What Is a Pruzbul?

Rav Avrohom Yeshaya Cohen, Rosh Kollel of Kollel Ohel Yitzchok and Posek at The Bais HaVaad

Question: How exactly does a *pruzbul* work? Is it necessary for everyone to write one?

Answer: The Torah tells us that one should not refrain from lending money because the *shemittah* year is approaching; however, the Gemara in Gittin relates that Hillel saw that people were in fact hesitating to lend money in advance of a *shemittah* year. In order to solve this problem, he enacted the concept of *pruzbul*, wherein loans are given over to the authority of a beis din, who are allowed to collect the debts even after a *shemittah* year. The lender is now effectively a *shliach* of beis din to collect the debt on their behalf, and they permit him to retain the money he collects.

To answer the question of whether a person must write a *pruzbul*, I would divide people into two groups: those who definitely have money lent out to others and those who do not.

If someone has outstanding loans that he wants to collect, he certainly should write a *pruzbul*. Of course, if he wants to forgive the debt and chooses not to collect it, he has the right to do so, which would seemingly negate the need to write a *pruzbul*.

If one does not have any outstanding loans, or if he has no intention of collecting the loans he has, it would seem that he has no reason to write a *pruzbul*. However, some Poskim say that everyone should write a *pruzbul*, whether anyone owes him money he wants to collect or not. Their reasoning is that even if one is unaware of anyone who owes him money, it is possible that he has lent out small amounts that he has forgotten about. One day the borrower may approach his lender and give him the small amount of money he owes, and the lender may accept it without a second thought. If he hasn’t written a *pruzbul*, he is potentially transgressing a prohibition by accepting this money; therefore, these Poskim advise everyone to write a *pruzbul*.

I would note that writing a *pruzbul* is a very simple process and it would seem that there is no reason to specifically choose not to write one.