

HOUSING INFLATION: POLICY GUIDELINES FROM SHARIAH PERSPECTIVE

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ABSTRACT

The soaring housing prices in Malaysia is not a recent issue. It is a global phenomenon especially in developing and developed countries, driven by factors including land price, location, construction materials cost, demand, and speculation. This issue demands immediate attention as it affects the younger generation, most of whom could not afford to buy their own house. The government has taken many initiatives and introduced regulations to ensure that housing prices are within the affordable range. This article aims to introduce a housing price control element from the Shariah perspective, as an alternative solution for all parties involved in this issue. It adopts content analysis methodology on policy from Shariah approved sources.

Keywords: Islamic finance, housing policy, Shariah, macro-economics

INTRODUCTION

Islam establishes the home as a basic human necessity, by describing it in the Holy Quran as follows

And Allah has made for you from your homes a place of rest and made for you from the hides of the animals, tents which you find light on your day of travel and your day of encampment; and from their wool, fur and hair is furnishing and enjoyment for a time.¹

According to Abu Ja'far al-Tahawi (1994)

Verily a home is a blessing by Allah that needs to be preserved and cannot be substituted with something else (other than a home). Anyone who substitutes it with anything else is exchanging Allah's blessing for something much lesser, which means committing kufr of His blessings.²

Immovable ownership is a blessing from Allah and Man should maintain it to the best of his abilities. Quoting from *Mirqatul Mafatih*, a commentary of *Musykatul Masabih* by Muzhar, verily land and houses have many benefits could not be removed through theft and does not perish like other movable properties. People with wealth commonly spends it on movable items. In this regard, Prophet

¹ Holy Quran. Surah al-Nahl, 80

² Hadith no 3946

Muhammad has instructed us to buy houses or immovable properties for us to benefit from it and to obtain blessings from the purchase.³

Al-Baihaqi (2003) cited Ibnu U'yainah opinion on this matter as follows,

*Anyone who sells off his house then he is selling a blessing that Allah has bestowed upon him unless he replaces it with another house as well.*⁴

Al-Tibrizi (2001) explains in the discussion on the hadith in *Mirqat al-Mafatih*

Immovable properties, i.e. house and land, are important, immensely beneficial, and has very little harm. They cannot be easily stolen or damaged compared to movable properties.

In other words, a house, land, or immovable property have a significant impact on human life as well as being closely tied to economic development (Antczak R & Zaidi A, 2016). They are essential needs that must be protected and should never be sold off triflingly (Mohd Zaidi Daud, et al, 2015). Selling a house, aside from causing an individual to lose one of his essential needs, is an act that impairs one's own survival. Therefore, according to this hadith, a house that is being sold should be replaced with another house, a stern reminder that a house seller must not lose this essential need.

In addition, Ibnu Kathir (1999) mentions in the verse that Allah created for them dwellings made of cattle hide that was light enough for them to carry for travelling or for settling. It shows the characteristics of houses that should be adopted by human.

ISSUES ON HOUSING DEMAND

The current scenario of unaffordable house price is prevalent and happens in almost all countries, whether they are developed and developing countries. For example, in Malaysia, BNM reported that Malaysia has been facing a serious shortage of unaffordable houses since 2016 by the international standard (BNM, 2017). Ironically, the reason is not because of shortage of overall house supply, but due to the mismatch between supply and demand in the Malaysian property market. The property supply has been too focused on residential properties value above RM250,000 which does not address the public housing needs and affordability. The median house price was reported as RM313,000 (2016) which is beyond the median Malaysian household income of RM5,228. This has resulted in an increase in the unsold housing units to 22.77 per cent where 80 per cent of the unsold units were high-rise residential properties value above RM250,000 which merely located in areas of significant distance from major economic centers and with limited public transport (BNM, 2017). Overall, three factors contribute to this scenario, which are mismatch between supply and demand for housing, new launches skewed towards the unaffordable range and growth in house price outpacing that of household income (BNM, 2017).

