13945 - It is permissible to waive part of a debt in return for bringing forward repayment.

the question

I have a debt which is not due to be repaid yet, but the lender has asked me to repay it ahead of time. I agreed, but on condition that he waive part of the debt. Is that permissible?.

Detailed answer

Praise be to Allah.

If the lender or debtor wants to pay off the debt before it is due, it is permissible to waive part of the debt in return for bringing forward the repayment.

This issue is referred to by the scholars as da’ wa ta’ajjal, i.e., waive part of the debt and bring forward repayment.

The scholars differed as to whether this transaction is valid. Most of the scholars were of the view that it is haraam, and they quoted as evidence the fact that this transaction is akin to riba, concerning which there is consensus that it is haraam. Riba (interest, usury) means paying extra on a debt in return for delaying payment. But in this case it is the mirror image, i.e., reducing the debt in return for bringing forward repayment.

Al-Sarkhasi said in his book al-Mabsoot:

If a man owes something to another man, to be paid later, and it is the price of something that has been bought, and he waives part of it in return for bringing the payment forward, that is not good … because this is the mirror image of increasing the debt in return for delaying payment, which is riba. Do you not see that in the case of a debt that is due, if they agree to increase the debt so that he can pay it later, do you not agree that this is not permissible? By the same token, with regard to the debt that is not yet due, waiving part of it in return for it being paid sooner is the

same.

Ibn Rushd al-Maaliki said in his book Bidaayah al-Mujtahid (2/144): The argument of those who said that this is not permissible is that it is like paying extra if more time is given, and there is consensus that that is haraam.

Others were of the view that it is permissible, such as ‘Abd-Allaah ibn ‘Abbaas and Zayd ibn Thaabit (may Allaah be pleased with them). This is also one of the two opinions of Imam al_Shaafa’i and Imam Ahmad. This view was also favoured by Shaykh al-Islam Ibn Taymiyah and his student Ibn al-Qayyim. It was also regarded as permissible by Ibn ‘Aabideen among the Hanafi fuqaha’, as stated in his footnotes on al-Durr al-Mukhtaar, 5/160

They quoted several things as evidence for its being permissible:

1 – The report narrated by al-Haakim and al-Tabaraani from Ibn ‘Abbaas, according to which when the Prophet (peace and blessings of Allaah be upon him) was commanded to expel Bani al-Nadeer, some of them came to him and said: “O Prophet of Allaah, you have been commanded to expel us but some people owe us money which is not due to be paid yet.” The Messenger of Allaah (peace and blessings of Allaah be upon him) said: “Waive some of the debt so that they will pay you sooner.”

In Majma’ al-Zawaa’id it says that its isnaad includes Muslim ibn Khaalid al-Zinji, who is da’eef (weak) but some regarded him as mawthooq (trustworthy).

Ibn al-Qayyim (may Allaah have mercy on him) said in Ahkaam Ahl al-Dhimmah (1/396): Its isnaad is hasan and there is nothing wrong with it apart from Muslim ibn Khaalid al-Zinji, whose hadeeth does not go below the level of hasan.

2 – The words of ‘Abd-Allaah ibn ‘Abbaas (may Allaah be pleased with him): “Rather riba means delay payment for me and I shall increase the amount; it does not mean bring forward the payment and I will waive some of the debt.”

3 – The fact that this transaction benefits both parties (the lender and the debtor); the lender

benefits from having the loan repaid sooner, and the debtor benefits from having part of the debt waived.

They responded to the evidence of those who regard it as haraam by stating that comparing this transaction to riba is not correct, because it is the opposite of riba. In the case of riba, the debt is increased in return for delaying repayment, but in this case the debt and the time are both reduced. So how can something be compared to its opposite? This is what is meant by the words of Ibn ‘Abbaas quoted above.

Ibn al-Qayyim (may Allaah have mercy on him) said:

This is the opposite of riba, for riba means increasing the time allowed and the amount owed, which is harmful to the debtor. But what we are talking about means that the debtor pays off his debt and the lender benefits by receiving repayment sooner. So both parties benefit without either being harmed, unlike the case of riba on which there is consensus, because in that case the harm is done to the debtor, and all the benefit goes to the lender. This is the opposite of riba.

The Standing Committee was asked about this matter and said:

This is an issue concerning which there is a difference of opinion among the scholars. The correct scholarly view is that it is permissible to waive debts and bring forward repayment. This was narrated from Imam Ahmad and was the view favoured by Shaykh Ibn Taymiyah and Shaykh Ibn al-Qayyim. It was attributed to Ibn ‘Abbaas (may Allaah be pleased with him).

Fataawa al-Lajnah, 13/168

A statement issued by the Fiqh Council says:

Waiving part of a debt in order to bring forward repayment, whether that is at the request of the lender or the debtor, is permissible according to sharee’ah, and it is not the kind of riba that is haraam.

And Allaah knows best.