Indiana Debt Collection Laws

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Preliminary Considerations Prior to Suit

I. Statute of Limitations:

a. **Accounts and Contracts not in Writing:** Found at §34-11-2-7, Indiana law requires that actions for what is traditionally known as account stated and unwritten contracts be filed within 6 years of after the cause of action accrues. Credit cards are considered unwritten contracts, according to Indiana case law. This provision also applies to actions for rent, use of property or profits derived from property, as well as actions for "injuries to property" other than personal property, damages resulting from detention of personal property and/or for recovery of personal property.

   Indiana has a separate statutory provision to explain the time from which the limitations period begins to run. Under § 34-11-3-1, the Code states that an action to recover a balance on an open account runs from the "date of the last item proved in the account on either side." This is unclear, but case law seems to indicate it may run from the date of the last purchase. McMahan v. Snap on Tool Corp., 478 N.E.2d 116. However, this was not a credit card action, so it is unknown whether this would be applicable to credit cards or not, as that same case describes an open account was one remaining open with an expectation of future dealings.

   At the same time, **§34-11-9-1** allows that an acknowledgement of an indebtedness, in writing and signed by the debtor, may suspend the running of the statute. Likewise, **§34-11-9-3** suggests payments may suspend the statute, but only as to the party making payment, not to co-makers.

b. **Actions on Written Contracts**: If your action is founded upon a promissory note, bill of exchange or other written contracts for payment of money, § **34-11-2-9** similarly requires that contracts executed *after* August 31st, 1982 be commenced within 6 years after the cause accrues.

Although unlikely to affect practitioners, contracts executed between September 19th, 1881 and before September 1st, 1982 may be commenced within 10 years after the cause accrues.

c. **Limitation of Actions as to Judgments: § 34-11-2-12** addresses satisfaction of judgments or decrees by the expiration of time, stated that "every judgment or decree shall be considered satisfied after the expiration of 20 years." The case law distinguishes between a judgment lien and a judgment, the former expiring after 10 years but the latter, as noted, is enforceable for 20 years after entry. **Needham v. Suess, 577 N.E.2d 965, 1991.**

Older case law suggests this provision is based on the presumption that the passage of time has resulted in a paid judgment, but that the presumption was not conclusive and could be rebutted by evidence. See **Bright's Adm'r v. Sexton, 18 Ind. 186, 1862 (1862).** (A matter involving enforcement of a bastardary prosectution order.) It was made clear that this section was merely a rule of evidence as to proof of judgments after 20 years and *did not* limit the life of judgments. **Odell v. Green, 121 N.E. 304.**

More recent case law reinforces the *Odell* holding that creditors actually have the right to pursue a judgment after 20 years, provided they file a motion alleging lack of payment. **Lewis v. Rex Metal Craft, Inc., 831 N.E.2d 812.** In this case, the creditor obtained a judgment in 1982 and renewed it in 1992. Prior to the expiration of the second ten years, in 2001, the creditor moved to renew the judgment for an additional ten years, commencing in 2002. The debtor argued that additional renewal was barred because it was deemed satisfied by the expiration of 20 years. The appellate court upheld the lower court, finding the creditor's assertion of non-payment and the defendant's failure to plead it was, in fact paid, overcame the presumption of **§ 34-11-2-12**

d. **Refiling of "Failed" actions**: As it is not uncommon for creditors' attorneys to dismiss matters for lack of service or for the unavailability of a witness, it is important to keep in mind the limitations found at **§34-11-8-1.** This section states that where a plaintiff commenced an action which fails for any reason (other than from negligence in the prosecution of an action, death or reversal on appeal), a new action may be brought not later than the later of 3 years after the date the action failed, or the last date an action could have been commenced under the statute of limitations governing the original action. Additionally, the refiled action is considered a continuation of the original action commenced by the plaintiff.

