



# Khums Made Easy

**A Practical Guide for your Islamic Tax**

Published by  
Al-Ayn Social Care Foundation



**20%**



## Khums Made Easy: A Practical Guide for your Islamic Tax

By Al-Ayn Social Care  
Foundation

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In the Name of God the Beneficent, The Merciful

Know that whatever thing you may come by, a fifth of it is for God and the Apostle, for the relatives and the orphans, for the needy and the traveler, if you have faith in God and what We sent down to Our servant on the Day of Separation, the day when the two hosts met; and God has power over all things.

(8:41)

**'Khums'** literally means 'one-fifth'. In Islamic law, it refers to an obligatory (wajib) religious tax which one must pay on several things, the most common of which is surplus income from earnings and gains. The amount of khums one must pay on surplus income is 20%. As such, khums is an act of worship and must be given with the right intention to attain proximity to God.

Khums is a right God Almighty has set for Himself, His noble messenger, and his pure family (peace be upon them).

It is reported that Abu Hamza al-Thumali has read the verse of khums to Imam Muhammad al-Baqir (peace be upon him), which made the Imam say, "What belongs to God belongs to His Messenger, and what belongs to His Messenger, belongs to us." Then he continued, "God has made it easy for the believers to provide them with five dirhams, they give one for their Lord, and keep the remaining four pure and lawful to themselves." Then he said, "This is from our tradition, it is extremely difficult for all except for those whose heart God has tested."

In addition, it is reported that Imam al-Ridha (peace be upon him) in a letter on khums has said, "Do not keep it away from us and do not deprive yourselves of our supplication as long as you can do it. Taking it out [paying khums] is a key to your sustenance, a purification of your sins, and it is something that you prepare to benefit you on the day of your poverty [the Day of Judgement]. A Muslim is the one who fulfills God's trust, and not the one who answers with his tongue and infringes with his heart."

Moreover, Abu Baseer reported that Imam Muhammad al-Baqir (peace be upon him) has said, "It is unlawful for anyone to buy anything from khums before it gets delivered to us. He also reported that he heard the Imam say, "God will not forgive anyone who buys something from khums because he has bought

something unlawful to him.”

The topic of calculating the annual khums is not an easy process for both the giver and the receiver. Therefore, Al-Ayn Social Care Foundation has put together this concise booklet to provide you with a practical, accessible guide on documenting your khums. This booklet helps you:

- Identify what is and is not subject to khums
- Calculate your annual expenditures
- Set the exact date of your khums year
- Determine the value of your
  - o Items subject to khums
  - o Khums capital
  - o The amount of your khums throughout the years
  - o Your paid khums

# Authorization Letter from Sayyid Ali Al-Sistani



In the Name of Allah, the Most Beneficent, the Most Merciful  
 "And say: 'Work (righteousness): Soon will Allah observe your work, and His Messenger, and the Believers'"

[To the] Supreme Religious Authority Grand Ayatollah Al-Sayyid Ali Al-Hussaini Al-Sistani (may Allah prolong his life)  
 Assalamu Alaykum wa Rahmatullah wa Barakatoh.

Al-Ayn Foundation, whose seeds you planted and whose buds you watered, is now using its branches to shade the orphans and widows of Iraq. It has expanded its branches and offices in Iraqi provinces and districts, searching for orphans to sponsor. Al-Ayn has provided relief to the honorable people of Iraq from the afflictions the country has gone through: caring for those wounded and displaced due to the war against the terrorist organisation; providing relief to those affected by the COVID19- pandemic; and supporting health institutions to combat the virus. Throughout, the Foundation has been enlightened by the guidance of your verdicts. Today, Al-Ayn is extending its experience, caring for and sponsoring orphans in other countries, which are suffering just as Iraq and its people are suffering.

Throughout Al-Ayn's 16 year journey so far, the number of orphans which it cares for has increased, exceeding one hundred and fifty thousand orphans this year. We strive continuously to ensure that their sponsorship is of the highest quality possible, covering aspects of physical and mental health, education, housing projects, vocational training, self-sufficiency projects, and legal support, as well as developing their abilities and building their personalities. This is in addition to monthly financial allowances and in-kind allowances, which have been provided since the establishment of the Foundation. Those responsible have been exerting their maximum efforts to ensure that the services provided are of the highest level and most developed, taking guidance in their efforts from your continuous recommendations and directions.

