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Electronic Money Legal and Jurisprudence Position

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Abstract

In the world of business, banking has faced major changes in line with the Industrial Revolution and advances in information technology. These developments have brought about profound changes in the power and influence of various sectors. The most important sign of this development was that banks provided customers the facility to buy and sell through the global information network. Banks have also introduced electronic payment instruments which have created many conveniences for customers. Electronic money is a tool which runs international businesses. Across the world businesspersons are keen to utilize the fastest and easiest ways, so each and every one needs to know the legal and jurisprudence position of electronic money, because electronic money has taken the place of cash, and deals are done through them. The aim of this study is to know the legal and jurisprudence position of electronic money, and let people know the usage and legal way of using electronic money, as business are being wider and international market has been changed from physical to electronic market, there for business men and women need to know the legal and jurisprudence position of electronic money. Finally, electronic money differs with cash, cash is touchable while electronic money isn't, so electronic money is the replacement of cash, so electronic money has the same obligations of alms and interest.

Key words: *electronic money, banking customers, electronic payment.*

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Introduction

The rise of modern technology, industry growth, and increased communication, especially in computer information, has driven the emergence of electronic commerce and transactions. These advancements have facilitated the development of electronic money, which differs fundamentally from the traditional physical currencies people are accustomed to. Despite the growing acceptance of electronic money, many countries lack regulations defining its characteristics, leading to various legal challenges. Initially, digital money served as an alternative to paper currency, prompting the establishment of standards, rules, and theories that enhanced the credibility of the banks and institutions issuing it. These organizations have sought various solutions to navigate the associated legal issues.

1.1. Significance of the study

This study is important because it is one of the most faced and used issue, today the whole world is accustomed to electronic money, and electronic money has taken the place of cash in international market, so business persons are obliged to know legal and jurisprudence position of electronic money.

1.2. Research questions

This study answers below questions:

- a. why electronic money is important?
- b. What is the legal status of electronic money?
- c. What is the jurisprudence status of electronic money?
- d. What is the difference between cash and electronic money?

1.3. Aim of the study

Each and every research has a specific aim, our research has below aims:

- a. To clarify the differences between cash and electronic money.
- b. To explain the legal status of electronic money
- c. To let people, know the jurisprudence status of electronic money.

1.4. Research Method

This study is conducted library based. I have adopted a bibliographic analytical approach to explore the legal aspects of electronic money, as its nature has been clarified. Consequently, I have organized the discussion into distinct topics.

1.5. 1.5. Literature review

The legal and jurisprudence position of electronic money is a non-researched topic, meanwhile we do have more researches regarding electronic money, at the same time we do have some websites where electronic money is discussed, these sites are as below:

- <https://islamqa.info/amp/ar/answers/219328>
- <https://www.islamweb.net/amp/ar/fatwa/441481/>
- <https://www.aliftaa.jo/Research/231/%d8%a7%d9%84%d9%86%d9%82%d9%88%d8%af-%d8%a7%d9%84%d8%b1%d9%82%d9%85%d9%8a%d8%a9>
- <https://asjp.cerist.dz/en/downArticle/315/14/1/149164>
- <https://iifa-aifi.org/ar/5192.html>

in the above-mentioned sites, electronic money related questions are answered and at the same time, importance of electronic money, differences between electronic money and cash are also discussed, while my research is the legal and jurisprudence position of electronic money is far away and a fresh topic, I myself has struggled the most to impartially elaborate the legal and jurisprudence position of electronic money.

1. Introduction of electronic money

Electronic money, equivalent to cash, comprises both general and specific characteristics and is stored electronically. In today's world, it plays a crucial role in financial transactions and can facilitate most operations commonly associated with cash. This section will delve into this topic across three different facets.