At first blush, this statute may seem immediately applicable to the collections field. However, this provision is based on the common law writ known as a Journey's Account, where the time to re-file suit was computed with reference to the time required by the plaintiff to travel where court was held. This antiquated concept was altered when Indiana created this statutory remedy. Case law states that to claim the saving power of this provision, the original suit must have been filed timely

and the decision ending the original action must not have been on the merits. **Vesolowski v. Repay, 520 N.E.2d 433**. In that case, the court allowed a suit to proceed, even though, when it had been refiled in Indiana (after a dismissal in Illinois for filing in the wrong jurisdiction), it was filed after the limitations period had run. Essentially, this provision allows one who filed in good faith in one jurisdiction to refile in another, even after the statute has run**.** **McGill v. Ling, 801 N.E.2d 678**. Given the danger under the FDCPA of filing on anything past its statute, this provision is likely to be of limited applicability.

e. Licensing of Debt Buyers

i. Uniform Consumer Credit Code: The Consumers' Bar is seeking to apply **§ 24-4.5-3-502** to debt purchasers. This section requires that authority to make consumer loans, take *assignments of consumer loans,* or *undertake direct collection of payments from debtors* requires obtaining a license from the Department of Financial Institutions.

The only exclusions are for depository institutions (or their subsidiaries), credit unions and collection agencies who are already licensed under §**25-11-**1. A collection agency may take assignments and collect directly, if licensed under that portion of the code. In other words, if they purchase accounts before being licensed, the consumers bar is asserting that purchase may be a violation of the UCCC. Penalties for lack of licensure are found at §**24-4.5-6-101 to 125**. The website portal to determine if your client is licensed is found at: http://extranet.dfi.in.gov/dfidb/nondep.aspx .

ii. Collection Agency Licensing: Collection agencies are broadly defined as "all persons engaging directly or indirectly as a primary or secondary object, business or pursuit of soliciting claims for collection or in the collection of claims owed or due or asserted to be owned or due to another." **§25-11-1-1.** Licensing is to be done through the Indiana Secretary of State. The website to search to see if your client is licensed is found at: http://www.in.gov/apps/sos/securities/sos_securities**.**

The rights of collection agencies to whom an account is assigned is found **at** **§25-11-1-13**. Generally, the statute allows a licensed collection agency to receive the account, be the assignee of an account, retain an attorney at the assignor's direction and advance court costs.

II. Litigation Practice:

Indiana has separate provisions of the code, one dealing with Civil Practice in general and another section that outlines trial practice. Indiana's courtroom practice is governed by the Indiana Rules of Trial Procedure, Rules 1-85 and their appendixes.

III. Complaint Pleading Requirements:

T.R. 8(A) states a claim (complaint) must contain a short and plain statement of the claim, showing that the pleader is entitled to relief and the demand for relief to which they claim entitlement. Subsection (E) admonishes that all pleadings be simple, concise and direct. **T.R. 8(E)(2)** allows for pleading in the alternative.

As can be surmised from the above, Indiana is a **notice pleading** state, meaning the elements of a cause are not required to be pled, and the plaintiff is heavily favored, in so far as to getting its matter to court. **Houin v. Bremen State Bank, 495 N.E.2d 753**

Likewise, denials of the allegation and affirmative defenses are treated under the same standard**.** **T.R. 8(B) & (C)**

a. Special Pleading Requirements for Contract and Collection Actions:

Required Complaint Exhibits:

- **Actions Based on Written Contracts:** Under **T.R. 9.2,** if the action is based upon a written contract, the original or a copy must be included with the filing.

- **Unwritten contracts:** If the action is founded on an account, an Affidavit of Debt in a form substantially similar to that which is provided in Appendix A-2 shall be attached. See below:

- **Affidavit of Debt: Court Mandated Affidavit**: **T.R. 55**, which appears in **Appendix A -2,** was made effective January 1, 2011. When read together with **T. R. 9.2(A**), where the action is based on an account, such as a credit card, an Affidavit of Debt *shall* be attached. However, as the Rule makes clear, the affidavit attached must be in a form ”substantially similar” to the form provided in the Appendix. In other words, affidavit templates you or your client generate will be insufficient if they does not contain all the information required in the Affidavit of Debt form.

