



HB 1174: Loan Scenarios

House Bill 1174 would dramatically change Indiana’s lending laws, allowing loans to exceed Indiana’s criminal loansharking threshold of 72% APR. Below are just a selection of examples demonstrating the differences between what is allowed under current law and what would be allowed if HB 1174 passes.

\$1,500 for 12 months	
<i>Under Current Law</i>	<i>Under HB 1174</i>
Total of Payments: \$1,883.31	Total of Payments: \$2,963.31
Payments: \$156.94	Payments: \$246.94
Finance Charge: \$383.31	Finance Charge: \$1,463.31
APR: 44%	APR: 149%
\$1,500 for 25 months	
<i>Under Current Law</i>	<i>Under HB 1174</i>
Total of Payments: \$2,228.56	Total of Payments: \$4,478.56
Payments: \$89.14	Payments: \$179.14
Finance Charge: \$728.56	Finance Charge: \$2,978.56
APR: 40%	APR: 133%
\$3,000 for 12 months	
<i>Under Current Law</i>	<i>Under HB 1174</i>
Total of Payments: \$3,758.18	Total of Payments: \$5,558.18
Payments: \$313.18	Payments: \$463.18
Finance Charge: \$758.18	Finance Charge: \$2,558.18
APR: 44%	APR: 133%
\$3,000 for 37 months	
<i>Under Current Law</i>	<i>Under HB 1174</i>
Total of Payments: \$5,123.79	Total of Payments: \$10,673.79
Payments: \$138.48	Payments: \$288.48
Finance Charge: \$2,123.79	Finance Charge: \$7,673.79
APR: 38%	APR: 111%
\$5,000 for 12 months	
<i>Under Current Law</i>	<i>Under HB 1174</i>
Total of Payments: \$6,106.02	Total of Payments: \$7,906.02
Payments: \$508.83	Payments: \$658.83
Finance Charge: \$1,106.02	Finance Charge: \$2,906.02
APR: 39%	APR: 94%
\$10,000 for 24 months	
<i>Under Current Law</i>	<i>Under HB 1174</i>
Total of Payments: \$13,065.25	Total of Payments: \$14,371.43
Payments: \$544.38	Payments: \$598.80
Finance Charge: \$3,065.25	Finance Charge: \$4,371.43
APR: 27%	APR: 38%
\$25,000 for 60 months	
<i>Under Current Law</i>	<i>Under HB 1174</i>
Total of Payments: \$44,026.60	Total of Payments: \$54,399.80
Payments: \$737.11	Payments: \$906.65
Finance Charge: \$19,026.60	Finance Charge: \$29,399.80
APR: 25%	APR: 36%

Assumptions: These use the maximum finance charge allowable and assume payments are due monthly beginning one month from the loan consummation.