145770 - Zakah is obligatory on all types of gold

the question

I am going to trade in 24-karat gold, but not on a daily basis. For example, I have a gold ingot and if I realise that the price has risen, I will sell it, but if the price drops I will not sell it. If I am waiting for the price to rise again, is it regarded as trade goods? Do the rulings on zakah apply to it, and what is the rate of zakah? Please note that my intention is not to buy and sell gold, except when the price rises.

Detailed answer

Praise be to Allah.

Firstly:

Zakah is due on gold of all types, if it reaches the nisab (minimum threshold at which zakah becomes due), regardless of whether it is kept for sale or not, unless it is permissible jewellery that is kept to be worn. In that case, there is a difference of scholarly opinion, but the more correct view is that it is subject to zakah, as has been explained previously in the answers to questions no. 19901 and 59866 .

Secondly:

The nisab for pure (24-karat) gold is 85 grams. If someone owns gold of this amount, and one full hijri year has passed since he acquired it, then he must give zakah on it. The amount he must give is one quarter of one tenth (2.5%), to be given from the gold itself, or the value of the gold must be worked out based on today’s price, then the value of the zakah may be given in cash.

For more information, please see the answer to question no. 64 .

We ask Allah the Most Generous to bless us and you and all the Muslims with halal provision, and

to guide us all to the truth, for He, may He be glorified, is able to do that.

And Allah knows best.