

IC 35-45-7

Chapter 7. Loansharking

IC 35-45-7-1

Definitions

Sec. 1. As used in this chapter:

"Loan" means any transaction described in section 3 of this chapter, whether or not the transaction is in the form of a loan as defined in IC 24-4.5-3-106, and without regard to whether the person making the loan is regularly engaged in making consumer loans, consumer credit sales, or consumer leases.

"Principal" includes the monetary value of property which has been loaned from one (1) person to another person.

"Rate" means the monetary value of the consideration received per annum or due per annum, calculated according to the actuarial method on the unpaid balance of the principal.

As added by Acts 1980, P.L.207, SEC.1. Amended by P.L.247-1983, SEC.24.

IC 35-45-7-2

Loansharking

Sec. 2. A person who, in exchange for the loan of any property, knowingly or intentionally receives or contracts to receive from another person any consideration, at a rate greater than two (2) times the rate specified in IC 24-4.5-3-508(2)(a)(i), commits loansharking, a Level 6 felony. However, loansharking is a Level 5 felony if force or the threat of force is used to collect or to attempt to collect any of the property loaned or any of the consideration for the loan.

As added by Acts 1980, P.L.207, SEC.1. Amended by P.L.158-2013, SEC.536.

IC 35-45-7-3

Application of chapter

Sec. 3. (a) This chapter applies only:

(1) to consumer loans, consumer related loans, consumer credit sales, consumer related sales, and consumer leases, as those terms are defined in IC 24-4.5, subject to adjustment, where applicable, of the dollar amounts set forth in those definitions under IC 24-4.5-1-106;

(2) to any loan primarily secured by an interest in land or sale of an interest in land that is a mortgage transaction (as defined in IC 24-4.5-1-301.5) if the transaction is otherwise a consumer loan or consumer credit sale; and

(3) to any other loan transaction or extension of credit, regardless of the amount of the principal of the loan or extension of credit, if unlawful force or the threat of force is used to collect or to attempt to collect any of the property loaned or any of the consideration for the loan or extension of credit in question.

(b) This chapter applies regardless of whether the contract is made

directly or indirectly, and whether the receipt of the consideration is received or is due to be received before or after the maturity date of the loan.

As added by Acts 1980, P.L.207, SEC.1. Amended by P.L.247-1983, SEC.25; P.L.14-1992, SEC.164; P.L.122-1994, SEC.121; P.L.35-2010, SEC.208.

IC 35-45-7-4

Contracts void

Sec. 4. A loan or a contract for a loan which is made through loansharking is void.

As added by Acts 1980, P.L.207, SEC.1.