TAXATION SYSTEM

In Islamic economy tax collection is not only aimed at meeting the state expenses but also to expand its objectives and other related matters. Certain taxes are exclusively meant for the needy, the poor, the unemployed, the disabled and the one under heavy burden of debt.

Meaning of Tax:

A government which represents a whole nation stands in need of a certain means of satisfaction of its ends, just as an individual requires wealth to live a satisfactory life. One of those sources of revenue is tax collection.

Definitions of taxation vary from one expert to another. Economists seem to have failed to reach a definite explanation of the system; Well-known Irish financial analyst Bestable defines the tax as that part of an individual’s or corporate sector’s wealth which is collected for the sake of meeting state projects.¹

Another expert in fiscal affairs, Dalton sees it as a compulsory demand imposed by the government.² But Islamic tax system is not covered by either of these two definitions. According to the Islamic

¹ Bestable, Public Finance, vol III, Chap . 1, p 261
² Dalton, Principles of Public Finance, Chap III, p 26
standpoint tax is that part of the wealth, spent for the welfare of the public, which comprises, besides others, the poor and the needy.

Direct and Indirect Tax:

Direct tax is the one which is paid by the person upon whom payment is a legal obligation; indirect tax is the one which is paid partly or fully by another person on behalf of the tax-payer. Zakat, Jizyah etc. come under the former category and Kharaj and import tax etc. represent the latter.

Tax in the Pre-Islamic Era:

In the pre-Islamic period in different parts of the world, public stood victim to the rule of their respective rulers. Roman and Persian monarchs had cruelly burdened their subjects with too much taxes and levies. Economist Finley writes that the peasants had to pay for the basic expenses of the royal palace and the army. Syrians and Palestinians had been obliged to pay more than 40 percent of their income by Roman Empire. Traders from the Arabian peninsula had to pay heavy taxes for their trade in Syria and Palestine.

In retaliation to their bad treatment by Syrian authorities the Quraish of Makka also levied heavy and multi-tier system of taxes on

3 Dalton, op cit, Chap V, p 33
4 Finlay, History of Greece, Vol 1, p 281
5 Lord Stomp, Christianity and Economics, p 16
6 Encyclopedia of Islam, Edn I or II, Vol III, p 438, Title 'Makkah'
the foreign traders who visited the holy city for business. The taxes included entry tax, stay tax, profit tax and exit tax.  

Fertile Nile valley was under the Roman administration. Farmers who constituted the majority of the region lived in poverty and deprivation just as the farmers in contemporary India are experiencing a miserable life. After the conquest of Egypt 'Amr b. al-'As wrote to Caliph 'Umar, describing the hardships of the farmers who were not in a position of availing the fruit of their own toil. Egyptian ruler Muqauqis was a Roman protégé paying heavy annual tributes to the Byzantine emperor. Coptic's separately paid poll-tax to the King. It with in a hope of redemption that the local Egyptian population welcomed the Muslim army who, indeed liberated the people from their huge tax.

Ushr and Nisf Ushr:

In early Madinan period the Ansars owning date palm trees reserved some portions of the yields for the most poor of the time. The date fruits allocated for those less fortunate particularly the Ashab-al-Suffah who shared the bunch dangling from the mosque's roof were defective and discarded ones. To suggest a modification in the approach, the following Ayah came down:

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7 Encyclopedia of Islam, Vol. III, p. 438, Title 'Makkah'
10 Ibid., p. 454.
'O you who have attained to faith! spend pure out of what you earn and what we have provided for you from the earth.'

(Quran II: 267)

And an Ayah in Surah al-An'am made the tax compulsory:

"Eat the ripe fruit and pay its due on the harvesting day."

(Quran VI: 141)

The Prophet's Explanation:

The Quranic Ayat falls short of providing the necessary details of the amount and rate of tax. The gap was filled in by the Prophet in his capacity of the interpreter of the Islamic law. He wrote to Amr b. Hazm al-Ansari, his governor of Najran:

"Collect from the believers' lands that are irrigated by rain water or fountain, but only one twentieth from the yields of lands watered by man-drawn buckets of water."\(^{12}\)

The letter he sent to the Himyarite rulers, reads:

"...Remain constant in your obedience to Allah and his Prophet, establish Salat, pay poor-dues, set aside one fifth of the spoils of war for Allah and His Prophet, pay land tax at the rate of one tenth from the lands that yield crops with rain water and half of it from the lands that are irrigated by man."\(^{13}\)

\(^{12}\) Al-Tabari, Tarikh, History of 10 A.H , Al-Baladhuri, op cit , p 70

\(^{13}\) ibid , History of 9 A.H , p 1718
Ma'az b. Jabal was appointed tax collector in Yemen by the Prophet who explained to him to realize one tenth or one twentieth part from date-fruits, wheat, barley, grapes, raisins.  

