

Zakah Accounting for Agriculture According to The *Al-Amwal* Scripture

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Abstract: Al-Amwal scripture by Abu 'Ubayd is a classic scripture that debates about the Islamic economy including zakah accounting for zakatable assets. In this scripture, Abu 'Ubayd take into account the views of scholars prior to submitting his own views. The question is, what are the views of scholars on zakah accounting for agriculture in al-Amwal? How about the view of Abu 'Ubayd on zakah accounting for agriculture in al-Amwal? This paper focus on two things. First, identifying the types of crops that obligatory zakah based on the views of scholars in al-Amwal. Second, analyzing the zakah accounting for agriculture in al-Amwal. Although al-Amwal is a classic scripture, but the view of Abu 'Ubayd in al-Amwal is still relevant and therefore can be used as a basis of reference for debates in zakah accounting for agriculture in the present-day. This is because the arguments and views of the scholars in this scripture are based on the sources from al-Quran and al-Hadith.

Keywords: accounting, agriculture zakah, scholar views, al-Amwal scripture

1. Introduction

This Zakah accounting for agriculture is a process of identifying the types of agriculture that required zakah, determining the zakah rates, and make zakah assessment in fulfilling the obligation of zakah. However, there are at least two differences of opinion in determining the zakah accounting for agriculture, namely first, the types of crops that required zakah; and second, the debt deduction or the deduction of costs. The objectives of this paper therefore first, to identify the types of crops that obligatory zakah based on the views of scholars in *al-Amwal*; second, to analyze the zakah accounting for agriculture in *al-Amwal*; and, to conclude the zakah accounting for agriculture in *al-Amwal*.

2. Methodology

Based on the analysis of the *Al-Amwal* scripture, there are four categories of agricultural products compulsory for zakah. First, the four main types of agricultural products; second, who added types of agricultural products; third, who reduce types of agricultural products; and fourth, view of scholars against all grains. Analyzed the views of scholars in *al-Amwal* scripture as follows:

2.1. View of Scholars on Four Types of Agricultural Products

There are scholars who viewed that the type of agricultural products that required zakah are wheat, barley, dates and grapes. This view is based on the Hadith narrated by Musa ibn

Talha about four types of agricultural products that become the Sunnah of the Prophet. Hadith narrated from ‘Amru ibn Uthman ibn Abdullah ibn Mauhid Maula from family of Talha said, “I heard Musa b. Talha saying, “The Prophet (peace be upon him) advised Mu’adz b. Jabal, when he deputed him to Yaman, to collect Zakah on wheat, barley, dates and grapes” (Abu ‘Ubayd, 2006, p. 395).

Ibn Abi Layla and Sufyan ibn Sa’id, Iraqi scholars also expressed the same view of crops that is not compulsory for zakah except wheat, barley, dates and grapes. The same view expressed by Ibn ‘Umar and Abu Musa al-Asy’ari. Al-Hassan and Ibn Sirin also zakah imposed on wheat, barley, dates and grapes (Abu ‘Ubayd, 2009, p. 576). Abu ‘Ubayd therefore concluded that there are four types of agricultural product that required zakah as in *Al-Amwal* scripture in the view of scholars.

2.2. The View of Scholars Who Added Types of Agricultural Products

There are also scholars who add the types of crops or agricultural products other than wheat, barley, dates and grapes. These scholars have added *sulat* (a type of barley white in color and skinless) and corn as an agricultural product that required zakah. Among the scholars who add the types of agricultural products are Ibn ‘Abbas, Ibrahim, ‘Umar ‘Abd al-Aziz, Makhul, al-Zuhri, al-Azwa’i, Malik ibn ‘Anas, other Iraqi scholars (except Ibn Abi Layla and Sufyan b. Sa’id) and followers who have similar views. The scholars who have agreed to additional types of agricultural products have submitted *dalil* that *sulat* and corn are the same type as wheat although wheat is a staple food for a state (Abu ‘Ubayd, 2009, p. 580). The addition of other types of agricultural products made by some scholars is based on the nature and role of these agricultural products. Generally, only four agricultural products are required zakah, but agricultural products are the main food source or staple food for a state or region. *Sulat* and corn are also required zakah because it is the main source of food for a state. In *al-Amwal* scripture, scholars therefore add other types of agricultural products according to the types of staple food for a country in determining the types of agricultural products that required zakah.

