
CHAPTER 238—S.F.No.2558

An act relating to commerce; interest rates on money; exempting certain loans from maximum interest rates; amending Minnesota Statutes 1971, Section 334.01.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1971, Section 334.01, is amended to read:

334.01 INTEREST; MAXIMUM RATES. Subdivision 1. The interest for any legal indebtedness shall be at the rate of \$6 upon \$100 for a year, unless a different rate is contracted for in writing; and no person shall directly or indirectly take or receive in money, goods, or things in action, or in any other way, any greater sum, or any greater value, for the loan or forbearance of money, goods, or things in action, than \$8 on \$100 for one year; and, in the computation of interest upon any bond, note, or other instrument or agreement, interest shall not be compounded, but any contract to pay interest, not usurious, upon interest overdue, shall not be construed to be usury. Contracts shall bear the same rate of interest after they become due as before, and any provision in any contract, note, or instrument providing for an increase of the rate of interest after maturity, or any increase therein after making and delivery, shall work a forfeiture of the entire interest; but this provision shall not apply to notes or contracts which bear no interest before maturity nor shall it apply to any agreement which extends the maturity date of any contract, note, or instrument, and provides for an increased rate of interest after the original maturity date on the indebtedness then due, provided that any agreement which extends maturity date of any contract, note or instrument shall not provide for an increased rate of interest in excess of \$8 on \$100 for one year.

Subd. 2. Transactions for the loan or forbearance of money, goods, or things in action, in the amount of \$100,000 or more, shall be exempt from the provisions of this section and the interest for such an indebtedness shall be at the rate of \$6 upon \$100 for a year, unless a different rate is contracted for in writing.

Sec. 2. This act is effective the day following final enactment and subdivision 2 shall expire on July 1, 1975.

Approved March 26, 1974.

Changes or additions indicated by underline deletions by ~~strikeout~~