**Judicial Classification of lands:**  

1. **Ushri Land:** under it comes three categories of lands  
   i) Muslim lands in the Islamic state,  
   ii) Rehabilitated by Muslims,  
   iii) The ones captured by military force.  

2. **Fay Land:** the lands whose rightful owners enter into agreement with the Islamic administration. Kharaj tax is levied on this kind of lands. "Ushri lands may be used either for agricultural farming or horticultural cultivation. Details of the taxation on the two produces are discussed below:  

**Agricultural Produces:**  

On the agricultural produces of Muslim lands tax is obligatory. Imam Abu Hanifa is of the view that Ushri tax is to be realized on all kinds of agricultural produces. Imam Shaf'i says that tax is to be levied only on those produces that are preserved for food purposes, hence, vegetables are exempted. The taxable produces are wheat, barley, maize, paddy, gram, lobia, Masoor, Tibr, Jalyan etc.  

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14 Al-Baladhuri, *op cit.*, p 70  
15 Al-Mawardi, *op cit.*, Chap 11, p 114
Abu Yusuf suggests: “In my opinion Ushri tax is applicable to only those produces that are stocked. Vegetable, fodder, wood, perishable fruits, such as water melon, cucumber, brinjal, carrots, and flowers are exempted. Taxable are the produces that are preserved and weighed such as wheat, barley, maize, Jwar, rice, cereals, oil-seeds, almonds, onions, garlics and the likes. The fixed minimum weight or amount for the yields to be taxable is five Wasaq or more. The tax is one tenth if the crop grows with the help of rain water or springs, but if the farm land is irrigated by man-made means the tax is only half, i.e., one twentieth. Tax on less than five Wasq is not to be levied.¹⁶

Imam Abu Hanifa and Imam al-Shafi’i are of the same view about the fixed minimum. Al-Bukhari also reports that on less than five Wasaq Zakat is not obligatory on any agricultural produce.¹⁷

Horticultural Yields:

According to Abu Hanifa Zakat is compulsory on all kinds of fruits. Al-Shafi’i confines Zakat only to dates and grapes.¹⁸ Sufiyan b. Abdullah, administrator of Taif during the second Caliph’s period, wrote to the Caliph asking for his permission to levy tax on other fruits such as pomegranate too as the production of these fruits is much

¹⁶ Abu Yusuf, Kitab al-Kharaj, Part III.
¹⁸ Al-Mawardi, op cit., Chap. No 11, p. 112
more than the already taxable fruits Umar replied that the other fruits are not taxable. The apparent reason for dates and grapes to be taxable is that they can be preserved after they are dried.

Two conditions have been laid down for the Zakat on fruits

1. **Fruits are ripe and edible.** If they are plucked before their maturity, they will be exempted from tax. It is legally undesirable if the raw fruits are picked only to avoid levy.

2. The minimum amount of the yields procured in five Wasaq.

Imam Abu Hanifa does not impose any certain minimum. To him Zakat is obligatory on the fruits irrespective of amount. But Imam Shafi'i emphasizes the estimation of the amount so as to reach certain point of how much is to be paid off as tax. 'Uttab b. Usayd, the governor of Makkah appointed by the Prophet after its conquest, had been directed to make arrangement to check and estimate the yields and the vineyards of Taif in order to levy tax and them.  

Al-Mawardi is of the opinion that only the grapes are to be estimated, not the dates, on the grounds that the former can easily be estimated but the latter cannot be approximated due to the enormity of its quantity.

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In Basra date fruits were taxed only after they were brought for sale in the market.\textsuperscript{22} If the fruits are destroyed in a natural disaster, Zakat will be condoned only if the calculation was not yet done; in case of the calculation already done, the destruction may not allow exemption.\textsuperscript{23}

Kharaj:

We have seen earlier in chapter that undistributed lands in the Prophet’s time were taken as state property to be handled and managed by the government. The Prophet (S.A.W.) used some of the yields to meet his and his family’s expenses and devoted the rest the public welfare.