2.3. View of Scholars Who Reduce Types of Agricultural Products

Another opinion is the view of scholars who reduce the types of crops that required zakah in *Al-Amwal* scripture. The types of agricultural products are wheat, barley and dates (zakah is not required for grapes). Scholars who reduce the types of crops that required zakah is Shuraih and asy-Sya’bi. It was narrated from ‘Abbad b. al-‘Awwam from Sufyan b. Husayn from al-Hakam from Shuraih said that: “Zakah will be taken from wheat, barley and date, and not from the grapes” ((Abu ‘Ubayd, 1991, p. 398). It is also narrated from Hushayn from al-Ajlal from asy-Sya’bi also said that: “Zakah is on wheat, barley and date” (Abu ‘Ubayd, 1991, p. 398). Based on this narration, this view is argued because Prophet Muhammad only requires zakah on the staple food of the Arabs only and their staple food are wheat, barley and dates. Wheat and barley are the staple food of the urban Arabs, while the dates are the staple food of the rural Arabs (Abu ‘Ubayd, 1991, p. 399). Therefore, grapes are not compulsory or required zakah as it does not become the staple food of the Arabs.

In general, the views of scholars who add a range of agricultural products and views of scholars who reduce agricultural products type are based on the same arguments. The argument is based on the role of agricultural products which turn out to be the staple food. However, the outlook for the addition of agricultural products by some scholars are based on the combination to all agricultural products that become the staple food, while scholars who

reduced the types of agricultural products are based on fundamental food source of a particular country. Therefore, Abu 'Ubayd has concluded it as two different views although the basis of the argument is the same.

3. Result And Discussion

Abu 'Ubayd has put forward three main points in zakah accounting for agriculture. First, the types of crops or agricultural products that required zakah (as stated previously). Second, *nisab* imposed zakah on agricultural products. Third, the zakah rate to be imposed on the agricultural product. The discussion about the *nisab* and zakah rates imposed on agricultural products in *al-Amwal* scripture as follows:

3.1. Nisab for Agriculture Zakah According Scholars' View

The conditions of zakah *nisab* is imposed on agricultural products must achieve five *ausu* (equivalent of 400 bushels) or more. After agriculture products reached five *ausuq* or more, the rate of agricultural zakah either of *'ushur* (10 percent) or *nishful 'ushur* (5 percent) should be paid. If the *nisab* does not reach five *ausuq*, the agricultural products shall not be counted for zakah. This is based on evidence Hadith of the Prophet and also views from companions and *tabi'in*. Narrated by Abu Sa'id al-Khudri, the Prophet said: "No zakah is due on property mounting to less than five *uqiyas* (of silver), and no Zakat is due on less than five camels, and there is no zakah on less than five *wasqs*" (Al-Bukhori, 1996 Hadith no.561). Generally, *nisab* for agricultural zakah is when the outputs are mature and total weight is five *ausuq*. It is reported that Abdullah b. Ubayd b. 'Umair said that the Prophet Muhammad ordered that a date is estimated or calculated when the fruit begins to ripen and mature. *Nisab* as much as five *ausuq* also expressed through the Hadith narrated by Abu Sa'id al-Khudri and Jabir b. Abdullah. Based on the views and arguments of the scholars are not to make zakah compulsory on agricultural products which do not reach five *ausuq*. Abu 'Ubayd therefore insists there is no obligation to pay zakah on agricultural outputs that does not up to five *ausuq* or more. This view was followed by Sufyan ibn Sa'id al-Awza'i and Malik (Abu 'Ubayd, 2009).

However, there are scholars who do not made zakah compulsory for agricultural products that reach five *ausuq* if the *nisab* is achieved as a result of a combination of two types of agricultural products for example al-Awza'i and Sufyan b. Sa'id. Muhammad b. Syu'aib once asked al-Awza'i to combine wheat and barley and to combine with all other grains until it reach the required amount for zakah (five *ausuq*), but al-Awza'i barred the merging (Abu 'Ubayd, 1991, p. 397). Actually, the prohibition of the combination had been giving a huge advantage to the owner. However, Malik b. Anas has given conflicting views with al-Awza'i and Sufyan b. Sa'id. Malik b. Anas said that, there can be a combination between two types of crops so as to achieve five *ausuq* and more. When the combination has been reached *nisab* five *ausuq*, then zakah is required for the agricultural output. When the total reached five *ausuq* on the agricultural output, it is required to pay zakah on the combination (Abu 'Ubayd, 2009). Abu 'Ubayd also concluded that the combination of these agricultural products are from those scholars who add the type of agricultural products that required zakah other than the four types of agricultural products (wheat, barley, dates and grapes). According to Malik b. Anas, combination of two different types of agricultural products is intended to encourage Muslims to pay zakah on the agricultural outputs. The responsibility to pay zakah is put on to those who own property, including agricultural outputs.

