

LEGISLATIVE BILL 163

Approved by the Governor February 14, 1975

Introduced by Wiltse, 1

AN ACT to amend section 45-338, Reissue Revised Statutes of Nebraska, 1943, relating to installment sales; to delete the add-on provision; and to repeal the original section.
Be it enacted by the people of the State of Nebraska,

Section 1. That section 45-338, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

45-338. (1) Notwithstanding the provisions of any other law, the time price differential for any goods or services sold under an installment contract shall not exceed ~~nine-dollars-per-one-hundred-dollars-per-year add-on-on-the-first-one-thousand-dollars, and six-dollars per-one-hundred-dollars-per-year add-on-on-the-balance over-one-thousand-dollars,~~ or eighteen per cent per annum on that part of the unpaid principal balance not in excess of one thousand dollars, and not exceeding twelve per cent per annum on that part of the unpaid principal balance in excess of one thousand dollars; Provided, a minimum time price differential of ten dollars may be charged on any installment contract. When the installment contract is payable in substantially equal and consecutive monthly installments, the time price differential shall be computed on the basic time price of each contract, as determined under the provisions of section 45-336, from the date of the contract until the due date of the final installment, notwithstanding that the time price balance is required to be paid in installments.

(2) When an installment contract provides for payment other than in substantially equal and consecutive monthly installments, the time price differential may be at a rate which will provide the same return as is permitted on substantially equal monthly payment contracts under subsection (1) of this section, having due regard for the schedule of payments.

(3) Every contract payable in two or more installments shall provide for payment of such installments at approximately equal periodic intervals of time and be so arranged that no installment is substantially greater in amount than any preceding

installment; Provided, that in order to facilitate payment in accordance with the buyer's seasonal or intermittent income a contract may reduce or omit payments over any period or periods in which the buyer's income is reduced or suspended.

Sec. 2. That original section 45-338, Reissue Revised Statutes of Nebraska, 1943, is repealed.