The second Caliph ‘Umar, in whose regime Egypt, Syria, Iraq and Persia were conquered decided, after extensive consultation with the Sahabah, to allow the old owners to retain the lands and levy on them tax to be spent on the victor army and the general public.\textsuperscript{24} In Islamic terminology this kind of land is called Kharaji land. When looked from another angle Kharaj is not a tax but a rent of the land. Fuqaha are of the view that just as the tenant pays off house rent, the farmer gives out Kharaj for the land he cultivates.\textsuperscript{25}

\textsuperscript{22} Al -Maward, \textit{op. cit.}, Chapter II, p. 113.
\textsuperscript{23} \textit{Ibid.}
\textsuperscript{24} Abu Yusuf, \textit{op. cit.}, pp. 12-15.
\textsuperscript{25} Abu ‘Ubayd, \textit{op.cit.}
'Umar maintained the rate of land tax in some parts of Iraq as had been imposed on the farmers by the Iranian government. With few changes he also retained the system which was in place in the previous government in Egypt, where the farmers were granted virtual ownership as they were never rejected from their relationship with their lands, and now eviction was made illegal.\

**Background of Assessment Method:**

In the beginning taxation in Iran was made through division of the yields of crops or fruits. But during the period of Qabaz b. Feroz the method of division was abolished and tax-rate was fixed according to the size and area covered for farming in the Islamic period. The old system was thus retained.\

'Umar ensured that neither the landlord nor the farmer was wronged.\

**Kharaj - Assessment, Conditions and Principles:**

Al-Mawardi states: 'To assess the amount of Kharaj to be levied on the variety of land, kind of crop, mood of irrigation are to be taken into account so that the farmers do not suffer loss and justice prevails. Some *Fuqaha* add a fourth condition i.e. distance of the farm-land from the city or market as it effects, the price of the yields.'
Kharaj rate may vary from region to region. Generosity is also to be displayed towards the farmers. Hajjaj b. Yusuf asked for Caliph Abdul Malik b. Marwan's permission to increase the amount of Kharaj but the Caliph rejected the request saying: Be contented with the Dirham you are now receiving and do not hanker after what does not come to you, there should also be something for farmers to lead a comfortable life.\textsuperscript{30}

**Concessions and Exemptions:**

Head of the state or his representative may exempt from or grant some rebate in the Kharaj tax in appreciation of farmer's special services. Abu 'Obaydah b. al-Jarrah enforced the promise of concession given earlier by Khalid b. al-Walid to the inhabitants of Dair-e-Khalid who had provided him with a ladder he used in battles.\textsuperscript{31} Lands or crops destroyed by natural disaster are to be exempted from tax. Malik b. Anas, Abu Hanifa, Sufiyan al-Thawri, al-Awzaee also hold this view.\textsuperscript{32}

If the farm lands become dry and get cracked due to non-supply of water from damaged canals, it is incumbent on the state-administration to attend to this problem and announce forgiveness for the tax until the repair of the system. And if the system of irrigation is damaged beyond repair, land is to be excepted from the tax.\textsuperscript{33}

\textsuperscript{30} Al-Mawardi, \textit{op. cit.}, Chapter XIII, p. 143.
\textsuperscript{31} Al-Baladhuri, \textit{op. cit.}, p. 129.
\textsuperscript{32} Ibid., p. 447.
\textsuperscript{33} Al-Mawardi, \textit{op. cit.}, Chapter XIII, p. 144.
House or Shop on the Kharaj Land:

If the farmer builds a house or shop on the Kharaj land, he may be exempted from tax. Al-Mawardi says that the area covered by the house is to be exempted from tax.\(^{34}\) Abu Hanifa and Sufiyan al-Thawri opine that if a Muslim or a Zimmi build shops on the Kharaj lands, tax is to be condoned but if the lands are used for growing garden, tax is to be levied.\(^{35}\)

Malik b. Anas and Ibn Abi Zib are in favour of imposing tax on the grounds that the shops will be a source of income to the owners.\(^{36}\)

Khums on Buried Treasures:

Abu Hurairah reports that the Prophet said: "On the buried treasure is Khums."\(^{37}\) Fuqaha derive various rulings on the matter.

