

Zakat and Dayn by Imam al-Kasani

Zakat in Islam must be paid in 'ayn, that is tangible merchandise and cannot be paid in dayn, that is, a debt, a liability or a promissory note. This important matter has been ignored for many years appealing to darurah (exceptionality), since the Dinar and Dirham were not available. The fact that the Dinar and Dirham are available again bring this matter forward once again.

Dayn means wealth, the payment of which attaches as a liability to a legal person (dhimmah), as the result of a transaction ('aqd) or a loan, or as damages for property destroyed (istihlak). Dayn by extension means the class of goods called mithli (fungible); that is, goods whose price (thaman) in sale is determined on the basis of weight (wazn), or volume (kayl), or number ('adad), and among the various units of which there is no difference of value due to human art. The definition of dayn given in the Majallah in a way combines these two meanings. According to it, a stated portion of a heap of wheat is dayn before it has been set off. 'Ayn is the opposite of dayn in the last sense, meaning that is definite and has a bodily existence. Thus, in the above example, the said portion becomes 'ayn by being set off.

It follows a text of the Great Scholar Imam al-Kasani.

"If the property on which zakat fell due is dayn, as distinguished from 'ayn, its zakat may be settled in terms of 'ayn wealth. Thus a person having a claim of two hundred dirhams on which zakat is due, may give, in settlement of the same, five dirhams in cash, because dayn as compared with 'ayn is defective (naqis) and the 'ayn is complete (kamil), and a settlement of the defective in terms of the complete is valid. On the contrary, the settlement of the complete 'ayn in terms of the defective is not valid, and therefore, the zakat debt is not discharged if a person wants to pay the zakat of two hundred dirhams which he possesses (i.e. 'ayn) in terms of the five dirhams which a poor person owes him (i.e. dayn); namely, by absolving him from the debt intending it for his own zakat debt on the two hundred dirhams. Finally, as regards the settlement of the zakat of dayn wealth in terms of dayn wealth, if the wealth on which zakat is due of the kind of dayn which becomes 'ayn is not valid; otherwise is valid. Thus if a person has five dirhams owed to him by a person and two hundred dirhams by another person, he cannot settle the zakat of the two hundred by making a present of five to the debtor as alms, because the two hundred dirhams will become 'ayn when collected, and the settlement of the zakat of 'ayn wealth in terms of dayn is not valid.

An example of the opposite case would be that a person who wanted to settle the zakat of two hundred dirhams owed him by another by making a present of those dirhams to the debtor and intending it for his zakat debt. However, this is allowed only in case of the debtor is a poor person, although there is also a view to the contrary. It goes without saying that the zakat of 'ayn wealth is discharged if paid in terms of 'ayn wealth; if, for instance, one pays the zakat of two hundred dirhams he possesses by paying five out of those two hundred."

Kasani, pp. 42-3

Quoted in *Islamic Theories of Finance* by Nicolas Aghnides, New York : Columbia University, 1916. Pp334-335.