

WINTER 2009

ZAKATNEWS

Fostering Charitable Giving for Those in Need



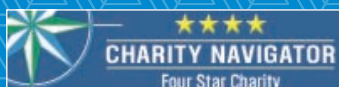
ZAKAT
FOUNDATION
of AMERICA



GAZA EMERGENCY RELIEF

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Zakat News is a publication of the Zakat Foundation of America.

For information about our organization or for questions about how you can support the efforts described in this newsletter, please contact us:

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As a 501(c) (3) Non-Profit Organization, all of your donations are U.S. Tax Exempt. ID#: 36-4476244

> Cover photo: REUTERS/Suhaib Salem. A Palestinian holds his grandson at a U.N. school after they fled their house during Israel's offensive in Gaza January 7, 2009.

FROM THE DIRECTOR



Between Tears and Fears: Gaza
Brothers and Sisters, Assalaamu Alaykum:

As we were preparing our Winter newsletter, excited to share the good news that Zakat Foundation served over 60,000 people worldwide during this year's Udhiya program, the alarming humanitarian tragedy in Gaza began. Our Eid joy turned quickly into sadness. By the Grace of Allah (SWT), and because of our strong partnerships in the region, Zakat Foundation was able to reach the people of Gaza within hours after the war began. Since then, we have been working tirelessly with our partners to deliver basic necessities, such as food, water, medical supplies and medicine into Gaza. As in any other war, the weakest members of society always suffer the most: the elderly, the sick and injured and, especially, the children. According to scientists, the psychological and mental damages children sustain during war are often impossible to repair. Many of these children in Gaza will never recover from the violence and suffering that they are enduring. The least we can do, brothers and sisters, is deliver humanitarian relief through desperately needed supplies.

In war zones, delivering humanitarian relief is not easy. In a blockaded Gaza, that task is even more difficult. During the current crisis, ambulances and UN humanitarian delivery trucks have been hit and drivers killed; at least seventeen mosques and several UN schools, which have provided refuge to many fleeing air attacks, have been targeted. We remind everyone that in a civilized world, humanitarian organizations must be respected for the work we do. In a civilized world, and especially in war zones, laws, rules, and regulations must be respected, and that includes allowing humanitarian services to be delivered to the civilian population in conflict areas. Humanitarian services to Gaza must continue unhindered or there will be no end to the horrors experienced by civilians. Pressuring, limiting, intimidating, and/or halting humanitarian relief from entering Gaza is not a war tactic—it is a grave mistake.

That is why, brothers and sisters, we at the Zakat Foundation of America will not slow our efforts in Gaza—during this conflict or after it has ceased. We are committed to helping heal the wounded and to wiping the tears from the face of every child. Your continued support will show the international community we insist on a civilized society that does not disregard its duty to abide by international laws, and that to provide for the civilian victims during the tragedy of war is everyone's responsibility.

Wa Salaamu Alaykum,

Khalil Demir

Khalil Demir, Executive Director

EMERGENCY RELIEF



Zakat Foundation Extends its Hand of Compassion to the Children of Haiti

The Zakat Foundation has partnered with the What If? Foundation to respond to the growing number of Haitian children who are at high risk of starvation. Zakat Foundation helps provide support for 7,500 meals that are distributed weekly to more than 1,500 children and adults in Port-au-Prince, Haiti is the poorest country in the Western Hemisphere, and with more than 80% of the population already living below the poverty line, the global food and fuel crisis of 2008 has hit Haiti very hard.

"It is impossible to imagine that in the 21st century we are witnessing the starvation of the children of Haiti," says Zakat Foundation Executive Director, Khalil Demir. "This does not fit the conscience of a human. We hope that, with a small contribution, we can fulfill our responsibilities as humans."

According to local and international aid agencies, children lack the strength to leave their homes. Similar to other countries that have been devastated by the current crisis, food is available in the region, but few people can afford to buy it.

Please help us feed the starving children of Haiti! **For \$100, you can make sure that at least four helpless children are provided with three complete meals a day for one week.** Please contact our office or visit our website to donate now!