1. One fifth of the discovered treasure is to be paid as Zakat, regardless of who a Muslim, a Zimmi, an adult, or a minor, found it.\(^{38}\)

2. Treasures of anything are to be levied tax upon. Al-Shafi'i confines it to only gold and silver.\(^{39}\)

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\(^{34}\) Ibid, Chapter XIII p 145
\(^{35}\) Al-Baladhuri, Futuh al-Buldan, p 448
\(^{36}\) Ibid
\(^{37}\) Nail al-Awtar, vol IV, p 147
\(^{38}\) Al-Mughni, vol III, p 22
\(^{39}\) Nail-al-Awtar, Vol IV, p 148
3. After Khums has been taken away the rest of the treasure will go to the finder.⁴⁰

4. There is no certain minimum. Khums is to be paid on any quantity or amount of the treasure.⁴¹

5. The moment the treasure is found, Khums is to be paid. One year condition is not applicable.⁴²

Zakat on Mines and Minerals

Allah has deposited countless of minerals and metals beneath the earth in plenty. Gold, silver, copper, iron, petrol, coal tar are very useful to man. Zakat on them is interpreted variously.

In the light of this Quranic Ayah- "O you who have attained to faith! spend pure out of what you earn and what we have provided for you in the earth." (Quran, II: 267). Fuqaha are all agreed upon the Zakat of minerals but differ on when, how much and on what certain minimum Zakat is obligatory.

Imam al-Shafi‘i is of the opinion that Zakat is only on gold and silver, not on other metals or minerals.⁴³ Imam Abu Hanifa and his disciples opine that Zakat is on the mineral which could be melted in fire and then molded according to the desired shape. Liquid or solid

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⁴⁰ Al-Mughni, Vol IV, p 148
⁴¹ Ibid, p 20
⁴² Ibid
minerals that cannot be melted do not fall, according to Hanafi school of thought, under the Zakat items.  

As to the payable amount scholars are not unanimous. Imam Abu Hanifa, Abu 'Ubayd, Zaid b. Ali, Baqar, Sadiq, all are in favour of Khums. Imam Ahmad, Imam Malik, Imam Shafii, and Ibn Ishaq all have gone for one fortieth.

**Argument in favour of Khums:**

The basis for the view that 'Khums is on minerals' is the Hadith: 'on the treasure is Khums.' It is argued that treasures are of two kinds: buried by man and deposited by Allah, hence Khums is on both the deposits. Shiite *Fuqaha* liken the minerals to the spoil of war on which Khums is to be levied. They argue that whatever man achieves without payment whether it is on the land, beneath the earth, or in the sea, is booty, hence Khums is to be paid.

**Other Sources of State Income:**

**Booty:** Fuqaha classify booty into four categories:

1) Usara,
2) Saby,
3) Lands,
4) Moveable wealth.

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44 Ibid.,
45 Ibid.
46 Ibid.
1) **Usara**: Male adult non-believers who are made captive by Muslim army men in the battle. It is at the discretion of the head of the state to kill the captives, release them with or without ransom money, or exchange for Muslim captives in the hands of the enemy.\footnote{Al-Mawardi, op cit., Chapter XII, pp 125-6} The Quran gives clear-cut ruling on the matter:

"Then tie them up as prisoners, either in order to release them later on or also to ask for ransom, until war lays down her burdens."

(*Quran XLVII: 4*)

The Prophet set free some captives in exchange of ransom money and some were exchanged for Muslim prisoners of war.\footnote{Ibid} Ransom money is to be distributed among participating soldiers after one fifth of it has been reserved for the state treasure.

2) **Saby**: Female adult and male minor prisoners of war. They are at no cost to be killed.\footnote{Ibid, p 128} They are to be distributed among combatants or released in exchange of ransom money, one fifth is to be allocated for the government exchequer.

3) **Lands**: Head of the state has the right either to distribute the conquered lands as the Prophet (S.A.W.) did to the lands in Khaibar, or not to divide but to annex as state property just as the second
Caliph 'Umar made the lands in Egypt, Syria and Iraq a source of revenue for the state.\textsuperscript{50}

4) **Amwal:** Moveable wealth comes under the purview of general rule of spoils of war, that are not touched before the victory in the battlefield is established; after the battle is over it is upto the chief of the army to decide when and where to hand out to the army men their respective shares in the booty.\textsuperscript{51}

**Jizyah:**

The word Jizya is derived from the word Jaza which means recompense or return\textsuperscript{52}. Jizya is in exchange for giving protection to the tax payer.\textsuperscript{53} The Quran mentions.

"Fight the ones who were given the Book.... until they pay the poll tax of their own accord and act submissive."

