

The Price of the Goods to be Considered when Calculating Zakaah

Question: While the Fuqahaa have stated that zakaah be paid on the cost Of the goods together with the profit, the profit margin is sometimes irregular and it may also occur that the value of the goods depreciate.

Answer: When calculating zakaah, that price should be used to calculate, at Which the goods are being sold in the marketplace. When the markup is not fixed, one should use a percentage that is average so that one does not pay less than one should. It is always best to use a determination in which one pays a little extra.

When a house is built for resale, it will be regarded as stock in trade. Therefore, when calculating zakaah, the value of the house at the time of calculation should be taken into consideration. And Allaah knows best what is most correct.

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