

How the Khilafah will Lift the Tax Burden from the People

- In order to run the affairs of the state and the people every state needs funds. Under capitalism these funds are mainly raised through interests and direct and indirect taxes. Also in Islam, the State has to finance its affairs and responsibilities from the State Treasury, the Bayt al-Mal (Bait ul-Mal). In order for the State to perform the duty placed on it by the Shari'ah, the Shari' gave the State the authority to collect certain revenues. Sheikh Ata' bin Khalil Abu Al-Rashtah states in his book, *Economic Crises*, the following: "The constant revenues of the Bayt al-Mal are *all of war booties, head tax (jizya), land tax (ushr, kharaj), a fifth of the buried treasure (rikaz), State properties, as well as customs tax taken from the covenanters and belligerents, funds resulting from the public property, inheritance funds of those that have no heir, illicit funds taken from governors and State officials, illegally earned funds, funds of fines, funds of apostates, and taxes...*"

- The funds of the Bayt al-Mal are basically more than enough to provide for all of these duties. The Islamic evidences indicate clearly, that imposing taxes according to the Western meaning of the word "tax" is forbidden (haram). For Rasulallah (saw) said: «إِنَّ صَاحِبَ الْمَكْسِ فِي النَّارِ» «**One in charge of imposing extra tax is in Hellfire.**» And he (saw) said: «إِنَّ دِمَاءَكُمْ وَأَمْوَالَكُمْ وَأَعْرَاضَكُمْ عَلَيْكُمْ حَرَامٌ كَحُرْمَةِ يَوْمِكُمْ هَذَا فِي بَلَدِكُمْ هَذَا فِي شَهْرِكُمْ هَذَا...» «**Verily your blood, your property and your honour are as sacred and inviolable as the sanctity of this day of yours, in this town of yours, and in this month of yours.**» These and more evidences state clearly that the Shariah prohibited the authority to impose taxes upon the Muslims. This prohibition encompasses every tax, be they direct or indirect taxes, fees for the courts, or the departments, or import stamps, or custom duties, or permit fees, or anything similar. The evidences on this issue are covered in detail in the *Draft Constitution or The Necessary Evidences for it*.

- It is forbidden for the Islamic State to take anything from the Ummah which is not obligatory upon the Muslims, even from their surplus wealth! Even if there is nothing left in the Treasury, the State is only allowed to borrow from the surplus wealth of the rich among the Ummah, and then only for a duty obligated by the Shari'ah upon the Ummah and the Bayt Al-Mal. And only at that point, where there is nothing left in the State Treasury, the State is allowed to take the amount that is required for the Bayt Al-Mal and nothing more. So before asking the wealthy among the Ummah for their support, the state has to utilize every single dirham in the Bayt Al-Mal...

Ali (ra) suggested to Umar Bin Al-Khattab (ra) that there should be nothing remaining in the Bayt Al-Mal saying to him: "**Divide whatever wealth you receive every year, and do not hold onto anything from it**" (reported by Ibn Sa'd from Al-Waqidi). And it is reported: "**that Ali used to spend everything in Bayt Al-Mal to the point that he would sweep it and then sits it in**" (reported by Ibn Abd alBarr in Al-Istidhkar from Anas b. Sirin). (Muqaddimat).

- Hizb ut Tahrir states in its *Draft Constitution for the Khilafah State*:

Article 147: "The State has the right to impose taxes in order to undertake anything that the Shariah obligated upon the Ummah if the funds in the Bayt Al-Mal were insufficient since the obligation for funding it would be transferred onto the Ummah. The State has no right to impose a tax for the sake of whatever is not

obligatory upon the Ummah to undertake, and so it is not permitted to collect fees for the courts or departments or to fulfil any service.”

Sheikh Ata Bin Khalil Abu Al-Rashtah explains in his book as well as in the Answer to the Question (Date: 19/05/2016 CE) very clearly and compactly “when” the State is allowed to impose taxes upon the Ummah:

“Therefore, imposing a tax in Islam needs to meet two conditions to allow its imposition for the implementation of projects, and only to the necessary extent:

*1 - The project should be obliged on the treasury house, i.e. on the State **and** Muslims, and its obligation must be established by a Shar'i text. This is like a necessary road, where there is no alternative, or a hospital, when there is no alternative in an area, or heavy machinery plants or their likes whose absence causes harm to the nation, due to the hadith of the Messenger (saw): « لا ضرر ولا ضرار » **“Harm (is not allowed to bring upon oneself) and nor upon others.”***

2 - There should be insufficient funds in the Treasury House (bait ul-mal). If both conditions are not met, it is not allowed to impose a tax. If the project was obliged upon the State only as a form of undertaking the normal affairs of the people, such as the establishment of a noncritical road, or building a second hospital where one already exists; in this situation funds are spent on them from the bait ul-mal if found. Likewise, if the project was obliged upon Muslims, but there are sufficient funds in the bait ul-mal, then the project is undertaken from such funds without imposing a tax.

