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Reconstructing Zakatable Assets in Insurance and Takaful under MUIS Singapore Guidelines through the Doctrine of Al-Milk al-Tām

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ABSTRACT

The determination of *zakatable* assets in insurance and takaful remains a contemporary issue in Islamic jurisprudence, particularly regarding the requirement of complete ownership (*al-milk al-tām*). This study examines the construction of *zakatable* assets under the Singapore Islamic Religious Council (MUIS) guideline and evaluates their conformity with the doctrine of *al-milk al-tām*. Employing a normative juridical method with conceptual and *uṣūl al-fiqh* approaches, the study analyses the MUIS guideline, zakat calculator, and institutional clarification to examine the legal basis for determining *zakatable* assets in insurance and takaful. The findings indicate that premium-based constructions encounter difficulties under the doctrine of *al-milk al-tām* because contributions allocated to the collective *tabarru'* fund are no longer subject to the participant's exclusive ownership and control. By contrast, cash value provides the closest approximation to *al-milk al-tām* because it represents an identifiable and claimable financial entitlement. Nevertheless, its definitive juristic status remains dependent on whether the claimable amount exclusively reflects the participant's proprietary investment interest or also incorporates elements attributable to the collective *tabarru'* fund. The study contributes to contemporary Islamic legal scholarship by demonstrating that the doctrine of *al-milk al-tām* offers a coherent analytical framework for distinguishing contractual contributions from claimable financial entitlements in determining *zakatable* assets within contemporary insurance and takaful arrangements.

Keywords: A*l-Milk al-Tām*, Cash Value, Insurance, Takaful, Zakatable Assets

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INTRODUCTION

The determination of *zakatable* assets in modern financial instruments has become one of the most debated issues in contemporary Islamic finance (Atmeh et al., 2024). The rapid expansion of Islamic financial products has introduced new categories of wealth that require juristic evaluation regarding their eligibility as *zakatable* assets. This issue is not merely theoretical but has significant practical implications for contemporary zakat administration. The growing institutionalization of zakat administration in Singapore has increased the need for clear juristic guidance concerning the zakat treatment of contemporary financial assets (MUIS, 2025). This continuous growth reflects the increasing significance of institutional zakat governance and highlights the importance of ensuring that newly emerging financial assets are assessed upon sound juristic foundations. Consequently, determining the legal status of contemporary financial entitlements has become increasingly important for achieving legal certainty and Sharīa-compliant zakat administration.

Among contemporary financial products, insurance and takaful have generated particularly complex questions concerning the identification of *zakatable* assets, especially in relation to the ownership requirements prescribed by Islamic law. While classical jurists discussed zakat on conventional forms of wealth such as gold, silver, agricultural products, livestock, and trade commodities, contemporary insurance and takaful introduce new forms of economic value whose legal characterization remains contested (Kunhibava et al., 2024; Rosele et al., 2024) Several contemporary zakat institutions have therefore attempted to formulate practical mechanisms for calculating zakat on insurance-related assets (Bouteraa et al., 2026; Mukhtar et al., 2025).

One of the most prominent institutional approaches is provided by the Singapore Islamic Religious Council (Majlis Ugama Islam Singapura), which has incorporated insurance and takaful into its official zakat guideline and zakat calculator (Kunhibava et al., 2024). Under the published guideline, zakat on conventional insurance is calculated based on surrender value, whereas the treatment of takaful presents a more complex structure involving premium contributions and claimable values (Yazbek, 2023). Moreover, subsequent institutional clarification indicates that the legal treatment of insurance-related *zakatable* assets remains under further review. This institutional context makes the MUIS guideline particularly significant because it illustrates the practical challenges faced by contemporary zakat authorities in determining the legal status of insurance-related financial entitlements. Accordingly, the MUIS framework provides an appropriate case study for examining the juristic construction of *zakatable* assets within contemporary Islamic finance.

Recent studies on zakat and contemporary financial assets have mainly focused on cryptocurrencies, digital assets, fintech, and emerging investment instruments (Rosele et al., 2023). Other studies have examined governance, compliance, and institutional aspects of zakat administration (Abdullah et al., 2023). Research specifically addressing takaful has generally concentrated on operational structures, risk-sharing mechanisms, and *Sharīa* compliance (Ahmed, 2024). Existing studies discuss the operational, governance, and *Sharīa* aspects of takaful and zakat administration, but they do not specifically examine how insurance-related financial entitlements should be classified as *zakatable* assets through the doctrine of *al-milk al-tām* within the MUIS framework. In classical Islamic jurisprudence, *al-milk al-tām* constitutes one of the fundamental conditions for zakat obligation. Wealth cannot be subjected to zakat unless it is fully owned and controlled by its owner, who possesses the legal authority to utilize, transfer, and benefit from it (Al-Qaradawi, 2006; Al-Zuhaili, 1989). The application of this principle becomes problematic when applied to contemporary insurance and takaful products. In conventional insurance, surrender value may represent a claimable economic value, yet questions arise regarding the legal nature of ownership derived from contracts that many jurists classify as containing elements of *gharar* and *maysir*. In takaful, the issue becomes even more complex because participant contributions are distributed among *tabarru'*, investment, and management components, each possessing different ownership characteristics (Rahman et al., 2025).

A further challenge arises from the interpretation of the MUIS guideline on takaful (MUIS, 2025). While a literal reading of the published guidance suggests one understanding of the *zakatable* asset, subsequent institutional clarification indicates a broader range of possible legal constructions concerning claimable financial entitlements. This situation raises an important juristic question as to which financial value within the MUIS takaful framework should be regarded as the relevant *zakatable* asset and whether such value satisfies the doctrine of *al-milk al-tām*. Accordingly, this study examines the construction of *zakatable* assets in conventional insurance and takaful under the MUIS guideline and evaluates each proposed construction through the doctrine of *al-milk al-tām*.

This study differs from previous research in two respects. First, it reconstructs alternative legal constructions of *zakatable* assets from the MUIS guideline, zakat calculator, and institutional clarifications. Second, it evaluates those constructions through the classical doctrine of *al-milk al-tām* to determine which financial entitlement most closely satisfies the requirement of complete ownership. Therefore, this study contributes to contemporary Islamic legal scholarship by providing a coherent ownership-based framework for assessing *zakatable* assets in modern insurance and takaful arrangements.

METHOD

Research Approach and Data

This study employs a normative juridical research method, which examines legal norms, doctrines, and principles to construct legal arguments concerning contemporary issues in Islamic law (Arifin et al., 2025; Taekema, 2021). The study adopts a conceptual approach to analyze the legal concepts of *zakatable* assets, ownership, surrender value, premium contributions, and cash value within contemporary insurance and takaful arrangements. Rather than relying on empirical observation, the research evaluates the legal status of these financial entitlements through doctrinal and conceptual analysis grounded in Islamic legal principles.