Zakat Foundation is Quick to Feed and Shelter Victims of Baluchistan Earthquake

When a strong earthquake of a 6.4 magnitude struck villages in the Baluchistan province in southwestern Pakistan on October 29, 2008, the Zakat Foundation and its partners were able to respond within hours. Zakat Foundation's donors and supporters answered our emergency appeal and enabled aid to be delivered to more than 3,000 earthquake survivors.

Within three days of the initial seismic activity, Zakat Foundation and its local partner set up a field office in the city of Quetta, the epicenter of the earthquake, and distributed emergency relief food packages—bags of rice, flour, butter, salt, and sugar. In response to the harsh winter cold in the mountainous region, Zakat Foundation also arranged for warm winter clothes and blankets. To ensure immediate shelter and efficient distribution, a tent village, "Khuda Ki Basti" was established at Kech/Turbat in the Baluchistan province.

Historically, the Baluchistan province has suffered from severe earthquakes, the worst occurring in 1935, leaving 30,000 people dead and the majority of the villages in the region destroyed. This recent natural disaster has also destroyed villages and public services. The Zakat Foundation will continue to make sure that people of the Baluchistan province receive support as they begin to rebuild their lives.



> Plates of food for children of Port-au-Prince in Haiti. December, 2008.





> A chartered Turkish plane at Istanbul airport, prepares to to load 80,000 pounds of food and medicine purchased by Zakat Foundation for transport to Gaza. January 13, 2009.

The People of Gaza are Dying!

ZF Delivers Food and Medicine to Gaza and Commits to Long-term Relief

The Zakat Foundation has renewed an emergency appeal to the world to recognize and work to curb the already dire humanitarian crisis in the Gaza Strip. Since before the current crisis, Gaza has been in great need of humanitarian relief.

When news of the crisis broke, Zakat Foundation immediately arranged for swift relief efforts, including food aid, medical supplies and medicine, to be distributed in collaboration with local and international partners. More than \$350,000 worth of food aid and medicine have been systematically delivered to distribution centers and hospitals in severely affected areas.

International charity organizations recognize that the responsibility towards Gaza's population is a long-term commitment. The recent conflict in the Gaza Strip has worsened a desperate humanitarian situation to a crisis of enormous proportions. Hundreds have been killed, thousands injured, and the lives of every person caught in the conflict has been affected beyond imagination. Significant shortages of food, water, electricity, and heating oil—all necessary for day to day existence—are becoming the cause of death and illness for many of the most vulnerable: children, the elderly and the injured. Gaza hospitals, overflowing with the wounded, have been turning away all but the most severely injured because of a significant lack of beds, medicine and medical supplies.

“Large numbers of people including many children are hungry, they are cold, they are without ready access to medical facilities, they are without access to electricity and running water, above all they are terrified. That by any measure is a humanitarian crisis,” UN Humanitarian Coordinator for the occupied Palestinian territory Maxwell Gaylard told a news briefing in Jerusalem in early January. “There is an overall atmosphere of fear. More than half of the population [in Gaza] is children.”

The people of Gaza have needed our support and will continue to need our support even when news of the crisis disappears from the media. Together, we can heighten awareness of the humanitarian crisis and raise funds to meet the needs of all those struggling in this war-torn area, InshaAllah!

WHAT YOU CAN DO TO HELP THE PEOPLE OF GAZA!