- However; as mentioned at the very beginning of this article, there are some kinds of taxes prescribed by the Shariah, like the Jizya, Ushr and the Kharaj, which will be collected by the Khilafah according to the evidences in Islam. Hizb ut Tahrir has also regulated these issues in its ***Draft Constitution for the Khilafah State:***

“Article 144: Jizya is collected from non-Muslims (people of Dhimma). It is to be taken from the adult men if they are capable of paying it, and it is not taken from women or children.

Article 145: “Land tax is payable upon the Kharajiyah land according to its capacity. Zakah is collected from the Ushriyyah land according to the actual production.

Article 149: The permanent sources of income for bayt ul-maal are: spoils (fei’), jizyah, kharaaj, a fifth of the buried treasure (rikaaz) and zakaah. All these funds are collected, whether there is a need for them or not, on a perpetual basis.”

The evidences for these are detailed in the *Draft Constitution or The Necessary Evidences for it – Part 2:*

- Kharaj is taken in exchange for utilization, according to the potential of the land, and it is not a fixed amount. There are certain factors to be considered when determining the Kharaj on the land, or on the crops or fruits from that land. Thus; fertility of the land, quality and quantity of the produce/yield, methods of watering (rain, wells, canals, rivers, sprinklers, machines etc), the infrastructural location and connections, etc. are all factors which have to be taken into consideration in order to protect the land as well as its farmers from harm or overburdening. Also Rasulallah (saw) ordered to consider any difficulties for the land owners through natural disasters and crop damage: **“Reduce the estimate for in property there is**

bequests, the one effected by cold weather (Ariyyah), the falling down crops and natural disasters.”

Khalifah Omar b. Al-Khattab asked Uthman b. Haneef and Huzayfah b. al-Yaman after they had returned from surveying the land and fixed the Kharaj in Iraq (As-Sawad), of how they fixed the Kharaj on that land? And he added: “*Perhaps you burdened the people you worked with what they cannot bear?*” Huzayfah said: “*I left some extra.*” And Uthman said: “*I left the weak ones, if I wanted I could have taken from them.*” (The Funds in the Khilafah State by Sheikh Abdul Qadeem Zalloum) There are more elaborate details explained in Hizb ut Tahrir publications. You can reach them on the links that I added at the end of this article...

- The Khilafah will not impose anything upon its citizens, whether Muslim or Zimmah which they cannot afford for. Khalifah Omar (ra) prohibited the maltreatment of Zhimma, who were not able to pay the Jizya. He said: “Leave them and do not impose upon them what they cannot afford, for verily I heard the Messenger of Allah (saw) say: **«لَا تُعَذِّبُوا النَّاسَ، فَإِنَّ الَّذِينَ يُعَذِّبُونَ النَّاسَ فِي الدُّنْيَا يُعَذِّبُهُمُ اللَّهُ يَوْمَ الْقِيَامَةِ»** **“Don’t torture the people, as the one who tortures them in this world will be punished by Allah on the Day of Judgement.”**. The Messenger of Allah (saw) appointed Abdullah b. Arqam over the Jizya of people of Zimmah and said: **«أَلَا مَنْ ظَلَمَ مَعَاهِدًا، أَوْ كَلَّفَهُ فَوْقَ طَاقَتِهِ، أَوْ انْتَقَصَهُ، أَوْ أَخَذَ مِنْهُ شَيْئًا بغيرِ طيبِ نَفْسِهِ، فَأَنَا حَاجِبُهُ يَوْمَ الْقِيَامَةِ»** **“Surely, whoever oppresses a person under covenant (Mu’allid) or imposes upon him more than he can afford and humiliates him or takes anything from him without his consent I will challenge him (i.e. the oppressor), on the Day of Judgement.”** (The Funds in the Khilafah State)

Such is the justices in the Economic System of Islam. The Khilafah holds on to the orders of Allah (swt), thus it derives its funds fairly and plentiful without exploiting a single person, the nature or any other living or non-living creature. This is what ensures that every single life under its guardianship is always provided with all its needs.

Written for the Central Media Office of Hizb ut Tahrir by

Zehra Malik

Member of the Central Media Office of Hizb ut Tahrir

Suggestions for further reading:

- Economic Crises: Their reality and solutions from the viewpoint of Islam by Sheikh Ata Bin Khalil Abu Al-Rashtah, Hizb ut Tahrir
- Answer to the Question: Is it permissible for the Sultan (authority) to impose a tax upon the Muslims?

<http://www.hizb-ut-tahrir.info/en/index.php/questions/jurisprudence-questions/10550.html>

- Draft Constitution or The Necessary Evidences for it – Part 2

<http://www.hizb-ut-tahrir.info/en/index.php/literature/hizb-resources/2123.html>