105333 - He bought land for the purpose of trading it and has not taken possession of it; does he have to pay zakaah on it?

the question

A man bought some land for the purpose of trading in it for a certain amount of money, but this man has not taken possession of the land until now and has not even received the title deed. Is zakaah due on it?.

Detailed answer

Praise be to Allah.

Yes, he has to pay zakaah on this land, even if he has not received the title deed, so long as the sale has been done and become binding. So he has to pay the zakaah on trade goods, working out its value at the market rate at the time when zakaah becomes due, and paying one quarter of one tenth of its value. End quote.