

**Zakat Calculator Ver -2005**

(Use Only YELLOW cells to fill Values. Please read the Summary for details, before filling this)

	Weight in Grams	Price/Gm	Estimated Value	Zakat Payable
<b>1 ZAKAT ON GOLD (2.5%)</b>				
1a 24 Carat Gold/Jewelry				-
1b 22 Carat Gold/Jewelry				-
1c 18 Carat Gold/Jewelry				-
1d Other Gold Valuables. (Pls insert the Current Estimated Value)				-
<b>2 ZAKAT ON PRECIOUS STONES (2.5%)</b> (Contentious subject. Refer Notes. Don't Calculate if you disagree or are uncon				
Calculate the nett Market Value of the Precious stones like Diamonds, Rubies, Etc. and add them to the Estimated Value Column				-
<b>3 ZAKAT ON SILVER (2.5%)</b>				
Include Household Silver Utensils, Artefacts, and Jewellery. For Utensils, usually the silver is 90% pure so take 90% of the total weight				-
<b>4 ZAKAT ON CASH IN HAND /BANK (2.5%)</b> Actual Value				
4a Cash in Hand				-
4b Cash in Bank in Savings Accounts				-
4c Cash in Bank in Current Accounts				-
4d Cash held in Fixed Deposits				-
<b>5 ZAKAT ON LOANS / INVESTMENTS/ FUNDS/ SHARES, ETC (2.5%)</b> Actual Value				
5a Loans Receivable from Friends and Relatives				-
5b Investment in Govt Bonds				-
5c Provident Fund Contribution to date.				-
5d Insurance Premiums including bonus up to date				-
5e Value of Shares (stocks) including Dividends. Take their market value on the date of calculation				-
5f Government Security Deposits, ADRs, etc				-
5g Investment in Private Chits, Funds, etc				-
5f Other Sources of Wealth				-
<b>6 ZAKAT ON LANDED PROPERTY (2.5%)</b> Estimate Value				
6a Landed Property held as an Investment / Business (Estimate the current Market Value)				-
6b Zakat on Rentals Coming from Property (After Deducting for all expenses)				-
<b>7 ZAKAT ON BUSINESS (2.5%)</b> ----- (STOCK-IN-TRADE)				
7a Value of Saleable Stock				
7b Value of Damaged / Dead Stock				
7c Amount Receivable from Credit Sales				
7d LESS: Amount Payable to Suppliers (Credit taken from suppliers for stocking goods)				
7e LESS: Bad Debts				

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<b>TOTAL VALUE OF STOCK ( 7a+7b+7C-7d-7e)</b>			.	-

**8 ZAKAT ON SHARE IN PARTNERSHIP FIRMS (2.5%)**

8a	Capital Balance as per Last balance Sheet			
8b	Loans Advanced by you to the Firm as of Date			
8c	LESS: Withdrawals made by you during the current Year. Accumulated Profit from the date of Balance Sheet to this Date			
8d	(Estimate the Profit Value as it is difficult to get exact figures in the middle of Accounting Year)			
<b>NETT TOTAL WORTH CALCULATED</b>			.	-

**9 ZAKAT ON AGRICULTURAL PRODUCE (10%, 7.5%, 5%)**

	Value of Produce	
9a	Produce Dependent on Rain Water - @ 10% of product (crop) in Value or Kind	-
9b	Produce totally dependent on Artificial Irrigation like Canal, Tank, Borewell, etc. @ 5% of Produce (crop) in Value or in Kind	-
9c	Produce dependent Partially on Rain Water and Partially on Artificial Irrigation @ 7.5% of the produce Value or in Kind	-

**10 ZAKAT ON ANIMALS & POULTRY & FISH FARMING**

	Total Value	
Animals/ Birds more than 6 months Old - @ 1 Animal or Bird PER 40 either in Kind or Value thereof.		-

**GENERAL LIABILITIES** - You need to deduct your direct Payables or Liabilities

11 which have not been deducted earlier - Usage of the loan should have been on Zakatable Wealth only.

11a	Loans taken from from Friends / Relatives		
11b	Loans Taken from Banks / Institutions		
11c	Income Tax / Wealth Tax Payable		
<b>TOTAL LIABILITIES</b>			.

**TOTAL ZAKAT PAYABLE**

**IMPORTANT: PLEASE READ BELOW SUMMARY FOR INSTRUCTIONS & NOTES:**

Dear Brothers & Sisters,

Alhamdulillah, the month of Ramadhan has been bestowed upon us by Allah. ZAKAT is one of the five fundamental pillars of Islam, mandatory on all muslims who are of **eligible** wealth. Zakat is due from and payable by a person on his wealth (and not his income), which has remained with him/her for one Islamic year.

It is difficult to calculate the completion of one year on each item of wealth, because purchase dates may vary. To overcome this difficulty, a practical method is to fix a date (e.g. 1st of Ramadhan), compute your total wealth on that date and calculate Zakat, thereon.

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The attached spreadsheet is a humble attempt at making the calculation process simple and consolidated, for all brothers and sisters who are fortunate to be worthy of paying Zakat. If there are any errors, its purely due to my incomprehension and may be brought to my notice immdtly by email at [ajameel@yahoo.com](mailto:ajameel@yahoo.com). This is also available online at <http://www.geocities.com/ajameel/zakat.html> .Please remember me in your supplications and may Allah give us all the rewards of both worlds. Aameen.

A lot of brothers have asked me what Madhab do I belong and whether this covers Shias, Barelvis, Jaffris, Bohras and other sects. All I can say here is that let us rise above all these covert little shells we have built around us. We are Muslims first and if one is sincere, he will rise above all this sectarianism, read the Quran himself and get the facts firsthand. The practical life of our Prophet SAS is there to be followed and practiced. And pray to Allah that he show us and keep us on the right path. Aaameen.

