



# Zakat Distribution Policy

## Purpose and Scope

This Zakat Distribution Policy establishes guidelines for the collection, management, and distribution of Zakat funds received by the Islamic Center of Bothell (ICOB). The policy ensures that all Zakat funds are distributed in accordance with Islamic principles and in compliance with applicable laws governing charitable organizations.

## Islamic Foundation for Zakat

Zakat is one of the five pillars of Islam, an obligatory form of charity that purifies wealth and supports those in need. As Allah (SWT) states in the Holy Quran:

*"Zakat expenditures are only for the poor and for the needy and for those employed to collect [zakat] and for bringing hearts together and for freeing captives and for those in debt and for the cause of Allah and for the [stranded] traveler - an obligation [imposed] by Allah. And Allah is Knowing and Wise."(Surah At-Tawbah 9:60)*

## Zakat Fund Management

- **Segregation of Funds:** All Zakat funds shall be maintained in a separate account from general donations and other funds of ICOB to ensure proper management and distribution.
- **Timely Distribution:** ICOB commits to distributing Zakat funds within one lunar year of receipt.
- **Record Keeping:** Detailed records of all Zakat collections and distributions shall be maintained by the Treasurer and reported regularly to the Board of Directors.
- **Transparency:** An annual report of Zakat collections and distributions shall be made available to the community, respecting the privacy of recipients.

## Distribution Priorities

### A. Primary Priority: Local Islamic Non-Profit Organizations

- Given the limited resources available to ICOB for screening and managing individual recipients, ICOB shall prioritize the distribution of Zakat funds to qualified local Islamic non-profit organizations that:
  - Serve the eight categories of eligible Zakat recipients
  - Demonstrate financial transparency and accountability
  - Have established programs that effectively address community needs
  - Operate within the greater Seattle area or surrounding communities
  - Have 100% zakat policy
- The qualification of these organizations as legitimate Zakat recipients shall be determined by the Imam based on:
  - The organization's mission and activities
  - Zakat funds' management and distribution policies
  - Compliance with the categories of eligible Zakat recipients



- o Organizational stability
- o Track record of service to the Muslim community
- Organizations shall provide documentation of how Zakat funds were utilized within 6 months of receiving funds.

## B. Secondary Priority: Individual Requests

- Direct requests for Zakat assistance from individuals shall be evaluated on a case-by-case basis by the Zakat Committee.
- Individual applicants must:
  - o Complete a Zakat assistance application form
  - o Provide documentation supporting their eligibility and need
    - Proof of Identity
    - Any applicable notices
    - Lease agreement
    - Validation of income
    - Any other applicable documentation
    - Dates and amounts of past assistance from other agencies in King County in the past 6 months
  - o Meet with the Imam or designated representative for assessment
  - o Sign a declaration affirming their eligibility to receive Zakat
- Priority will be given to:
  - o Members of the ICOB community
  - o Residents of Bothell and surrounding areas
  - o Cases of urgent or emergency need
  - o Situations where assistance can help achieve financial stability

## C. Tertiary Priority: Non-Local Islamic Non-Profit Organizations

- Similar evaluation and monitoring process shall be utilized as for Local Islamic Non-Profit Organizations

## Eligibility Determination

### A. Authority for Determination

- The Imam of ICOB has the primary religious authority to determine Zakat eligibility based on Islamic principles.
- For organizational recipients, the Zakat Committee will:
  - o Review the organization's mission, programs, and financial statements
  - o Consult with the organization's leadership if necessary
  - o Document the basis for qualification according to the eligible categories
- For individual recipients, the Zakat Committee will:
  - o Review the application and supporting documentation
  - o Conduct an interview when necessary
  - o Make a determination based on Islamic guidelines and verified need
  - o Document the basis for the decision



## B. Eligible Categories (Asnaf)

- ICOB has adopted a subset of Zakat categories for individual requests. The following definitions are based on the Islamic Council of Europe Zakat Policy (published in March 2022):
  1. The Poor and the Destitute (al-Fuqarā wa-l-Masākīn): These two categories refer to someone who fulfils one of the following conditions:
    - 1.1. A person who has no property or income
    - 1.2. A person whose wealth and income only partially satisfy their essential needs.
  2. Those in debt (al-Ghārimīn): These are individuals who are in debt, do not have sufficient wealth to repay the debt, and the debt must have been taken for something permissible in Islam and to fulfil their basic needs
  3. Those who are travelers (Ibn al-Sabīl): This category refers to those who are travelling from one location to another and have no or limited and insufficient access to a means of expenditure to meet their needs. This would also include refugees who are in a state of travel from one location to another, even though they may have wealth in their hometown or are unable to access it.
- For organizations, all eligible Zakat categories may be utilized.

## Application and Disbursement Process

### A. For Organizations

- Local Islamic non-profit organizations seeking Zakat funds must submit:
  - A formal request detailing the intended use of funds
  - Documentation of their non-profit status
  - Financial statements
  - Description of programs serving eligible Zakat recipients
- Upon approval, funds will be disbursed with a memorandum of understanding regarding:
  - Permitted uses of the funds
  - Reporting requirements
  - Timeline for utilization

### B. For Individuals

- Individuals seeking Zakat assistance must:
  - Complete the ICOB Zakat Assistance Application
  - Provide documentation of financial need (bills, income statements, etc.)
  - Meet with the Imam or designated representative
- The Zakat Committee will jointly review applications and:
  - Determine if the request can be handled by one of the local non-profit organization such as MHS for housing assistance and MCRC for emergency rental and food assistance
  - Verify eligibility according to Islamic guidelines
  - Determine the appropriate amount of assistance
  - Document the decision and its basis
- Disbursement will be made in a manner that preserves the dignity of the recipient:



- o Direct payment to service providers (landlords, utility companies, etc.) when possible
- o Provision of gift cards for essential needs when appropriate
- o Cash assistance when necessary

## Emergency Zakat Distribution

- In cases of urgent community needs or natural disasters, the Imam and Board President may authorize expedited Zakat distributions.
- Such emergency distributions shall:
  - o Be reported to the Board within 7 days
  - o Maintain documentation of recipients' eligibility
  - o Not exceed 20% of available Zakat funds without Board approval

## Confidentiality

- The identity of individual Zakat recipients shall be kept confidential except to those directly involved in the approval process.
- All documents containing personal information of applicants shall be securely stored and accessible only to authorized personnel.
- Staff and volunteers involved in Zakat distribution shall sign confidentiality agreements.

## Zakat Committee

- A Zakat Committee shall be established consisting of:
  - o The Imam (Chair)
  - o The Treasurer
  - o Optionally additional Board members
- The Committee shall:
  - o Review and approve organizational and individual Zakat recipients
  - o Establish annual distribution goals and priorities
  - o Monitor compliance with this policy
  - o Report quarterly to the Board on Zakat fund activities

## Policy Review and Amendment

This Zakat Distribution Policy shall be reviewed annually by the Zakat Committee and the Board of Directors to ensure it remains in compliance with Islamic principles and effectively serves the community's needs.

## Administrative Expenses and Fees

- ICOB is committed to minimizing administrative expenses when distributing Zakat funds
- ICOB shall indicate to donors any fees or administrative expenses (e.g. credit card processing fees)



## Implementation

This policy is effective as of **December 1, 2025** as approved by the Board of Directors of the Islamic Center of Bothell.