3.2. Zakah Rate for Agriculture According to the View of Scholars

Abu 'Ubayd said that zakah rate for the produced agricultural yield depends on several methods. Among the used production cost is irrigation methods, rates for necessities and debt. There are three costs of production used, namely the irrigation methods, the rate of necessities, and debt or cost of agriculture. The purpose is to determine the law of zakah for people who owe based on the views of scholars.

3.2.1. Irrigation Method

The rate of zakat for agricultural products is determined depending on the method of irrigation used on the agricultural products. Salim b. 'Abdullah narrated from his father that Prophet Muhammad said:

The Prophet (peace be upon him) said, "On a land irrigated by rain water or by natural water channels or if the land is wet due to a nearby water channel *ushr* (i.e. one-tenth) is compulsory (as Zakat); and on the land irrigated by the well, half of an *ushr* (i.e. one-twentieth) is compulsory (as Zakat on the yield of the land)" (Al-Bukhori, 1996 Hadith no. 560).

In addition, the Hadith narrated by Jabir that the Prophet Muhammad said which means: "A tenth is payable on what is watered by rivers, or rains, and a twentieth on what is watered by camels" (Muslim, 1973 Hadith no. 2143). According to the Hadith, there are two zakah rates imposed under irrigation methods used on crops. First, the rate of 10 percent (1/10) imposed on the plants that use natural methods. The natural method it is when we used water from rain, river water, spring water or groundwater (reservoir). Second, the rate of 5 percent (1/20) imposed on the plants that use irrigation methods uses energy and equipment, for example, when we used irrigation equipment (waterwheels) and using animals to transport the water.

Zakah rate for agricultural was also argued by scholars based on the irrigation methods used. Among those scholars are Busr b. Sa'id Al-Hakam b. 'Utayba, Muhammad b. 'Abdurrahman al-Anshari, Ibn 'Umar, Ali bin Abi Talib, Mujahid, Ibn Juraij, Ibrahim and Jabir bin Abdullah. Zakah rates for agricultural are imposed the same, namely 10 percent or 5 percent. (Abu 'Ubayd, 2009, p. 582) categorized irrigation method into two types of methods. First, natural irrigation method; and second, irrigation methods that use labor force (manpower). Natural irrigation methods are about irrigation that use rainwater, river water, springs, irrigation produced by the plant itself (*al-ba'lu*), drainage and canal. Agricultural products that use this method is required to pay zakah rate of 10 per cent (*'ushur*). Irrigation methods which use labor force is about irrigation that uses equipment. Among pail and wheels, energy from the animals such as camels and cows is used as well. The rate of zakah required for agricultural products using this method is 5 percent (*nishful 'ushur*). Therefore, if the agricultural used both of mentioned irrigation methods at the same time, then the zakah rate is determined based on the irrigation methods which is often used. This situation has been argued by Ibnu Juraij and Ibn Atha'.

"Ibnu Juraij asked Atha': "What is about the land of a person, which is sometimes irrigated by wells and sometimes by springs?" He replied, "Zakah will be imposed on it, according to the source of irrigation that dominates in turns" (Abu 'Ubayd, 2006, p. 401).

The determination of zakah rate is between 10 percent (*'ushur*) and 5 percent (*nishful 'ushur*) which happened due to cost, energy and preservation of agricultural products. Results out of natural irrigation method such as rainwater, river water, canal or fountain do not need cost, especially the cost of payments to any party. Agricultural output received by using this

method does not require intensive maintenance. This is because the irrigation system is natural by its character, and therefore, the energy used for this irrigation system is less necessary. Thus, the zakah rate is 10 percent (*'ushur*). Agricultural products that use irrigation method using energy and equipment, requires a higher number of labors. This is because these methods require energy to maintain the agriculture products, to control the irrigation system and regulate all the equipment used. Therefore, this agriculture output is high in cost and zakah rate required is 5 percent which is less than the zakah rate required for using natural irrigation method.

Based on the analysis, irrigation method that uses energy and equipment are more exposed to the risk of damage compared to natural irrigation method. Natural irrigation also exposed to risk such as unpredictable weather. However, this risk can be mitigated by preparing storage of water resources for a limited period.

