

75040 - Ruling on delaying payment of bills on which interest is charged

the question

What is the ruling on paying monthly bills which should be paid by a specific date after this date, knowing that interest will be charged on this amount (and if part of the amount is paid, interest will be charged on the remaining amount) if payment is not made before the specified date?.

Detailed answer

The one who has bills to pay should not delay payment if delay will result in penalties, because the penalty in this case is riba (interest, usury). This is the riba of the Jaahiliyyah which is also known as riba al-nasi'ah. The owner of the wealth would say to the debtor: "Either pay the debt or it will be increased."

The one who delays payment when he is able to pay is a partner in this riba, and the sin is on both parties.

The Messenger (peace and blessings of Allaah be upon him) cursed the one who consumes riba and the one who pays it. Narrated by Muslim (1597).

But if he delays payment and he did not know about this situation, or he delayed it because of pressing circumstances, then the sin is on the company that imposes this penalty of riba.

These

companies and institutions should give up charging these riba penalties;
they could warn people and withhold services from them instead of charging
these riba penalties.

And Allaah knows

best.