b. **Pleading Requirements for Debt Buyers: T.R. P. 9.1 (D) Bona Fide Purchase**r states that those who purchase for value or “or upon similar requirements, such status must be pleaded and proved by the person asserting it, but it may be pleaded in general terms.” No case law exists to determine whether or not debt buyers or assignees fall under this provision, but given the very low pleading threshold, it is a simple step to take.

c. **Redaction of Certain Information Required: T.R. 5(G),** referencing **Administrative Rule 9(G)(1)** requires where a document contains information to be omitted under that rule, the information shall be (1) omitted or redacted from the filed document, and (2) set forth on a *separate accompanying document on light green paper conspicuously marked "Not for Public Access" or "confidential"* and clearly designate the caption and number of the case and the document and location within the document to which the redacted material pertains..

As to collections, **A. R. 9(G)(1) (d**) requires deletion of the complete Social Security Numbers of living persons, while (f) requires complete deletion of account numbers of specific assets, loans, bank accounts, credit cards, and personal identification numbers (PINs).

Filing of Pleadings: Ind. R. Trial P. 5 clearly sets forth the manner and methods of delivery of pleadings and orders other than the complaint. **T.R. 4-4.17** explains service of process.

d. **Computation of Time for Filing:** For clarity T.R. 6 sets a uniform computation method of determining when filings are due. In Rule 6(A) states the day of the the act, event or default occurred is not counted as one of the days. In other words, if you are in court on August 1st and given 14 days to answer a complaint, the days begin to toll on August 2nd so that the answer is due on August 15th. Weekends and holidays are counted as days to toll a pleading deadline but if the pleading's due date is on a weekend or holiday, the pleading is due the next business day. However, if the pleading is due in less than seven days, weekends and holidays are not included.

e. **When Pleadings are Considered Filed**: T.R. 5(G) defines the phrase "filed with the court" and allows for pleadings other than the complaint, if the matter is sent by registered or certified mail and by third-party commercial carrier, shall be complete upon mailing or deposit, not when file stamped. If that sounds too good to be true, case law interpreting this section makes clear Indiana uses a modified mailbox rule, so long as the date of delivery is verifiable. In Indianapolis Mach. Co. v. Bollman, 339 N.E.2d 612 the court held that, because the record revealed that the motion to correct errors was mailed by ordinary mail instead of by registered or certified mail return receipt requested, the motion was properly shown filed on the date received by the clerk. As a result, it was considered filed nine days past the filing deadline so that the trial court erred in granting a motion for entry nunc pro tunc, since the rules of the court are binding upon the courts as well as on the litigants.

IV. Involuntary Dismissals:

Ind R Trial P 41 generally discusses how dismissals may occur but **(E)** of the rule requires special attention.

a. **T.R. 41(E):** this provision allows the courts, on their own motion, to dismiss actions for failure to prosecute. If a plaintiff fails to comply with the rules *or when no action has been taken for a period of 60 days*, the court is required to order a hearing for the purpose of dismissing the case. At or before such a hearing, the plaintiff must show sufficient cause to avoid dismissal. The court may also order such a hearing on the motion of the opposing side. The court is not required to dismiss the action or may dismiss it with leave to reinstate; however, in either instance, the continuation or reinstatement may be subject to conditions set by the court. In practice, most courts do track their cases, and if no action is taken in 60 days, plaintiff's counsel will receive notice of a hearing pursuant to **41(E)**.

b. **Dismissals under this Rule are with Prejudice**: It is critical for creditors' counsels to take these notices seriously, as *a dismissal for failure to prosecute pursuant to Ind. R. Trial P. 41(E) is a dismissal with prejudice, unless the trial court provides otherwise*. **Hoosier Health Sys. v. St. Francis Hosp. & Health Ctrs., 796 N.E.2d 38.** As will be seen below, reinstatement of a dismissal with prejudice requires adherence to **T.R. 60(b).**

