

8 RECIPIENTS (ASNAF) OF ZAKAT

Unlike normal charity, the recipients of Zakat have been specified by Allah (S.W.T) in Surah At-Taubah, verse 60. These 8 groups of recipients are known as the 8 asnaf:

Fakir	One who has neither material possession nor means of livelihood; one who suffers, and has no means to sustain his/her daily needs.
Miskin	One with insufficient means of livelihood to meet his/her basic needs.
Amil	One who is appointed to collect Zakat and the expenses incurred in the administration of Zakat.
Muallaf	One who recently embraced Islam.
Riqab	One who wants to free himself/herself from the bondage or shackles of slavery. In Singapore, this category of recipients is spent to those who need help to pursue their education.
Gharimin	One who is in debt but needs assistance to meet his/her basic needs.
Fisabilillah	One who strives in the cause of Allah for the betterment of the community.
Ibnussabil	Stranded travellers on a permissible journey.

Muis is able to distribute your Zakat to all 8 asnaf as described in the *Syari'ah* (Islamic Law).

METHODS OF ZAKAT PAYMENT

Pay your Zakat throughout the year at the following Authorised Muis Zakat Collection Centres:

Islamic Religious Council of Singapore (Muis)

Mosques:

Abdul Hamid Kg Pasiran	Assyafaah
Ahmad Ibrahim	Assyakirin
Al-Abdul Razak	Darul Aman
Al-Amin	Darul Ghufuran
Al-Ansar	Darul Makmur
Al-Falah	Darussalam
Al-Iman	En-Naeem
Al-Istighfar	Hasanah
Al-Istiqamah	Hj Muhd Salleh (Palmer Rd)
Alkaff Kg Melayu	Hj Yusof
Al-Khair	Jamiyah Ar-Rabitah
Al-Mawaddah	Kg Siglap
Al-Mukminin	Kassim
Al-Muttaqin	Muhajirin
An-Nahdhah	Mujahidin
An-Nur	Mydin
Ar-Raudhah	Sultan

Organization:

Young Women Muslim Association (PPIS)

More ways to pay your Zakat:

Payment form in this brochure
Online payment through Debit eNets at www.zakat.sg
AXS stations (Community Tab)

Advanced monthly instalment via Giro
(Refer to the Zakat by Giro brochures)



Majlis Ugama Islam Singapura
Singapore Islamic Hub (SIH), 273 Braddell Road,
Singapore 579702
Zakat Website: www.zakat.sg | Tel: 63591199

Attn: Zakat & Wakaf Strategic Unit
 Singapore Islamic Hub (SIH), 273 Braddell Road,
 Singapore 579702

MAJLIS UGAMA ISLAM SINGAPURA
 ISLAMIC RELIGIOUS COUNCIL OF SINGAPORE



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ZAKAT ON BUSINESS

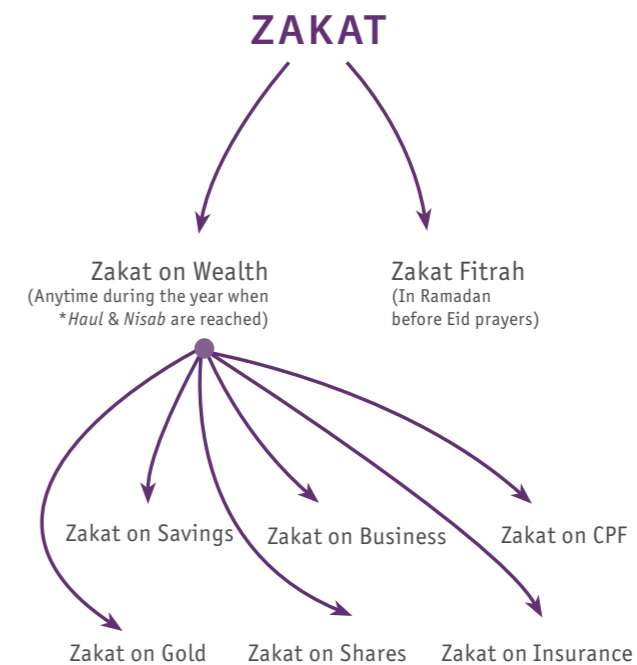
Narrated by Samura bin Jundub R.A.:

The Prophet (saw) used to order us to pay Zakat from our business.

[Abu Dawud]



ABOUT ZAKAT



Zakat is the 3rd pillar of Islam and is the determined share of wealth prescribed by Allah S.W.T. to be distributed to the 8 categories (*asnaf*) entitled to receive it.

