

1 **INTEREST RATE AMENDMENTS**

2 2019 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Craig Hall**

5 Senate Sponsor: _____

7 **LONG TITLE**

8 **General Description:**

9 This bill modifies provisions related to interest rates related to contracts.

10 **Highlighted Provisions:**

11 This bill:

12 ▶ provides that the parties to a lawful contract may agree upon a rate of interest for the
13 contract; and

14 ▶ addresses the legal rate of interest when the parties to a contract do not specify a
15 rate of interest.

16 **Money Appropriated in this Bill:**

17 None

18 **Other Special Clauses:**

19 None

20 **Utah Code Sections Affected:**

21 AMENDS:

22 **15-1-1**, as last amended by Laws of Utah 1989, Chapter 79

24 *Be it enacted by the Legislature of the state of Utah:*

25 Section 1. Section **15-1-1** is amended to read:

26 **15-1-1. Interest rates -- Contracted rate -- Legal rate.**

27 (1) The parties to a lawful contract may agree upon any rate of interest for ~~[the loan or~~



28 ~~forbearance of any money, goods, or chose in action that is the subject of]~~ their contract.

29 (2) Unless parties to a lawful contract specify a different rate of interest, the legal rate
30 of interest for the [~~loan or forbearance of any money, goods, or chose in action]~~ contract or a
31 claim for breach of the contract shall be 10% per annum.

32 (3) Nothing in this section may be construed in any way to affect any penalty or interest
33 charge that by law applies to delinquent or other taxes or to any contract or obligations made
34 before May 14, 1981.