7842 - Ruling on sales or offering discounts

the question

Some stores hold sales or offer discounts as a kind of promotion to attract customers. Is it permissible for me, as a storekeeper, to do this? What is the ruling on buying from stores during their sales?

Detailed answer

Praise be to Allah.

Most of the scholars say that it is permissible to sell goods and services for less than the going rate.

This is the view of the Hanafi madhhab, Ibn Rushd among the Malikis, the Shaafa'is and Hanbalis, and of Ibn Hazam among the Zaahiris.

The evidence for this opinion is:

Firstly: that the Prophet (peace and blessings of Allah be upon him) counted interference with the setting of prices to be a form of oppression (zulm) which should be stopped. He (peace and blessings of Allah be upon him) said:

"Allah is the One Who withholds, bestows and sets values. I hope that I will not meet Allah with anyone demanding restitution from me for any wrongdoing I may have done to him with regard to his blood or his wealth."

(Narrated by Imam Ahmad in al-Musnad, 3/165, 286; al-Tirmidhi, Kitaab al-Buyoo', no. 1314, 3/597; Ibn Maajah, no. 2200, 2/741. All of them narrated from the hadeeth of Anas, may Allah be pleased with him).

Secondly: sharee'ah encourages people to be easygoing when buying and selling, and in all transactions. The Prophet (peace and blessings of Allah be upon him) said:

"May Allah have mercy on a man who is easygoing when he buys, when he sells and when he asks for payment."

(Narrated by al-Bukhari, no. 2076, 2/81, from the hadeeth of Jaabir ibn 'Abd-Allah, may Allah be pleased with them both).

Undoubtedly selling something for less than the going rate is included in this. Ibn Rushd said, concerning a person who sells something more cheaply that others in the marketplace: "He will be thanked for that if he does it for the sake of people, and he will be rewarded for it if he does it for the sake of Allah."(Al-Bayaan wa'l-Tahseel, 9/306)

Thirdly: the price of goods and services belongs by right to their owners, and nobody has the right to dictate to them concerning that or to force their opinions concerning their value.

(See Tabayyun al-Haqaa'iq, 6/28; al-Mughni, 6/312)

Some scholars said that it is not permissible to sell goods and services for less than the going rate. This is the view of the Malikis.

The more correct view is that it is permissible to sell things for less than the going rate, because of the strength of the evidence that this is so, and because sales and other transactions (barter) are based on the mutual consent of the parties involved, as Allah says (interpretation of the meaning):

"except it be a trade amongst you, by mutual consent" [Al-Nisaa' 4:29].

If the vendor agrees to sell his goods or services for a price less than the prevailing market rate, there is no reason why he should be prevented from doing so, as the general guideline is that sales are basically permissible. Allah says (interpretation of the meaning):

"Allah has permitted trading" [Al-Baqarah 2:275]

So no sales should be prevented unless it is on the grounds of reliable evidence. But if the Muslim leader thinks that the interests of the people can only be served by preventing sales at less than the going rate, because leaving things as they are may cause corruption, then it is permissible (to put a stop to these sales), and there is nothing wrong with doing so, because the aim is to put things right for people. If the only way to do this is to put a stop to sales at less than the going price, then this is permissible and may indeed be obligatory.

And Allah knows best.