There is nothing wrong with paying the zakaah on trade goods in goods themselves

I have a store selling foodstuffs with stock that is worth approximately fifty thousand dinars, and I have a debt of twenty thousand dinars. The zakaah on the store is due now. How can I pay it when I have only a little money in the store?.

Praise be to Allaah.

Firstly:

The scholars differed concerning one who has the minimum amount of wealth at which zakaah becomes due (the nisaab) and owes a debt – does he have to pay zakaah on the amount of the debt or not?

The most correct of the scholarly views is that the debt does not rule out the obligation to pay zakaah. Based on this, you should estimate the value of the goods that you have in the store at the end of one year, then pay zakaah on the whole amount without subtracting the amount of the debt that you owe.

Please see question no.

(22426)

Secondly:

With regard to paying zakaah when you do not have any cash, the most correct scholarly view concerning the zakaah on trade goods is that

it may be given in the form of goods.

Based on this, if you do not have cash, then you should pay zakaah in the form of products that you have in the store, and that will be sufficient, in sha Allaah. It is not permissible for you to delay zakaah after it becomes due. See also question no. 13981.

Shaykh al-Islam Ibn Taymiyah (may Allaah have mercy on him) said:

It is permissible to pay the zakaah on trade goods in the form of goods.

Al-Ikhtiyaaraat, p. 101

Shaykh Ibn Baaz (may Allaah have mercy on him) was asked: Is it permissible to pay zakaah in the form of fabric?

He replied:
That is permissible according to the more sound of the two scholarly opinions. You should pay zakaah on high-quality goods in the form of high-quality goods, and for low-quality goods in the form of low-quality goods, because zakaah is a kind of aid given from the rich to the poor. So it is permissible to help them by giving them fabric, just as the zakaah on grains, dates and zakatable animals may be given in the form of those things themselves.

Fataawa al-Shaykh Ibn Baaz, 14/253.