The persistent increase in Malaysia's house price and unaffordable housing as a result of slow income growth and mismatch in demand-supply have attracted considerable attention from policy makers and academicians. The high peak of the household debt-to-GDP ratio of 89 per cent in 2015 has led to the risk assessment of this position, on the financial buffers to meet their ends meet and debt obligation in the event of shock. A study conducted by Bank Negara Malaysia found that for individual borrowers earning less than RM3,000 per month, they would not have sufficient financial buffer where liquid financial assets could only cover less than one time (0.6) of their outstanding debt. However, total assets (residential property) for this group would

³ Hadith no 2966

⁴ Hadith no 11177

provide sufficient cover of their debt. Recent development shows that Malaysia's household is facing serious affordability problem due to rapid movement in house prices. On the other hand, according to the data by Department of Statistics Malaysia (DOSM) (2014) Malaysia's home ownership stood at 76.1 per cent which is higher than developed countries like United Kingdom (64 per cent).

Despite fulfilling the basic human needs, Malaysian also perceives property as one of the most attractive investment assets, where rental income and capital appreciation would generate stream of income in the future. This has resulted in underdeveloped and unattractive rent market due to the perception of insufficient legal safeguards. As such, this behaviour has indirectly contributed to the high demand in houses, to a lesser extent housing inflation. Is this decision permissible in Islam since this behaviour would lead to a speculation and discriminating low income earners to own a house for basic need due to persistent increase in house price? This paper aims to explore the Islamic point of view on the issues related to house ownership.

METHODOLOGY OF REVIEW

This paper conducts systematic literature in popular and recognized hadith texts i.e. six known as *sunan sittah* and other authentic hadith texts such as al-Muwatta. The application of (see www.sunnah.com) was used to conduct the search. Since the portal is only focused on fixed literatures (with no expansion of new hadith), the search did not require specific time for any expanding literature. The analysis is based on the keywords search that are related to the objective of this paper. The text used related for the search are related to the need of the paper. In particular, the search words in Arabic are *al-Dar* (house), *al-Aqar* (immovable), *al-Dar* and *al-Aqar*, *al-Ard* (earth) and *al-Dar*, *al-Talid* (house/ property), *uqdab al-Mal* (house/ property) and *Aqr al-Dar* (immovable house); which could be related to the objective of the paper.

The search conducted, found a lot of hadiths. 344 results for *al-Dar* (house), eight for *al-Aqar* (immovable), none for *al-Dar* and *al-Aqar*, 29 for *al-Ard* (earth) and *al-Dar*, none for *al-Talid* (house/ property), none for *uqdab al-Mal* (house/ property) and one for *Aqr al-Dar* (immovable house). The findings even show unrelated hadiths and this maybe due to the correlation and accuracy of the Arabic term. But, according to Mahmoud (2015), he manually found two findings of the word *al-Dar* (house), one for *al-Aqar* (immovable), twelve for *al-Dar* and *al-Aqar*, one for each *al-Ard* (earth) and *al-Dar*, *al-Talid* (house/ property), *uqdab al-Mal* (house/ property) and *Aqr al-Dar* (immovable house) for the related topic. Therefore, we tried to combine his search into the references and we managed to search such hadith in the literature from (see www.sunnah.com). The hadith found in the text brought almost the same meaning in spite different terminology used. The hadith and its text concluded in the analysis below.

HADITH ON HOUSING POLICY

From the findings, there are hadiths related to the objective of this paper that are from Prophet Muhammad, Peace be Upon Him (PBUH). The hadiths discuss the prohibition of selling a house unless it is replaced by another one. The three different ways of stories in the hadith are as follows:

1. The hadith from Musnad Ahmad Bin Hanbal. The following is the hadith narrated by Said Bin Hurais:

From Said Bin Hurais, his brother Amru bin Hurais said: Rasulullah SAW said, 'Anyone who sells off a house or an (immovable) property and does not make it a means of obtaining something of similar value, then he will not gain blessings from it (the transaction).'⁵

This hadith also comes from Sunan Ibn Majah⁶. The *mubaqqiq* said there is Ismail ibn Ibrahim as the narrator of this hadith which was categorized as weak by al-Bukhari, Abu Daud and others.

