points. Is it permissible for me to use these points or are they regarded as riba? If they are riba, is it permissible for me to give their value in charity?.

Detailed answer

If a person puts some money in the bank to use it on the Visa card, by doing so he is lending to the bank, so it is not permissible for him to take gifts or rewards from the back or from those who cooperate with it, because they are gifts in return for a loan, so they are included in the words, “every loan that brings a benefit is riba.”

See: al-Manfa‘ah fi’l-Qard, p, 461

Dr. Muhammad al-‘Usaymi (may Allah preserve him) was asked: What is your opinion on current accounts which are not savings accounts; rather they are for safeguarding money until one needs it, and the bank gives gifts and rewards for them according to the amount deposited in the bank. What is your opinion on the Visa card from the Ahli bank and the rewards offered by the bank or on Saudi airlines that deal with Visa?

He replied:

Putting money in a riba-based bank when there is no case of necessity is haraam; the prohibition increases if there are Islamic banks in the country. It is not proper for the Muslim to accept gifts from the riba-based bank in return for current accounts, and they are a kind of riba, unless he takes them to get rid of them if he has no choice but to open an account, as mentioned above. The credit cards issued by riba-based banks are completely haraam, and those that are

called Islamic but are based on reversing the transaction (by putting money in the credit card account before spending on the card, instead of spending on the card and then paying what is owed), like the Ahli credit card and the American Bank credit card, are also haraam. And Allah knows best.

End quote from the Shaykh's website:

http://www.halal2.com/ftawaDetail.asp?id=716

What you have to do is get rid of these rewards by giving to the poor and needy or to public projects, but they are not regarded as charity; rather it is getting rid of haraam wealth.

And Allah knows best.