A SHORT GUIDE TO MANAGING MY MISSED ZAKAT

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SUMMARY

Zakat is an important pillar of Islam. Those who fail to fulfill this obligation on time without a valid reason, commit an act of disobedience. However, amending this situation is possible by following the steps of Tawbah and paying the missed Zakat as soon as possible.

Those who plan to achieve this task need to follow the right steps:

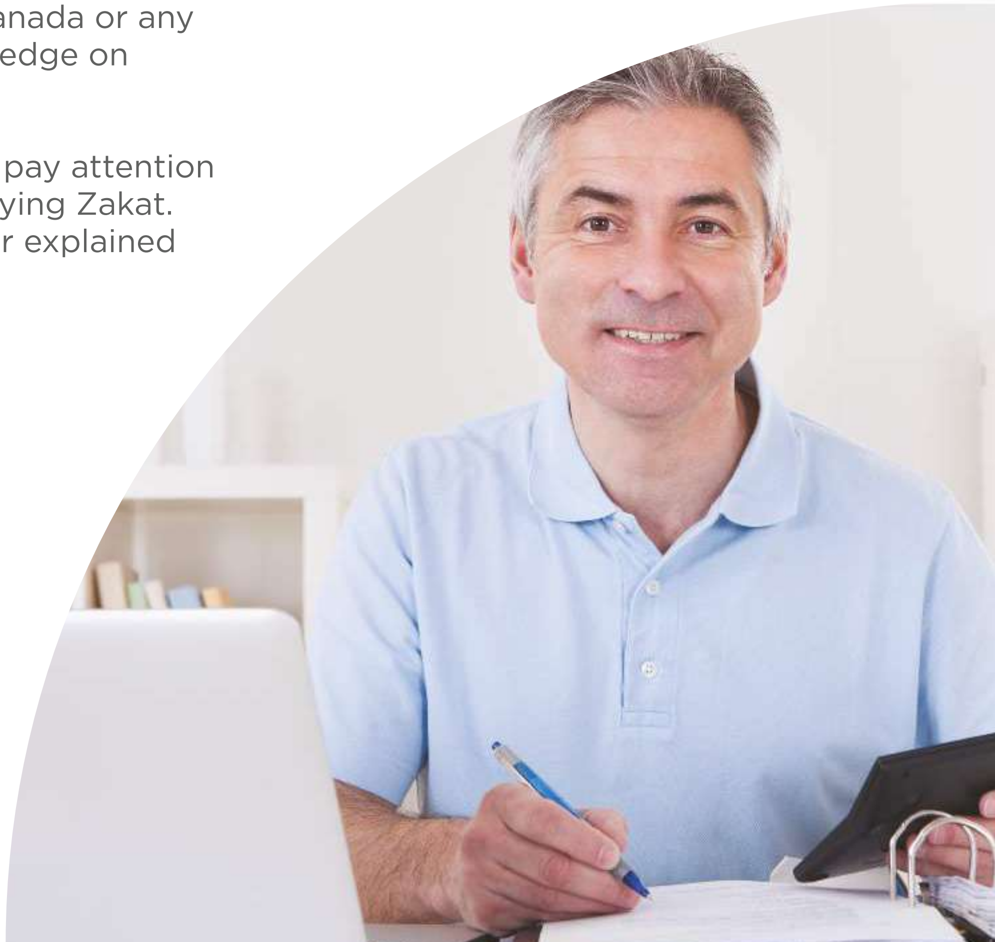
1. Identify the years in which they missed their Zakat payment.

2. Determine the Nisab* of each year. This varies from year to year.

3. Identify the Zakatable assets. Calculate Zakat using numbers which apply to their own situation.

In case they are confused, they should consult National Zakat Foundation in Canada or any other source of authentic knowledge on Zakat.

In the end, every Muslim should pay attention to the invalid reasons for not paying Zakat. These flawed excuses are further explained in this essay.



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1.0 THE STATUS OF ZAKAT IN ISLAM

1.1 Zakat in the Quran

Zakat is the third pillar of Islam. It is a form of obligatory charity that has the potential to eradicate poverty and ease the suffering of those in need.