\textit{(Quran, IX: 10)}

This tax is levied on the non-Muslim citizens of Islamic state. In return their security is guaranteed. They have two rights over the government:

1) They are not to be wronged,

\textsuperscript{50} Muhammad Yusufuddin, \textit{Islam key Maashi Nazaryey}.
\textsuperscript{51} Al-Mawardi, \textit{op. cit.}, Chapter 12, p. 133.
\textsuperscript{52} \textit{Ibid.}, p. 136.
\textsuperscript{53} \textit{Ibid.}
2) They are to be protected. It is reported on the authority of Abdullah Ibn Umar that one of the last wills made by the Prophet (S.A.W.) was: "Give protection to the Zimmis".\textsuperscript{54}

'Umar the Caliph also left a will for his successors to ensure the protection of the Zimmis.\textsuperscript{55}

**Jizya in Iranian and Roman Empires:**

Jizya tax could also be traced back in Persian and Byzantine lands before Islam.\textsuperscript{56} Historian Ibn Athir says that the Persian ruler Anusherwan had imposed protection tax on the people excluding members of administration, members of the royal family, ministers, the army and servants attached to the king. The amount of Jizyah was in the range of 8-12 Dirhams per head.\textsuperscript{57}

**Scope of Jizya:**

According to the Quran Jizya is to be levied on the people of scripture i.e. Jews and Christians. But the Prophet in his capacity as the interpreter of the Quran, extended this protection tax to Magians of Hijr and Bahrain.\textsuperscript{58} During his Caliphate 'Umar did not know what to do with the Magians who could not have been categorised as Ahl-al-Kitab. 'Abdul Rahman b. 'Auf solved the problem by bearing

\textsuperscript{54} Al-Mawardi, *op cit*, Chap 12, p 137
\textsuperscript{55} Al-Bukhari, *op cit*, Kitab al-Jihad
\textsuperscript{56} *History of Persia*, pp 201-2
\textsuperscript{57} Ibn Athir, *Tarikh al Kamil*, vol 1, p 161
\textsuperscript{58} Al-Bukhari, *op cit*, Kitab al-Jihad
testimony before the Caliph that he heard the Prophet as having said: 'Deal with the Magians in accordance with the same laws as applicable to the people of scripture.'\(^{59}\) 'Uthman, the third Caliph, in whose regime the frontiers of the Islamic state extended as far as deep into Africa, included the non-believers of the new territories in the list of those on who Jizya to be imposed. Muhammad b. Shahab al-Zuhri says. The Prophet levied Jizya on the Magians of Bahrain, 'Umar did the same with the Iranian Magians and 'Uthman realized the protection tax from the people of Barbars.\(^{60}\)

Precedence's have led Fuqaha to agree on the ruling that a non-Muslim whether from among Ahl al-Kitab or not who chooses to live in an Islamic state is to be protected socially, politically, economically and religiously in exchange for polltax. Abu Yusuf opines: All polytheists, i.e. Magians, pagans, sun-worshippers, moon worshippers, Stabilities and Samarites will be imposed polltax.

Amount of Polltax:

During 'Umar's time Syrian non-Muslims had to pay annually one Dinar each. Later on the Caliph made some amendments that, tax-payers were all classified according to their economic status into three categories: rich, middle income group, and poor and the tax-amount was fixed accordingly-Syria and Egypt were used to gold

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\(^{60}\) Malik b. Anas, \textit{op. cit.}, Kitab al-Zakat.
coins, hence the tax-payers had to pay in gold coins, but people of Yemen, Iraq, Bahrain, Iran, Armenia had to pay in silver coins. Syrian rich were levied four Dinars each but the silver-coin regions were asked to pay forty Dirhams per head.

Aslam, a freed slave of 'Umar, reports: 'on those using gold coin four Dinars and on those using silver coin forty Dirhams had been imposed during 'Umar's time, in addition to that they were also obliged to entertain Muslims as guests for three days.  

Ibn Nujaih once enquired from Mujahid b. Jubayr as to why Syrians had to pay four Dinars whereas Yemenites only one Dinar. The latter answered: It is because of difference in financial position.

'Alfi b. Talib, the fourth Caliph maintained the polltax imposition in accordance with the economic status of the people. He had directed his administrator in Iraq to impose forty-eight Dirhams as annual polltax on those who used horses of Turkish-breed and gold-bangles in their hands, forty Dirhams on medium scale traders, and only twelve Dirhams per head on farmers and others.