Yours Brother in Islam, **Arif Jameel**.

### **Details of Each Section to be used in conjunction with the Calculation Spreadsheet.**

#### **Zakat on Pure Gold and Gold Jewellery**

Zakat should be calculated at 2.5% of the market value as on the date of valuation (In our case we consider 1st of Ramadhan). Most Ulema favour the Market Value prevailing as on the date of Calculation and not the purchase price.

#### **Zakat on Precious and Semi-Precious Stones**

There is considerable contention on whether these are to be considered for valuation. In my humble opinion if they have a value, then they calculate towards your wealth, and it is on the wealth that Zakat is mandatory. However please consult with Moulvi, before acting on this section. Most Ulema contend that a diamond is a piece of carbon and its value varies, unlike that of gold or silver.

One may calculate the Saleable Value of Items-at-hand on the date of Zakat Calculation.

#### **Zakat on Silver.**

Zakat is to be paid on Silver in Pure form or Jewellery, Utensils, Decorative items and all household items including crockery, cutlery made of silver at 2.5% of the prevailing market rates.

#### **Zakat on Cash and Bank Balances**

Zakat should be paid at 2.5% on all cash balance and bank balances in your savings, current or FD accounts. The amount technically should be in the bank for one year. Usually it happens that the balance keeps on changing as per personal requirements.

You may make your best judgement and the best way is to pay on remaining amount on the day of calculation

#### **Zakat on Loans Given, Funds, etc**

Zakat is payable by you on loans you have given to your friends and relatives. It should be treated as Cash in Hand. You may deduct Loans Payable by you to arrive at the nett present value of your wealth. However, if you are in doubt, on the return of your money, then you may not calculate it as your wealth. You can add it to your wealth, if and when your receive your money.

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Zakat is payable on all Govt Bonds, Public Sector Bond, paid-up Insurance premiums, your paid-up portion of Provident Funds, Govt Bills receivables, etc. Pls remember you need to be aware of what the sharia says about Insurance and other types of investments. It is outside of the scope of this Zakath Calculator.

### Zakat on Landed Property

Zakat is not payable on personal residential House even if you have more than one and meant for residential purpose only. Also Zakat is not applicable on the value of Property given on rent irrespective of how many. However Zakat is payable on the rental income itself after deducting the maintenance and other expenses.

However if your intention of holding properties is to sell at a future date for a profit or as an investment, then Zakat is payable on the Market Value of the property. Also, if your intention of holding properties changes in the current year, i.e. from self use to business then you need to pay Zakat on that Property Value.

### Zakat on Business:

This is for Business Persons only. No matter what business you are into, you've got to pay Zakat on all STOCK-IN-Hand. Deduct the Amounts due to your suppliers and deduct the loans on stock on the date of calculation. Dead Stock should be calculated on scrap value or its saleable value. Damaged stock should also be valued at its scrap value.

Be honest in the calculations, as ZAKAT is an INSURANCE on your STOCK directly from ALLAH and who better an insurer than Him.

There is no Zakat on Factory Buildings or any kind of machinery, but there is zakat on products produced in the factory (i.e. finished goods value). Please refer to a competent Moulvi or a scholar who can shed more light on your specific issues.

### Zakat on Partnership Firms.

Zakat can be paid EITHER by the firm OR separately by the owners. If the firm is not paying, and the partner wants to calculate his share, he should take the amount standing to his capital and loan account as per the last balance sheet. Add his estimated share of profit till the date zakat is calculated.

This can only be estimated as it is difficult to calculate the exact profit or loss between an accounting year.

### Zakat on Agricultural Product

Zakat is payable on all Agricultural produce including fruits, commercially grown flowers, vegetables and all types of grains at the harvest time itself. The passing of One year does not apply for agricultural produce. If there are two or more crops on the same land per year, then Zakat has to be paid as many times on the crop, irrespective of the time.

The Consensus formula for Zakat calculation on Agriculture is as follows:

On crops dependent purely on rain water it will be 10% of produce, On crops not irrigated through rain water but use Canal Water, Tank Water, Borewell and Open wells, the Zakat is 5% of the produce. For Crops dependent partly on Rain Water and partly on other water, the Zakat applicable would be 7.5% of produce.

### Zakat on Animals

On all grazing animals like goats, sheep, camel, cows, broiler chickens, the consensus Zakat payable is one animal/bird for every 40 animals owned. However you may wish to give cash in lieu of the animal/bird itself.

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Please consult your local Scholar or Maulvi or Imaam who can guide you to the right direction, or refer to books of Fiqh if you would like to have first hand confirmation of the situation.

### **Liabilities Deductions**

If you have any pending tax payable to the govt, as of the date of Zakat Calculation, then the same may be deducted before arriving at the net worth. If you have taken any loans from any person or institution, and if you have not already deducted the same from any of the above sections, then you can deduct your Payables over here. Please be truthful, as Zakat is a sure way of protecting ones wealth if Zakat has been paid on it regularly and fully.

LOANS taken only for Zakatable-Wealth should be deducted. Cars, Houses, etc are not Zakatable wealth. So any loan taken for these purposes are not to be deducted

*FOOTNOTE: Please note that RIBA in any form is Haram and strictly prohibited. So please stay away from taking Loans on Interests AND Collection of Interests from any body or institution or other forms of RIBA'.*

For those who would like more details there is a good site which gives all details on Zakat. Please visit <http://www.islamsa.org.za/library/books/bzewar/part3/zakaat.htm>

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