49677 - Where should he deposit his mon\ey in these times when riba is so widespread?

the question

Where should I deposit my money in an age when people have become so negligent and the banks are dubious because of riba, and we have no Islamic banks and keeping the money at home is not safe? I want to deposit my money in a place that is permissible, without committing any sin. And I want to invest it and pay zakaah on it, otherwise it will get used up and the amount of zakaah will be reduced.

Detailed answer

Praise be to Allah.

Depositing one’s money in a riba-based bank helps the bank to deal in riba; this applies even if you do not get any interest on your deposit.

If you do get interest, this is the riba that is forbidden by Allaah and His Messenger. The Messenger of Allaah (peace and blessings of Allaah be upon him) cursed the one who consumes riba and the one who gives it.

Whoever has wealth that he wants to save or invest should look for a permissible way of doing so. He may give the money to a trustworthy man to do business with it for him, and they can share the profit in whatever manner they agree upon.

If he cannot find any way to save it other than depositing it in the bank, then there is no sin in that if it is done out of necessity, so long as that does not involve any interest.

He should choose the least evil of the banks, and the one that is closest to the way of dealing that is prescribed in sharee’ah.

Shaykh ‘Abd al-‘Azeez ibn Baaz (may Allaah have mercy on him) said:

With regard to depositing money in bank accounts that pay interest monthly or annually, this is a kind of riba that is forbidden according to scholarly consensus. With regard to depositing it without interest, it is better not to do that except in cases of necessity if the bank deals with interest, because depositing money with the bank, even if no interest is paid, helps the bank to engage in its riba-based transactions, so there is the fear that the one who does this may come under the heading of those who help others in sin and transgression, even if he does not intend to do so. We must beware of that which Allaah has forbidden and look for sound ways of preserving and disposing of wealth. May Allaah help the Muslims to do that which will lead to their happiness and victory and salvation. May He help them to quickly establish Islamic banks that are free of riba, for He is Able to do that. May Allaah send blessings and peace upon our Prophet Muhammad and his family and companions.

Fataawa Ibn Baaz, 4/30, 311

See also question no. 22392

And Allaah knows best.