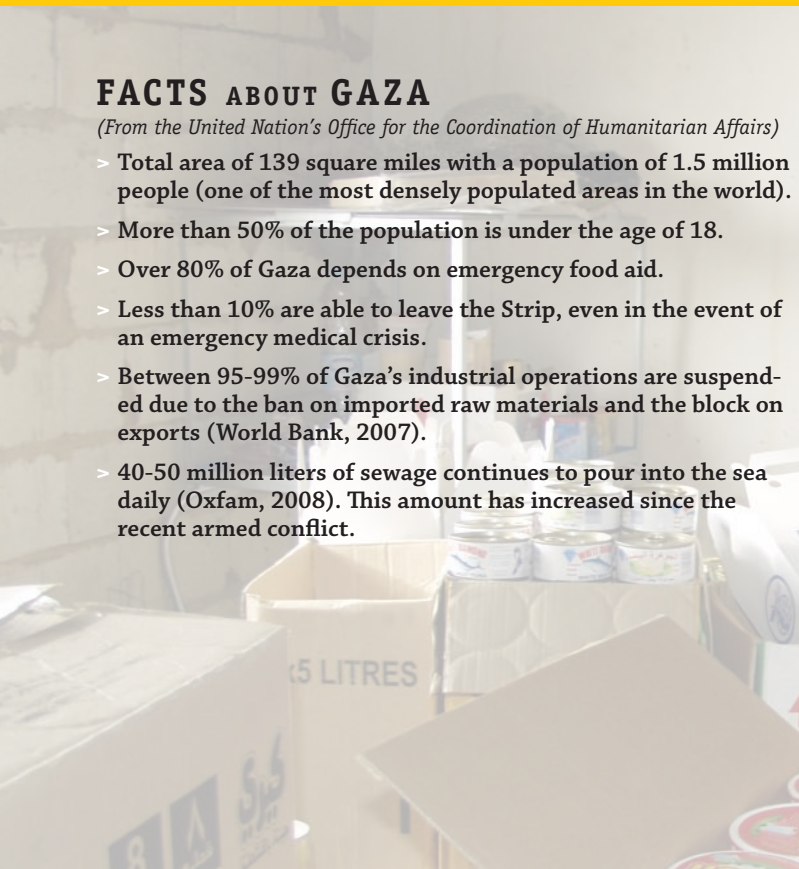
- + Never forget the people of Gaza in your prayers.
- + Your donation of \$200 will provide a food, medical and hygiene package.
- + Your donation of \$130 will provide a food package.
- + Your donation of \$70 will provide a medical and hygiene package.
- + Spread the news of Zakat Foundation's efforts in Gaza.

Please visit our website at www.zakat.org to view or order a DVD that documents our work in Gaza.

FACTS ABOUT GAZA

(From the United Nation's Office for the Coordination of Humanitarian Affairs)

- > Total area of 139 square miles with a population of 1.5 million people (one of the most densely populated areas in the world).
- > More than 50% of the population is under the age of 18.
- > Over 80% of Gaza depends on emergency food aid.
- > Less than 10% are able to leave the Strip, even in the event of an emergency medical crisis.
- > Between 95-99% of Gaza's industrial operations are suspended due to the ban on imported raw materials and the block on exports (World Bank, 2007).
- > 40-50 million liters of sewage continues to pour into the sea daily (Oxfam, 2008). This amount has increased since the recent armed conflict.



- > Zakat Foundation volunteers pack emergency relief boxes.
- > Palestinian man unloads truck of emergency relief provided by the Zakat Foundation near the Jabaliyah Refugee Camp in northern Gaza. January, 2009.
- > Palestinians wait in line to buy bread from a bakery in Khan Younis in the southern Gaza Strip. January 7, 2009. REUTERS/Ibraheem Abu Mustafa (GAZA)

Fulfilling the Generous Visions of Donors

Zakat Foundation Builds a Mosque in Niono, Mali

Zakat Foundation's Sadaqa Jariyah Program allows donors to provide much needed sustainable development to some of the poorest areas in the world, funding water wells, schools, mosques and orchards. Many donors from different backgrounds are attracted to this program because of the continuous benefit it grants needy communities, and Muslim donors give Sadaqa Jariyah as a way to receive continuous rewards from the Lord.

While on assignment in the town of Niono in Mali, West Africa, Peace Corps volunteer Charlie Finesilver found that, despite their hard life, the local people were deeply faithful to their Islamic roots. "I had countless spiritual conversations with my close elderly friends...[and] I decided that I could never help them, the way that their faith helped them. I decided that my final gift to them would be a mosque."

Mr. Finesilver was struck by the condition of the hospital in the area. The family of the sick had no clean place to sit, eat or pray while they stayed and cared for their loved ones. Mr. Finesilver called the Zakat Foundation, as he hoped to have a mosque built in the courtyard of the Niono Hospital, and Executive Director Khalil



Demir worked personally with Mr. Finesilver to ensure that his vision was fulfilled.

At the opening ceremony of the Niono Hospital mosque, the imam addressed Zakat Foundation and its supporters: "Thank

you for the incredible work you did for us. We are very grateful to our brothers and sisters from America who made possible this achievement from beyond the oceans. May our prayers forever accompany you; you will be remembered and honored."