The following is a hadith narrated by Huzaifah bin Al-Yamani⁷ on the prohibition of selling houses and land:

From Huzaifah ibn Al-Yamani: Rasulullah SAW says: Whomsoever sell a house does not use it (its price) to obtain another (house) of similar value, there are no blessings for the seller in that transaction.⁸

Elaboration (*bashiah*) came across this commentary by Muhammad Fuad Abdul Baki: There is an addition to the *sanad* of Yusuf Abi Maimun. Hence, it has been considered weak by Ahmad and others. But al-Albani's assessment on this hadith is decent (*bassan*). (Mahmoud, 2017).

2. The hadith from Sunan Abi Daud:

From Saad ibn Hisbam, he says: I divorced my wife, henceforth when I arrived in Madinah I sold off my land there, with which (the money received) I bought weapons. When I crossed path with a group of Rasulullah SAW's Companions, who said: if anyone among us were to do this, Rasulullah SAW would have prevented it, and then said ("There has certainly been for you in the Messenger of Allah an excellent pattern for anyone whose hope is in Allah and the Last Day and [who] remembers Allah often.") from a very long hadith.⁹

According to Al-Albani, this hadith is authentic (*sahih*). This hadith is considered agreeable by narrator of hadith of its authenticity and other hadith will support the text.

3. Hadith from Musnad Imam Ahmad bin Hanbal

It was related to us by Abdul Samad, who told us that Muhammad Ibn Abi Al-Malih Al-Hazali had said that a from the Al-Hay, verily Ya'la Ibn Subail said and Imran bin Hussoin said to him: O Ya'la, I was told that you had sold your house for a hundred thousand? Ya'la replied: Yes, indeed I sold it for a hundred thousand. Verily I heard Rasulullah SAW said: (Whomsoever sells off a piece of land, Allah azza wajalla shall condemn him with damages and destruction.)¹⁰

⁵ Said bin Hurais bin Amru bin Uthman bin Abdullah bin Umar bin Makhzum Al-Quraisy Al-Makhzumi (brother to Amru bin Hurais). He is a Companion of Prophet Muhammad SAW, passed away in Kufah and the narrator of hadiths. He narrates many hadiths on the prohibition of house and land, including a weak sanad with Ismail ibn Ibrahim ibn Muhajir - Musnad Ahmad Bin Hanbal, hadith no. 18739

⁶ Musnad Imam Ahmad Ibn Hanbal – Hadith no 15842; Sunan Ibn Majah - Hadith no. 2490

⁷ Huzaifah bin Al-Yamani is a Companion of Rasulullah SAW who is also known as the Prophet's Confidant. He was born in Madinah, and his father's name is Husail bin Jabir Al 'Abasi Al-Yamani (Bani Abs), a Mecca native, while his mother was raised in Madinah (from Bani Abd Asyal). This lineage made him part of both the Muhajirin and the Anshar. He declared his belief during the bai'at Aqabah. Hadith no 2491

⁸ Sunan Ibnu Majah – Hadith no 2491

⁹ Sunan Abu Dawud - Hadith no 1342

¹⁰ Musnad Imam Ahmad Ibn Hanbal - Hadith No 20002

This hadith is considered weak.

ANALYSIS ON THE HADITH

The meaning of the hadiths mentioned above is the admonition on selling a house, land, or any immovable property unless they are replaced by another house, land, or immovable property. Although there are many narrations regarding the hadith, most of it comes with a generalized address, which is ‘whosoever sells off.’ Hence, it appears that the meaning of this hadith is addressed to not just the Muslims but mankind in general (Ali Mahmud, 2017). It is also a fundamental part of Islamic Economics, which is universal and not applicable solely to Muslims (Umer Chapra, 1983). The prohibition on selling house or land was not subjected upon the Companions only. In fact, it is clear in hadiths with the terminology of ‘whomsoever’ that this prohibition is upon all people regardless of their faith. The prohibition on selling land is also written in another holy book which is The Torah as mentioned by Yahya ben Adam (1967) which stated that ‘Whomsoever sells off land or inheritance from one’s father, and does not use the price (of it) for another land, there will be no blessings for that transaction.’