The doctrine of *al-milk al-tām*, derived from classical Islamic jurisprudence, serves as the principal analytical framework of this study. It is operationalized by assessing each proposed *zakatable* asset against the classical juristic elements of complete ownership, namely legal control (*taṣarruf*), beneficial ownership (*intifā'*), exclusivity of ownership, productive capacity (*an-namā'*), and lawful acquisition. These analytical criteria provide the basis for evaluating whether contemporary insurance-related financial entitlements satisfy the ownership requirements for zakat obligation.

The study is based on library research and document analysis. The legal materials are classified into three categories.

1) Primary legal materials consist of the official MUIS guideline on zakat, the MUIS online zakat calculator, publicly available explanations concerning zakat on insurance and takaful, and an official institutional clarification obtained through direct communication with MUIS regarding the implementation of its published guideline. The clarification was initiated through telephone communication and subsequently confirmed through an official written response issued by MUIS following internal consultation. This clarification was used solely to explain the implementation of the published guideline and was not treated as independent empirical evidence or as a separate legal norm.
2) Secondary legal materials comprise scholarly books, journal articles, and classical as well as contemporary *fiqh* literature discussing zakat, takaful, ownership theory (*al-milk*), and Islamic financial transactions.
3) Tertiary legal materials include legal dictionaries, Arabic dictionaries, encyclopedias, and other reference materials used to clarify legal terminology and conceptual definitions.

Data Analysis

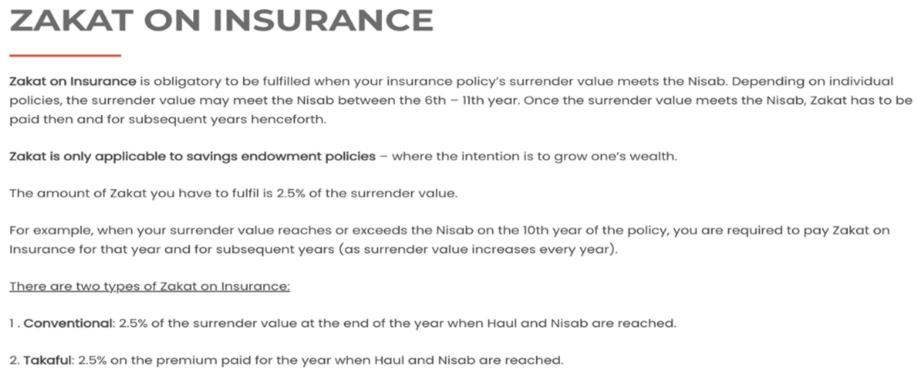
The legal materials were analyzed using a descriptive-analytical method through four sequential stages.

1) First, the study examined the normative construction of *zakatable* assets under the published MUIS guideline for conventional insurance and takaful. This stage identified the legal basis, calculation mechanisms, and financial components recognized in the guideline and the online zakat calculator, including surrender value, premium contributions, and cash value.
2) Second, the study reconstructed the possible legal constructions of *zakatable* assets in takaful by comparatively examining the published MUIS guideline, the online zakat calculator, and the official institutional clarification concerning the implementation of the guideline. This stage produced four alternative constructions regarding the legal status of annual premium, cumulative premium, and cash value as potential *zakatable* assets.
3) Third, each reconstructed *zakatable* asset namely surrender value, annual premium, cumulative premium, and cash value was evaluated using the doctrine of *al-milk al-tām*. The evaluation assessed whether each proposed asset fulfilled the classical juristic requirements of complete ownership by applying the analytical criteria of *taṣarruf*, *intifā'*, exclusivity of ownership, productive capacity (*an-namā'*), and lawful acquisition.
4) Finally, the reconstructed models were comparatively assessed to identify which legal construction most closely approximates the requirements *of al-milk al-tām* and therefore provides the most coherent ownership-based basis for determining *zakatable* assets under the MUIS framework. The analysis does not seek to establish an officially binding interpretation of the MUIS guideline but rather to evaluate the relative conformity of each reconstructed model with the classical doctrine of complete ownership.

RESULTS AND DISCUSSION

Zakat on Insurance in the MUIS Guideline

The MUIS guideline provides a specific framework for zakat on savings-oriented insurance policies. Zakat becomes payable when the relevant value reaches the *nisab* and the requirement of *haul* is fulfilled, with a zakat rate of 2.5%. The guideline distinguishes between conventional insurance and takaful by adopting different bases for zakat calculation. For conventional insurance, zakat is calculated based on the surrender value, whereas for takaful the guideline refers to the premium paid for the year (Jamal et al., 2024; Zafar et al., 2026). Thus, although both arrangements are subject to the same *nisab*, *haul*, and zakat rate, MUIS identifies different financial values as the basis of zakat assessment.



ZAKAT ON INSURANCE

Zakat on Insurance is obligatory to be fulfilled when your insurance policy's surrender value meets the Nisab. Depending on individual policies, the surrender value may meet the Nisab between the 6th – 11th year. Once the surrender value meets the Nisab, Zakat has to be paid then and for subsequent years henceforth.

Zakat is only applicable to savings endowment policies – where the intention is to grow one's wealth.

The amount of Zakat you have to fulfil is 2.5% of the surrender value.

For example, when your surrender value reaches or exceeds the Nisab on the 10th year of the policy, you are required to pay Zakat on Insurance for that year and for subsequent years (as surrender value increases every year).

There are two types of Zakat on Insurance:

1 . **Conventional**: 2.5% of the surrender value at the end of the year when Haul and Nisab are reached.

2. **Takaful**: 2.5% on the premium paid for the year when Haul and Nisab are reached.

Figure 1. Zakat in Insurance Guideline
Source: Official MUIS Website

The distinction is further reflected in the practical calculation mechanism provided by MUIS. For conventional insurance, the policyholder identifies the surrender value once the relevant conditions of *nisab* and *haul* are fulfilled, while the takaful provision refers to the premium paid during the relevant year (Kholis, 2025). The difference is significant because surrender value represents a claimable financial entitlement arising from the policy, whereas premium paid represents a contribution made by the participant. Accordingly, the MUIS framework establishes two different constructions of the financial value upon which zakat is assessed.

Table 1. General Framework of Insurance Zakat According to MUIS Guidelines

Element	Conventional Insurance	Takaful
Zakat rate	2.5%	2.5%
Nisab	Required	Required
Haul	Required	Required
Zakat basis	Surrender value	Premium paid for the year
Policy orientation	Savings-oriented	Savings-oriented

Note. Data compiled and analyzed by author(s)

The MUIS construction differs from approaches adopted by other contemporary Islamic institutions. In Selangor, conventional insurance is regarded as a non-Sharīa-compliant arrangement. The Selangor Mufti Department states that only the principal contribution paid by the policyholder may be retained and subjected to zakat, whereas compensation or dividends arising from conventional insurance are regarded as non-Sharīa-compliant wealth (Mufti Selangor, 2025). For takaful, however, the Selangor approach recognizes the withdrawable cash value as the basis for zakat. The same approach is reflected in the Lembaga Zakat Selangor (LZS) zakat calculator, which identifies the withdrawable cash value of takaful/insurance policies as the relevant amount.

