

By: Representative Guice

To: Banking and Financial Services

HOUSE BILL NO. 822

1 AN ACT TO AMEND SECTION 75-17-27, MISSISSIPPI CODE OF 1972,
2 TO REDUCE THE AMOUNT OF LOANS FOR WHICH A LATE PAYMENT CHARGE IS
3 CAPPED AT FIFTY DOLLARS; AND FOR RELATED PURPOSES.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

5 **SECTION 1.** Section 75-17-27, Mississippi Code of 1972, is
6 amended as follows:

7 75-17-27. A late payment charge, not exceeding Five Dollars
8 (\$5.00) or four percent (4%) of the amount of any delinquency,
9 whichever is greater, if contracted for in writing, shall not be
10 considered a finance charge, but no such charge shall be made
11 unless the delinquency is more than fifteen (15) days past
12 due; * * * however, the late payment charge may be collected only
13 one (1) time on a specific installment and no late payment charge
14 may be collected on a partial payment resulting from the deduction
15 of a late payment charge from a regular scheduled payment. On
16 loans of Ten Thousand Dollars (\$10,000.00) or less having a stated
17 maturity of five (5) years or less, the late payment charge shall
18 not exceed Fifty Dollars (\$50.00).

19 **SECTION 2.** This act shall take effect and be in force from
20 and after July 1, 2004.