1.1 literal definition of electronic money

Electronic money is made up of two words first money and second electronic, we call it in Arabic language (Naqood) and Naqood is plural of (Naqd), is called appearance of something for example we can say it (Nuqad Adirham) it means that goodness and appeared and electronic has relationship whit electron (intelligence of electronic) its means that it is quick mean of calculation¹

1.2 Terminological definition of electronic money

Rules and law of Afghanistan it does not explain any definition for electronic money surely law of Qatar country explain the definition such as using of electronic, magnet, and different tools in special shape.²

Law of Emirate defines electronic money such as below:

Electronic money has strength or electronic or numerical or magnet or Brightness is called current technology of electronic money.³ Commission of European is defined such as below in the year 1998

Electronic money is cash price that we can store with electronic method and with electronic tools by card or computer and it is acceptable between accepters and it is for payment for that it replaces of cash.

Central bank of Europe is defined such as below

Cash money is price of electronic store it commonly uses between accepters and it does not have any relationship with bank account and it is also tool of advanced money.⁴

From Above definitions are appeared like that electronic money is cash price and electronic tools by the shape of numbers is stored and before it paid and it does not have any relation with bank account consumer can control it, it is acceptable for all people without exporter and it uses for buying of portion and its price is reduced.

1.3. Features of Electronic money

From above definitions are appeared that electronic money has below features.

2.1: value of cash money

Electronic money has financial value (10000000) AF or (1000) AF in this base electronic money are not from mobile cards because which we store in mobile is called telephonic relationship currency it has not cash value and we cannot by something on them and also food's cards are not electronic money because has not written any number and it is just for equal price, consumer can get a lot of food.⁵

2.2: electronic is stored by electronic tools

It is important element of introduction of electronic money because cash price changes into plastic card or computer such as method, also by the feature of electronic money, legal money and MTN cards find separation, definitely these cards have already paid and then will be bought from those NGO(S) which NGO(S) have exported due to is called prepaid cards.⁶

2.3: does not have any relationship with bank account this element has value in this electronic money separates from other electronic tools it means financial account will be not in bank account and also those electronic card has relationship with customer can by something by those cards and give price to bank we should say that electronic money is the same with tourism picnic because tourism picnic is also called independence right it has relationship with special bank and special NGO(S).⁷

2.4: electronic money is the tool of different missions, realization.

It is obligatory that electronic money is able for loyalty like buying portion and service, payment of insurance... But if someone requests of these money like someone buys some specific things or telephonic relation in case of we can it say electronic money rather we can call it electronic money.⁸

3.. Benefits of electronic money

We have appeared that before, electronic money is the current shape of cash money, it combines with it that classic money in several affair of cash money, and there are several types such as below:

3.1: intercourse is important of electronic money, because from internet and other ways electronic money is cheap, some of research show that electronic money is half spent than classic money and although intercourse is easy and simple in this.

3.2: works of electronic money is not submissive of borders, so electronic money may send from one place at another place in the world and in way time, because its confidence is in internet and other networks so it has neither confession on geographical borders not politic border.

3.3: using of electronic money is easier than bank because electronic money no need to fill the forms and it no needs other works in the organization rather electronic money comes simply so customer can pay the price of something by clicking computer button.⁹

3.4: electronic money affair can get quickly do it by electronic money financial purpose and deals.

3.5: electronic money purpose is believable, suing of electronic money and buying thing by electronic money, it is easy from one side and safety because it saves in space and no one can still from it.¹⁰

Electronic money has much dispute with other money, electronic money has different with financial documents.

It looks like that on the base of dispute these money export in the legal shape because cash money export to central bank and people must accept it and no one can refuse these deals, this dispute and this question find, what is financial nature price of electronic money?

Because may discover other financial NGO(S) and do the same works like this, because of it there is dispute among spectator's in case of they agree the value of electronic money and business, spectators say that electronic currency is the pays by internet they have these features which feature have cash money but there are

dispute in the value of this money some spectators think about that, these money are calumny.