A symbol of Islamic social justice, Zakat cleanses your soul, purifies and grows your wealth while eradicating poverty.

- * Haul: Possession of the assets for one Hijrah year or 355 days.
- Nisab: Market value of 86 gram of gold.

ZAKAT ON WEALTH PAYMENT FORM:

Applicant Name/Business Name:

NRIC No./Business Reg. No.:

Block: Unit # -

Street/Building Name:

Postal Code:

Home/Office: Mobile:

Email:

Cheque must be crossed and made payable to:
Majlis Ugama Islam Singapura or Muis.
Send your cheque to:

Zakat and Wakaf Strategic Unit
Majlis Ugama Islam Singapura
Singapore Islamic Hub (SIH)
273 Braddell Road
Singapore 579702

Please indicate (x) on your Zakat Type:

Savings ()	S\$	<input type="text"/>
CPF ()	S\$	<input type="text"/>
Business ()	S\$	<input type="text"/>
Gold ()	S\$	<input type="text"/>
Shares ()	S\$	<input type="text"/>
Insurance ()	S\$	<input type="text"/>

For Individual Only: Zakat-IRAS Auto-Inclusion Scheme

Under Section 14(1)(g) of the Income Tax Act, Zakat contribution is an allowable expense which is deductible against the contributor's income. Do you wish to declare your Zakat payment via the above IRAS auto-inclusion scheme?

YES ()	NO ()
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If yes, please indicate (x) to declare your source of income (for submission to IRAS):

Employment ()	Dividend ()
Rental ()	Trade ()
Others ()	

For Business Only

Zakat on Business claim on Income Tax Return can be filed directly with IRAS. The Zakat receipt is a supporting document.

Zakat Intent

This amount S\$ _____ as my fulfilment of Zakat on Wealth, which is obligatory on me for the year ended _____ for Allah Ta'ala.

REQUIREMENTS FOR OBLIGATORY ZAKAT ON BUSINESS

- **Muslim**
Only the Muslim's share of the business is subjected to Zakat.
- **Compulsory for Halal assets only**
Non-Halal assets and activities are not subjected to Zakat.
- **Haul - Periodic term**
Haul is based on asset value calculated from the initial inception or start of business until the completion of one whole year, according to Hijrah (355 days) or Gregorian (365 days) calendar.
- **Nisab valuation**
Nisab valuation (basic minimum value) is calculated based on the current value of 86 gm of gold.
- **Full ownership (al-Milk at-tam)**
Assets that are fully owned physically (*hiyazah*) or full management control of the assets (*tasaruff*).
- **Compulsory for productive assets (an-Nama')**
The assets must have growth potentials.
- **Intention to do business (urud at-tijarah)**
The intention or purpose for business must be made when an asset becomes part of the business that is conducted in order to gain profit.

COMPUTATION METHODS

The computation of Zakat on Business is based on the *Working Capital Model (*Syari'yyah*) that considers current assets and deducts current liabilities and makes the necessary adjustments at year end.

* The Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI) FAS 9 sets out accounting rules related to Zakat on Business.

SYARAT-SYARAT WAJIB ZAKAT PERNIAGAAN

- **Muslim**
Hanya bahagian pemilikan orang Islam sahaja yang wajib dizakatkan.
- **Harta yang halal**
Harta yang halal sahaja yang diwajibkan Zakat.
- **Cukup haul**
Haul dikira daripada awal perniagaan sehingga genap tempuh satu tahun mengikut kalendar Hijrah (355 hari) atau Masehi (365 hari).
- **Cukup nisab**
Nisab harta perniagaan dan wang dinilai berdasarkan harga pasaran 86 gram emas.
- **Milik sempurna (al-Milk at-tam)**
Zakat diwajibkan terhadap harta perniagaan yang mempunyai status milik sempurna dari segi pemilikan fizikal (*hiyazah*) dan berkuasa mengurus tadbir (*tasaruff*) harta tersebut.
- **Harta yang produktif (an-Nama')**
Harta yang diwajibkan Zakat mestilah yang boleh berkembang atau berpotensi untuk berkembang.
- **Niat untuk perniagaan (urud at-tijarah)**
Niat perniagaan mesti dilakukan apabila harta tersebut dipunyai peniaga dengan bertujuan diperniagakan untuk memperolehi keuntungan.

KAEDAH TAKSIRAN

Taksiran Zakat Perniagaan berpandukan* Kaedah Modal Kerja (*Syari'yyah*) yang mengambil kira kedudukan aset semasa perniagaan, ditolak liabiliti semasa dan dibuat pelarasan.

