

SB3392



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

SB3392

Introduced 2/16/2018, by Sen. David Koehler

SYNOPSIS AS INTRODUCED:

765 ILCS 67/5

Amends the Installment Sales Contract Act. Excludes from the scope of the term "installment sales contract" a financing arrangement for the transfer of residential real estate that for religious or cultural reasons does not allow for the imposition or collection of interest. Effective immediately.

LRB100 18305 JLS 33510 b

A BILL FOR

1 AN ACT concerning civil law.

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

4 Section 5. The Installment Sales Contract Act is amended by
5 changing Section 5 as follows:

6 (765 ILCS 67/5)

7 Sec. 5. Definitions. As used in this Act, unless the
8 context otherwise requires:

9 "Amortization schedule" means a written schedule which
10 sets forth the date of each periodic payment, the amount of
11 each periodic payment that will be applied to the principal
12 balance and the resulting principal balance, and the amount of
13 each periodic payment that will be applied to any interest
14 charged, if applicable, pursuant to the contract.

15 "Balloon payment" means a payment, other than the initial
16 down payment, in which more than the ordinary periodic payment
17 is charged during the contract.

18 "Business day" means any calendar day except Saturday,
19 Sunday, or a State or federal holiday.

20 "Buyer" means the person who is seeking to obtain title to
21 a property by an installment sales contract or is obligated to
22 make payments to the seller pursuant to the contract.

23 "Date of sale" means the date that both the seller and

1 buyer have signed the written contract.

2 " Dwelling structure " means any private home or residence or
3 any building or structure intended for residential use with not
4 less than one nor more than 4 residential dwelling units.

5 " Installment sales contract " or " contract " means any
6 contract or agreement, including a contract for deed, bond for
7 deed, or any other sale or legal device whereby a seller agrees
8 to sell and the buyer agrees to buy a residential real estate,
9 in which the consideration for the sale is payable in
10 installments for a period of at least one year after the date
11 of sale, and the seller continues to have an interest or
12 security for the purchase price or otherwise in the property.
13 " Installment sales contract " does not include a financing
14 arrangement that for religious or cultural reasons does not
15 allow the imposition or collection of interest.

16 " Residential real estate " means real estate with a dwelling
17 structure, excluding property that is sold as a part of a tract
18 of land consisting of 4 acres or more zoned for agricultural
19 purposes.

20 " Seller " means an individual or legal entity that possesses
21 a legal or beneficial interest in real estate and that enters
22 into an installment sales contract more than 3 times during a
23 12-month period to sell residential real estate. Any individual
24 or legal entity that has a legal or beneficial interest in real
25 estate under the name of more than one legal entity shall be
26 considered the same seller.

1 (Source: P.A. 100-416, eff. 1-1-18.)

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.