a. Loss of Blessings

In the book of *at-Tauidh ar-Rasyid fi Syarah at-Tauidh*, the chapter of ‘methodology of blessing’ (*qowaid fi tabarruk*), al-Haqawi (2014) explains blessings as follows,

All benefit is in the power of Allah Taala, not from anyone else. Allah Taala says in Surah Ali-Imran verse 26, “Say, “O Allah, Owner of Sovereignty, You give sovereignty to whom You will, and You take sovereignty away from whom You will. You honour whom You will and You humble whom You will. In Your hand is [all] good. Indeed, you are over all things competent.” The meaning of blessing is threefold. First, refers to stability and necessity. Second, it denotes growth and development. Third, it points to happiness. A tabaruk is a person who seeks benefits and gets close to those benefits.

The meaning of ‘loss of blessings’ in these hadiths does not delegitimize the transaction that has occurred, but it eliminates one the basic principle of it. A transaction is deemed legitimate if it adheres to the principles and rules therein, whether it is regarding a house, land, or any other immovable property. However, ‘loss of blessings’ signifies that this kind of transaction is considered deplorable.

From the trading aspect, there are types of trading that are legitimate but unlawful. As an example, *Talaqqa ar-Rukban* trading, i.e. the middle person trading. Specifically, it is a common practice in the Malaysian fishing industry. Fishermen sell their catch to the middle person at a low price, but since lots of middlemen, the consumer will pay a higher price due to over profit taking in the middle. It still adheres to the principles and rules of trading, but it is harmful to many sides. The price offered to the fishermen is not proportionate to the effort they made, while the merchants must sell the fish at a high price because it was sold to them at an already high cost. The side that reaps the biggest profit is the middleman.

The prohibition of this type of trading is due to the harmfulness that it inflicts upon society, despite its legitimacy. Coming to this hadith, the term ‘loss of blessings’ refers to the external factors, not the principles and rules. The term also does not denote haram or banning because the offer and acceptance (*sighab*) as integral element is not in the form of banning but more towards discouragement and religiously disliked (*makruh*)

Choosing to sell a house is *makruh*, except in necessity (*dharurah*) circumstances, such as paying off debts, in which case it is permissible. An example is the story of Zubair bin A'wam RA as recorded in Sahih Bukhari. When he passed away, he left behind some debts that were still unpaid and houses in Madinah, Makkah, Basrah, Kufah, and Egypt. The houses were sold to pay off the debts. According to Ahmad Balwafi (2010), one should avoid from selling any land that one owns, except in *dharurah* situations such as to pay off debts, perform Haj, arrange a wedding, or earn living maintenance (*nafkah*) for one's self and family, only then it is permissible to do so.

b. Buying Another House in Exchange

This hadith excludes the 'loss of blessings' from those who use the money gained from the sale of a house for buying another house or other immovable properties. However, two sources of hadith present different meanings. The first is the money from the sale must be used fully to buy another house, while the second is that part of the money must be used to buy another, depending on what is needed at the time. According to Ali Mahmud (2017), this hadith is more towards using the whole money for buying another house in exchange but allows using part of it if there are other important purposes. This is because only one hadith was narrated with the terminology 'partial', but other hadiths have a general meaning, i.e. all the money gained.

This hadith comes with the terminology '*mithl*' which means same. Literally, if someone sells a house, he must use the money gained to buy the same (*mithl*) house. Hence, a question arises, does the same house means a house of the same type or size? It is permissible to buy a house which is smaller or in another location? Can a house be sold to buy land?