The Quran tells us that it was a well-known obligation among previous nations and it was part of the teachings of all prophets and messengers.

In Surah al-Anbiya, verse 73, Allah says:

وَجَعَلْنَاهم أَئِمَّةً يَهْدون بِأَمْرِنَا وَأَوْحَيْنَا إِلَيْهِمْ فِعْلَ الْخَيْرَاتِ
وَإِقَامَ الصَّلَاةِ وَإِيتَاء الزَّكَاةِ وَكَانُوا لَنَا عَابِدِينَ

"We also made them leaders, guiding by our command, and inspired them to do good deeds, establish prayer, and pay the Zakat. And they were devoted to Our worship." (Quran 21:73)

Allah pairs Zakat with Salat in over 26 verses in the Quran, solidifying the significance of Zakat. As a result, Muslim leaders like Abu Bakr al-Siddeeq (May Allah be pleased with him) were able to conclude that a Muslim cannot separate between the two obligations, and therefore, decided to use law enforcement, and fight against those who affirmed the obligation of Salat but denied the obligation of Zakat.

In Surah al-Bayyinah, verse 5, Allah says:

وَمَآ أُمِرُوٓا۟ إِلَّا لِيَعْبُدُوا۟ ٱللَّهَ مُخْلِصِينَ لَهُ ٱلدِّينَ
حُنَفَآءَ وَيُقِيمُوا۟ ٱلصَّلَوٰةَ وَيُؤْتُوا۟ ٱلزَّكَوٰةَ وَذَٰلِكَ
دِينُ ٱلْقَيِّمَةِ

“They were only commanded to worship Allah alone with sincere devotion to Him in all uprightness, establish prayer and give Zakat. That is the upright way.” (Quran 98:5)

1.2 Consequences for Failing to Pay Zakat

1.2.1 The Status of those who Deny the Duty of Paying Zakat

The person who does not pay Zakat falls under two categories:

1. He/she believes in the obligation of paying Zakat, but does not do it for some reason.

2. He/she does not completely believe that it is mandatory to fulfill this obligation.

In the second case, this person is a disbeliever who has left the fold of Islam. This ruling was the subject of scholarly consensus.

The only person who can be saved from this ruling is someone who is new in Islam, or someone who grew up in a remote area and did not have access to the right knowledge about Islam. This conclusion was shared by Imam An-Nawawi in his book *al-Majmu* and Imam Ibn Qudamah in his book *al-Mughni* along with some other scholars.

1.2.2 The Status of those who Recognize the Obligation of Zakat but do not Make its Payment

Zakat is a duty to be fulfilled as an act of obedience towards Allah and it is also the right of the poor upon those who meet nisab.

When a person withholds the payment of Zakat, he or she violates two rights: the right of Allah and the right of the poor.

These people do not leave the fold of Islam as long as they recognize the status of Zakat in Islam, but they might be exposing themselves to a great danger on the Day of Judgment.

In Surah al-Tauba, verses (34-35) Allah says:

يا أيها الذين آمنوا إن كثيرا من الأحبار والرهبان
ليأكلون أموال الناس بالباطل ويصدون عن سبيل الله
والذين يكنزون الذهب والفضة ولا ينفقونها في سبيل
الله فبشرهم بعذاب أليم

“Give news of a painful torment to those who hoard gold and silver and do not spend it in Allah’s cause.” (Quran 9:34)

يوم يحمى عليها في نار جهنم فتكوى بها جباههم
وجنوبهم وظهورهم هذا ما كنزتم لأنفسكم فذوقوا ما
كنتم تكنزون

The Day will come when their treasure will be heated up in the Fire of Hell, and their foreheads, sides, and backs branded with it. ‘It will be said to them, “This is the treasure you hoarded for yourselves. Now taste what you hoarded!” (Quran 9:35)

In the Sunnah, we find the famous hadith in which Allah’s Messenger (salla Allahu alaihi wa sallam) said: “Whoever is made wealthy by Allah and does not pay the Zakat of his wealth, then on the Day of Judgment his wealth will be turned into a bald headed poisonous male snake with two black spots over the head. The snake will surround his neck and bite his cheeks and say: “I am your wealth; I am your treasure” Then the Prophet recited verse 180 from Surah Al-Imran. (Sahih al-Bukhari)

1.2.3 Missing to Pay Zakat on Time

While it is permissible to pay Zakat in advance, it is not permissible to delay the payment of Zakat without a valid reason.

