The Estimation of the Potential Capacity of Zakah
A Case Study of Iran

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ABSTRACT

The charity is one of the stable taxes of Islamic government and its most important consumption is removing poverty of Community. It also is one of the important factors in Islamic economy. Based or juridical bases, zakah is essential for some commodity, these commodities are as following. Quadruplet corn (wheat, barley, dates and raisin) triad animals (camel, cow and sheep) and current gold and silver coins each of these commodities is payable based on value and condition that is special to them. The survey with considering juridical literature establish zakah functions and provide suitable and applying model to compute potential capacity of charity and by applying this model compute potential capacity of charity from 2000 to 2010 in Iran. The results of survey show that zakah by itself is insufficient to remove poverty in community and we should use another types of Islamic taxes.

KEY WORDS: Zakah, Islamic Tax, Poverty, Iran

INTRODUCTION

Zakah is one of the most important source of Islamic government and constituent of constant taxes. Mater of charity in Quran is as important as pray. And Quran wherever command to pray, command to charity too many people confirm zakah as a condition for qualifying of pray. When zakah is a qualification condition for pray and pray is the most important base of religion. It shows the importance of zakah, it is one of Religious base and an essential to economy. According to juridical statement zakah is a certain value which every Muslim who is not poor must pay as a financial necessitous. The most important reason of paying zakah is adjusting incomes and removing economical and social poverty. Zekah is divided in to two group namely zakah of property and zakah of bodies, zekah of bodies is a tax which each Muslim who is not poor must pay 3kg of his/her usually nutrition (such as wheat, barley, maize, rice, bread) to poor people or Islamic government at lunar new year night celebration annually in addition to one can pay the price of these nutritious.

Poor people don’t pay these taxes. zakah of property include, quadruplet corn (wheat, barley, dates, raisin), triad animals (cow, camel and sheep) and current gold and silver coins the condition for zakah of quadruplet corn to be necessitous is value and to be owner or landlord the constant value is equal to 847.207 kg and if it be less that this value the owner should not pay the extent of zekah. Based on waterless or watery implant of corn are different special conditions for paying livestock zekah are passing a period of year, constant value and no to be board.

Of course, the required constant value for each of lives tocks type is different special condition for current gold and silver coins’s zekah are passing a period of 1 year of ownership reaching to constant valve and that gold or silver should be in the form of usual coins.

Ayatollah Shahroudi analyzes the different views about the payment conditions of zakat and he focuses on the maturity age as the condition of givers and he concludes that it is not necessary the wealth owner be mature during the year, rather, sufficient the owner be mature when he or she pays Zakah. Mr Qomi discusses government financial resources. He States the sayings of the clergymen about Khums, Zakah and Public Endowments and he concludes that although Zakah uses are, in general, specific, wealth owners can pay it directly to poor people. But if the Islamic ruler demands it, the wealth owner must pay it to him. Mr Hajyan analyzes the zakat etymological and historical origin, historical processes and evolution of the word of Zakah.

Unfortunately, with respect to importance of paying charity in Islam, there is no a complete and applied model to compute potential capacity of zakah and the only computing model is that provided by F.Sameni’s thesis so he provided an applied model and determined the potential capacity of charity based on agricultural public statistics outcomes in 1998 this survey in addition to introduce his model, compute the potential capacity of zakah in In the recent years.

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Since the previous researches have not presented an applied and calculating model in order to estimate the potential capacity of zakah, this study is the necessary. This study is looking for answers of the following questions:

1 - Is it possible to design a model that we can estimate Zakah potential capacity in the country by the uses of it?
2 – How much is the amount of Zakah potential capacity between 2000 and 2011?
3 – Is the earning income of Zakah enough singly to remove poverty in the country or the government has to collect other Islamic taxes from people?

The research designs the estimating model, of zakah, and through this model estimates the zakah potential capacity under the years of the study. And it resolves lack of resources to study this problem.

**RESEARCH METHODOLOGY**

We know that property’s zakah include, quadruplet corn (wheat, barley, dates and raisin) triad animals (camel, cow, sheep) and current gold and silver coins. So in order to computing potential capacity of zakah we must use juridical sources and provide suitable function to estimates of zakah.

Considering that value and condition for paying charity of total of quadruplet corn is the same, they are different based on type of growth whether water growth or water less growth we can provide these functions to paying charity of agricultural products:

\[
Z_n = \begin{cases} 
0 & , \quad CGP_i < 847.207 kg \\
\frac{1}{10} CNP_i & , \quad CGP_i \geq 847.207 kg 
\end{cases}
\]

\[
Z_{wi} = \begin{cases} 
0 & , \quad CGP_i < 847.207 kg \\
\frac{1}{20} CNP_i & , \quad CGP_i \geq 847.207 kg 
\end{cases}
\]

Here I means one of corns, CGP, means i corn gross production, CNP, means corn net production. Z means Zakah value of waterless product and Z means Zakah value of water growth products.

We can find by applying juridical resources that the condition for paying zakat is different in triad gratuity so we should provide a special charity function for each of triad gratuity. The zakah function of sheep is as following in this function:

\[
Z_{sh} = \begin{cases} 
0 & , \quad 1 \leq M \leq 39 \\
1 & , \quad 40 \leq M \leq 120 \\
2 & , \quad 121 \leq M \leq 200 \\
3 & , \quad 201 \leq M \leq 300 \\
4 & , \quad 301 \leq M \leq 499 \\
5 + k & , \quad 500 + 100k \leq M < 500 + 100(k + 1) \quad , \quad k = 0, 1, 2, \ldots
\end{cases}
\]

M means number of sheep and Z, based on number of sheep is sheep zakah.

