

Pruzbul

What is a Pruzbul?

Aside from the agricultural laws of Shemitah, the Torah also commands us not to collect loans after Shemitah (Shemitat Kesafim). “At the end of seven years you shall observe Shemitah, every creditor should release his authority over what he lent his friend (Devarim 15:1-2).” According to most authorities, it applies even outside of Israel.

The great Jewish leader Hillel saw that as the Shemitah approached, individuals were wary of lending money to the poor out of fear that their loans would become uncollectible. He instituted the pruzbul as an acceptable means of collecting these loans.

How does it work?

A pruzbul is a signed contract that empowers beit din (a Jewish court) to collect all outstanding loans on behalf of the lender. Once the beit din is given this authority, the loan is no longer canceled by the Shemitah year, and the individual can collect it himself.

You can make one pruzbul to cover all your loans, so the pruzbul does not have to be specific to each loan. Both men and women require a pruzbul, and many try to execute a pruzbul even if they are unaware they have any outstanding debts.

The Land Condition

For technical reasons, a pruzbul is only effective if the debtor owns real property. The property does not need to be worth the amount of the debt. If the debtor does not own property, some say that the creditor must first give the debtor some land before the Pruzbul is executed. Others say this is unnecessary because everyone has at least a small piece of land they own, rent, or use. To accommodate the strict opinion, one of the judges (or witnesses) will hand an item to the lender, through which all of his borrowers will acquire a small portion of his property.

When do I need to do it?

The pruzbul must be written before the loans are canceled. Most understand that the loan is canceled at the end of the Shemitah year, and the pruzbul should be made soon before that to cover any loans made during the Shemitah year. The best time to do this is right before Rosh Hashana of 2022. Although the day before Rosh Hashana would be the best time to do it (to ensure that no loans are made after the pruzbul is written), any time during the month of Elul is acceptable.

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Rosh Hashanah 5783

To arrange a pruzbul in person, which is ideal, a Beis Din will be available at DAT Minyan on Erev Rosh Hashanah following shacharit (Sunday, September 25).

If you cannot be there in person, you can execute a pruzbul remotely. The lender should gather two kosher witnesses (religious males over bar mitzvah, who are not related to either party or each other) and declare before them: "You are my witnesses that I am submitting all of the loans that I have outstanding to the Beis Din comprised of Rabbi Shmuel Halpern, Rabbi Menachem Siderson, and Rabbi Avrohom Dovid Karnowsky, and therefore I may collect these loans any time that I desire." Then fill out the pruzbul Witness Form (below) together with the witnesses, and submit it to shmuel.halpern@datminyan.org

As always, please feel free to contact me with any questions.

Have a happy sweet new year!

Rabbi Shmuli Halpern
732-237-5455

Credits: Rabbi Menachem Siderson, rabbi, The Shul at Aish of the Rockies



Pruzbul – 5782/5783 Remote/Witness Form

In the presence of the undersigned two witnesses there appeared before us _____ who declared before us as follows: "You are my witnesses that I am submitting all of the loans that I have outstanding to the Beis Din comprised of Rabbi Shmuel Halpern, Rabbi Menachem Siderson, and Rabbi Avrohom Dovid Karnowsky, and therefore I may collect these loans any time that I desire

IN WITNESS WHEREOF, we hereby affix our signatures this _____ day of _____, 5782, here in _____.

Witness _____

Witness _____