

Code 1976 § 34-31-20

§ 34-31-20. Legal rate of interest.

(A) In all cases of accounts stated and in all cases wherein any sum or sums of money shall be ascertained and, being due, shall draw interest according to law, the legal interest shall be at the rate of eight and three-fourths percent per annum.

(B) A money decree or judgment of a court enrolled or entered must draw interest according to law. The legal rate of interest is equal to the prime rate as listed in the first edition of the Wall Street Journal published for each calendar year for which the damages are awarded, plus four percentage points, compounded annually. The South Carolina Supreme Court shall issue an order by January 15 of each year confirming the annual prime rate. This section applies to all judgments entered on or after July 1, 2005. For judgments entered between July 1, 2005, and January 14, 2006, the legal rate of interest shall be the first prime rate as published in the first edition of the Wall Street Journal after January 1, 2005, plus four percentage points.

Code 1976 § 37-3-201

§ 37-3-201. Loan finance charge for consumer loans.

(1) With respect to a consumer loan, including a loan pursuant to open-end credit, a lender who is not a supervised lender may contract for and receive a finance charge, calculated according to the actuarial method, not exceeding twelve percent per year. With respect to a consumer loan made pursuant to open-end credit, the finance charge shall be deemed not to exceed twelve percent per year if the finance charge contracted for and received does not exceed a charge for each monthly billing cycle which is one percent of the average daily balance of the open-end account in the billing cycle for which the charge is made. The average daily balance of the open-end account is the sum of the amount unpaid each day during that cycle divided by the number of days in the cycle. The amount unpaid on a day is determined by adding to any balance unpaid as of the beginning of that day all purchases, loans, and other debits and deducting all payments and other credits made or received as of that day. If the billing cycle is not monthly, the finance charge shall be deemed not to exceed twelve percent per year if the finance charge contracted for and received does not exceed a percentage which bears the same relation to one percent as the number of days in the billing cycle bears to three hundred sixty-five divided by twelve. A billing cycle is monthly if the closing date of the cycle is the same date each month or does not vary by more than four days from the regular date.

(2) With respect to a consumer loan, including a loan pursuant to open-end credit, a supervised lender may contract for and receive a loan finance charge as provided:

(a) on loans with a cash advance not exceeding six hundred dollars, a maximum charge not exceeding the maximum charges imposed in [Section 34-29-140](#) as disclosed as an annual percentage rate, provided that a supervised lender may impose a finance charge at a rate less than provided in [Section 34-29-140](#), and provided further that the maximum charge shall not exceed the rate posted and filed pursuant to [Section 37-3-305](#);

(b) on loans with a cash advance exceeding six hundred dollars, and on all loans, regardless of the dollar amount, made by Supervised Financial Organizations, any rate filed and posted pursuant to [Section 37-3-305](#); or

(c) on loans of any amount, eighteen percent per year on the unpaid balances of principal.

(3) This section does not limit or restrict the manner of calculating the finance charge, whether by way of add-on, discount, single annual percentage rate, or otherwise, so long as the rate of the finance charge does not exceed that permitted by this section.

If the loan is a precomputed consumer credit transaction:

(a) the finance charge may be calculated on the assumption that all scheduled payments will be made when due; and

(b) the effect of prepayment is governed by the provisions on rebate upon prepayment ([Section 37-3-210](#)).

(4) Except as provided in subsection (5), the term of a loan for purposes of this section commences on the day the loan is made. Any month may be counted as one-twelfth of a year but a day is counted as one-three hundred sixty-fifths of a year. Subject to classifications and differentiations the lender may reasonably establish, a part of a month in excess of fifteen days may be treated as a full month if periods of fifteen days or less are disregarded and that procedure is not consistently used to obtain a greater yield than would otherwise be permitted. The administrator may adopt regulations not inconsistent with the Federal Truth in Lending Act with respect to treating as regular other minor irregularities in amount or time.

(5) Subject to classifications and differentiations the lender may reasonably establish, he may make the same finance charge on all amounts financed within a specified range. A finance charge so made does not violate subsection (1) or (2) if:

(a) when applied to the median amount within each range, it does not exceed the maximum permitted by the applicable subsection;

(b) when applied to the lowest amount within each range, it does not produce a rate of finance charge exceeding the rate calculated according to item (a) by more than eight percent of the rate calculated according to item (a).

(6) Notwithstanding subsection (2), if a lender can demonstrate with competent evidence that (a) any failure to post rates properly filed under [Section 37-3-305](#) or failure to properly file these rates under [Section 37-3-305](#) was a result of a bona fide error or excusable neglect, (b) the rates were properly posted or properly filed when the error or neglect was discovered or brought to the lender's attention, and (c) that no other failure to post or file rates has been brought to the lender's attention by the Department of Consumer Affairs or by consumers within the previous forty-eight month period, then the maximum rate of loan finance charges assessable by the lender is the rate previously properly filed with the Department of Consumer Affairs, provided, however, the lender that has failed or neglected to post rates or to file rates is subject to a civil penalty of up to \$5,000.00 payable to the Department of Consumer Affairs.