

HOUSE....No. 360.

Commonwealth of Massachusetts.

In the Year One Thousand Eight Hundred and Sixty-
Two.

AN ACT

Concerning Laws against Usury.

Be it enacted by the Senate and House of Representatives, in General Court assembled, and by the authority of the same, as follows:—

1 SECT. 1. That from and after the passing of this
2 act bills of exchange, promissory notes and any nego-
3 tiable securities for the payment of money, made paya-
4 ble at or within six months after the date thereof, shall
5 be exempted from the operation of the third, fourth
6 and fifth sections of the fifty-third chapter of the
7 General Statutes. And no person or persons, or body

8 corporate, excepting banks or banking institutions
9 incorporated or organized under the laws of this Com-
10 monwealth or the laws of any other of the United
11 States, lending, advancing or discounting any money,
12 or reserving, taking or receiving more than the present
13 rate of legal interest in this Commonwealth, for the
14 loan, advancing, or discount of money on any such
15 bill, note or security, shall be subject to any forfeiture
16 or recovery of the amount of any such extra rate of
17 interest under the said sections.

1 SECT. 2. The amount of interest which may be
2 reserved, taken or received by any such bank or bank-
3 ing institution, upon any such loan, advance or discount
4 on any such bill, note or security, shall not exceed the
5 rate of seven per centum yearly; and if any greater
6 rate shall be directly or indirectly so received, taken
7 or reserved, the bank or banking institution, reserving,
8 taking or receiving the same, shall forfeit three times
9 the amount of the interest above seven per cent. so
10 unlawfully received, reserved or taken, to be deducted
11 from the amount for which judgment on such bill,
12 note or security shall be rendered; or to be recovered
13 by the party paying the same by action of contract or
14 suit in equity, provided that such action or suit shall
15 be prosecuted within two years from the time of pay-
16 ment.

17 *Provided, always,* that nothing in this act contained
18 shall extend to the loan, discount or advance of money,
19 or the reserving, taking or receiving of more than the
20 present legal rate of interest upon any such bill, note
21 or security, the payment of which is secured by

22 mortgage of any lands, tenements or hereditaments,
23 or of any estate or interest therein.

1 SECT. 3. This act shall take effect upon its pas-
2 sage, and shall continue in force until the first day of
3 April, in the year eighteen hundred and sixty-four.

SENATE, April 24, 1862.

Passed to be engrossed.

Sent down for concurrence.

S. N. GIFFORD, *Clerk.*

