# Do Lawyers Take Credit Cards? ACH vs. Credit Card for Law Firm Payments

Yes, lawyers can take credit cards, and most law firms do. The ABA confirmed in Formal Opinion 00-419 that lawyers may accept credit card payments for legal fees, as long as they follow trust accounting rules. Many firms also accept ACH bank transfers, which usually cost less than cards. Offering both gives clients choice and helps firms get paid faster.

This guide answers the most common questions about paying a lawyer by credit card, compares ACH vs. credit card payments for law firms, and explains how to accept both without putting your trust account at risk.

## Do Lawyers Accept Credit Cards?

Most do. Clients expect to pay for professional services the same way they pay for everything else, and firms that accept cards and other online payment methods tend to get paid sooner and spend less time chasing invoices. Some firms, especially those with mostly institutional clients, still prefer checks or wires, so it's worth asking before you hire a lawyer.

### Common myths that keep firms from taking cards

**"Accepting online card payments is expensive."** It's no secret that accepting credit and debit cards means you'll be charged credit card fees. There is a cost to move money in our financial system, and processing fees cover this cost. Much like paying for your internet connection, practice management tools, and other software solutions you rely on to run your practice, online payment processing is another cost that more and more attorneys are accepting in order to run their practice as efficiently as possible.

**“Clients don’t care if they have an online payment option.”** Requiring your clients to pay for your services with a paper check is actually a more complicated and inconvenient experience for them. When you give your clients the option to pay you online with a credit or debit card, they’re able to pay you quickly, conveniently, and on their terms.

**“It’s unprofessional.”** Many lawyers think credit cards are a perfectly acceptable way to pay for goods in a retail store or at a restaurant, but not for professional services such as theirs. This thinking does not align with the way that your clients view payments. Attorneys who fail to offer online payment options to their clients risk being seen as out of touch.

**“It’s technically complicated.”** In most cases, utilizing online payments is as simple as copying and pasting a link. Many solutions allow you to paste a secure payment link in your emails or invoices, giving your clients a simple way to click and pay, with no coding or technical prowess required on your part.

**“It’s not secure.”** Think about your office for a minute. Do you have paper checks sitting on desks, or credit card numbers written on sticky notes attached to client files? All of these habits are risky. By making the switch to online payments, you get this sensitive data out of your office and into the hands of providers who are well-equipped to protect it.

**“It’s not compliant.”** Legal industry-specific payment companies have built their solutions specifically for attorneys, so that earned and unearned fees are always properly separated and IOLTA accounts are protected against any third-party debiting.

## Can You Pay a Lawyer With a Credit Card?

Yes, if the firm accepts cards. Clients commonly use credit cards to pay:

- Invoices for work already done
- Retainers and advance fee deposits
- Flat fees for matters like wills, contracts or traffic tickets
- Filing fees and other case costs
- Monthly payment plans

Lawyers who handle contingency fee cases, such as personal injury, usually take their fee from the settlement instead, so there's nothing to pay by card upfront.

Before you pay, ask the firm whether it adds a surcharge for card payments, whether it accepts ACH or eCheck as a lower-cost option, and whether it offers payment plans or recurring payments.

## What Ethics Rules Apply When Lawyers Take Credit Cards?

Accepting cards is allowed, but law firms have to follow trust accounting rules under ABA Model Rule 1.15 and their state's version of it:

- **Unearned funds go to trust.** Retainers and advance fee deposits must be deposited directly into the trust account.
- **Earned fees go to operating.** Payments for invoices that are already earned go to the firm's operating account.
- **Processing fees never come out of trust.** Card fees are the firm's expense and must be paid from the operating account. Taking them from trust uses client money.
- **Chargebacks never come out of trust.** If a client disputes a payment, the processor should pull the money from operating, not from other clients' trust funds.
- **Protect card data.** Never store full card numbers in email, notes or spreadsheets. Use a PCI-compliant processor.

A legal-specific payment processor handles this by letting firms choose trust or operating for each payment and charging fees separately to operating.

### Can lawyers charge clients a credit card fee?

In many states, yes, but there are limits. Surcharges generally must be disclosed to the client in advance, can't exceed the firm's actual processing cost, and must follow card network rules. Debit cards can't be surcharged, and a few states ban or restrict surcharges. Check your state's ethics opinions and law before adding a fee.

## ACH vs. Credit Card: Which Is Better for Law Firm Payments?

ACH (Automated Clearing House) payments, often called eChecks, move money directly from a client's bank account to the firm's bank account. Credit card payments charge the client's card through a card network. Here's how they compare:

| | ACH / eCheck | Credit card |
|---|---|---|
| **Cost to the firm** | Low; often a small flat fee or under 1% | Higher; typically a percentage of each payment |
| **Speed** | Usually 1 to 3 business days to settle | Approved instantly; funds usually arrive in 1 to 2 business days |
| **Risk of a failed payment** | Can be returned for insufficient funds after it's submitted | Approved or declined up front |
| **Disputes** | Fewer; mainly for unauthorized payments | More common; card networks give clients broader dispute rights |
| **Payment limits** | Good for large amounts like retainers | Limited by the client's credit line |
| **Client perks** | None | Rewards, and the option to spread payments over time |
| **Surcharging** | Rarely needed because fees are low | Allowed in many states, with limits |
| **Best for** | Retainers, large invoices, recurring payments | Smaller invoices, flat fees, clients who want to pay over time |

**The bottom line:** neither is better for every payment. ACH saves money on large and recurring payments, while credit cards are fast, familiar, and convenient. Most firms do best offering both and letting clients choose. Track your effective processing rate to see what each option really costs you.