No single explanation was given on this matter except a generalised meaning. It depends on the needs and requirements at any moment as long as it does not violate the intended meaning. One narration of the hadith contains the terminology of '*mithl*' and '*ghair*' which mean that it is permissible to exchange a house without a property other than a house, such as land, because it serves the same objective.

c. The Companions' Commitment Towards this Hadith

Other than the hadiths mentioned earlier, Imam Ahmad bin Hanbal (1995) narrated in his *musnad*:

From Said bin Hisham, he had divorced his wife and later moved to Madinah to sell his house. The money (he gained from the sale) was used to buy weaponry and war equipment. He later went on a jihad in Rome where he was killed. (Earlier) he had met a group of his people. They told that previously there was a similar incidence (of selling a house to buy weapons) during Rasulullah SAW's time, and Rasulullah SAW said, 'Am I an exemplary model of character to all of you?' They then prevented Said from doing so (selling his house).¹¹

This hadith exemplifies the commitment of the Companions in adhering to Prophet Muhammad PBUH prohibition on selling a house, as shown by Said bin Hisham.

d. Ruling on Selling a House for Purchasing Other Than a House

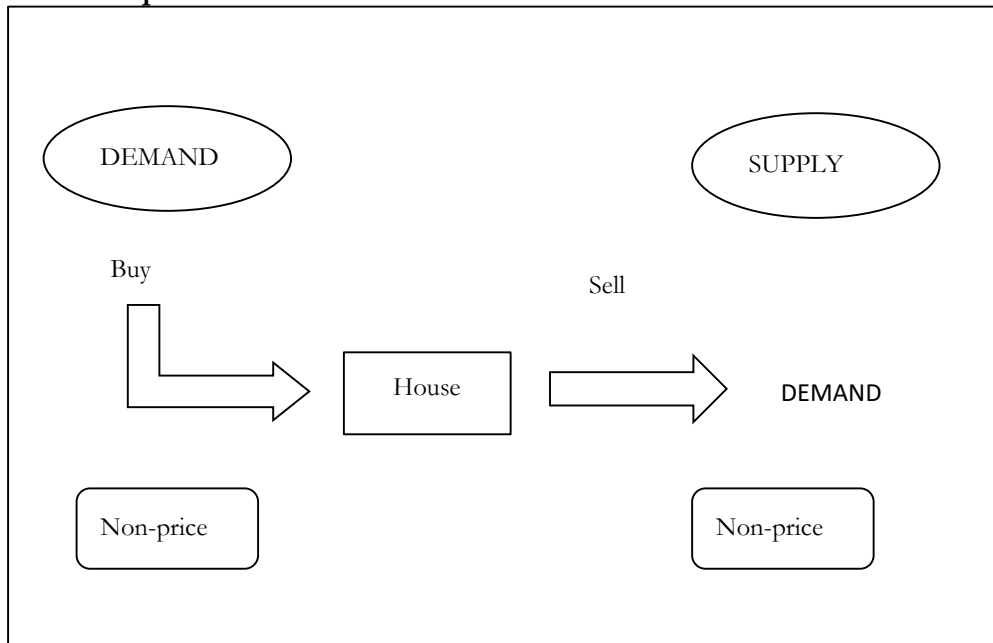
¹¹ Hadith no 1650

There is no prohibition specified by the scholars if selling a house is intended for other reasons than buying another house. However, al-Tahawi (1994) says that this should not be done unless it is a necessity (*dharurah*). In his words, *Selling land or house and using the gains from it to buy movable property is discouraged. The priority should not be to sell, but if it is necessary, the priority is to buy another land or house.*

The original ruling on trading is permissible, and it remains as it is unless an evidence appears and prohibits it. It has been debated if these hadiths are not a prayer (*dua*) but a position on the selling of houses. And it is not *makruh* to use the gains from the selling of houses and lands to pay off debts, perform Haj, arrange a wedding, and earn living maintenance for one's self and family.

