

N. M. S. A. 1978, § 56-8-3

§ 56-8-3. Interest rate; no written contract

The rate of interest, in the absence of a written contract fixing a different rate, shall be not more than fifteen percent annually in the following cases:

- A. on money due by contract;
- B. on money received to the use of another and retained without the owner's consent expressed or implied; and
- C. on money due upon the settlement of matured accounts from the day the balance is ascertained.

Credits

L. 1983, Ch. 254, § 1.

N. M. S. A. 1978, § 56-8-9

§ 56-8-9. Excessive charges prohibited; applicability of maximum rates; definition

A. Unless otherwise provided by law, no person, corporation or association, directly or indirectly, shall take, reserve, receive or charge any interest, discount or other advantage for the loan of money or credit or the forbearance or postponement of the right to receive money or credit except at the rates permitted in [Sections 56-8-1 through 56-8-21 NMSA 1978](#).

B. No provision of law prescribing maximum rates of interest that may be charged in any transaction shall apply to a transaction in which a corporation, limited liability corporation or other business entity is a debtor, regardless of the purpose for which the corporation was formed and regardless of the fact that an individual is codebtor, endorser, guarantor, surety or accommodation party. No corporation or its codebtor, endorser, guarantor, surety or accommodation party shall have a cause of action or affirmatively plead, counterclaim, set off or set up the defense of usury in any action to recover damages or enforce a remedy on any obligation executed by the corporation, and no civil or criminal penalty that would otherwise be applicable except as provided in [Sections 30-43-1 through 30-43-5 NMSA 1978](#) shall apply on any obligation executed by the corporation.

C. A lender may, in the case of business or commercial loans for business or commercial purposes in the amount of five hundred thousand dollars (\$500,000) or more, take, receive, reserve or charge on any loan or discount made, or upon any note, bill of exchange or other evidence of debt, interest at a rate agreed to by the parties.

D. In addition to the maximum interest or discount that a lender is permitted to charge by law, the lender may charge, take, reserve or receive a premium or points in an amount up to but not exceeding three percent of the face amount of the loan on interim construction loans. The lender may charge and require the borrower to pay the premium upon execution of the loan agreement, whether the proceeds are delivered to the borrower immediately or whether there are to be obligatory or permissive future advances. The lender shall not be required to refund this charge in the event of prepayment of the obligation. For the purposes of this section, "interim construction loan" means a loan secured by a first mortgage and used by the borrower primarily for financing the construction of buildings, structures or improvements on or to the real property on which the first mortgage has been taken.

E. A lender may charge, take, reserve or receive points or a premium on any loan secured by real property; provided the points or premium together with the interest or discount charged, taken, reserved or received do not exceed the maximum interest or discount permitted by law. The lender shall not be required to refund this charge in the event of prepayment even if the prepayment would result in a higher charge to the borrower than permitted by law.

F. A loan in an amount equal to five thousand dollars (\$5,000) or less shall be made only pursuant to the New Mexico Bank Installment Loan Act of 1959 or the New Mexico Small Loan Act of 1955.

N. M. S. A. 1978, § 56-8-13

§ 56-8-13. Penalties and forfeitures

The taking, receiving, reserving or charging of a rate of interest greater than allowed by this act, when knowingly done, shall be deemed a forfeiture of the entire amount of such 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 back by civil action twice the amount of the interest thus paid from the person, corporation or association taking or receiving the same; provided that such action is commenced within two (2) years from the time the usurious transaction occurred.

N. M. S. A. 1978, § 56-8-14

§ 56-8-14. Criminal penalty

Any person, corporation or association who shall violate the provisions of this act shall be guilty of a misdemeanor, and upon conviction thereof before the district court or a justice of the peace shall be fined the sum of not less than twenty-five (\$25.00) dollars, nor more than one hundred (\$100.00) dollars.

N. M. S. A. 1978, § 56-12-13

§ 56-12-13. Pawn service charge

A. For the first thirty-day period of the pawn transaction, a pawnbroker may charge seven dollars fifty cents (\$7.50) or ten percent of the amount loaned, whichever is greater, provided that such charge shall not be made on the refinancing of an existing loan or credit transaction. A loan or extension of credit shall be considered to be refinancing of an existing loan if any part of the proceeds of the subsequent loan is applied toward the payment of a prior loan with the same pawnbroker.

B. For the remaining period of the pawn transaction, including any refinancing, no pawnbroker shall charge directly, indirectly or by any subterfuge a pawn service charge in connection with any pawn transaction at a rate in excess of four percent per month on the unpaid principal balance of the loan or extension of credit.

C. The foregoing pawn service charges are limiting maximums and nothing herein shall be construed to prohibit a pawnbroker from contracting for or receiving a lesser rate than here established.

Credits

L. 1985, Ch. 228, § 13.