This comparison shows that contemporary zakat institutions do not adopt a uniform construction of insurance and takaful zakat. For conventional insurance, MUIS recognizes surrender value as a *zakatable* basis for savings-oriented policies, whereas the Selangor position first considers the Sharīa status of the underlying insurance arrangement. For takaful, both recognize the *zakatability* of certain financial values, but MUIS refers to the premium paid for the year, while Selangor identifies the withdrawable cash value (MUIS, 2025; Mufti Selangor, 2024). The difference is therefore not merely a matter of calculation but also concerns the legal characterization and ownership status of the underlying financial value.

At the broader institutional level, the MUIS framework can also be situated within international and Malaysian zakat standards. AAOIFI FAS 39 addresses the recognition, presentation, and disclosure of Zakat attributable to stakeholders of Islamic financial institutions, while AAOIFI FAS 43 establishes recognition and measurement requirements for takaful arrangements, including participants' takaful and investment funds. These standards provide an institutional framework for zakat reporting and takaful accounting but do not prescribe a specific individual zakat formula for insurance or takaful policyholders. In Malaysia, JAWHAR (2026) provides national-level zakat management resources and a zakat-calculation platform linked to state-level zakat authorities, while the specific treatment of insurance and takaful is reflected more directly in state institutions such as Selangor. Thus, AAOIFI and JAWHAR provide broader institutional context, whereas Selangor offers a more directly comparable operational reference for insurance- and takaful-related zakat.

The comparison is used here only to contextualize the MUIS framework rather than to establish a separate comparative legal analysis. The subsequent discussion therefore focuses on the MUIS construction, beginning with the surrender value of conventional insurance, and then examining the alternative constructions arising from the takaful guideline. These constructions are subsequently evaluated through the doctrine of *al-milk al-tām*.

MUIS Zakat Provisions for Conventional Insurance

The determination of *zakatable* assets in insurance policies remains one of the contemporary issues in Islamic finance. Unlike traditional zakat assets such as gold, silver, livestock, and trade commodities, insurance policies consist of multiple financial components whose ownership status and economic value differ significantly (Atmeh et al., 2024). Consequently, zakat institutions must determine which component of the policy represents the appropriate basis for zakat assessment.

MUIS adopts a specific approach in calculating zakat on conventional insurance policies. Rather than imposing zakat on the total premiums paid or the total death benefit provided by the insurer, MUIS employs surrender value as the primary basis for zakat calculation (Abdullah et al., 2025). This approach is illustrated through an official example published in the MUIS zakat guideline.

End of Policy Year	Premiums Total	Death Benefits		Total	Surrender Value		Total
		Guaranteed	Non-Guaranteed		Guaranteed	Non-Guaranteed	
1	933	10,000	100	10,100	0	0	0
2	1,866	10,000	201	10,201	0	0	0
3	2,799	10,000	303	10,303	1,673	121	1,794
4	3,732	10,000	406	10,406	1,948	168	2,116
5	4,666	10,000	510	10,510	2,651	219	2,870
6	5,599	10,000	923	10,923	2,966	275	3,241
7	6,532	10,000	1,443	11,443	3,711	335	4,046
8	7,465	10,000	2,071	12,071	4,069	400	4,469

Nisab: $4,000

Determine Haul (when Surrender Value reaches Nisab): Year 7

Surrender Value at Year 7: $4,046

Zakat to be paid: $4,046 x 0.025 = $101.15

Figure 2. *Official Illustration of Zakat Calculation on Conventional Insurance MUIS*
Source. Official MUIS Website

Figure 2 illustrates the development of cumulative premiums, death benefits, and surrender value throughout the policy period, together with an assumed *nisab* threshold of SGD 4,000. Although cumulative premiums increase from SGD 933 in the first year to SGD 7,465 in the eighth year, and death benefits remain consistently above the *nisab* threshold, MUIS does not use either value as the basis for zakat assessment. Instead, the guideline adopts surrender value as the sole reference. The surrender value remains below *nisab* until the sixth policy year, rises to SGD 4,046 in the seventh year, thereby exceeding the prescribed threshold and triggering zakat liability, and further increases to SGD 4,469 in the eighth year. Accordingly, the illustration demonstrates that, within the MUIS framework, only surrender value functions as both the *nisab* indicator and the *zakatable* asset, whereas cumulative premiums and death benefits play no role in determining zakat liability (MUIS, 2025).

Table 2. Functional Position of Insurance Components in the MUIS Zakat Framework

Component	Year 7 Value (SGD)	Function in Zakat Calculation
Premiums Total	6,532	Not used as zakat object
Death Benefits	11,443	Not used as zakat object
Surrender Value	4,046	Nisab indicator and zakat object

Note. Data compiled and analyzed by author(s)

Table 2 clearly indicates that surrender value occupies a unique position within the MUIS framework. While premium contributions represent the financial commitment of the policyholder and death benefits represent the contractual benefit offered by the insurer, neither serves as the *zakatable* asset (Wahab et al., 2024). Instead, surrender value functions simultaneously as the indicator of *nisab* and the object upon which zakat is calculated. The mechanism adopted by MUIS may be illustrated as follows.

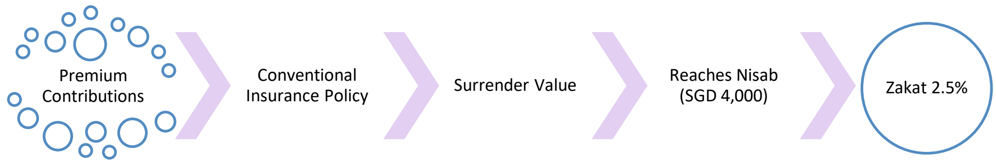


Figure 3. *Mechanism of Zakat Assessment on Conventional Insurance According to MUIS*
Note. Data compiled and analyzed by author(s)

Therefore, MUIS adopts a realizable-value approach in determining *zakatable* assets within conventional insurance policies. Under this approach, zakat is not imposed on the total premiums paid by the policyholder nor on the potential death benefits stipulated in the policy (Abdullah et al., 2025). Rather, zakat is assessed solely on the surrender value, which serves both as the threshold indicator and the *zakatable* asset itself. This construction provides the foundation for comparing conventional insurance with takaful, where the determination of *zakatable* assets appears to involve different considerations concerning premium contributions and claimable values.