c. **Actions to Avoid a T.R. 41(E) Hearing:** Resumption of litigation after receipt of notice of a T.R. 41(E) motion is insufficient to avoid dismissal, on the belief that such an interpretation of the rule would allow slothful plaintiffs to repeatedly ward off dismissal by resuming prosecution in the face of a ruling on a T.R. 41(E) motion, so that, when the threat has passed, they could retreat back to non-prosecution of the case, thereby forcing the defendant to file another T.R. 41(E) motion. **Benton v. Moore, 622 N.E.2d 1002**. Old Cases allows for resumption of litigation prior to the hearing to obviate the need for the hearing or dismissal. Where trial court ordered a hearing on whether cause should be dismissed for failure to prosecute, but before such hearing, a trial date was set on motion of the plaintiff, a motion to dismiss for failure to prosecute filed after the plaintiff filed request for trial setting was properly overruled. **Hurt v. Polak, 397 N.E.2d 1051**.

   It is incumbent for the creditor's attorneys to make themselves aware of how the county where their suit is filed handles 41(E) hearings. Some may allow a written response, pursuant to the rule, to suffice, while another may require appearance at a hearing.

d. **Hearing Required Before Dismissa**l: Any dismissal under TR. 41(E) for failure to prosecute or failure to follow court orders was premature and an abuse of the trial court's discretion, absent a hearing. **Wright v. Miller, 965 N.E.2d 135 (Ind. App. 2012).**

e. **Failure to Appear in Court:** It has also been held that failure to appear in court should not result in a dismissal absent a 41(E) hearing. A separate hearing to allow an opportunity to show sufficient cause why her case should not be dismissed is necessary. **Grant v. Wal-Mart Stores, Inc., 764 N.E.2d 301**

f. **Interaction with the Indiana Small Claims Rules** T.R. 41(E) can be read together with the small claims rules: Dismissal by Small Claims court of creditor's action against debtor pursuant to TR. 41 was not error; TR. 41 provides for different type of dismissal than S.C. 10, and TR. 41 can therefore be invoked by small claims courts in appropriate cases. **LTL Truck Serv., LLC v. Safeguard, Inc., 817 N.E.2d 664.**

V. Reinstatement following dismissal.

a. **Reinstatement of a Dismissal without Prejudice: T.R. 41(F)** allows for reinstatement but sets a standard requiring good cause and within a reasonable time from the date of dismissal.

The case law shows the courts take seriously the requirement that a party show good cause why a matter should be reinstated. Where suit was dismissed on motion of plaintiff, mere fact that plaintiff might reinstate his damage claim was not good cause to warrant reinstatement of the action on motion of defendant. **Levin & Sons v. Mathys, 409 N.E.2d 1195.**

b. **Reinstatements from Dismissals with Prejudice:** A dismissal with prejudice may be set aside by the court for the grounds and in accordance with the provisions of Rule 60(B). As noted above, dismissals for failure to prosecute are presumed to be dismissals with prejudice, requiring compliance with **T.R. 60(B).** In the **Hoosier Health Sys.** case cited above, the Plaintiff claimed they had filed motion to remove the matter from the docket, but the court had not received it, and as such, the case was dismissed for failure to prosecute. This motion was deemed insufficient to meet the standards of T.R. 60(B) **Hoosier Health Sys. 796 N.E.2d 38**

c. Trial Rule 60(B) Requirements: A judgment or dismissal with prejudice may be vacated for eight very specific reasons wherein the reason(s) which serve as the basis of the motion must be asserted.

Additionally, there are specific timeframes by which a motion to vacate must be filed, depending on the reason asserted. Finally, for certain of the reasons, the movant must allege a meritorious claim or defense.

VI. Small Claims

In addition to the provisions regarding Civil Practice and the separate Trial Rules, Indiana also has a separate set of rules for small claims.

a. Small Claims Jurisdictional Amounts: §33-29-2-4 finds small claims has jurisdiction over civil actions where the amount sought is *not more than $6,000.00,* in addition to possessory actions between landlord and tenant.

b. Small Claims Rules Supercede the Trial Rules: Small Claims Rule 1 **(SCR 1)**'s case law states the Trial Rules govern small claims proceedings, but only to the extent that they are not inconsistent with the Frank H. Monroe Heating & Cooling, Inc. v. Rider, 450 N.E.2d 1056 .

c. **Pleading Requirements are the Same:** According to **SCR 2**, in collection actions, if based on a contract, the contract must be attached, whereas if the matter is for an ”account” the affidavit of debt previously discussed must be an exhibit.

d. **Service in Small Claims; SCR 3(A)** allows service via certified mail with return receipt requested, by personal delivery, leaving a copy of the defendant’s usual place of abode, or by any of the methods allowed via Trial Rules 4.1 through 4.16. However, the rule has specific sections addressing Marion County Small Claims (Indianapolis). Each county may have different methods of handling service.

