

55-1615. Same; interest on certain payments required; commencement and amount of payments; exception. The payor shall owe its payee interest on any payment, other than excluded payments, at the interest rate provided herein, determined on the first business day of the month that interest commences to accrue for that payment. For each subsequent month, the payor shall owe its payee interest on the unpaid balance due payee on the last day of the month preceding such subsequent month at the interest rate provided herein determined on the first business day of each such subsequent month. Interest shall commence to accrue 60 days following the last calendar day of the month of first sale and shall cease to accrue upon the day that payor places the payment in the United States mail, postage prepaid and addressed to payee. In the event a payor pays a payee's payment or portion thereof to a state under applicable unclaimed, abandoned or escheat property laws, then payor's obligation to pay interest on the portion paid over to the state shall cease upon the day that such state receives the payment from payor. Notwithstanding the above, interest shall not commence on oil or gas sales occurring during the first 60 days following the initial sale provided payment is placed in the United States mail, postage prepaid, and addressed to payee, within 120 days following the last calendar day of the month of the initial sale.

History: L. 1991, ch. 160, § 2; July 1.