MUIS Zakat Provision for Takaful and Alternative Interpretations

Unlike the zakat framework for conventional insurance, whose object of zakat is expressly identified as the surrender value of the policy, the construction of zakat on takaful in the MUIS guideline is considerably less straightforward. The ambiguity arises from the fact that the available information is derived from several sources that are not entirely consistent with one another, namely the official guideline published on the MUIS website, the online zakat calculator (MUIS, 2025) and two separate clarification sessions conducted by the author with MUIS officers via telephone. As a result, the determination of the *zakatable* asset in takaful cannot be inferred solely from one textual provision, but requires a comprehensive reading of all available evidence.

At the normative level, the MUIS guideline introduces insurance as a form of wealth that may become subject to zakat once the relevant value satisfies the requirements of *nisab* and *haul*. However, after presenting the general principles, the guideline distinguishes between conventional insurance and takaful by assigning different bases for zakat calculation (Zain et al., 2021). Conventional insurance is assessed based on the surrender value at the end of the year in which *haul* and *nisab* are fulfilled, whereas takaful is described as being subject to zakat at 2.5% of the premium paid for the year when haul and *nisab* are reached. This distinction constitutes the primary source of interpretative uncertainty throughout the guideline.

There are two types of Zakat on Insurance:

1. **Conventional**: 2.5% of the surrender value at the end of the year when Haul and Nisab are reached.

2. **Takaful**: 2.5% on the premium paid for the year when Haul and Nisab are reached.

Figure 4. Normative Provision on Takaful Zakat in the MUIS Guideline
Source. Official MUIS Website

A literal reading of the takaful provision suggests that *"premium paid for the year"* forms the basis of zakat (MUIS, 2025). However, the MUIS guideline does not clarify whether this refers to the annual premium, cumulative premiums, the participant's cash value, or another financial value. Likewise, it remains unclear how the fulfilment of *nisab* is determined in relation to these values. This ambiguity becomes more evident when compared with the explanations obtained from two telephone interviews with MUIS officers. The first interview indicated that zakat is calculated based on cumulative premiums, whereas the second explained that the relevant basis is the participant's cash value, since Singaporean takaful does not apply the concept of surrender value as found in conventional insurance. Rather than treating these explanations as contradictions, this study reconstructs four possible interpretative models based on the available normative and empirical evidence. These models are analytical reconstructions rather than official MUIS methodologies.

To facilitate comparison, this study employs a hypothetical family takaful illustration using a single set of numerical assumptions. Unlike the MUIS guideline for conventional insurance, which provides a complete numerical example, no comparable illustration is available for takaful. Accordingly, the hypothetical illustration serves only as a common analytical framework through which each interpretative model can be examined using identical financial data. Consequently, any differences among the four constructions arise from differences in legal interpretation rather than from variations in the numerical assumptions.

Table 3. Hypothetical Illustration of Takaful Values for Comparative Analysis

End of Policy Year	Annual Premium (SGD)	Cumulative Premium (SGD)	Cash Value (SGD)	Remarks
Year 1	2,500	2,500	2,100	Below Nisab
Year 2	2,500	5,000	4,500	Below Nisab
Year 3	2,500	7,500	6,900	Below Nisab
Year 4	2,500	10,000	8,500	Nisab Reached
Year 5	2,500	12,500	10,700	Zakat Continues

Note. Data compiled and analyzed by author(s)

For the purpose of comparison, it is assumed that a participant contributes an annual takaful premium of SGD 2,500 beginning in the first policy year, and that the amount of the annual contribution remains unchanged throughout the policy period. Consequently, the cumulative premiums increase progressively from SGD 2,500 in the first year to SGD 10,000 by the fourth year and SGD 12,500 by the fifth year. The applicable *nisab* is assumed to be SGD 8,000, while the participant's *cash value* gradually increases in line with the accumulation of contributions, reaching SGD 8,500 in the fourth year and SGD 10,700 in the fifth year. Throughout the following discussion, these numerical values remain unchanged so that each interpretative model can be evaluated using the same factual scenario. Accordingly, any differences in the resulting zakat calculation arise exclusively from differences in the legal construction of the *zakatable* asset rather than from variations in the numerical assumptions.

1) Annual Premium Interpretation

The first possible construction is derived from a literal reading of the MUIS takaful provision, which states that zakat is calculated at *"2.5% on the premium paid for the year when haul and nisab are reached."* Under this interpretation, the annual premium functions simultaneously as the *nisab* indicator and the *zakatable* asset. Consequently, zakat liability arises only if the annual premium itself reaches the prescribed *nisab*, while cumulative premiums and the participant's cash value are regarded as legally irrelevant.

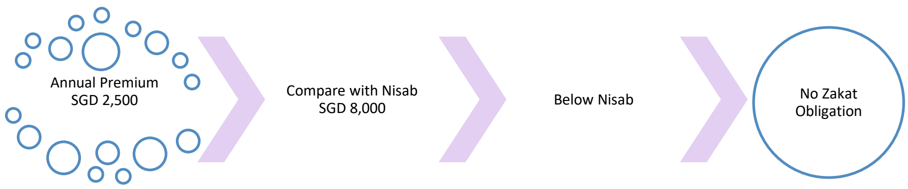


Figure 5. Literal Construction of the MUIS Takaful Provision
Note. Data compiled and analyzed by author(s)

Applying the hypothetical illustration in Table 3, the participant contributes an annual premium of SGD 2,500, whereas the assumed *nisab* is SGD 8,000. Since the annual premium never reaches the required threshold, no zakat obligation arises under this construction despite the continuous accumulation of premiums and the increase in the participant's cash value. Accordingly, zakat is not payable because the condition of *nisab* is never fulfilled through the annual premium alone. The example illustrates that this construction produces the most restrictive outcome among all proposed interpretations. While it faithfully adheres to the literal wording of the guideline, it also raises an important practical question as to whether the annual premium was indeed intended by MUIS to function simultaneously as the *nisab* indicator and the *zakatable* asset.

2) Cumulative Premium Interpretation

The second possible construction is based on the clarification obtained through a telephone consultation with MUIS officers, in which the officer explained that zakat on takaful is calculated using the participant's cumulative premiums (MUIS, 2025). Although this explanation is not expressly stated in the published guideline, it suggests that the accumulated premiums function as both the *nisab* indicator and the *zakatable* asset. Under this interpretation, annual contributions are accumulated until they reach the prescribed *nisab*, after which zakat is imposed on the cumulative amount itself. Applying the hypothetical illustration in Table 3, the participant's cumulative premium reaches SGD 10,000 at the end of the fourth policy year, exceeding the assumed *nisab* of SGD 8,000. Consequently, zakat becomes payable on the cumulative premium at the standard rate of 2.5%**.**

Figure 6. Cumulative Premium as the Nisab Indicator and the Zakatable Asset
Note. Data compiled and analyzed by author(s)

Under this construction, the fourth policy year represents the first assessment year in which the cumulative premium satisfies the assumed *nisab* of SGD 8,000, thereby giving rise to the zakat obligation. Accordingly, zakat becomes payable in the fourth year without postponing the obligation until the following policy year. In the fifth policy year, when the cumulative premium further increases to SGD 12,500, the participant remains liable for zakat because the cumulative premium continues to exceed the *nisab* threshold. Consequently, zakat is recalculated based on the updated cumulative premium, amounting to SGD 312.50 (SGD 12,500 × 2.5%). This illustration adopts the operational assumption that the commencement of *haul* is linked to the first assessment period in which the *zakatable* asset reaches *nisab*, and that the obligation continues in subsequent years as long as the asset remains above the prescribed threshold.

