

16a-2-504. (UCCC) Finance charge on refinancing. With respect to a consumer credit transaction, the creditor may by agreement with the consumer refinance the unpaid balance and may contract for and receive a finance charge based on the amount financed resulting from the refinancing at a rate not exceeding that permitted by the provisions on finance charge for consumer credit sales other than open end credit (section 16a-2-201) if a consumer credit sale is refinanced, or for consumer loans (subsections (1) or (2) of section 16a-2-401, whichever is appropriate) if a consumer loan is refinanced. For the purpose of determining the finance charge permitted, the amount financed resulting from the refinancing shall be comprised of the total of the unpaid balance and the accrued charges on the date of the refinancing.

History: L. 1973, ch. 85, § 32; L. 1993, ch. 200, § 9; Jan. 1, 1994.