3.2.2. Necessity Cost or Cost of Living

In addition, zakat rate for agriculture is also determined by the necessity cost. These costs refer to the cost of living/necessities for the owner including his families. Typically, the necessity cost is 1/3 or 1/4 of the harvested crops. In *al-Amwal* scripture, the number of agricultural products collected must be separated partly to attribute to owners of the agricultural products as meeting the necessities of the owner and his family. This is distributed to them at a sufficient rate to meet the needs of their families. Distribution of the agricultural products to owners of agricultural products is based on events that happened to Uthman b. Hunaif (a companion of the Prophet). According to (Abu 'Ubayd, 2009, p. 590), Uthman bin Hunaif had violated the estimated zakah on agriculture because he only demanded payment of zakah to the owner of those agriculture output. But in reality, he does not violate the terms of assessment because the agricultural output has achieved five *ausuq*. His mistake was due to the demand of zakah payment on all of the agricultural outputs including the one consumed by the owner. This is because agricultural outputs used for the purposes of the owner and does not need to be assessed. According to the Hadith narrated from Busyair bin Yasar said that, "Umar Ibn Khathab deputed Abu Hatsmah al-Anshari to assess the possessions of the Muslims. He advised him saying, "When you find the people in their gardens that they have plucked some of their fruits, exempt for them, what they have eaten from it" (Abu 'Ubayd, 2006, p. 406).

Based on the above hadith, Umar Ibn Khattab sent Abu Hatsmah al-Ansari that the yield or crops are calculated at the harvesting time. However, some agricultural output or crops that become the source of food for farmers should be deducted and should not be counted. In addition, the rate of zakah for the needs of the owners must be deducted with 1/3 or 1/4 of the total agricultural output or crops. Hadith from Abdurrahman bin Mas'ud b. Nayar, he said that, "We were sitting in a meeting when Sahal bin Abi Hatsmah came to us, and said, "The Prophet (peace be upon him) said, "when you assess (the produce of fruits), exempt its one-third (from zakah). If you do not exempt one-third, exempt at least one-fourth (of it from Zakah)" (Abu 'Ubayd, 2006, p. 406).

Abu 'Ubayd concluded that there is the easy way or facilities for not to do the assessment on the crops or agricultural products which becomes the needs of the owner. The cost of this requirement is deducted in assessment of agricultural zakah to ensure the needs and welfare of the owner and his family. In addition, by taking into account the needs of the owner and his family are the demands of the Prophet Muhammad. This is so that the needs and welfare of the closest relatives comes in before given to someone else. As the Hadith which is qiyas to the case through Hadith narrated by Jabir, he said, "The Messenger of Allah said: Start with your own self and spend it on yourself, and if anything is left, it should be spent on your family, and

if anything is left (after meeting the needs of the family) it should be spending on relatives, and if anything is left from the family, it should be spent like this, like this. And he was saying: In front of you, on your right and on your left” (Muslim, 1973 Hadith no. 2183). The hadith explained that the Prophet Muhammad demanded that the welfare of self and family comes first. After that, if there is a surplus, it can be given to others. Therefore, it can be concluded that before agricultural output is estimated, the amount of crops to be deducted either 1/3 or 1/4 of the total crops depending on the needs of the owner and his family.

3.2.3. Debt Deduction (Planting Cost)

Debts were also taken into account in determining the rate of zakah for agriculture. This is because the debt is one of the costs of agriculture. In the *al-Amwal* scripture, any debt involved in agriculture is a debt to lease agriculture land. Ibn Shihab was questioned about the debt. Hadith narrated from ‘Abd Allah b. Salih from Al-Layth from Yunus from Ibn Shihab stated that, “Ibn Shihab was asked concerning a person, who took loan against his garden (or farm) which became equal to its produce. Should he pay zakah of this garden or farm? He answered, “We could not find any sunah of the Prophet (peace be upon him) which shows that garden or farm of indebted person was left without paying zakah. Zakah was taken from him in spite of his debt. However, if the person in debt owns gold and silver, Zakah of these will not be taken from him unless he pays his debt” (Abu ‘Ubayd, 2006, pp. 423–424). According to the question, Ibn Shihab argued that a person is required to zakah even though he is still in debts. This opinion is similar to the view of Ibn Sirin. (Abu ‘Ubayd, 2006, p. 424) said: This is in accordance with Ibn Sirin’s tradition in which he says, “The people used to deduct the cash (gold and silver) from the debt but did not deduct the produce of land from the loan”.