Now is the time to help poor communities with development projects that will benefit them for years to come. We invite donors to support ongoing Sadaqa Jariya Programs, or suggest a new project, and reap eternal rewards!

Interview with Charlie Finesilver

Why did you choose Zakat Foundation to sponsor this Mosque?

It was clear to me that the mosque was going to be not only religious in nature, but [also] a place of spiritual support for the family members who visit their sick at the hospital in Niono. I was seeking a Muslim organization that would be willing to reach out to its Muslim brothers. I resorted to simple research when I arrived home from the Peace Corps and was attracted to Zakat Foundation's mission. It seemed to fit nicely my vision to build a mosque to benefit the people of Niono. It was my lucky day when I found Zakat Foundation.

What was your Peace Corps assignment in Niono?

As the owner of a successful plumbing business for fourteen years in New Hampshire and eight years of corporate management in Seattle, I approached the Peace Corps with an extensive business background. I served in the Small Business Enterprise sector in Mali, West Africa

What made you feel as though the area needed a Mosque?

[T]owards the end of my two year service there, I came to the realization that in spite of working so hard, most of our projects had failed. I felt really discouraged. But I had watched how deeply faithful the people were to their Islamic roots. I had countless spiritual conversations with my close elderly friends, where we would discuss the Koran, death and God. I decided that I could never help them, the way that their faith helped them to deal with their miserable poverty. I decided that my final gift to them would be a mosque.



> Charlie Finesilver and his wife Jeannie, both Peace Corps volunteers, felt that the best gift they could give to the people of Niono was a mosque.

Who does the mosque benefit?

Family members join their sick relatives who go to the Niono Hospital for treatment. Most are very sick- often with malaria—having waited too long for treatment because so few have money. The family must cook for them while they are patients. Otherwise, they will be both sick and hungry. They spend the days watching their family member on the bed, under the mosquito netting, and they go outside to pray. I offered to build a small mosque on

the hospital grounds and one of my first calls when I returned home from Mali was to Zakat Foundation. I am grateful to the patience and understanding of your Director Khalil, as together we went through the trials of constructing a mosque inside the hospital courtyard. I am proud to call Khalil a good, close friend.

How has the mosque affected the lives of the people of Niono?

I am hopeful that the mosque will become a symbol of strength and a place to find Allah for the families who visit their sick at the hospital. One day I will go there with a prayer book from my temple, and I will join them to pray in the little mosque in Niono Hospital.

Udhiya/Qurbani 2008 Program Report

REGION	COUNTRY	SHARES DISTRIBUTED	COST PER SHARE	NUMBER OF FAMILIES RECEIVING MEAT	NUMBER OF INDIVIDUAL BENEFICIARIES*	FUNDS ALLOCATED
MIDDLE EAST	Egypt	28	\$200	560	2,800	\$5,600.00
	Iraq	50	\$100	1,000	5,000	\$5,000.00
	Jordan	10	\$200	200	1,000	\$2,000.00
	Lebanon	50	\$200	1,000	5,000	\$10,000.00
	Palestine	50	\$200	1,000	5,000	\$10,000.00
	Syria	20	\$200	400	2,000	\$4,000.00
	Turkey	10	\$180	200	1,000	\$1,800.00
AFRICA	Burkina Faso	100	\$60	2,000	10,000	\$6,000.00
	Ethiopia	100	\$60	2,000	10,000	\$6,000.00
	Ghana	350	\$65	7,000	35,000	\$22,750.00
	Mali	100	\$60	2,000	10,000	\$6,000.00
	Mauritania	100	\$60	2,000	10,000	\$6,000.00
	Niger	100	\$60	2,000	10,000	\$6,000.00
	Somalia	100	\$60	2,000	10,000	\$6,000.00
	Sudan	100	\$100	2,000	10,000	\$10,000.00
CAUCASIA	Albania	21	\$180	420	2,100	\$3,780.00
	Azerbaijan - Chechan Refugees	21	\$80	420	2,100	\$1,680.00
	Chechnya	30	\$95	600	3,000	\$2,850.00
BALKANS	Bosnia	21	\$200	420	2,100	\$4,200.00
	Kosovo	21	\$200	420	2,100	\$4,200.00
ASIA	Afghanistan	49	\$80	980	4,900	\$3,920.00
	Bangladesh	770	\$65	15,400	40,000	\$50,050.00
	China	249	\$65	4,980	24,900	\$16,185.00
	Indonesia	50	\$85	1,000	5,000	\$4,250.00
	India	100	\$65	2,000	10,000	\$6,500.00
	Myanmar/Burma	21	\$75	420	2,100	\$1,575.00
	Pakistan	189	\$80	3,780	18,900	\$15,120.00
	Phillipines & Moro	49	\$90	980	4,900	\$4,410.00
	Tajikistan	20	\$80	400	2,000	\$1,600.00
	Thailand	70	\$66	1,400	7,000	\$4,620.00
USA	Sri Lanka	161	\$65	3,220	16,100	\$10,465.00
	Chicago	20	\$170	400	2,000	\$3,400.00
S. AMERICA	New Mexico	10	\$170	200	1,000	\$1,700.00
	Brazil	30	\$150	600	3,000	\$4,500.00
CARIBBEAN	Haiti	10	\$100	200	1,000	\$1,000.00
TOTAL	35 Countries	3,180		63,600	281,000	\$253,155.00