Therefore, Muslims need to know the importance of paying Zakat on time. Like all the other major pillars of Islam, Zakat needs to be fulfilled in a timely fashion. This payment does not have to be in Ramadan and has nothing to do with the month of fasting.

Payment of Zakat is strictly linked to the accumulation of nisab. After a person owns the value of the 85 grams of pure gold, he or she has to start counting time. After the passing of 12 months in the Islamic Calendar, if the person still has the value of the nisab or more, they must make the payment of 2.5% from the total value of their wealth.

Missing to make this payment immediately without a valid excuse is not accepted in Islam.

In Surah al-Munafiqun, verse 10 Allah says:

وَأَنفِقُواْ مِن مَّا رَزَقْنَـٰكُم مِّن قَبْلِ أَن يَأْتِىَ أَحَدَكُمُ ٱلْمَوْتُ
فَيَقُولَ رَبِّ لَوْلَآ أَخَّرْتَنِىٓ إِلَىٰٓ أَجَلٍ قَرِيبٍ فَأَصَّدَّقَ وَأَكُن
مِّنَ ٱلصَّـٰلِحِينَ

“And spend from what We have provided for you before death comes to one of you...” (Quran 63:10)

Al-Imam Qurtobi said that this verse indicates the obligation of paying Zakat immediately after it becomes mandatory.

In Surah al-Anaam, verse 141, Allah says:

وَهُوَ ٱلَّذِىٓ أَنشَأَ جَنَّـٰتٍ مَّعْرُوشَـٰتٍ وَغَيْرَ مَعْرُوشَـٰتٍ
وَٱلنَّخْلَ وَٱلزَّرْعَ مُخْتَلِفًا أُكُلُهُۥ وَٱلزَّيْتُونَ وَٱلرُّمَّانَ
مُتَشَـٰبِهًا وَغَيْرَ مُتَشَـٰبِهٍ ۚ كُلُوا۟ مِن ثَمَرِهِۦٓ إِذَآ أَثْمَرَ
وَءَاتُوا۟ حَقَّهُۥ يَوْمَ حَصَادِهِۦ ۖ وَلَا تُسْرِفُوٓا۟ ۚ إِنَّهُۥ لَا
يُحِبُّ ٱلْمُسْرِفِينَ

"And He it is who causes gardens to grow, [both] trellised and untrellised, and palm trees and crops of different [kinds of] food and olives and pomegranates, similar and dissimilar. Eat from the fruit they bear and pay its due [Zakat] on the day of its harvest. And be not excessive. Indeed, He does not like those who commit excess." (Quran 6:141)

This ayah is a proof that Zakat of agricultural products is due as soon as they are harvested. This endorses the general principle of swiftness and promptness in fulfilling the duty of Zakat payment.

1.2.4 Excuses and Justifications

As mentioned before, it is not permissible to delay the payment of Zakat without a valid reason.

It is a common mistake within Muslim communities to delay the payment of Zakat until the month of Ramadan, even if it was due before by a couple of months. This is not acceptable unless the Zakat was due in the middle of Sha'aban, in which case it would be fine to delay it for a short period of time to benefit from the extra virtues of the month of fasting.

Another common practice is when the payer of Zakat decides to give it to a family member or a friend who is deemed irresponsible or financially illiterate. The payer would keep the Zakat money in his or her possession and try to pay it in installments.

In this case, they are highly recommended to give it to another family member who is trustworthy and mature. This third party should be able to take care of the needs of the irresponsible recipient instead of keeping the Zakat in the possession of the payer.

However, it could be permissible to delay the payment for a valid reason according to the views of many Muslim scholars. Therefore, the following question is a legitimate one: **When is it permissible to delay the payment of Zakat?**

Answer: A Muslim is allowed to delay the payment of his or her Zakat without any penalty or regret for the following three main reasons:

A) When it is not possible to pay it on time.

B) When it is harmful for one's family or business to pay it on time.