3) Hybrid Interpretation

The third construction represents a hybrid interpretation that reconciles the normative wording of the MUIS guideline with the clarification obtained during the first telephone interview. While the interview indicates that cumulative premiums are used to determine the fulfilment of *nisab*, the guideline expressly refers to *"the premium paid for the year"* as the basis for zakat calculation. Accordingly, this construction treats the cumulative premium solely as the *nisab* indicator, whereas the annual premium remains the *zakatable* asset.

Applying the hypothetical illustration in Table 3, the participant contributes SGD 2,500 annually. At the end of the fourth policy year, the cumulative premium reaches SGD 10,000, exceeding the assumed *nisab* of SGD 8,000. Consequently, zakat becomes payable; however, the obligation is calculated only on the annual premium of SGD 2,500, resulting in a zakat payment of SGD 62.50 (SGD 2,500 × 2.5%). The same approach applies in the fifth policy year. Although the cumulative premium increases to SGD 12,500, the *zakatable* asset remains the annual premium of SGD 2,500, and the zakat payable therefore remains SGD 62.50.

Figure 7. Cumulative Premium as Nisab Indicator and Annual Premium as Zakatable Asset
Note. Data compiled and analyzed by author(s)

This construction represents a hybrid interpretation of the available evidence. Rather than replacing the normative wording of the guideline with the interview findings, it combines both sources into a single analytical framework. Nevertheless, because neither the official guideline nor the interview explicitly confirms this construction, it remains an interpretative possibility that requires further examination through the theory of *al-milk al-tām*.

4) Cash Value Interpretation

The fourth construction is derived exclusively from the clarification with MUIS., The officer explained that takaful products in Singapore do not employ the concept of surrender value in the same manner as conventional insurance. Instead, the relevant financial value for zakat purposes was identified as the participant's cash value (MUIS, 2025). Unlike the previous constructions, however, the expression *cash value* does not appear anywhere in the published MUIS guideline. Consequently, this construction is based entirely on empirical clarification rather than on the textual provisions of the website. Under this interpretation, the participant's cash value performs a dual function. First, it determines whether the participant has satisfied the *nisab* requirement. Second, once the prescribed threshold has been reached, the same cash value becomes the *zakatable* asset upon which zakat is calculated. Compared with the previous constructions, this model shifts the focus away from premium contributions and instead emphasizes the participant's realizable economic value.

Applying the hypothetical illustration in Table 3, the participant's cash value reaches SGD 8,500 at the end of the fourth policy year, thereby exceeding the assumed *nisab* of SGD 8,000. Under this construction, zakat is calculated directly on the participant's cash value. Accordingly, the zakat payable in the fourth-year amounts to SGD 212.50 (SGD 8,500 × 2.5%). In the fifth policy year, the cash value increases to SGD 10,700, resulting in a zakat obligation of SGD 267.50 (SGD 10,700 × 2.5%).

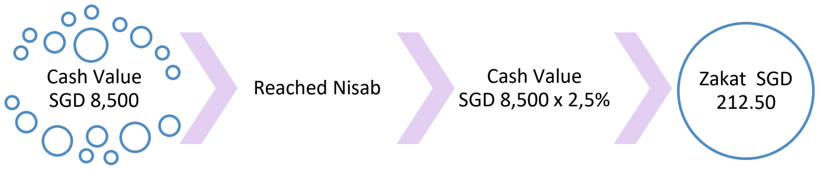


Figure 8. Fourth Possible Construction: Cash Value as Nisab and Zakatable Assets
Note. Data compiled and analyzed by author(s)

Compared with the preceding constructions, this model presents the most significant departure from the published MUIS guideline because it introduces a financial concept that is absent from the official text. Nevertheless, the interview findings suggest that *cash value* may represent the practical value used by MUIS officers when explaining the operation of takaful zakat. For this reason, the construction constitutes an important empirical finding that cannot be disregarded, although its normative status remains uncertain until further official clarification is obtained.

5) Comparative Assessment

The four interpretative constructions discussed above demonstrate that the determination of *zakatable* assets in the MUIS takaful framework remains open to different legal interpretations. Although each construction is derived from the available normative and empirical sources, they produce significantly different legal consequences despite relying on the same hypothetical financial illustration. This finding indicates that the ambiguity does not originate from the numerical data themselves, but rather from the legal interpretation of which financial component should function as the *nisab* indicator and which should constitute the *zakatable* asset. The comparison also reveals that the wording of the MUIS guideline alone is insufficient to establish a single definitive calculation model for takaful. A purely literal interpretation tends to produce one conclusion, whereas systematic interpretation and empirical clarification obtained through interviews generate different results. Consequently, each construction possesses its own methodological strengths and limitations, depending on the source upon which it is primarily based.

Table 4. Comparative Evaluation of the Four Interpretative Constructions of Takaful

Model	Primary Source	Nisab Indicator	Zakatable Asset	Year 4 Zakat	Main Strength	Main Limitation
1	Literal reading of the guideline	Annual Premium	Annual Premium	No zakat	Consistent with textual wording	Annual premium rarely reaches *nisab*
2	Telephone Interview I	Cumulative Premium	Cumulative Premium	SGD 250	Consistent with first clarification	Not expressly stated in the guideline
3	Hybrid interpretation	Cumulative Premium	Annual Premium	SGD 62.50	Harmonizes normative and empirical data	No explicit confirmation from MUIS
4	Telephone Interview II	Cash Value	Cash Value	SGD 212.50	Reflects practical explanation	Cash value absents from the published guideline

Note. Data compiled and analyzed by author(s)

As illustrated in Table 4, the four proposed constructions differ in determining both the *nisab* indicator and the *zakatable* asset, resulting in different zakat outcomes despite using identical numerical assumptions. Model 1 produces no zakat obligation because the annual premium never reaches the assumed *nisab*. Model 2 calculates zakat on the cumulative premium, whereas Model 3 uses the cumulative premium only to determine *nisab* while retaining the annual premium as the *zakatable* asset. Model 4 adopts cash value as both the *nisab* indicator and the *zakatable* asset.

