Gifts to the Lender

Sending the lender a gift as a token of appreciation has a different set of rules. If the gift is sent before the loan is repaid, it is considered *avak ribbis*. If however, the gift is sent after the loan has been repaid, it falls under the category of *ribbis me'ucheres* (delayed interest) and is subject to the following guidelines.

If the borrower specifies that the gift is in appreciation of the paid loan, it is considered ribbis. Sending a bottle of wine with a thank you note after repaying a loan would be included in this prohibition.

If the borrower does not specify the reason for the gift, then the *halachah* depends on the value and the timing of the gift. An expensive present that would clearly not be given if not for the loan is ribbis even if given a while after the loan is repaid. This often occurs in a situation when people realize that they have inadvertently entered into a prohibited ribbis agreement. The borrower, who is prohibited from making any interest payments, may want to reimburse the lender for the lost interest by giving him a gift. This would be prohibited even after the loan has been repaid if the size of the gift makes it obvious that it is being given because of the loan.

If, however, the gift is small enough that the borrower would have given it even in the absence of the loan (and the loan has been repaid) the lender may accept the gift. There are no set rules that define the exact size of a problematic gift. The particular relationship between the borrower and lender will determine what is considered appropriate.

Even in circumstances in which the lender may accept the gift, there are *poskim* that prohibit the borrower from giving it with the *intention* of thanking the lender for the loan.

If the lender inadvertently accepted *ribbis me'ucheres*, he may keep the present and has no obligation to return the gift to the borrower. In contrast, *avak ribbis*, which is given before the loan is repaid, should be returned to the borrower.