C) When there is a clear benefit for the recipients or for the purpose of Zakat like the selection of more deserving recipients.

The following examples should provide some of the applications of the above mentioned reasons:

1) When the person owns some liquid assets, commodities or receivables but doesn't have enough cash to fulfill the payment of their Zakat. Similar to this is when they are obligated to pay the Zakat but they don't have access to their wealth. In this case, it is permissible for them to delay the payment until they are able to fulfill this obligation.

2) In surah At-Taghabun, verse 16, Allah says: "And fear Allah as much as you can." A Muslim should not inflict any harm on his family or business while fulfilling the duty of Zakat.

3) When a person is not able to find those who deserve to receive his or her Zakat. In this case, they are supposed to calculate the portion of Zakat payment and keep looking for those who deserve to receive the payment.

4) The payer of Zakat needs time to designate the right recipients, especially when he or she has different options or different levels of need. They are allowed to delay it as long as this assessment does not last for a long period of time.

1.2.5 Some Invalid Reasons for Not Paying Zakat

There are Muslims who miss the payment of Zakat believing that it is not an obligation upon them to pay anything since they are saving money for the following reasons:

1) They are saving for Hajj.

2) They could be saving money to buy a house for the family.

3) The person is a student and thinks that he or she does not have to pay Zakat since they have a student loan.

4) The person inherited a good amount of money from a deceased relative, but since they don't have an income or a proper job, they think they don't have to pay Zakat even if they have more than the nisab.

5) A disabled person who is saving money and they have collected more than the nisab, but taking their disability into consideration, they think that they don't have to pay Zakat.

Other Reasons for Missing Zakat

The following are real life examples:

- Someone who doesn't offer his or her daily prayers on a regular basis might think that since they are not taking care of their daily prayers, there is no obligation upon them to pay Zakat.
- Someone who is extremely wealthy and thinks that the due portion of his or her Zakat would be a large amount of money. Therefore, they decide not to pay Zakat.
- Some might think that since they are paying taxes to the government, they don't have to pay Zakat.

2.0 THE PATH TOWARDS REDEMPTION AND RECTIFICATION

2.1 The Gates of Repentance are Wide Open

The one who withholds Zakat is committing a major sin. However, if they decide to repent and rectify themselves, then the doors of Tawbah are always open and Allah is willing to accept their sincere repentance as long as the sun has not risen from the west, or the person himself or herself has not gone through the agonies of death.

One of the major steps in any sincere repentance is that the repenting person must stop committing the sin.

Within the context of neglecting Zakat, this means that they need to immediately calculate their Zakat dues and pay them right away.

Allah says in Surah al-Furqan, verse 70:

إِلَّا مَن تَابَ وَءَامَنَ وَعَمِلَ عَمَلًا صَٰلِحًا فَأُوْلَٰٓئِكَ
يُبَدِّلُ ٱللَّهُ سَيِّـَٔاتِهِمْ حَسَنَٰتٍ ۗ وَكَانَ ٱللَّهُ غَفُورًا
رَّحِيمًا

"As for those who repent, believe and do good deeds, they are the ones whose evil deeds Allah will change into good deeds. For Allah is All-Forgiving, Most Merciful."
(Quran 25:70)

2.2 How Do We Calculate Missed Zakat?

Those who plan to pay the missed Zakat for the past year or a number of previous years need to take the following steps:

First Step:
Identify the years in which you missed Zakat payment. If you are not sure about the number of years, then use your best estimation or judgment to determine the period in which you neglected or you were not able to pay Zakat.

Second Step:
Determine the nisab of each year. The value of the nisab is equivalent to the value of 85 grams of pure gold, and this should vary from one year to another.

Therefore, you need to look at the historical value of gold within the past years to determine if you were obligated to pay Zakat or not.

