Q: Can an Islamic State impose any tax on its subject other than Zakat and Ushr?

A: There have been two views among the scholars about this question. The first view explicitly recognizes the sanctity of private property and therefore does not allow an Islamic state to use taxes other than Zakat and Ushr. The second and more dominant view is based on the recognition that an Islamic state has to perform many socio-economic functions of Amar Bil-Maaruf wa Nahi-An-al-Munkar and defence. Among these functions, alleviation of poverty, economic growth, social welfare services and social justice are important. Achievement of these goals may necessitate more revenue than can be available from Zakat and Ushr. Therefore, an Islamic state can impose other taxes to be able to perform its multifarious functions.

Contemporary fatawaa