Abu ‘Ubayd therefore has taken the view of some scholars in determining the zakah law becomes obligatory for the agricultural product owner in debt. There are two views in determining the law of zakah for those in debt. First, a view that does not made zakah compulsory; and second, the view that made zakah compulsory. Among the scholars who do not made zakah compulsory for those who are in debt is Ibn ‘Abbas, Ibn ‘Umar and Makhul. The view of the law is zakah is not obligatory to the person who is in debt and referred to by the Sunnah of Prophet Muhammad on the purposes of zakah is claimed. Prophet Muhammad made zakah compulsory on the rich and the total amount of zakah collected for distribution to the poor. People who are in debt are people who do not have property. This is due to the ownership of the property is to cover the debt payments.

Furthermore, the debtor is also one of the recipients who are eligible to receive zakah. As the word of Allah says, “The alms are surely only for the poor and for the needy, and for those employed to administer alms, and for those whose hearts have been recently reconciled to the faith, and for captives and those burdened with debts, and (to be spent) for the cause of Allah, and for the wayfarers (stranded on the way). (Such ordinance is) a duty enjoined by Allah. And Allah is All-Knowing, All-Wise”.

Thus, the debtor (*al-Gharim*) is not obliged to pay zakah because they are one of those recipients of asnaf who receives zakah. In addition, there are two possibilities for plantation owners in debt entitled to receive zakah. First, receiving zakah as the poor (because they do not have property) and the second, receive zakah because they are debtor. However, there are scholars require zakah on agricultural product or crops even if the owner has a debt such as debt in leased agricultural land. Some scholars made zakah compulsory on the owner who is in debt such as Ibn Shihab, Ibn Sirin, Al-Awza’i, Hijaz scholars and most Iraqi scholars. This view is based on the Hadith by ‘Umar Ibn Khattab, “We will give them zakah though, they own hundred camels, is for such persons, who are indebted.” Abu ‘Ubayd said, “I heard this

(above mentioned) tradition from Mu'awiyah and Yazid on the authorities of Hajjāj from 'Amr Ibn Murra from 'Umar" (Abu 'Ubayd, 2006, p. 425).

Based on this view, Abu 'Ubayd pointed out that the validity of the debt can't be determined whether the debtor is really in debt or not. Validity can't be identified through questions to the debtor because their statements are not accepted, and the owner still obliged to pay zakah. Furthermore, the debt is more likely to have an inner nature and can't be seen from the surface. Thus, it is feared that the owner may be doing fraud or not want to pay the zakah. Accordingly, Malik bin Anas said that the owner who rented agricultural land from another person and the tenant farming on it, the land is known as the land of *al-'ushur* (Abu 'Ubayd, 2009). The rate of zakah must be issued at 10 percent because the ownership of agricultural products is belonging to the tenants, although the agriculture is grown on the rented land. This is because, the duration of the land ownership does not have *haul* because the agricultural product belongs to the tenant directly during the agreement. However, zakah is required when the crops are ripe and harvested. According to Malik bin Anas, even if the tenant is obliged to pay zakah, they still have to pay rent to the landlord. This view is in contrast to the view of Sufyan bin Sa'īd. He said that if agricultural products are grown on the rented land and it was turned over to his other heirs, then there is no zakah imposed on the heir (Abu 'Ubayd, 2006, p. 619). It can be concluded that there are two views on the law of zakah payment for the debtors. First, the debtor is obliged to pay zakah. This is because the debt status of a person is difficult to determine its validity. Second, the debtor is not required to pay zakah. The law is based on the eight asnaf of zakat recipients described in verse 60 of Surah al-Tawbah. Thus, a debtor is not required to pay zakah because he is included in as one of the eight asnaf.

4. Conclusion

Based on the analysis of the zakah accounting methods for agriculture *al-Amwal* scripture, *nisab* for agricultural zakah should reach five *ausuq* and zakah rate is determined by taking into account the cost of production such as irrigation methods, rates and debts (farming costs). Then, assessment method for agricultural zakah is made after determining the types of crops that required zakah, *nisab* and the rate of zakah for agriculture required on the agricultural products. Analysis of the *al-Amwal* scripture has given clear information about the zakah accounting for agriculture. If the method of accounting is understood clearly, the assessment can be implemented in the right way and precisely. *Al-Amwal* scripture therefore could be a reference to the current zakah accounting for agriculture.

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