98713 - He accepted a gift coupon – can he sell it for less than its value?

the question

If a company gives its employees gift coupons to buy goods for a certain value, is it permissible to sell the coupon for less than its value?.

Detailed answer

Praise be to Allah.

The gift coupon that allows the bearer to buy goods from a specific store is regarded as a voucher for a specific amount of goods; it is not regarded as a voucher for money. Based on that, this coupon does not come under the same ruling as dealings in cash, rather it should be regarded in the same manner as what it represents of goods.

Selling vouchers for food or clothing etc is subject to further discussion.

If something is given in return for the coupons, such as if a person buys them for a certain price, then he wants to sell them, if they are only for food then it is not permissible to sell them, because the coupon is a voucher for food, so it is like selling food before taking possession of it, which is forbidden according to scholarly consensus.

Ibn al-Mundhir (may Allah have mercy on him) said: The scholars are unanimously agreed that the one who buys food does not have the right to sell it until he takes possession of it. Once it enters his possession, then it is permissible for him to sell it and dispose of it."(Al-Mughni 4/88).

If it is for something other than food, then there is a difference of opinion among the scholars with regard to selling it before taking possession of the goods. The correct view is that it is not permissible, because of the general meaning of the evidence which forbids selling goods before taking possession of them, such as the words of the Prophet (peace and blessings of Allah be upon

him) to Hakeem ibn Hizaam (may Allah be pleased with him): “If you buy something, do not sell it before you take possession of it.” Narrated by Ahmad (15399) and al-Nasaa’i (613); classed as saheeh by al-Albani in Saheeh al-Jaami’ no. 342.

Abu Dawood (3499) narrated from Zayd ibn Thaabit that the Prophet (peace and blessings of Allah be upon him) forbade selling goods where they were bought, until the merchants moved them to their own location. This hadith was classed as hasan by al-Albani in Saheeh Abi Dawood.

In al-Saheehayn it is narrated from Ibn ‘Abbaas that the Prophet (peace and blessings of Allah be upon him) said: “Whoever buys some foodstuff, let him not sell it until he has received it in full.” Narrated by al-Bukhaari (2132) and Muslim (1525). Muslim added that Ibn ‘Abbaas said: I think that all things are like this, i.e., that there is no difference between food and other goods in this regard.

But if nothing was given in return for the coupons, such as if they were a gift from the company to its employees, there is also a difference of opinion with regard to selling them before taking possession of the goods to which they entitle one.

That is because of the report narrated by Muslim (2818) from Abu Hurayrah, that he said to Marwaan: Have you made permissible a transaction involving riba? Marwaan said: I have not done that. Abu Hurayrah said: You have made permissible the selling of sakks [sakk: a letter from the ruler ordering that food and other items be given to a certain person]. The Messenger of Allah (S) forbade selling foodstuff until it has been received in full. Then Marwaan addressed the people and forbade such transactions.

Maalik narrated in al-Muwatta’ that he heard that sakks were issued to the people at the time of Marwaan ibn Hakam for food, and the people traded these sakks (vouchers) amongst themselves before receiving the food in full. Zayd ibn Thaabit and another of the companions of the Messenger of Allah (peace and blessings of Allah be upon him) entered upon Marwaan ibn Hakam and said: have you made permissible a transaction involving riba, O Marwaan? He said: I seek refuge with Allah! Why is that? They said: These sakks that the people buy then they sell them

before they receive the food in full. Marwaan sent the guards to look for them and take them away from people, and give them back to their rightful owners.

The scholars differed as to what is meant by this hadith, and there are two views:

1 – That the one who takes a sakk (voucher) from the bayt al-maal may sell it before taking possession (of the food), because he did not give anything in return for it. But the one who buys it does not have the right to sell it until after he has taken possession of the food. This is the view of the Maalikis and Shaafa'is.

2 – That all people are forbidden to sell it before taking possession of it. This is the view of Imam Ahmad.

See: al-Muntaqa by al-Baaji (4/284); Haashiyat al-Dasooqi (3/151); al-Qawaa'id by Ibn Rajab (p.84); al-Muhadhdhab ma'a al-Majmoo' (9/328).

Al-Nawawi (may Allah have mercy on him) said in Sharh Muslim: The sakk is a document that represents something that is owed. What is meant here is the document that is issued by the governor for food, which entitled a person to such and such of food or other goods, which the owner sells to that person before taking possession of it. The scholars differed concerning that, but the more correct view according to our companions and others is that it is permissible to sell them.

2 – Those who disallowed it based that on the apparent meaning of the words of Abu Hurayrah and his argument, whereas those who allowed it interpreted the case of Abu Hurayrah as meaning that the one who bought the sakk from the one to whom it was issued sold it to a third party, before the buyer took full possession of it, so the prohibition applies to the second sale, not the first, because the one to whom it was issued was the owner and was not a buyer, so he was not forbidden to sell it before taking possession of it, just as it is not forbidden to sell what one inherits before taking possession of it. al-Qaadi Iyaad said, after explaining it in a similar manner: They used to trade in them, and the buyer would sell them before taking possession of them, so they were forbidden to do that. He said: News of that reached 'Umar ibn al-Khattaab and he rejected it

and said: Do not sell food until you have taken full possession of it. End quote. This is the hadith in al-Muwatta’.

The hadith is explained in al-Muwatta’, where it says that sakks were issued to the people at the time of Marwaan for food, and the people strated dealing in those sakks before taking full possession of them. There is a clearer report in al-Muwatta’ which says that Hakeen ibn Hizaam bought food concerning which ‘Umar ibn al-Khattaab (may Allah be pleased with him) had issued a document, and Hakeem sold the food that he bough before he took possession of it. And Allah knows best. End quote.

Among the evidence for the view that it is permissible is the report narrated by ‘Abd al-Razzaaq in his Musannaf (131) from al-Zuhri, that Ibn ‘Umar and Zayd ibn Thaabit did not see anything wrong with selling food if vouchers were issued, and they said: Do not sell it until you take possession of it.

This supports the first view, which is that the prohibition does not apply to the one who takes the sakk and sells it before taking possession of it, rather the prohibition is addressed to the one who buys it from him: he should not sell it until he takes possession of it.

But there remains one more issue, which is that the coupon for the product may involve a kind of ambiguity, as it does not stipulate the product for which it may be used. It seems that this ambiguity is permissible, because the product is limited to a certain amount of money, so it may be known later on what it is.

To sum up: it is permissible for the one who receives the coupon as a gift from the company to sell it to someone else. But the one who buys it does not have the right to sell it to a third party until he takes possession of the product.

Shaykh Khaalid al-Mushayqih has issued a fatwa stating that this sale is permissible. We also asked Shaykh Yoosuf al-Shubayli about this transaction and he ruled that it is permissible.

And Allah knows best.