Each construction also reflects a different legal basis. Model 1 relies exclusively on the literal wording of the MUIS guideline, while Models 2 and 4 are derived from empirical clarification obtained through telephone interviews with MUIS officers. Model 3 represents a hybrid interpretation by reconciling the normative text with the first interview, treating the cumulative premium as the *nisab* indicator while preserving the phrase *"premium paid for the year"* as the *zakatable* asset (MUIS, 2025). Among the four constructions, this study considers Model 3 to provide the most coherent reconciliation of the currently available normative and empirical evidence. Nevertheless, such a conclusion relates primarily to the interpretation of the available MUIS materials rather than to the classical ownership requirements of Islamic law. While Model 3 provides the most coherent reconciliation of the currently available MUIS materials, Model 4 offers the strongest conformity with the doctrine of *al-milk al-tām* because it is based on an identifiable and claimable financial entitlement rather than on contributed premiums. The following section therefore evaluates each construction through the doctrine of al-*milk al-tām* to determine the relative strength of their ownership claims.

Evaluation through the Doctrine of Al-Milk al- Tām

One of the fundamental requirements for the obligation of zakat is that the wealth must be owned through *al-milk al-tām* (Rosele et al., 2023). Classical Muslim jurists consistently regarded this principle as a prerequisite before any property could be subjected to zakat, regardless of whether the asset has reached the prescribed *nisab* or completed one lunar year (*haul*). Accordingly, the determination of *zakatable* wealth is not solely based on its monetary value but also on the legal quality of ownership exercised by its holder. The importance of *al-milk al-tām* was discussed extensively by Ahmad al-Ṣāwī in *Ḥāshiyah al-Ṣāwī ʿalā al-Sharḥ al-Ṣaghīr*, where he explained the juristic debate concerning its legal status. He stated:

اختلف في الملك التام هل هو سبب أو شرط؟

Some jurists regarded complete ownership as the legal cause (*sabab*) of zakat, whereas Ibn al-Ḥājib considered it a legal condition (*sharṭ*). Although they differed in legal classification, both opinions ultimately arrived at the same conclusion that zakat cannot arise in the absence of complete ownership. Thus, the existence of *nisab* and *haul* alone does not automatically establish zakat liability if ownership remains legally incomplete (Bafadhal, 2021). Classical jurists further explained the substance of complete ownership through the concept of legal control and beneficial enjoyment. Al-Bahūtī (n.d), in *Kashshāf al-Qināʿ*, defines complete ownership as follows:

الْمِلْكُ التَّامُّ هُوَ مَا كَانَ فِي يَدِ الْمَالِكِ يَتَصَرَّفُ فِيهِ وَيَنْتَفِعُ بِهِ

This definition demonstrates that ownership is regarded as complete only when the asset remains under the effective control of its owner, allowing him to exercise unrestricted legal disposition (*taṣarruf*) while simultaneously enjoying the economic benefits arising from it. Consequently, *al-milk al-tām* is not merely formal ownership recognized by law but also requires practical authority to dispose of the property and exclusive entitlement to its financial benefit. Besides legal control, classical jurists also associated zakat with the productive nature of wealth. Al-Kāsānī, in *Badāʾiʿ al-Ṣanāʾiʿ*, states:

وَمِنْ شَرَائِطِ وُجُوبِ الزَّكَاةِ أَنْ يكُونَ الْمَالُ نَامِيًا أَوْ فِي حُكْمِ النَّامِيْ

According to al-Kāsānī, zakat is imposed only upon wealth that possesses actual or *an-namā'* (Paizin, 2026). The concept of growth is therefore not limited to physical increase but extends to assets that are capable of generating future economic value through investment, trade, or other productive activities. This requirement distinguishes productive wealth from assets that merely exist without producing any economic benefit.

The relationship between ownership and legal authority is further reinforced by al-Māwardī in *al-Ḥāwī al-Kabīr* (Al-Mawardi, 1994). In discussing commercial assets, he explains that ownership capable of producing legal consequences cannot be established merely through intention but must be accompanied by a legally effective act of disposition (*taṣarruf*). This principle illustrates that Islamic law evaluates ownership not only from the existence of legal title but also from the owner's actual ability to exercise rights over the property. Accordingly, rights that remain contingent, restricted, or dependent upon another party's discretion cannot automatically be regarded as complete ownership.

Another important dimension concerns the legitimacy of the wealth itself. Al-Ghazālī (n.d) argues that wealth acquired entirely through unlawful means cannot become the subject of zakat because Islamic law does not recognize unlawful property as a proper object of financial purification. Likewise, Al-Kashmiri (2004) distinguishes between property that is unlawful by its very nature (*ḥarām li-dhātih*) and property rendered unlawful because of the manner in which it is acquired (*ḥarām li-kasbih*). Although these discussions primarily address the permissibility of wealth, they also demonstrate that the legal validity of ownership cannot be entirely separated from the contractual basis through which the property arises.

Taken together, these classical discussions indicate that *al-milk al-tām* is not a single legal concept but rather a comprehensive standard of ownership requiring effective control, unrestricted legal disposition (*taṣarruf*), exclusive economic benefit, productive financial capacity (*an-namā'*), and legally recognized acquisition. These principles provide the appropriate juristic framework for examining whether modern insurance benefits such as surrender value, accumulated premiums, annual premiums, or cash value may legitimately be classified as *zakatable* assets under Islamic law.

1) Assessing Surrender Value of Conventional Insurance through Al-Milk al-Tām

The MUIS guideline identifies the surrender value as the basis for zakat on conventional insurance once the requirements of *nisab* and *haul* have been fulfilled. The surrender value represents the amount contractually available to the policyholder upon termination of the insurance policy. Applying the foregoing criteria of *al-milk al-tām*, the first issue is whether the policyholder possesses sufficient legal authority and beneficial entitlement over this value. Once the contractual conditions for surrender are fulfilled, the policyholder acquires a specific and identifiable right to terminate the policy and claim the corresponding amount. The surrender value therefore constitutes a financial entitlement that can be identified, claimed, and economically enjoyed by the policyholder. In this respect, it substantially satisfies the requirements of legal control (*taṣarruf*) and beneficial ownership (*intifāʿ*).

The surrender value also possesses characteristics relevant to the requirement of productive wealth (*an-namāʾ*). Unlike an annual premium, which primarily represents a contractual contribution, the surrender value reflects an accumulated financial value that may increase throughout the policy period and can be realized by the policyholder upon surrender. Its economic value is therefore more closely connected to an identifiable and accumulative asset than to a mere payment obligation. On this basis, surrender value more closely resembles *zakatable* wealth possessing actual or constructive growth.