VII. Post Judgment:

a. **Garnishment:**

i. **Garnishment Exemptions:**

§24-4.5-5-105(2)(a) & (b) state the maximum of the aggregate disposable earning of an individual that may be subjected to garnishment may not exceed 25% of their disposable earnings or the amount the disposable earnings exceed 30 times the federal minimum hourly wage rate in effect at the time the earnings are payable.

Independent Contractor earnings are considered wages subject to garnishment. Ind. Surgical Specialists v. Griffin, 867 N.E.2d 260

iii. **Other Exemptions: §34-55-10-2:** Although found under a section of the Code ostensibly addressing real estate, this section lists the amounts and types of exemptions which may be asserted in all matters.

EXEMPTON SUMS SUBJECT TO CHANGE: **§34-55-10-2(b)** states the amounts listed below apply *until a rule is adopted by the department of financial institutions*. In other words, the amounts listed in the statute may not be current, and practitioners are advised to review rules promulgated by the DFI to ensure the sums listed below are current. The DFI issued an emergency rule, effective July 1st, 2012. (See attached Rule.) Changes and promulgated rules are announced on the DFI webpage: http://www.in.gov/dfi/. Alternately, one can access the Indiana Register and search for changes: http://www.in.gov/legislative/iac/irtoc.htm .

iv. **List of Exemptions and Amounts:**

1. **Real Estate or personal property constituting a residence** of Less than $15,000.00 in value. (Increased to $17,600.00)
2. **Other real estate or tangible personal property:** $8,000.00 (Increased to $9,350.00)

3. **Deposit Accounts and Cash:** debtors may assert an exemption In the amount of $300.00, which includes intangible personal property , including choses in action, excludes debts owing to the party and income owning. (Increased to $350.00)
4. **Professionally prescribed health aids** for debtor or dependent of the debtor.
5. Interest in real estate held as tenant by the entireties, *unless* the spouses are jointly liable.
6. **Contributions or parts thereof, made to retirement plans** or funds for debtor or their spouse, provided they are not subject to federal taxation at the time of the contribution, **or which are made to an IRA**, nor earnings on the contributions describe above nor rollovers of same.
7. **Money in Medical Care Account** under **§ 6-8-11** or health savings accounts under the IRS Code.
8. **Qualified Tuition Programs** as defined by the IRS Code where the debtor has an interest, but only to the extent the funds are not excess contributions or earnings on an excess contribution.
9. **Interests held in Education Savings Accounts** as defined in the IRS code, provided they are not excess contributions.
10. **Federal or State Income Tax refunds**
11. **Veterans disability awards,** unless the garnishment or levy is for child or spousal support
12. **State Fair Relief Funds** (see IC 34-13-8-1)

Rule 64. Seizure of person or property

(A) Ancillary remedies to assist in enforcement of judgment. At the commencement of and during the course of an action, all remedies providing for seizure of person or property for the purpose of securing satisfaction of the judgment ultimately to be entered in the action are available under the circumstances and in the manner provided by law and existing at the time the remedy is sought. The remedies thus available include, without limitation, arrest, attachment, attachment and garnishment, lis pendens notice, ejectment, replevin, sequestration, and other corresponding or equivalent legal or equitable remedies, however designated and regardless of whether, by existing procedure, the remedy is ancillary to an action or must be obtained by an independent action. Such remedies are subject to the provisions of this rule, and, except as herein otherwise provided, the action in which any of the foregoing remedies is used shall be commenced and prosecuted pursuant to these rules.

