

1 HB524
2 150820-1
3 By Representatives Beckman, Scott, Farley, Wallace and
4 Coleman-Evans
5 RFD: Judiciary
6 First Read: 02-APR-13

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8 SYNOPSIS: Under existing law, post-judgment interest
9 on money judgments, if based upon a contract
10 action, bear interest from the day of the cause of
11 action at the same rate of interest as stated in
12 the contract.

13 This bill would provide that money judgments
14 would bear interest from the date of the cause of
15 action.

16
17 A BILL
18 TO BE ENTITLED
19 AN ACT
20

21 To amend Section 8-8-10, Code of Alabama 1975,
22 relating to the interest on money judgments; to provide that
23 all money judgments would bear interest from the date of the
24 cause of action.

25 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

26 Section 1. Section 8-8-10, Code of Alabama 1975, is
27 amended to read as follows:

1 "§8-8-10.

2 "(a) Judgments for the payment of money, other than
3 costs, ~~if based upon a contract action, bear interest from the~~
4 ~~day of the cause of action, at the same rate of interest as~~
5 ~~stated in the contract; all other judgments~~ shall bear
6 interest from the day of the cause of action at the rate of
7 7.5 percent per annum, the provisions of Section 8-8-1 to the
8 contrary notwithstanding; provided, that fees allowed a
9 trustee, executor, administrator, or attorney and taxed as a
10 part of the cost of the proceeding shall bear interest at a
11 like rate from the day of entry.

12 "(b) This section shall apply to all judgments
13 entered on and after September 1, 2011."

14 Section 2. This act shall become effective on the
15 first day of the third month following its passage and
16 approval by the Governor, or its otherwise becoming law.