

Translation

ACT PROHIBITING THE CHARGING OF EXCESSIVE INTEREST RATES,

B.E. 2560 (2017)

MAHA VAJIRALONGKORN BODINDRADEBAYAVARANGKUN, REX.

Given on the 14th Day of January B.E. 2560;

Being the 2nd Year of the Present Reign.

His Majesty King Maha Vajiralongkorn Bodindradebayavarangkun is graciously pleased to proclaim that:

Whereas it is expedient to revise the law prohibiting the charging of excessive interest rates;

Be it, therefore, enacted by the King, by and with the advice and consent of the National Legislative Assembly, as follows:

Section 1. This Act is called the “Act Prohibiting the Charging of Excessive Interest Rates, B.E. 2560 (2017)”.

Section 2. This Act shall come into force as from the day following the date of its publication in the Government Gazette.

Section 3. The Act Prohibiting the Charging of Excessive Interest Rates, B.E. 2475 (1932) shall be repealed.

Section 4. Any person who loans money to another person or commits any act in a manner to conceal a loan of money with any of the following natures shall be liable to imprisonment for a term not exceeding two years or a fine not exceeding two hundred thousand baht or both:

(1) Charging interest at a rate higher than the rate specified by law;

(2) Making a false statement in relation to a loan amount or other matters in the evidence of loans or negotiable instruments to conceal the charging of interest at a rate higher than the rate specified by law; or

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(3) Demanding to receive or receiving any benefits other than interest, be it monetary or non-monetary or by any means, to the extent which is evident that the benefit to be obtained is in excess of the benefit deemed appropriate under the terms of loan.

Section 5. Any person who acquires the right of claim from another person while being aware that such right arises from the commission of an offence under Section 4 and exercises the right or attempts to gain benefits associated with the right shall be liable to the penalty prescribed in Section 4.

Section 6. In the case where the Court convicts the accused of an offence but places the accused on probation or suspends the imposition of sentence, the Court may, regardless of whether an application is made, apply *mutatis mutandis* safety measures under Section 39 (3) and (5) of the Penal Code.

Section 7. The Minister of Justice shall take charge and control of the execution of this Act.

Countersigned by:

General Prayut Chan-o-cha

Prime Minister

Note :- The rationale for promulgation of this Act is as follows: As the Act Prohibiting the Charging of Excessive Interest Rates, B.E. 2475 (1932) has long been in force, the provisions contained therein are neither suited to nor consistent with the current situations any longer. This, coupled with the prevalent practice of lending money with usurious interest rates or other non-interest benefits, warrants the improvement of the law prohibiting the charging of excessive interest rates. It is therefore necessary to promulgate this Act.

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