

## 2023 Kansas Statutes

**16a-2-502. (UCCC) Delinquency charges.** (1) The parties to a consumer credit transaction may contract for a delinquency charge on any installment not paid in full within 10 days after its scheduled or deferred due date in an amount not exceeding 5% of the unpaid amount of the installment or \$25, whichever is less.

(2) As an alternative to the delinquency charge set forth in subsection (1), the parties to a consumer credit transaction may contract for a delinquency charge not to exceed \$10 on any installment not paid in full within 10 days after its scheduled or deferred due date, except that if the scheduled payment amount is \$25 or less, the maximum delinquency charge shall be \$5.

(3) A delinquency charge may be collected only once on an installment however long it remains in default. A delinquency charge may be collected at the time it accrues or at any time thereafter.

(4) No delinquency charge may be collected on an installment which is paid in full within 10 days after its scheduled or deferred installment due date even though an earlier maturing installment or a delinquency charge on an earlier installment may not have been paid in full.

(5) For delinquency charge purposes, a payment made prior to the due date of the next installment payment shall be applied to the previous installment. For all other purposes, payments are applied to installments in the order in which they fall due.

(6) Notwithstanding subsections (1), (2), (4) and (5), the parties to a lender credit card agreement may contract for a delinquency charge in an amount agreed to by the consumer and may impose such charge on any installment not paid in full on the next business day following the scheduled due date of the delinquent payment.

(7) Notwithstanding subsections (1), (2), (4), (5) and (6), no delinquency charge may be collected on a lender credit card installment which is paid in full on the next business day following the scheduled or deferred due date even though an earlier maturing installment or a delinquency charge on an earlier installment may not have been paid in full.

**History:** L. 1973, ch. 85, § 30; L. 1975, ch. 127, § 3; L. 1988, ch. 85, § 7; L. 1988, ch. 86, § 4; L. 1988, ch. 87, § 4; L. 1992, ch. 46, § 1; L. 1993, ch. 200, § 8; L. 1994, ch. 39, § 1; L. 1996, ch. 166, § 4; L. 1999, ch. 107, § 19; July 1.