Zakat perniagaan = (Aset semasa – Liabiliti semasa +/- Pelarasan) x 2.5% x % Pemilikan Muslim

* Organisasi Perakaunan dan Audit bagi Institusi Kewangan Islam (AAOIFI) FAS 9 menetapkan peraturan perakaunan berkaitan Zakat Perniagaan.

GUIDE ON ZAKAT ON BUSINESS CALCULATION

Zakat on Business Payable =
(Current Assets - Current Liabilities
+/- Adjustments)

x 2.5% x % of Muslim Ownership Share

Working Capital Model

1. Current Assets

Bank balance	15,000	
Cash balance	5,000	
Fixed deposit	18,000	
Prepaid expenses	500	
Closing stocks	4,000	
Trade debtors	20,000	
Prepaid expenses	1,500	
Loan receivable	2,000	
Staff welfare fund	700	
Staff loan	2,000	
Other deposits	12,000	80,700

2. Less Current Liabilities

Trade debtors	25,000	
Financial loans	10,000	
Accrued operating expenses	2,000	
Current provision of income tax	1,500	
Overdraft	20,000	
Directors' fees payable	50,000	(108,500)
Net Current Assets		(27,800)

3. +/- Adjustments

Less Current Assets

Bank Interest received	500	
Late payment interest	400	
Deposit for utilities and telephone	500	
Bad debts	2,500	
Obsolete stocks	1,500	
Staff welfare fund	3,000	
Staff loan	5,000	
Loan receivable	2,000	
Other deposit	12,000	27,400

Add Current Assets

Donations in last quarter	200	
Laser printer purchased at last quarter	700	900

Add Current Liabilities

Overdraft	20,000	
Director's fees payable	50,000	
Financial loans	10,000	80,000

Total Net Assets due for Zakat 25,700

4. x Zakat Rate 2.5%
x % of Muslim Ownership Share 80%
ZAKAT DUE 514

SAMPLE CALCULATION FOR SMALL BUSINESS

1. Current Assets	\$
Cash in hand	3,000
Bank balance	5,800
Closing stocks	4,500
Trade debtors	1,500

Total Current Assets (A) 14,800

2. Less Current Liabilities	\$
Trade creditors	500
Accrued operating expenses	2,000

Total Current Liabilities (B) 2,500

Net Current Assets (A-B) 12,300

3. +/- Adjustments

Add Current Assets	\$
Donations in last quarter	500
Personal drawings (Note 1.)	30,000

Less Current Assets	\$
Obsolete stocks	1,000

Total Net Assets due for Zakat 41,800

4. x Zakat Rate 2.5%
x % of Muslim Ownership Share 100%
ZAKAT DUE 1,045

Note 1: Personal drawings that is unlimited and substantial in amount in form of cash, stocks, owner's salary and personal expenses that will reduce Zakat on Business contribution significantly, Zakat must be paid first as these are returns to shareholders.

CALCULATION FORM FOR SMALL BUSINESS

Borang Taksiran Zakat Untuk Perniagaan Kecil

1. Current Assets <i>Aset Semasa</i>	\$
Cash in hand <i>Wang tunai di tangan</i>	
Bank balance <i>Wang tunai di bank</i>	
Closing stocks <i>Stok akhir</i>	
Trade debtors <i>Hutang pelanggan</i>	
Others <i>Lain-lain</i>	
Total Current Assets (A) <i>Jumlah Aset Semasa (A)</i>	

2. Less Current Liabilities <i>Tolak Liabiliti Semasa</i>	\$
Trade creditors <i>Hutang dagangan kepada pembekal</i>	
Accrued operating expenses <i>Lain-lain hutang (kos operasi sahaja)</i>	

Total Current Liabilities (B) *Jumlah Liabiliti Semasa (B)*

Net Current Assets (A-B) *Aset Semasa Bersih (A-B)*

3. +/- Adjustments *Pelarasan*

Add Current Assets <i>Campur Aset Semasa</i>	\$
Donations in last quarter <i>Derma pada suku akhir tahun</i>	
Personal drawings <i>Pengambilan wang kegunaan sendiri</i>	

Less Current Assets *Tolak Aset Semasa*

Obsolete stocks <i>Stok lapuk/Usang</i>	
Others <i>Lain-lain</i>	

Total Net Assets due for Zakat *Nilai Aset yang dikenakan Zakat*

4. x Zakat Rate *Kadar Zakat* 2.5%
x % of Muslim Ownership Share *% Pemilikann Muslim*

ZAKAT DUE *JUMLAH ZAKAT*