Nevertheless, the principal juristic issue concerns the legal origin of the ownership rather than the existence of an identifiable financial entitlement. The fact that a policyholder possesses a contractual right to claim the surrender value does not by itself resolve whether the proprietary right arising from the underlying conventional insurance contract is fully recognized under Islamic law. Classical discussions distinguish between ownership of an economic value and the legal legitimacy of the means through which that ownership arises (Al-Ghazālī, n.d; Al-Kashmīrī, 2004). This distinction is particularly relevant to conventional insurance because Muslim jurists have raised objections to the underlying contract on account of elements associated with *gharar*, *maysir*, and *riba* (Kadirov, 2021).

Accordingly, two analytically distinct questions must be distinguished. First, whether the surrender value, as an identifiable and claimable financial entitlement, substantially fulfils the substantive characteristics of *al-milk al-tām*. Second, whether the proprietary right arising from the conventional insurance contract is legally recognized under Islamic law. The analysis indicates that the first question can be answered more positively because the policyholder possesses a defined claim and economic benefit over the surrender value. The remaining difficulty concerns the second question, namely the Sharīa legitimacy of the contractual basis from which that ownership arises.

Accordingly, this study finds that the surrender value substantially approximates the substantive requirements of *al-milk al-tām* in terms of identifiable ownership, legal control, beneficial entitlement, and accumulated economic value. However, its ultimate qualification as *zakatable* wealth remains subject to the juristic assessment of the underlying conventional insurance contract. This distinction provides a basis for the subsequent analysis of takaful, where the principal question shifts from the legitimacy of the underlying contract to the identification and ownership status of the financial value attributed to the participant.

2) Reassessing the Four Takaful Interpretations through *Al-Milk al-Tām*

Unlike conventional insurance, where the principal juristic issue concerns the legitimacy of the underlying contractual relationship, the takaful framework presents a different question concerning the ownership status of the participant's contribution. As established above, *al-milk al-tām* does not require that an asset be physically used or actually disposed of by its owner. The decisive consideration is whether the owner retains a legally recognized and sufficiently exclusive right to control, benefit from, and dispose of the asset. Accordingly, the mere fact that a participant has paid a contribution does not, by itself, establish complete ownership over the entire amount after the contribution has been allocated under the takaful arrangement.

Under a typical takaful structure, the participant's contribution may be allocated among the *tabarru'* fund, operator remuneration (*ujrah*), and an investment or savings component, depending on the contractual structure. These components do not necessarily possess the same ownership characteristics. The critical point for determining *al-milk al-tām* is therefore the moment at which the participant's individual proprietary rights over a particular portion of the contribution are transferred or otherwise restricted by the contractual arrangement. Once the amount designated as *tabarru'* has been validly transferred into the collective risk-sharing fund, that amount is no longer subject to the participant's exclusive *taṣarruf*. The participant cannot independently withdraw, transfer, or appropriate that portion for personal benefit; rather, its use is governed by the collective purpose of the *tabarru'* arrangement and the rights established under the takaful contract. Consequently, the participant's individual ownership over the transferred portion ceases, or at minimum becomes legally incomplete, at the point of its effective allocation to the collective fund.

This distinction is important because not every amount initially paid by the participant necessarily remains the participant's individually owned wealth. A contribution may therefore contain both a portion that remains attributable to the participant's individual proprietary interest and a portion whose legal status changes upon allocation to the *tabarru'* fund. The assessment of *al-milk al-tām* must consequently be directed to the specific financial component that constitutes the proposed *zakatable* asset, rather than to the gross amount of the participant's contribution.

The principal finding of this study is that payment of a contribution does not automatically establish complete ownership over the contributed amount once it has been allocated to the collective *tabarru'* fund.

The first construction, which treats the annual premium as both the *nisab* indicator and the *zakatable* asset, encounters this ownership difficulty. Although the participant pays the annual premium, the entire amount cannot automatically be regarded as fully owned wealth after its contractual allocation. To the extent that the contribution is transferred to the collective *tabarru'* fund, the participant loses exclusive control over that portion and can no longer exercise unrestricted *taṣarruf* or exclusive economic benefit. Accordingly, the annual premium, when treated as an undifferentiated *zakatable* asset, does not fully satisfy the requirements of *al-milk al-tām*.

The second construction, which treats cumulative premiums as both the *nisab* indicator and the *zakatable* asset, faces the same juristic difficulty. Accumulating the participant's contributions over several years does not restore individual ownership over amounts that have already been allocated to the collective *tabarru'* fund. The cumulative amount therefore represents an aggregation of contributions with potentially different ownership components rather than a single asset that remains wholly under the participant's exclusive control. Consequently, the cumulative premium cannot automatically be treated as *al-milk al-tām* merely because its nominal value increases and reaches the *nisab* threshold.

The third construction, which uses cumulative premium as the *nisab* indicator while retaining the annual premium as the *zakatable* asset, partially addresses the difficulty in determining when *nisab* is reached but does not resolve the underlying ownership problem. The annual premium remains subject to the same contractual allocation between the participant's individual interest and the collective *tabarru'* fund. Thus, although cumulative premium may function as an indicator of the participant's accumulated financial position, it does not transform the annual premium into wholly owned wealth for purposes of *al-milk al-tām*.

The fourth construction, which identifies cash value as both the *nisab* indicator and the *zakatable* asset, presents a different ownership position. Cash value represents an identifiable financial entitlement that may be claimable by the participant under the terms of the takaful contract. Accordingly, it provides a stronger basis for *al-milk al-tām* than the premium-based constructions. Nevertheless, the qualification remains provisional because the published MUIS guideline does not clarify the precise composition of the cash value. If the cash value represents solely the participant's proprietary investment or savings interest after contractual allocations and deductions, it more closely satisfies the requirements of complete ownership. If, however, the amount still incorporates interests attributable to the collective *tabarru'* fund, its qualification as wholly owned wealth requires further juristic clarification.

Thus, the decisive issue in evaluating the four constructions is not merely whether the participant has paid a premium or whether a financial value is contractually claimable, but whether the specific amount identified as the *zakatable* asset remains under the participant's legally recognized and sufficiently exclusive ownership. On this basis, the annual premium and cumulative premium constructions are problematic because they encompass contributions whose ownership may cease or become incomplete upon allocation to the collective *tabarru'* fund, whereas cash value provides a closer approximation to *al-milk al-tām* because it represents a more identifiable and claimable proprietary entitlement.

3) Comparative Assessment of Zakatable Assets in Light of *Al-Milk al-Tām*

The preceding analysis demonstrates that the *zakatable* assets identified within the MUIS framework do not possess the same degree of compatibility with the doctrine of *al-milk al-tām*. Surrender value in conventional insurance substantially fulfils the substantive characteristics of complete ownership because it constitutes an identifiable and claimable financial entitlement, although its ultimate juristic status remains affected by the disputed Sharīa basis of the underlying conventional insurance contract. In takaful, the annual and cumulative premium constructions encounter greater difficulty because the participant's contribution may be allocated to the collective *tabarru'* arrangement, thereby limiting exclusive individual ownership. By contrast, cash value provides a stronger indication of *al-milk al-tām* because it represents a specific financial entitlement that may be claimed or withdrawn by the participant.