Some spectators say that electronic money is a type of currency it has some specific features when merchant gets money from consumer they want from export to change into paper, and they just want to change their money into ordinary wealth,¹¹

It look like that the first idea is selected, because of it the contract in the common bets which bank and customer together do (mark twain bank) so electronic in types of currency not against consignment of bank this just ordinary money that customers have in the office they sent from their computers because of it there are new money but it is a good feature of it from for the con control and move their wealth and from organ of sends to another organ, that is the question, these electronic units send from customer to merchant it belongs with it too change these loans into cash money for merchant spectators have to ideas about it some spectators feel like this electronic unit send from customer to merchant it means it is payment for loan, because they contract between their and the agree on it, these units in sending and customers will be responsible and merchant will be owner of electronic money.¹²

4. Types of electronic money

Electronic money has different types and shapes there are some such as below

First type: stored electronic money, such as type quantity, and amount stored these stored money is in the memory and after that storing of it is not usable and **another type of money** is memory and is called port, money virtual and such as type specific amount is recorded in card or it will be in computer's memory and also it records with that side that offers electronic service, customer archives electronic units from band and want that to put it in the memory then from customer side rate gives from specific program and also these money units give specific number and it sends for rate to exporting bank and it concentrates exactness of number.¹³

Plastic, magnetic cards are those which bank export for its customers still bank shows agreement for them and it is the position of cash money and the most famous and master cards and these are the card of America oxford these cards have already stored finical price maybe these cards in the time of payment use by internet and other network and it may use it in the time of inter Couse, workers pay these money before work so when you buy things by internet so that person will give the price of things

there are several governments and programs that Electronic money gives to customer without plastic cards, these governments completely stand and these money pay by internet, but this affair is Completely active and successful so there are three bets (customer, merchant, bank that using electronic money online) and beside of It, every site should have program of electronic money from their sides and It should combine with internet and also it is obligators, merchant and customer Should have account with electronic bank So It is possible that affairs can do from specific programs, one of the famous programs is E, cash It means, for buying of things we use electronic money cards by internet and we also can send electronic money with message¹⁴

third type confidence electronic money It is called numeral and code money and also It is called valuable money bank can be easy the way of confidence for customer Such as that customer can use instead of Service and portion and bank pay loan for these customers after that customer should pay back with specific profit to bank it is memorable that banks give such as cards to customer with guarantee such as money has two causes confidence and introduction. First this money automatically sends by internet after the contract there is no need to have relation with another contractor there is need for arbitral.

Second cause: these money has numbers that number give meaning of specific Price, classic and permission banks export to customer and versus side achieve like magnet, these movements in cards or hard live

Fourth type: softness electronic money, is called from these cards which is recorded at Personal computer it may enter into Personal computer and also send to this page Financial price by internet and also you can send it to another Person we should say it, plastic cards can do it and it can store them it also uses in classic markets. So with these money merchants Take benefits in ground. ¹⁵

fifth type: electronic documents It is classic value of document People use it among their selves Number of documents, sender's name, Sender account number, bank name, consumer name, that price which is Paying, this is the unit of currency bank should send it to customer account. It will change into electronic money but customer should inform himself Does electronic money change it or not?¹⁶ Forth chapter electronic money jurisprudence's position introduction and definition of electronic money we have explained before and also we explained position of law.

5. Quality of jurisprudence regarding Electronic Money

First, we should say that electronic has difference with cash, because electronic money we have said about it before these are code and advanced money

electronic money tools and cards will be pack these cards are same with plastic cards or it Pack in Personal computer memory. now these money is using in many countries, so It is cash money surely ant It order like cash because of It charity is also obligatory and there is interest here Amam malik said "everything that people satisfy from It, is called currency" and they call it currency in this bet People The agreed on it, Imami malik said if people permit for posts among their selves and they accept this currency it means these people agreed among their selves so I say and according to my idea, it is detested and sell it.¹⁷ Electronic money is ordinary and progressive money, although this money is not same it united with subject so electronic money that takes order and it is stored If it is dollar then it is dollar if it is Afghani then it is afghan

and also any more when cash changes to electronic money and there is no that kind like dollar electronic unit so in this situation similar is the bet.in the case of it 200 or 100 dollars change to electronic dollars, because they are both commodities from one kind, in the time of changing equality is the bet, or Yousef said " cards are stored and money takes order" so if you want to change that kind then there is equality and also it receive in this meeting, if this rate between exporter and customer and if it is between and third person¹⁸

Rather if it gives record account so ordinary money change to electronic money so there is no problem in it, and it looks like this from one organ or tool change to another and instead of it is taken fee so there are no problem.¹⁹

Fifth chapter quality of implement and electronic money in this chapter quality. Of implement of electronic money financial Government sends, by electronic tools. And also electronic tools search that we can explain it in two meanings. first aim sending of electronic financial We define financial electronic sending is that activity that give authority to bank and do electronic financial sending affair in case of electronic money debtor will send money to loan receiver, is that Person do this affair and it is a network these electronic financial sending since 1978 year.

