

Declaration under the proviso (a) to sub-section (3) of section 1 of the Zakat and Ushr Ordinance, 1980 (XVIII of 1980) (the Ordinance) and rule 20 of the Zakat Collection and Refund) Rules, 1981

Sub-section (1) of Section 3 of Chapter II of Zakat and Ushr Ordinance, 1980 (XVIII of 1980) (the Ordinance)

3. Charge and collection of Zakat— (1) Subject to the other provisions of this Ordinance, Zakat in respect of assets mentioned in the First Schedule shall be charged and collected, on compulsory basis, for each Zakat year, at the rates and in the manner specified therein, and as may be prescribed, from every person [who is on the Valuation Date, and for [whole of the] preceding Zakat year been, sahib-e-nisab] and who owns or possesses such assets on the Valuation Date.

Provided that where an asset mentioned in the First Schedule has been assigned by the person owning or possessing it, in favour of another person. Zakat in respect of that asset shall be charged and collected on compulsory basis as if the asset had not been so assigned; Provided further that, if an asset was owned or possessed by a person on the Valuation Date but is owned or possessed by some other person on the Deduction Date, the Zakat on such asset shall be charged and collected from such other person on behalf of the person owning or possessing it on the Valuation Date ; Provided further that, if a person proves in the prescribed manner to the satisfaction of the Local Committee of the locality where he ordinarily resides that he was not a sahib-e-nisab on the Valuation Date or was not in ownership or possession of assets of the value of nisab for the whole of the preceding Zakat year. Zakat shall not be so charged and collected from him, or if collected shall be refunded to him in the prescribed manner: Provided further that no Zakat shall be charged and collected from the assets of a person who died on or before the Deduction Date.

Rule 20 of Chapter III of Zakat Collection and Refund Rules, 1981

20. Zakat not to be deducted in respect of the assets of a person claiming exemption on grounds of faith and fiqh: Zakat shall not to be deducted in respect of the assets of a person claiming exemption on grounds of faith and fiqh.-

(1) Zakat shall not be deducted in respect of the assets of a person claiming exemption from deduction on grounds of faith and fiqh under the first proviso to sub-section (3) of section 1 attested true copy thereof, within a period not less than thirty days preceding the Valuation Date. A declaration or an attested copy thereof filed as aforesaid in one Zakat year, whether before or after 29th October, 1983 the date of the commandment of the Zakat and Ushr (Third

Amendment) Ordinance, 1983. shall continue to be valid for so long as the declaration or its copy, and the asset liable to Zakat to which it relates, remain in the custody of the ZCO.

(1A) The declaration may specify the detailed particulars of the asset in respect of which exemption is being claimed or specify the asset in the manner described in the First Schedule to the Ordinance. In the latter case, the true copy of the declaration shall be accompanied by a letter in which the detailed particulars of the asset shall be specified. If an attested true copy of the declaration has already been filed with the ZCO in relation to some other asset, and exemption is claimed in respect of a new asset, only a letter as above with additional information indicating the particulars of the previous asset in respect of which attested true copy of the declaration had already been filed, shall be given to the ZCO before the Valuation Date.

Explanation:- Every asset which bears a separate serial number or account number of the ZCO shall be treated a separate and a new asset in relation to a previous asset held by the ZCO, even though both the assets relate to the same serial number of the First Schedule to the Ordinance.

(2) The declaration, on **form CZ-50**, may be sworn by a citizen of Pakistan residing in a foreign country before a diplomatic or consular officer of Pakistan in that foreign country authorized in this behalf by the Federal Government under the provisions of the Diplomatic and Consular Officer (Oaths and Fees) Act, 1948 (XXI of 1984).

(3) In a case where as asset is held jointly in the names of two Muslim citizens of Pakistan and if one of them claims exemption from the compulsory deduction of Zakat and source on the grounds of faith and fiqh by filing a declaration within the prescribed period and in the prescribed manner, than if the share of the person claiming the exemption is pre-specified, Zakat shall not be deducted in respect of the share so pre-specified, and if not so pre-specified, Zakat shall be deducted in respect of the whole asset.