504B.177 LATE FEES.

(a) A landlord of a residential building may not charge a late fee if the rent is paid after the due date, unless the tenant and landlord have agreed in writing that a late fee may be imposed. The agreement must specify when the late fee will be imposed. In no case may the late fee exceed eight percent of the overdue rent payment. Any late fee charged or collected is not considered to be either interest or liquidated damages. For purposes of this paragraph, the "due date" does not include a date, earlier than the date contained in the written or oral lease by which, if the rent is paid, the tenant earns a discount.

(b) Notwithstanding paragraph (a), if a federal statute, regulation, or handbook permitting late fees for a tenancy subsidized under a federal program conflicts with paragraph (a), then the landlord may publish and implement a late payment fee schedule that complies with the federal statute, regulation, or handbook.

(c) A late fee charged by a landlord who has entered into a housing assistance payments contract with the federal, state, or local government must be calculated and assessed only on the portion of rent payable by the tenant. For the purposes of this paragraph, "housing assistance payments contract" means programs described in United States Code, title 42, sections 1437f and 1485, as well as other programs under which the landlord contracts to receive rent from the tenant and also to receive payment from the government.

History: *2010 c 315 s 5; 2012 c 132 s 1; 2024 c 118 s 13*