

THE CALL CENTER for HILCHOS RIBBIS

UNDER THE AUSPICES OF HARAV PINCHOS VIND SHLITA



732 - 228 - 8558



סניף ליקוואוד וגלילותיה

הרה"ג פנחס וינד שליט"א

Question & Answer

Q. A local linen store which sells upscale pillows and blankets, and used by many mechutanim for their children's chasunas, offered a very convenient service. As soon as one's child gets engaged, they can order any item they need. However, it will only be delivered a week before the chasuna so the mechutanim do not need to worry about where to store the many items. On one occasion there was a delay in the shipment, resulting in the new stock of blankets not arriving in time for the chasuna of one of the customers. Realizing the situation, the owner offered to give them in the interim a synthetic blanket that they can use until the new shipment arrives and also keep the synthetic blanket as a gift.

When the chosson heard about it he got worried that this may be an issue of ribbis, as it seems that they were receiving this synthetic blanket as a gift because they did not receive their item on time. Is this an issue of ribbis or not?

A. If there are others who did not prepay, and they too are receiving these blankets as a gift because their orders too did not arrive on time, then it's permitted. However, if the store owner is only offering this "gift" to those who prepaid (at the time it was ordered), it's prohibited.

Explanation. When we approach such a case, many times it's unclear the intent of the store owner. Is he giving the gift because of the loan or not? Maybe, even if they paid with a postdated check or wouldn't pay until the time of delivery, he would still give them the present as compensation for not keeping his commitment to delivering the order on time. In addition, it could be he wants to keep his good name and hold on to his customers so they should continue to purchase from him, making this a non ribbis issue. Or maybe he is only doing this for this particular buyer because of the prepayment (loan). Therefore, it would seem that the way to judge the situation would be to see if he is giving the present even to those who didn't prepay. Or, even if he doesn't have such customers, but says that he would be willing to give it to all his customers, even those who aren't prepaying, that will prove that it has nothing to do with the loan, and it would be permitted. 

Editor's note: Even if the only reason the owner would not gift those that are not prepaying is because he feels that once he did them a favor by allowing them to pay at a later date, he doesn't have to give them any more gifts, it still would be ribbis to gift the other customers who did prepay. Another scenario that would be prohibited is if the seller is giving this gift only so the customers should not ask for their money back, to purchase their items elsewhere. 

ר' יעקב יצחק גינקוב שליט"א

Getting a discount for prepaying

In the month of December, an advertisement from a local clothing store, went around the local circulars as follows. "Exclusive for Rebbeim and teachers. As appreciation for all you do for our children, we, at ABC wholesalers, are having a 35% discount on all our clothing. We will begin shipping orders starting February 1st. However, in order to receive this special discount all orders must be paid in full no later than January 15th. Any order not paid in full by the aforementioned date will not be eligible for receiving the discount and will be required to pay the regular price. Thank you again for the dedication you give our children." Seeing the advertisement some of the Rebbeim and teachers were concerned that this may be a ribbis issue, as the only way for receiving this discount was to prepay. When mentioning their concern to the store manager, he responded that since the store does not need their money as a loan to purchase the merchandise as they have them already in their warehouse, there is no issue of ribbis.

Q. Is the store manager correct that this would not be an issue of ribbis, or not?

A. The store manager is incorrect, and this is a true ribbis issue.

Explanation. In general, one is prohibited to prepay for an item to get a better price. This includes even if one is not getting a real discount, just locking in the regular price. The reason for this is, since when one prepays for an item, it's considered that he lent the store money, so when the store in return gives him better terms (locking in the price, discount etc.) because of the loan, it is ribbis. However, if the seller has the item in stock or it's easily available to purchase in many stores and has a steady price, then we do not view the prepayment as a loan rather as if the purchase was done right away and consequently there is no issue of ribbis. However, the א"ח שו"ע יו"ד סי' קע"ג סעיף ז' ורמ"א writes based on the opinion of רבינו ישעיה, that this is all if the seller doesn't speak out that this discount is only if one pays early. However, if the store owner speaks out or advertises this condition, then it is prohibited, even if the items are readily available or in stock. Therefore, in our case, since ABC Wholesalers are clearly advertising that they are only offering discounts for those who prepay and those who don't have to pay the regular price, it would be prohibited. 

It's important to note, as mentioned above, if a store speaks out clearly that the advertised discount is only for those who prepay, and paying later would require one to pay the regular price, that takes away almost all the leniencies that one may rely on when prepaying for an item to get a better price. Therefore, this is another reason why it's very important for businesses to have a Heter Iska set up for their business, so they will not run into issues such as these when having such a sale. 



Did you know? There are many banks that are Jewish owned or have Jewish Partnerships which create a serious ribis issue?

Even if a Jew owns a very small portion of the bank, as long as he is considered a "partner" according to halacha, it's a problem. (Becoming a partner through stock ownership has its own complex guidelines.)

Attention Lakewood residents:

There are many banks that have Jewish ownership or partnerships which do not have a Heter Iska, thus creating a serious ribis issue.

One such bank, is a bank in the heart of Lakewood called "The Bank of Princeton". This Bank has a Jewish partner who owns ten percent of the bank and is one of the board members, resulting in a serious ribis issue.

סימן טוב מזל טוב

להרה"ג ר' יעקב יצחק ג'קוב שליט"א

ראש קו הריבית ובית הוראה לענייני דיבת סניף לייקוואוד

על בר מצוה של בנו היקר שלמה זלמן נ"ו

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ויה"ר שייזכה להמשיך לגדל משפחתו בתורה

וביראה במנוחת הנפש ובהרחבת הדעת

Kav Ha'ribis is here to help! Did you know we can help you with researching a bank, or getting a genealogist report on almost any person to verify if he is Jewish or not, helping you verify any problematic ownerships? Just Call the hotline at 732.228.8558

הגליון נדבה לזכות ולעילוי נשמת

ר' פנחס בן ר' דוד ז"ל
ר' דוד בן ר' פנחס ז"ל

ר' משה יצחק גרשון בן ר' אברהם יהודה
ז"ל (Jacobowitz) - יום היארצייט י"א סיון