127807 - Ruling on renting out the accommodation provided for him by the company

the question

The company has provided me with furnished accommodation, and they do not charge me any money in return for that. A friend has suggested to me that he could come and live with me on the basis that he gives me part of the accommodation costs that his company for which he works gives to him (which is a different company than my company) and keep the rest for himself. If this haraam or halaal for both parties in this case, and in the event that he gives me the full costs of accommodation and never gets any of it?.

Detailed answer

Praise be to Allah.

What some companies give to their employees of accommodation to live in falls into two categories:

1.The right to use it and benefit from it belongs to the employee, so he has the right to live in the house or to rent it out to someone else or to rent out part of it. The basic principle concerning that is that the one who has the right to use something is permitted to benefit from it himself or to let someone else benefit from it who will use it in the same manner.

2.Where there is permission to live in it only, and he does not have the right to make use of it. In that case the employee does not have the right to rent out the house or part of it. This is like the accommodation that is provided by the university to its students; they have the right to make live in it but they do not possess the right to benefit from it, and if a student does not need the accommodation he does not have the right to rent it out to someone else.

Based on that, if neither of the two possibilities is stated in the contract, then it is essential to ask the company. If they allow him to rent out the accommodation or to let someone else live with

him, then there is nothing wrong with it; but if they do not allow that, then you do not have the right to let someone else live with you.

The scholars of the Standing Committee for Issuing Fatwas were asked: Most of the companies allow employees some benefits, one of which is that the company will give the employee the choice between taking accommodation to live in with his family or an equivalent amount of cash, which accompanies call the accommodation allowance. The company system prevents use of the accommodation except by the employee himself. It has become common among employees who get accommodation to rent out the accommodation to people who do not work for the company. What is the ruling on this money in this case; is it halaal or haraam wealth? We hope that you can explain the matter because it happens a great deal. May Allaah bless you. Please note that this action is against company rules and may result in a penalty.

They replied:

If the company system states that the accommodation is only for the employee himself to live in and that he does not have the right to rent it out to others, and he has agreed to that, then it is not permissible for the one who takes accommodation from the company to rent it out to someone else, because this is contrary to the conditions stipulated between the employee and the company. And Allaah is the source of strength. May Allaah send blessings and peace upon our Prophet Muhammad and his family and Companions. End quote.

Fataawa al-Lajnah al-Daa'imah, 14/468

And Allaah knows best.