

1 AN ACT concerning interest.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The Interest Act is amended by changing
5 Section 2 as follows:

6 (815 ILCS 205/2) (from Ch. 17, par. 6402)

7 Sec. 2. Prejudgment interest.

8 (a) Actions in which prejudgment interest is
9 recoverable. Prejudgment interest shall be recovered: (1) on
10 all moneys after they become due on any bond, bill,
11 promissory note, or other instrument in writing; (2) on money
12 lent or advanced for the use of another; (3) on money due on
13 the settlement of account from the day of liquidating
14 accounts between parties and ascertaining the balance; (4) on
15 money received for the use of another and retained without
16 the owner's knowledge; (5) on money withheld by an
17 unreasonable and vexatious delay of payment; (6) because of
18 an intentional act depriving or otherwise interfering with
19 title to, or enjoyment of, real property, personal property,
20 or money; (7) upon a sum awarded for breach of an oral or
21 written agreement; and (8) as otherwise provided by law or in
22 equity. This Section shall not authorize the recovery of
23 prejudgment interest for damages arising from personal injury
24 or death.

25 (b) Date from which computed. Prejudgment interest shall
26 be computed from the date the cause of action first arose
27 except that interest upon damages incurred thereafter shall
28 be computed from the date incurred. Where damages were
29 incurred at various times, interest shall be computed upon
30 each item of damages from the date it was incurred, or upon
31 all of the damages from a single reasonable intermediate

1 date.

2 (c) Rate of prejudgment interest. Except as otherwise
3 agreed, the rate of prejudgment interest shall be 5% per
4 year.

5 (d) Applicability. This amendatory Act of the 92nd
6 General Assembly applies to all causes of action accruing on
7 or after the date it becomes law. Creditors shall be allowed
8 to receive at the rate of five (5) per centum per annum for
9 all moneys after they become due on any bond, bill,
10 promissory note, or other instrument of writing; on money
11 lent or advanced for the use of another; on money due on the
12 settlement of account from the day of liquidating accounts
13 between the parties and ascertaining the balance; on money
14 received to the use of another and retained without the
15 owner's knowledge; and on money withheld by an unreasonable
16 and vexatious delay of payment. In the absence of an
17 agreement between the creditor and debtor governing interest
18 charges, upon 30 days' written notice to the debtor, an
19 assignee or agent of the creditor may charge and collect
20 interest as provided in this Section on behalf of a creditor.
21 (Source: P.A. 90-417, eff. 1-1-98.)