NZF has put together the following table that shows historical values of Nisab in CAD of both gold and silver:

Gregorian Year	Hijri Year	Historical Gold Nisab (CAD)	Historical Silver Nisab (CAD)
1990	1410/1411	$1,183.00	$104.29
1991	1411/1412	$1,097.14	$85.90
1992	1412/1413	$1,098.51	$88.34
1993	1413/1414	$1,227.18	$102.91
1994	1414/1415	$1,387.20	$133.52
1995	1415/1416	$1,392.61	$132.08
1996	1416/1417	$1,398.30	$131.25
1997	1417/1418	$1,212.02	$125.84
1998	1418/1419	$1,154.10	$152.38
1999	1419/1420	$1,095.87	$143.53
2000	1420/1421	$1,095.99	$136.06
2001	1421/1422	$1,109.19	$125.18
2002	1422/1423	$1,286.32	$133.73
2003	1423/1424	$1,340.59	$126.02
2004	1424/1425	$1,408.95	$160.56
2005	1425/1426	$1,423.53	$164.01
2006	1426/1427	$1,809.81	$242.47
2007	1427/1428	$1,975.20	$266.03
*2008	1428/1430	$2,456.91	$295.66
2009	1430/1431	$2,934.23	$309.88
2010	1431/1432	$3,336.20	$385.05
2011	1432/1433	$4,110.35	$643.00
2012	1433/1434	$4,412.36	$576.47
2013	1434/1435	$3,843.19	$453.51
2014	1435/1436	$3,697.41	$389.94
2015	1436/1437	$3,923.08	$371.19
2016	1437/1438	$4,383.03	$420.45
2017	1438/1439	$4,313.41	$409.27
2018	1439/1440	$4,348.43	$376.98
2019	1440/1441	$4,885.88	$398.10
2020	1441/1442	$6,272.79	$509.90
2021	1442/1443	Please check online	Please check online

Table 1: Historical Nisab values in CAD for Gold and Silver

* In the year 2008, three Hijri years overlapped: 1428, 1429, and 1430

Nisab values of the current year are not given as they constantly change. Please look for the price per gram of either gold or silver from websites such as: www.goldprice.org or www.kitco.com

Nisab of gold is 85g while nisab of silver is 595g. Therefore, the price per gram that you get will need to be multiplied by those numbers respectively.

NZF follows the gold nisab as outlined in this paper. However, for those individuals who wish to contribute more Zakat by following the silver nisab, historical silver nisab values have also been provided.

Please note that Zakat is calculated based on the lunar year (i.e. Hijri Calendar). In order to ease the calculation of missed Zakat from previous years, we have also provided Gregorian years in the table. However, it must be noted that if the Gregorian year is used, the Zakat percentage will become 2.557% instead of 2.5% since a lunar year is 10 days shorter than a Gregorian year and the appropriate adjustment must be made.

Important Notes:

1) Zakat will not become mandatory until 12 months in the Islamic calendar have passed while the person still owns the nisab or a greater amount of wealth.

2) A person is not obligated to pay Zakat on the total value of the income he or she received during the 12 month period in the Islamic calendar. They are only required to pay Zakat on the total value of their savings at the end of 12 months after their savings have reached the value of nisab in the beginning of this period.

3) Muslims are allowed to deduct the value of short-term loans or liabilities which were paid off within the next year succeeding one's Zakat anniversary. These liabilities don't include the regular expenses, but they are limited to the previously established loans and debts.

Third Step:
Identify your zakatable assets during the period of every single year in which you missed the payment of Zakat.

At this point, you need to consult National Zakat Foundation or any other source of authentic knowledge on Zakat to determine which type of wealth is zakatable.

Fourth Step:

a) Missing Zakat for One Year:
After you have calculated the value of your wealth for one particular year, determined that you owned the nisab amount, and were able to keep the same amount or more in your savings throughout the whole Lunar year, then you need to do the following:

- Deduct the value of any short-term loans which were paid off in the succeeding year.

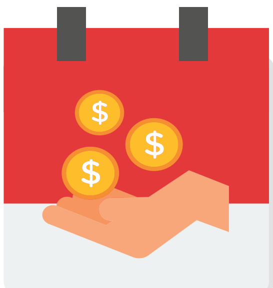
- Pay the value of 2.5% from the remaining amount.

b) Missing Zakat for Several Consecutive Years:
If a person has missed Zakat payment for several consecutive years, he/she should calculate the Zakat for each year in the same way someone would do when missing the payment of one single year.

The only difference is that they are allowed to deduct the amount of 2.5% from the total value of the savings in each year except for the first year.