(B) Attachment or attachment and garnishment. Attachment or attachment and garnishment shall be allowed in the following cases in addition to those where such remedies prior to judgment are now permitted by law:

(1) It shall be a cause for attachment that the defendant or one of several defendants is a foreign corporation, a nonresident of this state, or a person whose residence and whereabouts are unknown and cannot be determined after reasonable investigation before the commencement of the action.

(2) Any interest in tangible or intangible property owned by the defendant shall be subject to attachment or attachment and garnishment, as the case may be, if it is subject to execution, proceedings supplemental to execution or any creditor process allowed by law. Wages or salaries shall not be subject to attachment and garnishment under Indiana Acts, ch. 38, §§ 197-244 [IC 34-1-11-1 -- 34-1-11-46, repealed; see note for present provisions].

(3) Attachment or attachment and garnishment shall be allowed in favor of the plaintiff suing upon a claim for money, whether founded on contract, tort, equity or any other theory and whether it is liquidated, contingent or unliquidated; or upon a claim to determine the rights in the property or obligation attached or garnished.

(4) It shall not be objectionable that the property or obligation being attached or garnished is in the possession of the plaintiff or is owed by the plaintiff to the defendant or by the defendant to the plaintiff.

(5) A governmental organization, or a representative, including a guardian, receiver, assignee for the benefit of creditors, trustee or representative of a decedent's estate may be named as a garnishee and bound by the duties of a garnishee.

(6) A writ of attachment against the defendant's real estate or his interest therein is effectively served by recordation of notice of the action in the appropriate lis pendens record, and, unless vacant, by serving the writ of attachment or notice thereof upon a person in possession of the land.

(C) Defendant's title raised by denial – Effect of dismissal. In action where the plaintiff is required to establish title to any fund or property, including without limitation any ejectment, replevin, quiet title, partition, equitable, legal or other action, the defendant in his answer may deny the plaintiff's claim of title and thereby place in issue the defendant's title or interests therein. If the defendant prevails under such an answer, he shall be entitled to a judgment or decree enunciating his title or interest and any proper negative or affirmative relief against the plaintiff consistent with his proof. Unless the defendant joins in the notice of dismissal, no voluntary dismissal by the plaintiff in such cases shall be allowed without

prejudice after the plaintiff has obtained possession of the property or fund or other relief with respect thereto by posting bond, or after the defendant by answer (whether by denial, affirmative defense, counterclaim or cross-claim) has placed title in issue.

NOTES: COMPILER'S NOTES. Former IC 34-1-11-1—34-1-11-46 were enacted by Indiana Acts 1881 (Spec. Sess.), ch. 38, §§ 197-244, referred to in subdivision (B)(2), and were repealed by P.L.1-1998, § 221. For present similar provisions see IC 34-25, enacted by P.L.1-1998 § 20.

Attachment, IC 34-25-1, IC 34-25-2.
Garnishment, IC 34-25-1, IC 34-25-3.
Lis pendens notice, IC 34-30-11.

IC 34-25-3-5

Garnishee's failure to appear or provide information; effect; procedure

Sec. 5. (a) This section applies to a garnishee who is summoned and:
(1) fails to appear and provide discovery as required by law; or
(2) fails to answer or demur to the matters set forth against the garnishee in the affidavit, additional complaint, or interrogatories.
(b) When a garnishee fails to provide information as described in subsection (a):
(1) the information may be taken as confessed;
(2) judgment may be entered by default; or
(3) the garnishee may be examined under oath concerning all the matters charged in the affidavit or additional complaint.
(c) Proceedings, pleadings, and process under this section must conform to the practice in other cases, as necessary to determine the rights of the parties and render a final judgment.

STATE OF INDIANA)
MARION COUNTY)
)

IN THE MARION _____COURT
CIVIL DIVISION, _____

CAUSE NUMBER: _____

_____
Plaintiff / Petitioner

VS.

NOT FOR PUBLIC ACCESS

_____
Defendant / Respondent

Name of Filed Document: _____.

