

360.020 Civil penalty for charging excessive interest -- Partial payment applied first to interest.

- (1) The taking, receiving, reserving, or charging a rate of interest greater than is allowed by KRS 360.010, when knowingly done, shall be deemed a forfeiture of the entire interest which the note, bill, or other evidence of debt carries with it, or which has been agreed to be paid thereon. In case the greater rate of interest has been paid, the person by whom it has been paid, or his legal representatives, may recover, in an action in the nature of an action of debt, twice the amount of the interest thus paid from the creditors taking or receiving the same: provided, that such action is commenced within two (2) years from the time the usurious transaction occurred.
- (2) Partial payment on a debt bearing interest shall be first applied to the interest then due.

History: Amended 1972 Ky. Acts ch. 216, sec. 2. -- Amended 1970 Ky. Acts ch. 67, sec. 3. -- Amended 1944 Ky. Acts ch. 173, sec. 21. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. secs. 883i-31, 2219.