



Queensland

## Consumer Credit (Queensland) Amendment Bill 2008

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# Consultation Draft

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**2008**

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**A Bill**

for

**An Act to amend the *Consumer Credit (Queensland) Act 1994***

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**The Parliament of Queensland enacts—**

**1 Short title**

This Act may be cited as the *Consumer Credit (Queensland) Amendment Act 2008*.

**2 Commencement**

This Act commences on a day to be fixed by proclamation.

**3 Act amended**

This Act amends the *Consumer Credit (Queensland) Act 1994*.

**4 Amendment of s 14 (Maximum annual percentage rate)**

(1) Section 14(2)—

*insert—*

*‘Note—*

The effect of subsection (2) is that a provision of a contract is void to the extent it imposes a monetary liability in excess of the maximum annual percentage rate prescribed under subsection (1) and that any excess amount paid under the contract may be recovered. In addition the credit provider commits an offence for entering into the contract.’

(2) Section 14—

*insert—*

‘(3) A regulation may require that, for calculating the annual percentage rate of a credit contract for subsection (1), not only interest charges but all credit fees and charges under the credit contract are to be included.

‘(4) If a provision of a contract is void to a particular extent because of this section and section 21(2) of the Code, nothing in this section affects the powers of the Court under part 4, division 3 of the Code in relation to the other provisions of the contract.

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*Note—*

Part 4, division 3 of the Code allows (among other things) the Court to reopen unjust transactions.’.

**5 Replacement of pt 10 hdg (Transitional)**

Part 10, heading—

*omit, insert—*

**‘Part 10 Transitional provisions**

**‘Division 1 Transitional provision for Consumer Credit Legislation Amendment Act 1996’.**

**6 Insertion of new pt 10, div 2**

After section 65—

*insert—*

**‘Division 2 Transitional provision for Consumer Credit (Queensland) Amendment Act 2008**

**‘66 Transitional provision about maximum annual percentage rate**

- ‘(1) This section applies if a maximum annual percentage rate is prescribed for a credit contract or class of credit contract under section 14(1) after the commencement of this section.
- ‘(2) A regulation may provide that the prescribed maximum annual percentage rate applies to a credit contract entered into before the day the maximum annual percentage rate is prescribed if, after the day—
  - (a) the interest charges or credit fees or charges under the credit contract are increased, or a new fee or charge is imposed, whether or not the increase is made, or a new fee or charge is imposed, under the contract; or

- (b) the period of the credit contract is extended, whether or not under the contract, other than under section 66 of the Code.’.