In accordance with Trial Rule 5(G) (2) and Administrative Rule 9(G) (1):

5(G) Filing of Documents and Information Excluded from Public Access and Confidential Pursuant to Administrative rule 9(G)(1). Every document prepared by a lawyer or party for filing in a case shall separately identify information excluded from public access pursuant to Admin. R. 9(G) (1) as follows:

(2) When only a portion of a document contains information excluded from public access pursuant to Administrative Rule 9(G) (1), said information shall be omitted [or redacted] from the filed document and set forth on a separate accompanying document on light green paper conspicuously marked "Not For Public Access" and clearly designating [or identifying] the caption and number of the case and the document and location within the document to which the redacted material pertains.

The information that is not for public access has been excluded (redacted) from the filed document named above. The information that was redacted and its location within the filed document are identified below.

CONFIDENTIAL INFORMATION LOCATION OF REDACTION IN FILED DOCUMENT.

_____ _____

Date: Signature of Lawyer or Party Preparing Document

_____

DISTRIBUTION: Printed Name

This Must Be Submitted to the Court on Green Paper

TITLE 750 DEPARTMENT OF FINANCIAL INSTITUTIONS

Emergency Rule
LSA Document #12-211(E)

DIGEST

Amends 750 IAC 1-1-1 to change the dollar amounts in the Uniform Consumer Credit Code and home loan practices. Authority: IC 4-22-2-37.1(a)(6). Effective July 1, 2012.

750 IAC 1-1-1

SECTION 1. 750 IAC 1-1-1 IS AMENDED TO READ AS FOLLOWS:

750 IAC 1-1-1 Dollar amounts in consumer credit code, home loan practices, and bankruptcy exemptions

Authority: IC 24-4.5-1-106; IC 24-4.5-6-107; IC 34-55-10-2.5
Affected: IC 24-4.5; IC 24-9-2-8; IC 34-55-10-2

Sec. 1. (a) The dollar amounts in IC 24-4.5 which are required to be changed by IC 24-4.5-1-106, as amended, shall, on July 1, ~~2010,~~ **2012,** be as set forth in each of the following Indiana Uniform Consumer Credit Code sections:

Amended	Dollar Amounts	Provisions Relating To
IC 24-4.5-2-201(7)	1,080/3,600	Graduated rate (sales)
IC 24-4.5-2-201(8)	45	Minimum credit service charge
IC 24-4.5-2-203.5(5)	18	Delinquency charge (sales)
IC 24-4.5-2-407(4)	1,080/3,600	Security interest (sales or leases)
IC 24-4.5-3-201(7)	45	Minimum loan finance charge
IC 24-4.5-3-203.5(5)	18	Delinquency charge (loans)
IC 24-4.5-3-508(6)	1,080/3,600	Graduated rate (supervised loans)
IC 24-4.5-3-508(7)	45	Minimum loan finance charge
IC 24-4.5-3-510(2)	3,600	Land as security (loans)
IC 24-4.5-3-511(2)	1,080/3,600	Maximum loan term
IC 24-4.5-4-301(4)	1,080	Property insurance
IC 24-4.5-5-103(7)	3,600	Deficiency judgment
IC 24-4.5-7-104(2)	605	Principal loan amount
IC 24-4.5-7-201(4)	605	Graduated rate scale
IC 24-4.5-7-404(3)	605	Combined loan amounts

(b) The dollar amount change ~~set forth in~~ **which is required to be changed by** IC 24-9-2-8, ~~takes effect~~ **as amended, shall be on** July 1, ~~2010.~~ **2012, as follows:**

Amended	Dollar Amounts	Provisions Relating To
IC 24-9-2-8	44,000	High cost home loan

(c) The dollar amount changes set forth in IC 34-55-10-2, ~~take effect March 1, 2010.~~ **as amended, which are required to be changed by IC 34-55-10-2.5, as amended, shall be as follows:**

