

## NOTICE TO THE BAR

### **POST-JUDGMENT INTEREST RATE ESTABLISHED FOR CALENDAR YEAR 2013 (RULE 4:42-11(a)(ii))**

The purpose of this notice is to clarify the effect of the previously published January 15, 2013 Supreme Court order (copy appended) regarding the post-judgment interest rate for calendar 2013.

The Supreme Court entered the January 15, 2013 order as an interim measure to adjust the 0% rate of post-judgment interest that was previously announced in a July 24, 2012 notice to the bar. The January 15, 2013 order relaxed and supplemented Court Rule 4:42-11(a)(ii) so as to revise the base 2013 post-judgment interest rate from 0% to 0.25%, retroactive to January 1, 2013. Thus, the 2013 post-judgment interest rate for judgments of \$15,000 or less is 0.25% and, pursuant to paragraph (a)(iii) of the rule, for judgments over \$15,000 the 2013 post-judgment interest rate is 2.25%.

The formula for determining the annual post-judgment interest rate set forth in R. 4:42-11(a)(ii) is based on the rate of return for the New Jersey Cash Management Fund for the previous fiscal year (that rate of return was 0.15% for fiscal 2012), rounded to the nearest half or whole percent (which resulted in the now superseded 0% rate). The Supreme Court Civil Practice Committee and Special Civil Part Practice Committee continue to study the rule and will make recommendations as to possible revisions to the formula in the rule for the Court to consider during the Committees' current rules cycle (2012-2014).

/s/ Glenn A. Grant

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Glenn A. Grant, J.A.D.  
Acting Administrative Director of the Courts

Dated: February 11, 2013

## SUPREME COURT OF NEW JERSEY

Whereas Rule 4:42-11(a)(ii) of the Rules Governing the Courts of the State of New Jersey provides that the annual rate of interest on judgments that do not exceed the monetary limit of the Special Civil Part, regardless of the court in which the action was filed, shall equal the average rate of return of the State of New Jersey Cash Management Fund (State accounts) as reported by the Division of Investment in the Department of the Treasury for the preceding fiscal year terminating on June 30, to the nearest whole or one-half percent; and whereas based on that calculation the post-judgment interest rate for such judgments for calendar year 2013 was established and announced as zero percent (0%);

Pursuant to N.J. Const. (1947), Art. VI, § 2, par. 3, it is ORDERED that Rule 4:42-11 is relaxed and supplemented, retroactive to January 1, 2013, so as to provide that effective January 1, 2013 and until further order, the annual rate of interest on judgments that do not exceed the monetary limit of the Special Civil Part calculated pursuant to paragraph (a)(ii) of the Rule shall be not be less than 0.25%, and that, as currently provided by paragraph (a)(iii) of the Rule, an additional 2% per annum shall be added to the rate of interest on judgments that exceed the monetary limit of the Special Civil Part at the time of entry;

This supersedes the July 24, 2012 Notice to the Bar that established the 2013 post-judgment interest rate.

For the Court,

/s/ Stuart Rabner

Chief Justice

Dated: January 15, 2013