NGO and other company find way Sending is of electronic money job It does by A.H.C these service and Paper has different It can do service differently, like keeping of checks sending of electronic financial is done customer can do signs, names he is merchant or user. because it has such as authority that can send from one to many people but habit is this, that customer and bank use between that is their job to make appropriate programs more of them do by internet, and customer sends to another Person after that these sending of financial and they sum It and then send It to ACH then customer send it to financial electronic sending name If you do not such as money So you can send and inform another

Person that is not complete Financial price still He inform customer but there are some amount to complete financial sending in case of it we cannot take the fee and user bank or merchant, user sent. Them,

If merchant liked it, sending of financial to ACH in this situation merchant should buy specific programs these Programs that permits to him. but it has one bet, bet is that this has a password and this code or password has only merchant in this situation customer should pay It then merchant send this number sill customer take amount in specific time and sent it to merchant account in case of it there is no need to know specific amount because clarified check is the guarantor. And also E.F.T it has more value for banks it is the base because this work is done by internet this government feature in this, it is so easy at the time of implement and we can use it currency ²⁰

First part: bank and electronic took procedure of development with it money also develops its intercourse is different right now we will point below,

1.1: bank mobile it is that government customer makes it to contract with bank by mobile because customer can achieve financial obligatory that all service of bank that customers offer this government all year work 24 hours and customer can insert money by specific code and password it can send from customer account of another and also loans and any more document can achieve, that affair can reach by A.C.H. customer and bank exchange voice between them by this exchanging voice bank can offer service to customer, specific computer of customer and bank there is a relationship so customer his computer according to page in the home it works. So classic meaning is covered and it is stored, and these are limited to code and number.

1.2: bank electronic and service it means computers way electronic financial deals can get, or we can get by internet network. When customer has sending office and it connect with bank and his enters special number so it request of service that account is same with quantity in case of customer enters information them magnet card change and it combines with A.C.H.

1.3: bank internet it means that customer automatically use his account, if it has no problem and it can do several activates which we related it is done by internet, because expansion of internet paves way to bank, do service for customer home banking because in case of it, customer selects a specific place after that customer can use their home they can do interview with employer by computer, these both bank's affair will be easy and also customer, in case of between them make confidence and also find for doing such as place because of it bank have interesting and it offer by internet because its expense is reduced and not waste time²¹

Discussions:

What is the Jurisprudence Status of Electronic Money?

In Islamic jurisprudence, the status of e-money is analyzed in terms of its compliance with Shariah principles.

Is electronic money permissible?

E-money is generally permissible if it fulfills the conditions of being a valid medium of exchange, such as being widely accepted and backed by real value.

The prohibition of *riba* (interest) and *gharar* (excessive uncertainty) must be adhered to in e-money transactions.

Zakat on E-money: Since e-money is considered equivalent to cash, zakat (obligatory charity) is applicable if it exceeds the *nisab* threshold.

Issues in Smart Contracts and Cryptocurrency: While traditional e-money is widely accepted, Islamic scholars debate over the permissibility of cryptocurrencies due to their speculative nature and lack of intrinsic value.

Conclusion

After the completion of this study, I have come out with below findings:

1. Electronic money means stored is cash price that pays by electronic tools and it does have relation with account many people get united between their selves.
2. Electronic money specific law any one classic law cannot arrange these relations because of it find it;
3. Electronic money for electronic pay mint is current tool and it does not have different.
4. According to Islamic these money and united has permission, but in this bet electronic money instead of every currency so them at the time of exchanging is same and also constipated both are bets if currency is different constipated is a bet but equality is a bet
5. Electronic money is just like cash and charity is obligatory and also in this interest is shed.

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