Amended	Dollar Amounts	Provisions Relating To
~~IC 24-4.5-2-201(7)~~	~~1,050/3,500~~	~~Graduated rate (sales)~~
~~IC 24-4.5-2-201(8)~~	~~45~~	~~Minimum credit service charge~~
~~IC 24-4.5-2-203.5(5)~~	~~17.50~~	~~Delinquency charge (sales)~~
~~IC 24-4.5-2-407(4)~~	~~3,500/1,050~~	~~Security interest (sales or leases)~~
~~IC 24-4.5-3-201(7)~~	~~45~~	~~Minimum loan finance charge~~
~~IC 24-4.5-3-203.5(5)~~	~~17.50~~	~~Delinquency charge (loans)~~
~~IC 24-4.5-3-508(6)~~	~~1,050/3,500~~	~~Graduated rate (supervised loans)~~
~~IC 24-4.5-3-508(7)~~	~~45~~	~~Minimum loan finance charge~~

~~IC 24-4.5-3-510(2)~~	~~3,500~~	~~Land as security (loans)~~
~~IC 24-4.5-3-511(2)~~	~~1,050/3,500~~	~~Maximum loan term~~
~~IC 24-4.5-4-301(4)~~	~~1,050~~	~~Property insurance~~
~~IC 24-4.5-5-103(7)~~	~~3,500~~	~~Deficiency judgment~~
~~IC 24-4.5-7-104(2)~~	~~550~~	~~Principal loan amount~~
~~IC 24-4.5-7-201(4)~~	~~550~~	~~Graduated rate scale~~
~~IC 24-4.5-7-404(3)~~	~~550~~	~~Combined loan amounts~~
~~IC 24-9-2-8~~	~~40,000~~	~~High cost home loan~~
IC 34-55-10-2(c)(1)	17,600	Real estate family residence
IC 34-55-10-2(c)(2)	9,350	Other real estate or tangible property
IC 34-55-10-2(c)(3)	350	Intangible personal property

(Department of Financial Institutions; Uniform Consumer Credit Reg No. 1, Sec I; filed Jul 6, 1978, 9:30 a.m.: 1 IR 393, eff Jul 1, 1978; filed Oct 15, 1980, 2:30 p.m.: 3 IR 2189, eff Jul 1, 1980; filed Apr 20, 1982: 5 IR 1194, eff Jul 1, 1982; filed Apr 11, 1984, 2:45 p.m.: 7 IR 1257, eff Jul 1, 1984; emergency rule filed Apr 25, 1986, 3:40 p.m.: 9 IR 2210, eff Jul 1, 1986; emergency rule filed Sep 5, 1986, 10:05 a.m.: 10 IR 81, eff Sep 5, 1986; filed Jan 6, 1987, 10:10 a.m.: 10 IR 1083; emergency rule filed Mar 28, 1988, 1:37 p.m.: 11 IR 2905, eff Jul 1, 1988; emergency rule filed May 14, 1992, 2:00 p.m.: 15 IR 2267, eff Jul 1, 1992; emergency rule filed Mar 21, 1994, 10:30 a.m.:17 IR 1917, eff Jul 1, 1994; emergency rule filed Mar 18, 1996, 10:05 a.m.: 19 IR 2092, eff Jul 1, 1996; emergency rule filed Mar 17, 1998, 11:20 a.m.: 21 IR 3026, eff Jul 1, 1998; emergency rule filed Mar 14, 2002, 1:38 p.m.: 25 IR 2540, eff Jul 1, 2002; emergency rule filed Feb 16, 2004, 11:24 a.m.: 27 IR 2297, eff Jul 1, 2004; emergency rule filed Mar 13, 2006, 1:25 p.m.: 29 IR 2583, eff Jul 1, 2006; emergency rule filed Feb 22, 2008, 12:10 p.m.: 20080305-IR-750080119ERA, eff Jul 1, 2008; emergency rule filed Feb 11, 2010, 2:52 p.m.: 20100224-IR-750100103ERA; errata filed Apr 28, 2010, 10:12 a.m.: 20100512-IR-750100103ACA; emergency rule filed May 1, 2012, 2:20 p.m.: 20120509-IR-750120211ERA, eff Jul 1, 2012)

SECTION 2. SECTION 1 of this document takes effect July 1, 2012.

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