

Assalamu alaikum

Allah says when explaining the categories of the recipients of Zakah, "Charity is only for the poor, the needy, those who work in collecting Zakah, to win over the hearts, to free slaves, to assist debtors, in the path of Allah and to assist the traveler, this has been stipulated by Allah and Allah is Most Knowledgeable, Most Wise," (Surah Tawba, verse 60)

The scholars have differed regarding what is meant by the phrase "In the path of Allah" as it is mentioned in this verse. From them are those who understand the path of Allah to include all good projects. Anything of general benefit which assists in establishing the religion and state, without restricting it to the Mujahideen and guards, like building hospitals, shelters, Islamic schools, institutes and public libraries and any other public project which is for the general benefit of humanity, as well as humanitarian and support institutions that provide public services to community members, as well as spending on Jihad, provided they do not consume the shares other categories mentioned in the verse of charity. (Infaaq Az-Zakah Fee Masaaliha Aaama, pp. 100-101)

Therefore, it is permissible to spend zakat funds in building Islamic centres, schools, madaris and other purposes of Islamic advocacy. This view is agreed by:

1. The Islamic Fiqh Council adopted in its eighth session 27 Rabi' II – 8 Jumada I 1405 AH (1985) its fourth decision, and in its ninth session 12–19 Rajab 1406 AH (1986) its fifth and seventh decisions. These decisions state that 'The beneficiaries of zakat include "for serving God's cause" which is very flexible. As such, it is permissible to spend zakat funds for purposes other than those for which they have been stated, such as activities of advocacy of Islam, and for social institutions that advocate and defend Islam and present it to people. Islamic centres are among the best institutions to undertake such tasks.[1]

2. Bayt al-Zakat:[2] The Fatwa Committee of Bayt al-Zakat published its ruling that it is permissible to invest zakat funds in projects that yield profit, such as schools and hospitals, and more importantly, Islamic centres.

And Allah (swt) knows best.

References:

1. Decisions of the Islamic Fiqh Council, p. 171, 196 and 205.
2. This is an independent institution established by the government of Kuwait.