Therefore, land is a low-risk asset because of its low yields and therefore it should be used for investment. The specificity of the prohibition on selling houses and land is aimed at stabilizing the lives of individuals, families, and society. At present, society is dealing with the issue of high housing loan debts and long repayments periods.

e. Conceptual Framework on this hadith



Household demand for houses is based on price and non-price determinants. In the context of Malaysian economy, the pricing factor might not be the main factor affecting the demand for housing. Household buy houses for own needs and based on the perception and expectation (non-price factor) that the prices will be higher in the future, thus lead the increase in demand for houses. This create high demand, to a lesser extent mismatch in the housing market and led to persistent increases in house price.

Based on this hadith, Prophet Muhammad PBUH touches the non-price element from demand and supply side. When Prophet Muhammad said, 'whoever sells' it means those who own the property at the first place. This property received either through inheritance, purchase, or a voluntary gift. If the seller owned this property through buying and selling, it means he fulfill the demand side at the first place.

Therefore, when the seller sells his house, it creates another supply. The supply creation creates another demand in the market that will lead into the price hike.

In general, if these houses are allowed to be traded as commodity, it will cause high inflation to the price of the house.

Since a house is a basic necessity, therefore, it should be protected to fulfil the basic needs. Therefore, the prophet discourages people to sell a house without replacing it with other houses, as to avoid the fictitious demand in the market.

ECONOMIC PERSPECTIVE ON THIS HADITH

From an economic perspective, there are four salient points that can be extracted from the abovementioned hadiths. First, they emphasized the importance and valuableness of immovable property, especially houses. This point illustrates the permissibility to control and regulate matters surrounding housing, including ownership, sales and purchase, and prices. Property flipping, ownership of property for investment purposes, and similar actions may drive property prices up and supply down. To this point, Sayyid Qutb (1995), in his exegesis of Holy Quran Surah Al-Hasyr verse 7, argued that the concentration of ownership is against the principles of Islamic economics. Therefore, strict property regulation is recommended in order to prevent these issues.

Second, the hadiths indicate that immovable property is a fixed economic resource that cannot be replaced easily. House and land are limited, and prices go up each day. As population increases, so does the demand for both assets, driving their values up. Hence, the hadiths recommend that the sale of property should immediately be followed by the purchase of another property.

Third, immovable property has welfare value, in that it is a bequest for future generations. The welfare value of property implies that future generations can benefit from it, since shelter is one of the most basic needs of men.

Fourth, by its nature, house and land continuously appreciate in value. This inherent characteristic is possibly referred to in the hadiths as “blessings”; the net return for property will rise indefinitely.

1. Ownership Perspective

Allah SWT says

To Him belongs the dominion of the heavens and earth: it is He Who gives Life and Death; and He has Power over all things¹²

Then, Allah SWT as an absolute owner, empowers (*istikhlaf*) human being to manage the world land mass in accordance with Allah’s ruling. Allah SWT says

Believe in Allah and His Messenger, and spend (in charity) out of the (substance) whereof He has made you heirs. For those of you who believe and spend (in charity), for them is great Reward¹³

Imam Al Qurthubi (2006) in his view says “this verse is a proof that the origin of ownership (*ashlul milki*) belongs to Allah SWT and mankind does not have the right unless to benefit from it (*tasharruf*) in a way that it is blessed by Allah SWT.”¹⁴

As far as the Islamic view is concerned, the legitimate way of owning land or property are as follows:

¹² Holy Quran. Surah al-Hadid, 2

¹³ Holy Quran, Surah al-Hadid, 7

¹⁴ Tafsir Al-Qurtubi, Vol 1 pg 130

- Inheritance
- Through ownership transfer (willing buyer willing seller)
- Tireless work

2. Welfare Perspective

House is a basic necessity in which it provides shelter to human mankind. However, due to its value that increase over time; speculators, investors may grab this opportunity as a wealth accumulation tool. This profit taking activity violates the concept of necessity (*dharuriyyat*) and Maslow's Hierarchy of Needs.

Practice in certain countries i.e. Singapore where government through its statutory body namely Housing and Development Board (HDB) that was established back in 1960 with its mission to provide affordable homes of quality and value. HDB is considered as one of the successful story of providing public housing in the world. As at 31 March 2015, (HDB Statistic) 82 per cent of Singaporeans live in public housing provided by the HDB.