* Total number of beneficiaries is estimated based on an average family of 5 individuals.

† Eid gifts were distributed in Bangladesh, Ghana, Jordan, Lebanon, Pakistan, Sri Lanka, and the US.



Udhiya/Qurbani 2008 Benefits More People than Ever!

Zakat Foundation Distributes Fresh Meat to More than 63,000 Needy Families

During the 2008 Udhiya/Qurbani season, donors and supporters of Zakat Foundation were able to provide fresh meat to more than 63,000 hungry and needy families in 35 countries. In addition, 1,000 orphans and disadvantaged children were delighted to receive Eid gifts during Eid ul-Adha. From blockaded Gaza and famine-stricken Somalia, to Kashmir and Pattani, Thailand, many beneficiaries enjoyed the nutrition of meat for the first time in years. Through careful planning and partnership, the Zakat Foundation was able to ensure that the cows, sheep, and rams dedicated to the noble Udhiya/Qurbani sacrifice were healthy and well maintained.

Zakat Foundation has enacted its Udhiya/Qurbani program since the establishment of the organization in 2001. Each year, we look to strengthen our presence in some of the world's poorest communities while forming relationships with local farmers and community leaders. Our intention is two-

fold: to facilitate the religious obligation of Muslim donors and to share their sacrifice with the poor, all the while promoting local sustainable farming so that a community may grow in a positive direction.

In these times of alarming increase in starvation and economic strife, it has been even more important to give the poor and hungry a portion of fresh meat while following the tradition of Prophet Ibrahim, peace be upon him. It is our hope at Zakat Foundation that, despite the growing concern of personal financial difficulties and the increase in commodity prices, generous and compassionate individuals will continue to fulfill the human obligation to give to the poorest and neediest communities around the world.

Quantity of meat is distributed according to poverty level, with each package weighing between 1 to 2 kilograms (2.2 to 4.4 lbs)



SEASONAL PROGRAMS



ZAKAT FREQUENTLY ASKED QUESTIONS

I have qualified to pay Zakât this year. Can I give my Zakât to my close relatives who are in need of financial aid?

In terms of direct assignment of Zakât, from payer to recipient, the majority opinion is that parents and children cannot receive one's Zakât. In addition, a man cannot pay Zakât to his wife. The reason for all three prohibitions is that the Zakât payer is already responsible for the financial needs of these relatives, their wealth and property being considered legally contiguous by some. The point is that one is obliged by God to support one's forbearers and descendants. So one does not pay Zakât to his needy father, for instance. He is obliged to provide for his father's needs out of his own wealth.

Moreover, Islam already obliges a man with 100 percent of his wife's basic needs, while she is further considered so intimate with him as to be considered as one with himself for Zakât purposes. The inverse is not the case for the rich wife, whose independent wealth is exclusively hers, her indigent husband, therefore, being Zakât-eligible for her. Thus a wife may pay Zakât to her husband in this opinion—many jurists holding the indigent husband as the preferred Zakât recipient of his wealthy wife. Some jurists (as stated) extend the prohibition on giving Zakât to close relatives to grandparents, parents, children, grandchildren, and wives of Zakât payers (*Fiqh us-Sunnah*, 75). Others include even siblings. But the best opinion is that, outside of parents and children, any relative who is not a dependent of one may receive Zakât from him or her. When a government or recognized agency pays out Zakât on behalf of Zakât payers, prohibitions on close relatives do not apply.

