Fil-qasam tal-ġustizzja ċivili, il-proċeduri u l-proċedimenti pendenti mibdija fi tmiem il-perjodu ta' tranżizzjoni se jkomplu skont il-liġi tal-UE. Il-Portal tal-e-Ġustizzja, abbażi tal-ftehim reċiproku mar-Renju Unit, se jżomm l-informazzjoni rilevanti marbuta mar-Renju Unit sa tmiem l-2024.

Interest rates

L-Irlanda ta' fuq

1 Is "statutory interest" provided for in the Member State? If so, how is "statutory interest" defined in this Member State?

As per the situation with England & Wales, statutory interest is the interest rate that the law prescribes can be applied to outstanding claims for money owed on a commercial debt. Statutory interest can be claimed under the Late Payment of Commercial Debts (interest) Act 1998. Statutory interest does not apply when you sell to the public. Both seller and buyer must be acting in a commercial capacity.

2 If yes, what is the amount/rate and legal basis for it? If different rates of statutory interest are provided for, what circumstances and conditions apply?

Amount/rate of the statutory interest	*Criteria for the application of the statutory interest (if necessary, for example delay, consumer contract, etc.)*	*Legal basis*
Maximum of 8% interest on General and Special Damages Award. N.B. *This is not technically a 'statutory interest' rate but rather the interest rates that apply outside of the scope of the* ***Late Payment of Commercial Debts (interest) Act 1998,*** *i.e. a non-commercial, simple interest.*	Over the last number of years the courts have conventionally, within their discretion, awarded interest at 2% for general damages (from the date of service of the writ of summons) and 6% for special damages (from the date the loss incurred).	This practice was affirmed in McDowell v Smyth and MIB (1996) The courts' powers to employ discretion and award simple interest on debts and damages are contained within: Article 45A of the County Courts (Northern Ireland) Order 1980; and Section 33A of The Judicature (Northern Ireland) Act 1978.
8% above the Bank of England base rate. The reference rate for the Bank is set once every six months on 30th June and 31st December. The base rate on 31 December will be used for debts becoming late between 1 January and 30 June. The rate in force on 30 June will be used from 1 July to 31 December.	Businesses and public sector bodies have a statutory right to claim interest on late payment of commercial debts arising from contracts agreed on or after 7 August 2002. Statutory interest can be claimed after late payment has been received. The limit is six years in Northern Ireland. The interest usually runs from 30 days after it was due and claimed. A contract cannot exclude statutory interest but it is not compulsory to claim it.	Late Payments of Commercial Debt (Interest) Act 1998 The Late Payment of Commercial Debts (Rate of Interest) (No.3) Order 2002 The Late Payment of Commercial Debts Regulations 2002

3 If necessary, is there further information available on how to calculate statutory interest?

Calculating the interest due is a straightforward process. First calculate what the interest would be for a full year. This is done by multiplying the amount owed by the total rate of interest (base rate plus 8%). Then calculate the daily interest by dividing the annual interest by 365. The interest due is thus calculated by multiplying the daily interest by the number of late days. You charge interest on the gross amount of the debt, including any element of VAT, but you do not pay VAT on the interest.

4 Is there free online access available to the legal basis mentioned above?

The relevant legislation can be found at the following links:

Late Payments of Commercial Debt (Interest) Act 1998

The Late Payment of Commercial Debts (Rate of Interest) (No.3) Order 2002

The Late Payment of Commercial Debts Regulations 2002

The County Courts (Northern Ireland) Order 1980

The Judicature (Northern Ireland) Act 1978

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