

Charging Interest: Loans or Borrowed Items

Prohibitions of charging interest (ribit) apply only to loans of money or a commodity (halva'a), not to borrowed items (she'eila):

1. Loan/Halva'a

You do not get back the exact item you loaned but, rather, some equivalent of the original, such as money. The borrower may not give back more than he/she borrowed and the recipient may not accept more. Even saying “thanks” is considered to be a form of interest.

2. Borrowed Items/She'eila

The original item is returned to the loaner (for example, borrowing a car), and there is no prohibition of paying more than what was originally received.