Having grown significantly, we have now completed the registration of Al-Ayn Social Care Foundation as an international organisation which aims to care for orphans and the needy in all countries facing disasters. Today it has global fundraising offices in: the United Kingdom, Australia, Canada, the United States of America, Sweden, Germany, Norway, Belgium, Holland, Switzerland, Denmark, France, Finland, Austria, and soon, with the will of Allah SWT, in other countries. All these offices collect donations and religious dues which they are authorised to receive, to provide support for our orphaned children and needy brothers and sisters in countries receiving aid (recipient countries). Through success from Allah Almighty, the blessings of your continuous support, and the aid of donors from around the world, Al-Ayn has been able to provide its services in Iraq, Yemen, Afghanistan, Ghana (Africa), and soon, with the will of Allah SWT, to a number of other impoverished countries.

Our Grand Sayyid, due to this significant expansion, as well as the decision to include widows and ill people in need in recipient countries in our support and programmes, our expenses have increased, both in quantity and type, and this has in turn increased the burden on the Foundation.

Al-Ayn Social Care Foundation International - including its members in fundraising and recipient offices, staff and volunteers - is honoured to express its gratitude and great appreciation to your eminence for your continued care for the Foundation throughout the period of its work, with your blessings and authorisation to receive religious dues and to spend them on the affairs of the orphans of the believers and on the needy. This authorisation has been in place since 6 Safar 1428AH, and was extended on 25 Safar 1430AH, 10 Safar 1433AH, 12 Safar 1436AH, and 5 Safar 1439AH. The authorisation has been given under the care and supervision of his eminence Sheikh Amjed Riyadhi, who is appointed and authorised by yourself, and the Foundation has performed all the necessary procedures to ensure that funds reach those who deserve them. We submit this request to your eminence to extend the period of authorisation for this work now that the previous period has elapsed, so that believers from around the world can contribute to the expenses of caring for orphans and supporting those who are needy and displaced and ill, and providing relief to those affected by disasters and calamities. We request you to authorise (for this purpose) the CEO of the Foundation, pursuant to your general religious jurisdiction over the needy in receiving funds on their behalf, and to permit the CEO to authorise in his turn those who deputise him. We request your eminence's permission for us to receive and spend the following:

- 1) Religious dues, including both Sahn al-Imam and Sahn al-Sada.
- 2) Sadaqa of all types, and Sadaqa collected in boxes and wallets designated for that purpose and electronic Sadaqa after the completion of its receipt. All of these are considered received Sadaqa as per your authorisation.
- 3) Continual charity (Sadaqa Jariya), and the one-third of the inheritance of the deceased, and grants and the income from charitable endowments (Waqf), which are used to construct buildings as Waqf under the custodianship of the supreme religious authority, and the profits of which go to the orphans and other needy individuals, taking into consideration relevant conditions and restrictions.
- 4) General donations and udhiyyas and vows (Nather) and in-kind assistance such as clothes, food, household items, electrical equipment, and construction material.
- 5) Zakat, Kafaras of all types, Rad Al-Mathalim, Majhool Al-Malik, Laqita, Zakat Al-Fitra, and the share of one-third of Udhiyyas of pilgrims (Huji'a), which are apportioned to the needs, and similar dues.
- 6) We also request your eminence's permission in managing endowments (Waqf) registered in the name of Al-Ayn, and which are under your custodianship, and in securing the necessary expenditure needed for the continuation of the work of Al-Ayn and its branches and offices around the world, through the above donations mentioned, taking into consideration conditions and restrictions, in addition to interest from fixed and operational deposits in banks, and income from non-conditional grants, and payments in lieu of paid services provided to non-beneficiaries in the Luminous Stars and Hikayat buildings.

We request that you encompass in your kind blessings the appointment of his eminence Sheikh Nazar Yousef as deputy to the General Supervisor of the Foundation, his eminence Sheikh Amjed Riyadhi.

We also ask your eminence to continue to bless our work and to pray for our continuous success under your supervision and kind care.

