

Book VII.
Title LIV.

Concerning interest on a judgment.
(De usuris rei iudicate.)

Bas. 9.3.86 et seq.

7.54.1. Emperor Antoninus to the procurators of inheritances.¹

The fisc which, according to a decision in its favor, will take into account that whoever fails to comply with the order of the court must pay interest at twelve per cent per annum for the period that runs after the legal time fixed for such compliance.

7.54.2. Emperor Justinian to Mena, Praetorian Prefect.

If judgment debtors defer payment of the money which they are ordered to pay, they must pay interest thereon at the rate of one per cent per month after the expiration of four months from the date of the rendition of the judgment, or from the time that a decision is affirmed, in case an appeal is taken, and the former laws which fixed two per cent per month, or our law² which fixes six per cent per annum, shall not apply to such persons.

Given at Constantinople April 7 (529).

7.54.3. The same to Johannes, Praetorian Prefect.

We ordain, that a judgment debtor must, after a period of four month's grace, pay interest at the rate of one per cent per month, according to the nature of the matter adjudged,³ but only on the principal (of a loan) and not on interest, which, arising out of a prior contract, was included in the judgment. We have already forbidden⁴ the charge of interest on interest, and leave no case unnoticed in which that might be attempted to be done. 1. If left without correction, an absurd and inconsistent situation would necessarily arise. For inasmuch as interest on contracts is, under our law⁵, generally less than one per cent per month, a heavier interest is necessarily substituted for the lesser (in case of a judgment). And if interest at the rate of one per cent per month would always accrue on an execution under a judgment (*ex iudicati actione*), while that is true but seldom in contracts, except in a few cases where that is permitted by law, and injustice would necessarily be introduced. 2. Correcting the matter, therefore, by this just remedy, we ordain that interest on the principal only, to the extent of twelve per cent per annum, shall be demanded under an execution, but no interest whatever on interest. For in a novation of the prior contract takes place by the judgment (*iudicati actio*), the accrual of interest on the contract must necessarily cease after decision, and the interest arising out of the

¹ [Blume] Procurators of the fisc having charge of inheritances falling to it.

² [Blume] C. 4.32.26.2.

³ [Blume] The judgment might include, or be for, interest. Interest on interest was not demandable.

⁴ [Blume] C. 4. 32. 28.

⁵ [Blume] C. 4.32.26.2.

judgment (*ex judicati actione*) shall only be on the principal, and simply because the amount of the principal and interest is added together, interest shall not be collected on the whole sum, but on the principal only. 3. And since antiquity set a bad example, giving to principal defendant two months⁶ grace, without permitting sureties to enjoy the same benefit and plaintiffs who recovered a judgment could leave the principal defendant alone, on account of the law, and immediately demand the money or property mentioned in the judgment from the sureties or guarantors (*mandators*), we, correcting such harshness, ordain that the four months grace given to (the principal) judgment defendants, shall be extended to their sureties and guarantors so that the law (extending grace) may not become a nullity. For as the surety-guarantor was compelled to pay, and he in turn coerced the principal to pay against his will, the latter did not receive the benefit of our kindness, because he, through the surety or guarantor, was compelled to pay immediately. Given at Constantinople November 27 (531).

⁶ [Blume] The former law, stated in D. 42.1.31, fixed the period of two months. See headnote subdivision 3 to C. 7.53. D. 42.1.2, says the judge is not always bound by this time, but sometimes lengthened, sometimes shortened, the time, depending upon the quality or quantity involved, the amount of property possessed by the debtor, and whether the debtor was obedient or disobedient. At times, however, as, when relief was given to a minor or when the order was for support, the decision was carried out before the regularly fixed time. D. 42.1.2 and 31.