My wife owns gold jewelry that she has had since we got married 10 years ago. Does she have to pay Zakât on it?

According to the majority of schools, Mâlikî, Shâfi'î, and Hanbalî, there is no Zakât on women's jewelry and ornaments, whether they are made of gold, silver, diamonds, pearls, minerals, or precious stones, so long as they are for personal use, not business, such as sale or rental. However, if such jewelry attains a quantity above the cultural norm of extravagance or is used as a store

of wealth, then the surplus needs Zakât to be paid (*Fiqh az-Zakât*, 184, 186-188, 192, 199). The Hanafi position is that jewelry is zakatable.

Is Zakât Owed on Stocks, Shares, and Bonds?

Yes. There are two major opinions regarding Zakât on such assets, both concurring that stocks, shares, and bonds are zakatable. Stocks and shares represent ownership of a certain part of the capital of a corporation. Bonds are certificates of a loan borrowed by a government or municipality from the bondholder. A bond is usually paid back at a future point in time with interest.

What Zakât Rate Does the First Opinion on Stocks and Shares Prescribe?

This opinion holds that such wealth is analogous to "produce of plowed land," and therefore its zakatable portion accrues at a rate of 10 percent of the return. If the owner purchased these instruments with the intention of long-term investment, it is the actual gain—and not the productive capital itself—that is zakatable. So shares of corporations are zakatable at 10 percent on the dividends of these shares. This view also distinguishes between shares and bonds. Bonds are analogous to debts that one can expect to be paid. Zakât, therefore, is payable on them every year at a rate of 2.5 percent. Modern Muslim scholars concur upon this ruling. Most Islamic jurists have also agreed that consideration of the market value of your portfolio is allowable from the beginning to the end of the solar Gregorian calendar year for ease of calculation purposes, but 10.3 percent of the gain should be paid to offset the difference between the lunar Hijrî and solar Gregorian calendars.

What Zakât Rate Does the Second Opinion on Stocks and Shares Prescribe?

This opinion holds that shares and bonds are analogous to commodities purchased for resale like any other business good. Therefore, their Zakât is calculated at a standard personal wealth rate of 2.5 percent of total portfolio value at the Zakât due date because they are bought with expectation of profit, and readily traded for money. Here stocks and bonds are both treated as "trading assets," regardless of the economic activ-

ity of the issuing corporation. This is the opinion of Shaykh Abû Zahrâ and Shaykh Khallâf. Shaykh Qardawi believes that both opinions are sound and suggests that either method can be selected by the Zakât administration or payer.

Note: If the company pays zakât on all shares, the shareholder does not pay zakât because there is no double payment of zakât.

The Zakat Foundation endorses the opinion that stocks and shares are trading goods, zakatable at 2.5 percent. The form recommends individual shareholders as the Zakât payers.

Confusion may arise in assessing Zakât on stocks for short-term traders. Recall that the passage of a year is required on nisâb only, not all of one's zakatable earnings. So, short-term traders should estimate stock values on an established annual Zakât due date, regardless of stock purchase dates or value fluctuations, and pay 2.5 percent of total portfolio value.

All Zakat related questions are answered under the supervision of AMJA (Assembly of Muslim Jurist of America).

For more information please refer to our Zakat in Islam page online at www.zakat.org. The Zakat Foundation is proud to serve as your information resource for all your Zakat related needs.

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...to Grow...to Prosper...to be Independent.
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www.zakat.org

or call toll free:

1-866-499-6151

*Remember: You may also use attached
envelope for your donation.*

Brothers and Sisters, please keep the evening of April 4th, 2009 open! We will be hosting our first annual dinner event! Details are forthcoming, but please mark your calendars now.

> Palestinian boys climb the ruins of a destroyed mosque in Jabalya in the northern Gaza Strip January 20, 2009. REUTERS/Jerry Lampen (GAZA)



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