In the Name of Allah, the Most Beneficent, the Most Merciful

We renew our thanks and appreciation to those working for, supporting, and contributing to the charitable activities of this pioneering foundation, for the distinctive care it provides to our beloved orphans and to needy individuals, including those who are widowed, ill, and displaced. We congratulate them on the expansion of (the Foundation's) work and its inclusion of countries other than Iraq. We ask Allah Almighty to grant everyone further success in continuing this blessed journey, and to increase their reward. We have given you permission with regards to what you have requested, in relation to the areas mentioned, conditional on the supervision of the eminent honourable scholar Sheikh Amjed Riyadhi, may his support be maintained, with the appointment of the eminent scholar Sheikh Nazar Yousef, may his support be maintained, as his deputy. This permission is for a period of five years. I advise everyone to invoke the observance of Allah Almighty in private and in public, and to observe precaution for it is the way to salvation.

May Allah's peace, mercy and blessings be upon you.

26 Muharram 1444  
 Ali Al-Husseini Al-Sistani

AHMED AL-SUDANI  
 CEO OF AL-AYN SOCIAL CARE  
 FOUNDATION - INTERNATIONAL  
 23 - AUGUST - 2022  
 24 - MUHARRAM - 1444

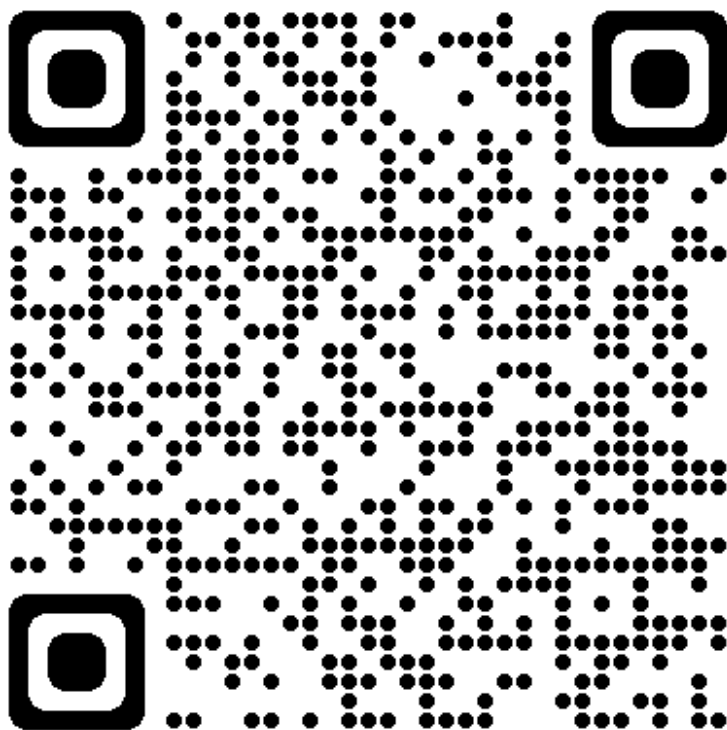


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# How Does Al-Ayn Social Care Foundation Spend Khums Donations?

Khums donations received by Al-Ayn are utilized to provide essential support to orphaned children, primarily in the form of monthly financial allowances to lift them out of poverty. This applies to both Sahm Al-Imam and Sahm Al-Sada donations.

Sahm Al-Sada is distributed to orphaned children of Hashemite lineage, defined according to jurisprudential requirements. We have an arrangement with the office of Sayyid Al-Sistani to exchange any excess Sahm Al-Sada donations with Sahm Al-Imam donations to be distributed to other orphaned children.



# Khums Workbook

# Personal Information

Full Name:

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Date of Birth:

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Marital Status:

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Occupation:

---

Address:

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Phone Number:

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Other Information:

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# Calculating Khums

Date of First Khums:

---

Date of Khums Year:

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- o (Either) Date of Your First Job

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- o (Or) Date of Islamic Reconciliation

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# Items Not Subject to Khums

## *Inheritance*

Cash Value: \_\_\_\_\_

Property: \_\_\_\_\_

Transported Goods: \_\_\_\_\_

## *Wife's Dowry*

Cash Value: \_\_\_\_\_

Jewelry: \_\_\_\_\_

Home Furniture: \_\_\_\_\_

## ***Personal or Family Expenses from Current Year Income***

House: \_\_\_\_\_

Home Furniture & Other Furnishings: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Home Garden for Leisure or Growing Fruits: \_\_\_\_\_