**Time of Jizya Payment:**

Jizya is to be paid after the completion of a lunar year. If the tax payer dies or accepts Islam, for the period until his death or accept

\[61\text{ Malik b Anas, }\textit{op cit.}, \textit{Kitab al-Zakat, Bab-al-Jizyah} \\
\] \[62\text{ Al-Bukhar, }\textit{op cit.}, \textit{Kitab al-Jihad} \\
\] \[63\text{ Al-Baladhuri, }\textit{op cit.}, p 271 \]
Islam, tax will be realized from the property of the deceased or that of the new Muslim. The tax is to be calculated from the tax payer's attaining adulthood.

**Exemption Ruling:**

If a poor man turns rich, he is liable to pay Jizya but if the rich becomes poor he is to be exempted. If a Zimmi accepts Islam, Jizyah ruling will automatically drop from him, as he no longer remains a Zimmi but becomes a member of the Ummah. During the period of the four pious Caliphs this ruling was in force. 'Umar b Abdul Aziz, an Umayyad Caliph, wrote to his administrators to exempt the one who accepted Islam from payment of Jizya.

**Octroi:**

Import duty was another means of revenue for the Islamic state. It was an old system dating back to pre-Islamic period. Arab and non-Arab both regions imposed this tax on the foreign traders. Makkan obligatorily realized one tenth of the trading commodity from the foreign traders who entered the city.

**Introduction of Import Duty in Islamic State:**

During the Prophet's and Abu Bakr's time no octroi was charged from foreign traders who were allowed to do their business...
freely. But during the second Caliph's period when the Islamic frontiers extended to as far as Roman and Persian lands, this free trade policy was amended. The main reasons for octroi imposition during 'Umar's time was that Muslim traders had to pay entry tax in other countries.\(^67\)

Abu Musa al-Ashari wrote to 'Umar that Muslim traders were charged import duty in the non-Muslim regions, 'Umar asked him to impose the same kind of tax on the non-Muslim foreign traders who entered Islamic lands for business.\(^68\)

'Umar had set up octroi posts along the land and sea-route borders of Egypt, Syria and Iraq. Justification for such tax is that the government safeguards the life, honour and wealth of the traders. Al-Sarkhasi says. The octroi collector was appointed to realize import duty from the foreign traders entering the Islamic land, and to protect them from thieves and robbers.\(^69\)

**Amount of Import Duty:**

'Umar had also imposed the import duty on native Muslim and Zimmi traders. The former had to pay only one-fortieth part of their imported merchandise and the latter one twentieth. This relaxation was in consideration of their Zakat and Jizya payments respectively.

\(^{67}\) Abu 'Ubayd, *op. cit.*, p. 534.

\(^{68}\) Abu Yusuf, *op. cit.*, p. 78.

The letter the Caliph 'Umar had written to Abu Musa al-Ashari contained very clear instruction: Zimmis are to be charged one twentieth amount as tax and Muslims are to be asked to pay one Dirham out of every forty Dirham. If the merchandise was of less than 200 Dirhams worth, no duty will be imposed. 70

Ziyad b. Hadid says: 'Umar had appointed me to collect octroi one tenth from the foreign non-Muslim traders, one twentieth from the Zimmis and one fortieth from the Muslim traders. 71

Octroi in latter Periods:

Caliphs and rulers after 'Umar continued the system. Zuraiq b. Hayyan al-Damashqi reports: Three Umayyad rulers, Walid b. Abdul Malik, Sulaiman b. Abdul Malik, and 'Umar b. Abdul Aziz wrote to him to impose on the Muslim traders entering the city for trade purposes one Dinar out of every forty Dinar and half Dinar out of twenty Dinar, but not to charge anything if the merchant possessed less than that, and one Dinar out of twenty Dinars on the Zimmi merchant but not to impose any duty if he had less than a third of that: 72

Concession in Import Duty:

Sayeb b. Yazid reports-I was tax collector along with Abdullah b. 'Utba b. Masood in the market of Madinah during 'Umar's time.

70 Yusuf, op cit, p 78
71 Abu' Ubayd, op cit, p 533
72 Malik b Anas, op cit, Bab Zakat al-Arz
We charged one-tenth from the Nabatite traders. But the Caliph ordered to reduce the duty on wheat and oil import to one twentieth, giving incentive to the merchants to bring the commodities in large quantity.\textsuperscript{73}

\textsuperscript{73} Malik b. Anas, \textit{op.cit.}, Kitab al-Zakat.