By applying juridical resource we can provide cow charity function as following:

\[
Z_{co} = \begin{cases} 
0 & , \quad 1 \leq N \leq 29 \\
0.45 & , \quad 30 \leq N \leq 39 \\
0.6 & , \quad 40 \leq N \leq 59 \\
0.015(60 + 10k) & , \quad 60 + 10k \leq N < 60 + 10(k + 1) \quad , \quad k = 0, 1, 2, \ldots
\end{cases}
\]

In this function, N means number of cow and Z means cow charity based on cow number. We can also provide camel zakah function as following:

\[
Z_{ca} = \begin{cases} 
0.1 \left( \frac{T}{15} \right) & , \quad T \leq 5 \\
0.02(26 + 10k) & , \quad 26 \leq T < 26 + 10(k + 1) \quad , k = 0, 1 \\
0.02(46 + 15k) & , \quad 46 + 15k \leq T < 46 + 15(k + 1) \quad , \quad k = 0, 1, 2 \\
1.82 & , \quad 91 \leq T \leq 120 \\
2.42 & , \quad 121 \leq T \leq 129 \\
0.02(140 + 10k) & , \quad 140 + 10k \leq T < 140 + 10(k + 1) \quad , \quad k = 0, 1, 2, \ldots
\end{cases}
\]

In this function Z means camel zakah based on camel numbers.

On the other hand gold and silver are two cases of zakah cases; we can provide gold zakah function as this form:

\[
Z_g = \begin{cases} 
\frac{1}{40} (20 + 4k) & , \quad 20 + 4k \leq Y < 20 + 4(k + 1) \quad , \quad k = 0, 1, 2, \ldots \\
\end{cases}
\]

\[
Z_g = \begin{cases} 
\frac{1}{10} \left( \frac{Y}{4} \right) & , \quad Y \geq 20
\end{cases}
\]

In this function Y means income based on dinar and Z means gold’s zakah. Silver’s zakah function is as this form:
In this function, $H$ means income based on dirham and $Z$ mean’s silver’s zakah.

RESULTS

According to last public agriculture statistics in Iran and computed cases, and using Sameni’s applying and computing zakah models, zakah potential capacity has been 745 Rials in 2003, we should note that zakah of Gold and Silver based on juridical different perspectives is about zero. For estimating zakah in the years which public agricultural statistics isn’t performed, there isn’t any sufficient resource. It is suppose that potential capacity ratio of corn zakah to added value of agriculture part and also potential capacity ratio of triad animals zakah to additional value of ranching and hunting be constant, these following outcomes is provided for 2000 and 2010 years:

Table 1: The Quantities Potential Capacity Zakah in Iran between 2000 and 2010-Billion rials- (Source: Statistical Center of Iran, national statistical yearbooks, plus computing of researcher)

<table>
<thead>
<tr>
<th>Year</th>
<th>Value-Added Livestock Value-Added Agriculture</th>
<th>The Zakah of Animals</th>
<th>The Zakah of Grains</th>
<th>Total Of The Zakah</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>20857</td>
<td>51210</td>
<td>234</td>
<td>190</td>
</tr>
<tr>
<td>2001</td>
<td>22365</td>
<td>56505</td>
<td>251</td>
<td>230</td>
</tr>
<tr>
<td>2002</td>
<td>27305</td>
<td>74521</td>
<td>307</td>
<td>303</td>
</tr>
<tr>
<td>2003</td>
<td>33735</td>
<td>90070</td>
<td>379</td>
<td>366</td>
</tr>
<tr>
<td>2004</td>
<td>39800</td>
<td>102082</td>
<td>447</td>
<td>415</td>
</tr>
<tr>
<td>2005</td>
<td>46059</td>
<td>119988</td>
<td>518</td>
<td>488</td>
</tr>
<tr>
<td>2006</td>
<td>53907</td>
<td>153201</td>
<td>606</td>
<td>623</td>
</tr>
<tr>
<td>2007</td>
<td>66748</td>
<td>189696</td>
<td>750</td>
<td>771</td>
</tr>
<tr>
<td>2008</td>
<td>80765</td>
<td>229532</td>
<td>907</td>
<td>933</td>
</tr>
<tr>
<td>2009</td>
<td>91108</td>
<td>2539309</td>
<td>1043</td>
<td>1012</td>
</tr>
<tr>
<td>2010</td>
<td>107111</td>
<td>313095</td>
<td>1304</td>
<td>1237</td>
</tr>
</tbody>
</table>

Figure1: The Quantities Potential Capacity Zakah in Iran between 2000 and 2010-Billion rials (x Axis shows the years)

So if we compare required budget of country in order to remove poverty with potential capacity of zakah we will find that this quantity of zakah is insufficient to remove poverty completely.

So, for removing poverty completely in Iran in addition of zakah we need other types of Islamic taxes, such as zakah of lunar New Year night, tax of One fifth Khums and etc. So we must admit that the amount of zakah received from people according to its nine cases is not enough singly to remove poverty in the country because the amount of
zakah received is a small percentage of the tax. And the government has to get the other Islamic taxes for social justice and poverty eradication in the country. In other words, according to the changes of time and place in the nature of the main sources of wealth, it is necessary that Islamic states also collect other Islamic taxes from people. In addition the monopoly or non-monopoly of Zakah material must be seriously analyzed by the clergymen.

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