\_\_\_\_\_

Personal or Family Car: \_\_\_\_\_

\_\_\_\_\_

Home Livestock Kept for Milk or Eggs (e.g., Cow, Hen):

\_\_\_\_\_

\_\_\_\_\_

Loans Given to Others & Not Expected to Returned:

\_\_\_\_\_

\_\_\_\_\_

Items bought with Unpaid Loans: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Other Items: \_\_\_\_\_

\_\_\_\_\_

# Items Subject to Khums

## 1. Cash Value

In USD: \_\_\_\_\_

In Other Countries: \_\_\_\_\_

## 2. Loans Given to Others & Expected to be Returned

\_\_\_\_\_

\_\_\_\_\_

## 3. Personal Unused Assets (e.g., property, gardens, factories, goods, hardware, and others)

## 4. Financial Rights (e.g., deposit, utilizing farmlands owned by the government, reviving fenced lands prepared for housing)

Please note that these assets (in 3 & 4) are divided into three types:

**First Type:** assets acquired from this year’s income, which are subject to khums based on their current value.

Assets and Financial Rights	Current Value

**Second Type:** assets acquired from last year’s profit (or surplus), which are subject to khums based on their original cost

Assets and Financial Rights	Original Cost

Please note that business goods and real estate property prepared for rent are subject to khums in their current value even if they were purchased from last year’s profit unless their original cost was more.

**Third Type:** assets acquired from this year’s income and last year’s profit (or surplus), which part of them are subject to khums based on their current value and the other part are subject to khums based on their original cost

Assets	Original Cost	Current Value
	Purchased from this year’s income	Purchased from last year’s profit

***Borrowed Loans***

Business Loans: \_\_\_\_\_

Personal Loans: \_\_\_\_\_

**Items Used After They Were Subjected to Khums**

Cash Value: \_\_\_\_\_

Tangible Goods: \_\_\_\_\_

Comparable Tangible Goods [e.g., silver, gold, eggs, fruits]	Current Value

Value-Based Tangible Goods [e.g., property, animals, jewelry]	Value While Using

**Money Paid Before as Khums**

Sahm Al-Imam (Portion of the Imam): \_\_\_\_\_

Sahm Al-Sada: \_\_\_\_\_

**Calculation Results**

Total Amount Subject to Khums: \_\_\_\_\_

Khums Account: \_\_\_\_\_

Sahm Al-Imam: \_\_\_\_\_

Sahm Al-Sada: \_\_\_\_\_

Total Amount After Khums Deduction: \_\_\_\_\_

Calculation Supervised By: \_\_\_\_\_

In Islamic jurisprudence, money and goods are divided into two types: Comparable and Value-Based. The main difference between the two is that Comparable Goods are merchandise that could be found or compared to other types of similar goods in the market without losing any of their parts, while, Value-Based Goods are items that have value such that they cannot be compared to or found in the market such as one’s own land, animals, or jewelry.

Khums payments are divided into two parts: The first part is given to the Imam of our time (peace be upon him). This is called the portion for the Imam (Sahm Al-Imam). The other half is given to the descendants of the Prophet (peace be upon him and his progeny) who are poor, orphaned, or stranded travelers. This is called the portion of the Sada (Sahm Al-Sada). While the Imam is in occultation, the portion of the Imam must either be given to a high religious authority (jurist) or to an organization that has been given permission to collect khums on behalf of the jurist.

**Total Amount Paid to The Jurist**

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**Total Khums Paid This Year (20\_\_)**

Sahm Al-Imam	Sahm Al-Sada

**Calculating Khums for (20\_\_)**

New Assets or Items Subject to Khums: \_\_\_\_\_

Current Total Income: \_\_\_\_\_

Amount After Khums Deduction From Last Year: \_\_\_\_\_

Total Amount Subject to Khums: \_\_\_\_\_

Khums Amount: \_\_\_\_\_

Sahm al-Imam: \_\_\_\_\_

Sahm al-Sada: \_\_\_\_\_

Total Amount After Khums Deduction: \_\_\_\_\_

Calculation Supervised By: \_\_\_\_\_

Date: \_\_\_\_\_

**Total Amount Paid to the Jurist**

\_\_\_\_\_

# Notes



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