## **RÉSUMÉ DIGEST**

## **ACT 414 (HB 81)**

## **2021 Regular Session**

**Pressly** 

<u>Prior law</u> (C.C. Art. 2041) provided that the revocatory action must be brought within one year of discovery of the obligor's act or failure to act but never after three years from the act or failure to act itself, except in cases of fraud.

<u>New law</u> removes the exception to the three-year period provided by <u>present law</u> in cases of fraud.

<u>Prior law</u> (C.C. Art. 2534(A)(1)) provided that actions for redhibition against good faith sellers of movables and immovables other than residential or commercial immovables prescribed four years from delivery or one year from discovery, whichever occurred first.

<u>Prior law</u> (C.C. Art. 2534(A)(2)) provided that actions for redhibition against good faith sellers of commercial and residential immovables prescribed one year from delivery.

New law (C.C. Art. 2534(A)) changes the prescriptive periods under <u>prior law</u> by providing that actions for redhibition against good faith sellers of movables and immovables prescribe two years from delivery or one year from discovery, whichever occurs first.

<u>Existing law</u> (C.C. Art. 3499) provides that unless otherwise provided by legislation, personal actions prescribe in 10 years.

New law (C.C. Art. 2534(A)) creates an exception to existing law by providing that actions for breach of the warranty of fitness for use prescribe two years from delivery or one year from discovery, whichever occurs first.

Existing law (C.C. Art. 2534(B)) provides that actions for redhibition against bad faith sellers of movables and immovables prescribe one year from discovery.

<u>New law</u> retains <u>existing law</u> but provides an outside time limitation of 10 years from the perfection of the contract of sale, whichever occurs first.

Existing law (C.C. Art. 2534(C)) provides that prescription is interrupted when the seller accepts the thing for repairs and begins running again when the thing is returned to the buyer or when the buyer is notified of the seller's inability or refusal to make repairs.

<u>New law</u> retains <u>existing law</u> but clarifies that this provision applies only to actions for redhibition.

Existing law (C.C. Art. 3463) provides that a settlement and subsequent dismissal of a defendant pursuant to a transaction or compromise does not qualify as a voluntary dismissal for purposes of determining whether prescription has been interrupted.

<u>New law retains existing law</u> but makes non-substantive changes to employ terminology that is consistent with language used throughout the Civil Code.

Effective August 1, 2021.

(Amends C.C. Arts. 2041, 2534, and 3463)