
Ruling on buying in instalments

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بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

Question: What is the religious ruling concerning buying in instalments?

Answer: Shaykh al-Albaanee (رَحْمَةُ اللَّهِ)¹ First of all, buying in instalments is an innovation of the actions that was not known to the Muslims in every preceding generation. Rather it is from the aspects that have been passed onto them from the disbelievers, those who, in the past, took over their lands, colonized them and governed over them with their rules of disbelief. Then when they departed from the lands' major districts, they left behind their evil and misguided traditions. And, today, the Muslims live upon those practices and acts that the disbelievers imposed on them.

Another point – which is the most important – is as the Prophet (صلى الله عليه وسلم)² said: **"I have not left anything that would bring you closer to Allaah, except that I have commanded you to do it. And I have not left anything that would distance you from Allaah, while bringing you closer to the Hellfire, except that I have forbidden you from doing it."**³

From those things is that he (صلى الله عليه وسلم) forbade that which today is called "buying in instalments", for, this kind of business transaction is an innovation, which the Muslims of the past did not know of. I also want to say that this name is an innovation (in itself) for there is nothing found in the books of Fiqh with the name "buying in instalments." Rather, there is found in the Muslim books, that which is called ad-Dain (debt) and that which is called al-Qard-ul-Hasan (a goodly loan), which nowadays has become, in the daily affairs of Muslims, just a name without any form and reality to it. This is even though the Prophet (صلى الله عليه وسلم) encouraged giving loans and he went to great extents in that, to the point that he regarded the lending of two dollars to be as if you gave one dollar away in charity. This means: If you lend your Muslim brother two dollars, it is as if you have taken a dollar out of your pocket and given it for charity. Just as he (صلى الله عليه وسلم) encouraged these loans, he forbade from taking extra money in exchange for delaying your brother's payment of his end of the deal.

The Prophet (صلى الله عليه وسلم) said: **"Whoever makes two business transactions out of one, then he gets either the lowest of the two or the interest."** And in another hadeeth, he **"forbade that two business transactions be made for one (transaction)."** The reporter of this hadeeth was asked about the meaning of this forbiddance, so he responded: "It is that you say: 'I will sell you this thing for such and such amount of money in cash, and for such and such (more) money in delayed payment.'"

I will sell you this appliance for 100 dollars in cash directly, and for 105 dollars in instalments, meaning as a debt. He (صلى الله عليه وسلم) said: **"Whoever makes two business transactions out of one, then he gets either the lowest of the two or the interest."** This means that if he takes the extra money, then it is interest, as is seen in the example of the appliance that was sold for 105 dollars, five dollars more in exchange for the delay.

¹ (رَحْمَةُ اللَّهِ) (rahimahullaah) May Allaah have mercy on him

² (صلى الله عليه وسلم) May the peace and blessings of Allaah be upon him

³ as-Saheehah: no. 1803

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If there is an Islaamic Rule for the individuals and the rulers, this buyer who was deceived and had five extra dollars taken from him in exchange for the businessman's waiting on the delay, he would have the right to take hold of him and complain about him to the people of knowledge.

So this is the understanding of this hadeeth. The thing being sold is one; however the offer is in two transactions: In cash directly for this amount and in delayed payment for that amount. So the increase of money for the delay in paying at once was labelled as interest by Allaah's Messenger (صلى الله عليه وسلم).