



Zakat

OBLIGATIONS ON PAYMENT FOR MISSED ZAKAT





INSTANCES WHERE ZAKAT MIGHT HAVE BEEN MISCALCULATED OR NOT PAID:

1. Lack of awareness regarding the importance of paying Zakat, earning it the name **“Forgotten Pillar.”**
2. Not actively practicing Islam.
3. Insufficient knowledge leading to incorrect calculations.
4. Overlooking Zakat obligations during teenage years despite having enough money in the bank.
5. Incorrectly assuming that a student loan exempts one from paying Zakat while studying at university.
6. Uncertainty about whether Zakat should be paid on jewellery.
7. Failing to distinguish between personal and business assets correctly.
8. Confusion regarding Zakat payment on superannuation or other benefits.
9. Misunderstanding the business rules and principals involved in Zakat calculation.

REGARDING A DECEASED LOVED ONE WHO MISSED PAYING ZAKAT IN THE PAST:

Zakat due on the deceased person: The Zakat owed by the deceased should be settled before the inheritance is divided among the heirs. If the inheritance has already been distributed, the responsibility for the unpaid Zakat falls on the inheritors.

Lost Zakat before payment: If Zakat was intended but lost or not given, it must be given again, and the obligation remains until it is fulfilled.

Rectify it now!

There is no time limit for identifying, calculating, and paying missed Zakat; it can be done at any time. However, it is equally crucial not to delay, so don't wait until Ramadan to act!

Ensuring your Zakat is up to date is of utmost importance, as it purifies your wealth and helps you avoid the severe consequences of withholding Zakat—impacting both your current life and the afterlife. So, act promptly and fulfill your Zakat obligation to ensure the blessings and benefits it brings to your financial and spiritual well-being.

DETERMINING THE NUMBER OF MISSED YEARS FOR ZAKAT

This will vary for each individual or business. It is essential to be honest and as accurate as possible. If unsure about the number of years, start by working backward. Identify the year you began paying Zakat and count the years from puberty until that year.

Examples:

For Individual:

You are currently 30 years old, and this is the first year you paid Zakat. You need to make up for years 13 to 29 (the specific range varies for each person), which totals to 17 years.

For Business:

The business is 10 years old, and this is the first year you paid Zakat. You need to make up for years 1 to 9, which is 9 years.

When calculating cash savings for the last 10 years:

- Best year was year 8, amounting to \$5,000
- Worst year was year 2, with zero savings
- Middle amount is \$2,500

Use the average amount (\$2,500) to calculate the Zakat for the last 10 years, which is 2.5% on \$25,000, equating \$625.

Repeat the same process for all other Zakat-eligible assets like shares, properties, gold, silver, etc. Similar methods apply when calculating Zakat for a deceased family member. If unsure about the specific amounts, use your best estimates to determine and fulfill the missed Zakat amount.

