

Electronic Payments for Attorneys



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Factors in considering or accepting electronic payments

- Definitions
- Business case for electronic payments
- Ethical obligations
- Fees
- Security, and how payment methods work
- A limited dataset on attorneys accepting e-payments
- How to use, and how to choose



What are electronic payments?

- Credit cards
- ACH transactions
- Wire transfers
- Peer-to-peer payments

For this discussion, these are not electronic payments:

- Cash, checks, money orders, or barter
- Cryptocurrency



Business case:

Why accept electronic payments?

- Clients ask for them, and expect them
- Allows for much faster payment and intake
- Be paid before you have started working
- Reduce your time and money spent reminding clients to pay invoices, or trying to collect
- End your role as payment plan manager



Ethical obligations & electronic payments

- Payments may be subject to chargeback
- IOLTA obligations and considerations
 - Mass. Rule 1.15(b): Segregation of Trust Property
- IOLTA and peer-to-peer payments
- Can you pass credit card fees to clients?
- Confidentiality



Fees: what's it cost?

- ACH
- Wire transfers
- Credit card processing
 - 1.5% to 2.95% - how much will it be?
 - How will you know?
- Peer-to-peer payments
 - Usually no fee. Restrictions on commercial use?



Security, and how these work

- Credit card processing
 - Via a bank, or other processor: LawPay, LexCharge, PayPal, Square, Apple Pay; or via a practice management or accounting platform
- ACH and Wire transfers
- Peer-to-peer payments
 - PayPal, Venmo, Google Wallet, some banks

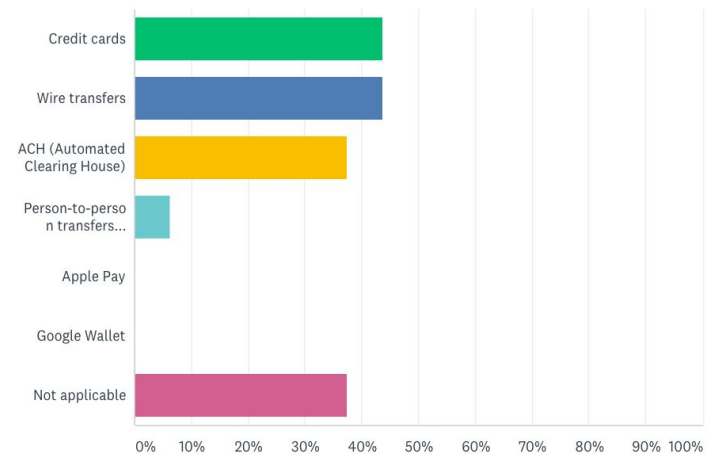


Data on what attorneys are accepting

- Unscientific survey results:
 - Most attorneys are asked if they take electronic payments, & most do
 - Many take credit cards, wires, & ACH
 - P2P is uncommon
 - Amounts vary widely
 - Few think they've lost a client because they didn't take electronic payments
- <https://yosp.in/E-PaymentSurvey2018-02-06>

Which forms of electronic payments do you take?

Answered: 16 Skipped: 0



How-to: which to use?

- Law practice management platforms
- Accounting platforms
- LawPay and LexCharge
- PayPal
- Square
- Work directly with a bank
- Ad-hoc (P2P)



Have any questions?



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