

MAINE STATE LEGISLATURE

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FIFTY-FIFTH LEGISLATURE.

HOUSE.

No. 1.

STATE OF MAINE.

IN THE YEAR OF OUR LORD ONE THOUSAND EIGHT HUNDRED AND SEVENTY-SIX.

AN ACT to reduce the rate of interest.

Be it enacted by the Senate and House of Representatives in Legislature assembled, as follows :

SECTION 1. Legal interest upon the loan or forbearance of any money, goods, merchandise, or things in action, is hereby established at the rate of six dollars on a hundred dollars for one year ; but this rule shall not apply to letting cattle, or other similar contracts in practice among farmers, or to maritime contracts, as bottomry, insurance, and course of exchange, in practice among merchants.

SECT. 2. In any action brought on any contract whatever, on which there is directly or indirectly taken or reserved a rate of interest exceeding that established in section one, the defendant may, under

5 the general issue, prove such excessive interest, and
6 it shall be deducted from the amount due on such
7 contract; and in such trial, if the creditor is alive,
8 and any one of the debtors comes into court and ac-
9 tually makes oath to such excessive interest, it shall
10 be sufficient proof thereof, unless one of the creditors
11 comes into court and makes oath that he has not
12 directly or indirectly wittingly taken or received, and
13 that there is not, by such contract, reserved more than
14 the legal rate of interest; and in any such action, if
15 the damages are reduced by proof of such excessive
16 interest by the oath of the party or otherwise, the
17 plaintiff shall recover no costs, but shall pay costs to
18 the defendant.

SECT. 3. If any person pays any such excessive in-
2 terest in money or other property, he or his personal
3 representatives may recover the same of the creditor
4 or his representatives so receiving it, in an action on
5 the case, brought within a year after the payment;
6 but this provision shall not extend to negotiable bills
7 of exchange or promissory notes in the hands of an
8 indorsee or holder, who received the same in good
9 faith and for a valuable consideration without notice
10 of any such excessive interest.

STATE OF MAINE.

IN HOUSE OF REPRESENTATIVES, }
January 6, 1876. }

Presented by Mr. PIKE of Calais, and on his motion, laid on
the table and ordered printed.

ORAMANDAL SMITH, *Clerk.*