The finding concerning cash value is consistent with the contemporary zakat position adopted in Selangor. The Selangor Mufti Department states that zakat on takaful savings or investment is imposed annually on the cash value that can be withdrawn, because such value is treated similarly to savings held in financial institutions (Mufti Selangor, 2024). The same approach is reflected in the *Zakat Anda* takaful calculator, which identifies cash value as the *zakatable* amount, requires *nisab* and *haul*, and applies a rate of 2.5 percent to the cash value rather than the policy's sum covered. Thus, the present finding that cash value provides the strongest approximation to *al-milk al-tām* is not isolated from contemporary institutional practice: it corresponds with an existing operational approach that identifies an identifiable and withdrawable financial entitlement as the basis for zakat.

The similarity, however, is limited to the identification of cash value as the relevant *zakatable* value. The present study extends the operational approach by examining the proprietary basis of that value through *al-milk al-tām*. The Selangor guidance establishes cash value as the *zakatable* amount because it is withdrawable, whereas the present analysis asks a further juristic question: whether the withdrawable amount represents the participant's exclusive proprietary interest after all contractual allocations and deductions. This distinction is particularly important in takaful because the cash value may relate to different components of the participant's account and the collective *tabarru'* arrangement. Accordingly, withdraw ability provides a strong indication of *taṣarruf* and beneficial entitlement, but it does not by itself conclusively establish complete ownership.

The finding concerning the premium-based constructions also differs from a purely contribution-based measurement of zakat. The MUIS guideline identifies the premium paid for the year as the stated basis for takaful zakat, whereas the Selangor position identifies the withdrawable cash value. The difference can be explained through the ownership analysis developed in this study. A premium represents an amount contributed under the takaful arrangement, and its legal character changes according to the component to which it is allocated. Once a portion is transferred to the collective *tabarru'* fund, that portion is no longer subject to the participant's exclusive *taṣarruf*. Merely accumulating such contributions therefore does not restore individual ownership. By contrast, cash value represents a defined financial entitlement that is available for withdrawal under the contractual arrangement.

The same distinction explains why the cumulative premium construction remains weaker than the cash value construction. Although cumulative contributions may provide a measurable indication of the participant's financial position and may be used to determine *nisab*, accumulation of the nominal contributions does not alter the ownership status of amounts already allocated to the collective fund. The difference from a cash-value approach is therefore not simply numerical. It concerns the legal relationship between the participant and the financial value used as the zakat base.

Among the four reconstructed takaful constructions, cash value therefore provides the closest approximation to *al-milk al-tām*. This finding is supported by its identifiable, claimable, and withdrawable character and is further corroborated by the contemporary Selangor practice. Nevertheless, the present study does not regard cash value as automatically satisfying complete ownership. Its definitive qualification depends on whether the amount represents the participant's exclusive proprietary interest after all contractual allocations and deductions, or whether it still incorporates an amount attributable to the collective *tabarru'* fund. This qualification constitutes the principal juristic contribution of the present analysis.

Table 5. Comparison of Proposed Zakat Objects under the Doctrine of *Al-Milk al-Tām*

Proposed Zakat Object	Insurance Scheme	Compatibility with *Al-Milk al-Tām*	Principal Juristic Issue
Surrender Value	Conventional Insurance	High	Ownership is complete, but the contractual basis remains disputed due to *gharar*, *maysir*, and *riba*.
Annual Premium (Premium Paid in Year)	Takaful	Low	The premium becomes part of the collective takaful arrangement after contribution.
Cumulative Premium	Takaful	Moderate	Wealth accumulates, yet ownership over the accumulated contribution remains collective rather than individual.
Annual Premium (Nisab Based on Cumulative Premium)	Takaful	Moderate	Nisab is more reasonable, but the *zakatable* object remains the annual premium whose ownership is still incomplete.
Cash Value	Takaful	Highest	Represents an individual financial entitlement, although its legal composition requires further clarification.

Note. Data compiled and analyzed by author(s)

Overall, the comparison with contemporary institutional practice demonstrates both convergence and divergence. The convergence lies in recognizing an identifiable and withdrawable financial value cash value as a stronger basis for zakat. The divergence lies in the juristic explanation: the present study does not rely on withdraw ability alone but evaluates whether the underlying financial entitlement satisfies *al-milk al-tām*. Accordingly, the findings extend the existing operational treatment of cash value by providing a juristic criterion for assessing its zakat ability. This supports the conclusion that, among the reconstructed takaful constructions, cash value is the strongest candidate for a *zakatable* asset, although its definitive status under the MUIS framework requires clarification of the proprietary composition between the participant's investment interest and the collective *tabarru'* fund.

CONCLUSION

The identification of *zakatable* assets in insurance and takaful cannot be determined solely by reference to contractual contributions or calculation mechanisms but must also be assessed through the doctrine of *al-milk al-tām*. Under the MUIS framework, surrender value in conventional insurance functions as the relevant *zakatable* asset because it constitutes an identifiable and claimable financial entitlement. Although its Sharīa status remains linked to broader juristic debates regarding conventional insurance, surrender value substantially satisfies the substantive characteristics of complete ownership. In the case of takaful, analysis of the MUIS guideline, zakat calculator, and institutional clarifications allows the reconstruction of four possible legal constructions. While Model 3 provides the most coherent reconciliation of the currently available MUIS materials, Model 4 (cash value) exhibits the strongest conformity with the doctrine of *al-milk al-tām* because it is based on a specific and claimable financial entitlement rather than on contributed premiums.

This finding highlights the importance of distinguishing between contractual contributions and proprietary financial entitlements in determining *zakatable* assets. Theoretically, this study has important implications for contemporary Islamic legal scholarship by demonstrating that *al-milk al-tām* provides a coherent ownership-based framework for evaluating modern insurance and takaful assets. Practically, greater regulatory clarity is required regarding the composition of takaful cash value, particularly concerning the distinction between participants' proprietary investment interests and amounts attributable to the collective *tabarru'* fund. Such clarification would strengthen legal certainty, improve transparency in zakat calculation, and facilitate more consistent Sharīa-compliant zakat administration.

Future research may further examine the proprietary composition of takaful cash value across different takaful operators and jurisdictions in order to determine the extent to which such value represents the participant's exclusive ownership interest. Comparative studies involving other zakat authorities and regulatory frameworks would also be valuable in assessing whether the ownership-based approach developed in this study can provide a broader juristic basis for determining *zakatable* assets in contemporary insurance and takaful arrangements.

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