Housing supply in Malaysia is dominated by private sector especially Real Estate and Housing Developers' Association of Malaysia (REHDA) members. REHDA has over more than 1000 members and they are responsible for 80 percent of total real estate built (REHDA, 2018). However, state government agency i.e. Perbadanan Kemajuan Negeri Selangor (PKNS), Johor Corporation (JCorp) has a similar function like Singapore's HDB in which providing affordable homes to the people of respective states.

3. Over Indebtedness Perspective

Owning a dream home needs much money and most of the people end up with mortgage. As the rule of thumb, most of us spend almost one third of our income on mortgage repayment.

The national household debt as at end 2016 was at RM1.086 trillion or 88.4 per cent of gross domestic product (BNM, 2017). Residential mortgage accounted for half of the total household debts; 50.3 per cent or RM 546.3 billion. Vehicles represented at 14.6 per cent, personal financing at 14.9 per cent, non-residential loan at 7.4 per cent, securities at 5.7 per cent, credit cards at 3.5 per cent and others at 3.6 per cent. Obviously, residential mortgage is the largest proportion of all types of household debts.

McKinsey Global Institute Report on Debt and Deleveraging (2015) highlights that mortgage loan to household debt ratio in developed economies account for 74 per cent on average. As Malaysia's residential mortgage to household debt ratio stand at 50.3 per cent, it is considerably low as compared to developed ones.

FISCAL POLICY IN HOUSING DEMAND

Many literatures suggest there are significant impact on fiscal policy in housing. The evidence suggests fiscal policy shocks combine factors that may both encourage and discourage housing activity (Ruiz & Vargas-Silva, 2016).

For instance, Malaysia government spent RM2.238 billion in 2017 for housing, mostly in providing affordable home scheme. In 2012, Malaysia spent only RM524 million for a similar purpose, with four times higher after the five years. Indirectly, the expenses on schools, roads, parks, and other amenities also showed increasing trends.

To curb speculation activities, reduce the pressure in housing prices and stabilize the housing prices, property Gain Tax was introduced. The first legislation to tax

gains from the disposal of real property was introduced via Land Speculation Tax Act (1974). The Act was repealed in 1975 and replaced with Real Property Gains Tax Act (RPGTA) 1976. RPGTA provide mechanism for taxing capital gains derived from chargeable gains arising from the disposal of real property or shares in a real property company. Meanwhile, 1 April 2007 to 31 December 2009 was the time with no RPGT regime.

From Shariah point of view, taxes are imposed in excess of their basic needs of the people and their luxuries. Taxes are only collected from those who have surplus wealth and nothing is taken from those who have no surplus wealth. To accommodate with the definition of basic needs, the seller has the right for exemption of RPGT for his first house, while the RPGT structure only limited for any gains, not the selling price. Moreover, RPGT structure is limited for first five years after the purchase as follows (Malaysia Budget 2014). Refer **Table 1** below.

Table 1: The rates of RPGT in Malaysia

Disposal of Property	Malaysia Citizen and PR (%)	Non Malaysian Citizen and Non-PR (%)	Companies (%)
Disposal within 3 years from the date of property purchase	30	30	30
Disposal in 4 th year	20	30	20
Disposal in 5 th year	15	30	15
Disposal in 6 th year and subsequent year	Nil	5	5

Source: Norkhairiah Zainuddin (2015)

To sum up, the fiscal policy plays important role to control the housing demand in Malaysia. Such policies aimed to ensure the basic needs could be served accordingly, whilst combating those who take opportunity to manipulate and influence the property market.

CONCLUSION

In a nutshell, the housing policy from the Shariah point of view was discussed based on the hadith from Prophet Muhammad SAW which has mentioned about the prohibition on selling a house. It has emphasized that a house should not be sold unless it is replaced by another one. Consequently, house is not a commodity to be traded as it will inflate the price and thus harm the society to fulfill the necessity. The current practice on reducing the trading activities of houses is through tax; hence, comply to Shariah requirement on the housing hadith.

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