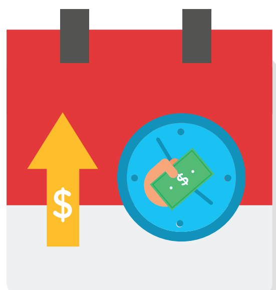
For example, if they missed the payment of five years: they should calculate the Zakat of the first year the way we do it for one year see: [Fourth Step, a)]. Then in the second year and the rest of the years, they are allowed to deduct the amount of 2.5% from the value of their savings for each year. Please see illustration below:

FIRST YEAR



The person had **total savings of $10,000. 2.5% of Zakat** would be equivalent to **$250.**

SECOND YEAR



Their savings reached the amount of **$16,000.** They don't pay Zakat for the whole amount. They are allowed to deduct **$250** from the total amount and they only pay Zakat on **$15,750** for the **second year.** Their Zakat for the second year would be **$393.75.**

This same amount should be deducted from the total value of their savings in the third year before they calculate the portion of Zakat. They should do the same for the rest of the years.

2.3 The Importance of Preparing a Will Document

If someone misses the payment of Zakat for many years, but later repented to Allah and decided to make the payment after doing their calculations, they found out that they don’t have the financial means to immediately make the missed Zakat payment, what should they do?

This payment becomes a debt upon the person, they should then try their best to pay it back as soon as possible.

Furthermore, it becomes an obligation on these people to prepare a will document and include in it all their financial obligations, including any delayed Zakat payment.

It was reported that the Prophet (salla Allahu alaihi wa sallam) said: “It is not permissible for any Muslim who has something to will, to stay for two nights without having his Last Will and Testament written and kept ready with him” (Agreed upon)

On the occasion of death, it becomes mandatory upon the inheritors or the executor of the will to make the payment of Zakat along with the rest of debts on behalf of the deceased.

It is not an obligation upon family members to make the payment of Zakat from their pockets, rather it should be paid back after the deceased person's estates and assets are sold. All their debts should be paid back including the Zakat before any charitable bequest is executed or any inheritance is divided.

3.0 CONCLUSION AND FINAL NOTES

All praise is due to Allah.

The author of this work has tried to cover most of the issues and matters related to the subject of missed Zakat payments.

If those who intend to benefit from this document have some questions which are not answered in this paper, they should consult National Zakat Foundation and their counsellors should be able to provide the necessary answers. They may also check out National Zakat Foundation's website for any answers to their questions.

The following notes are important:

1) Most of the fiqhi opinions that are shared in this document are attributed to the majority of Muslim scholars.

2) The matter of charging individuals with disbelief is a very serious issue, and therefore this task is not left to individuals. It is exclusively the job of judges in a Muslim court and community members don't have the right or the authority to label anyone with disbelief based on theoretical principles shared within research papers or found in books of Islamic jurisprudence.

3) Please note that some jurists are of the view that if a person dies and did not mention in his or her last will that Zakat should be paid on their behalf, it can be ignored and the inheritors don't have the obligation to pay it on behalf of the deceased. However, to be on the safe side, all Muslims are advised to follow the opinion of the majority of Muslim scholars in this case. This will also protect the deceased and relieve him or her from the burden of this obligation on the Day of Judgement.

4) If a person missed the payment of Zakat in the past, and when they passed away, they did not leave any wealth for the repayment of their debts, his or her family members are not obligated to pay back their debts including the payment of Zakat. If some or all of them volunteer to pay the debt, then this would be classified as an act of benevolence and kindness.

5) Finally, some inheritors sometimes refuse to execute the will or pay the debts of the deceased. To add another layer of protection to these financial obligations, the testator is highly recommended to include the debt of Zakat within the charitable bequest. The reason for this arrangement is that the lenders who owe the deceased will eventually follow up with the inheritors and ask for their loans to be paid back. Unlike the Zakat, no one has the legal authority to ask for its fulfillment these days. Therefore, including the debt of Zakat within the official charitable bequest will offer this debt some sort of legal status. And even if the charitable bequest exceeds in this case the portion of 33% from the whole inheritance, this is accepted and should be executed without any hesitation because the real nature of this bequest in this case is debt and not a regular charity.

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