## Is ACH Safer Than a Credit Card?

It depends on whose risk you're measuring.

- **For the law firm:** ACH is often lower risk. Fees are lower, and there are fewer chargebacks, which can be costly and time-consuming to fight. The main risk is a payment returned for insufficient funds after it's submitted, so wait for ACH payments to clear before relying on them, especially for trust deposits.
- **For the client:** credit cards usually offer stronger protection. Federal law limits liability for unauthorized credit card charges, and card networks offer broad dispute rights. ACH debits have some protection for unauthorized transactions, but the money comes straight out of the client's bank account while any issue is sorted out.

Both are secure when they run through a reputable, PCI-compliant processor with encryption and fraud monitoring. The bigger risks come from how payment information is handled, such as card numbers sent by email or bank details taken over the phone.

## Protecting Client Payment Data

Card-not-present transactions occur when the cardholder does not physically present their method of payment to the law firm. This can occur through a website payment portal, over the phone, or an internet payment link. These digital payments have become a target for cybercriminals. Thefts typically happen in one of the following ways:

- **Attacks on outdated systems:** Payment processing programs require regular updates to address evolving cyber threats. Hackers can identify weaknesses in outdated systems and use them as an opening point to access sensitive client payment data.

- **Remote access scams:** An outside party uses access tools to fraudulently control the payment platform, then collects client payment information or diverts funds into a fraudulent account.

First and foremost, firms should refrain from processing client banking and credit card information within their own systems. It is highly unlikely that a firm's in-office system has the level of security necessary to adequately protect the payment process and meet the firm's professional duty of care. When choosing a processor, look for:

- **PCI compliance,** meaning the company follows Payment Card Industry Data Security Standards.
- **Up-to-date security measures** that address the latest cyber threats. Cybercriminals constantly evolve their techniques, so outdated safety measures may not stand up to new threats.

Firms can take additional steps too: encourage clients to make payments through their client portals, require strong passwords for those accounts, and keep track of every single transaction so problems are caught and addressed as soon as possible.

## Common Payment Processing Challenges (and What to Look For)

### Little to no integration with your billing software

When there is little or no communication between your applications, you end up doubling your work while you update both systems. You may also end up with more human errors or struggle to get accurate insights into your firm's finances. Look for payments that sync directly with your billing and accounting software.

### High or unpredictable processing fees

With many online payment processors, amounts may vary significantly from card to card, making it difficult to determine how much you'll spend for each invoice. Processors often require extra fees for setup, account

maintenance, and more. Look for flat-rate transaction fees with no hidden costs, no matter which card a client uses.

### Juggling multiple vendors to offer more payment options

Not all vendors accept all forms of payment, so firms often end up using multiple vendors. That increases costs and complexity as firms learn to navigate, manage, and track multiple payment systems. Look for one processor that handles both credit cards and ACH.

### Slow transfer times causing cash flow issues

Some payments are processed faster than others, and the slow ones can lead to cash flow problems, especially when you send out multiple invoices at once. Look for fast funding paired with an email payment link, so you get the money you earned sooner.

### Keeping client payment information safe

Some clients may be hesitant to pay online unless they have clear assurances that you are taking the utmost precautions to protect their data. Look for a processor that is a certified PCI Level 1 Service Provider.

## How Client Portals Speed Up Payments

Slow payments are rarely just a billing issue. In many firms, they are a communication and access problem. When clients cannot easily view invoices or make payments, delays become the default. A client portal centralizes billing, communication, and payment in one secure location.

1. **Instant invoice delivery and visibility.** Invoices are available the moment they are generated. Clients do not need to search their inbox or request copies.
2. **Built-in payment options.** When clients can pay directly within the portal, there is no need to write and mail checks, call the office for payment instructions, or navigate separate payment systems.
3. **Reduced billing disputes.** Portals provide transparency into time entries, expenses, and matter activity. When clients can see detailed

information in context, they are less likely to question invoices or delay payment.
4. **Automated payment reminders** for new invoices, upcoming due dates, and outstanding balances keep payments top of mind without manual follow-up from your staff.
5. **Faster retainer replenishment.** Clients can monitor remaining balances, receive low-balance alerts, and replenish funds quickly.

Firms often find that improving how clients pay has a greater impact than changing how they bill.

## How Law Firms Can Accept Credit Cards and ACH the Right Way

1. **Use a legal-specific payment processor** that separates trust and operating deposits and charges fees to operating.
2. **Offer both cards and ACH.** Let clients choose, and point large payments like retainers toward ACH to save on fees.
3. **Put a payment link on every invoice** so clients can pay the moment they open it.
4. **Get written authorization** before storing a card or bank account on file or charging it automatically.
5. **Use recurring payments and evergreen retainers** to keep cash flow steady. See how evergreen retainers and auto-debit cut days sales outstanding.
6. **Put your payment terms in the engagement letter,** including accepted methods, any surcharge, and what happens if a payment is returned or disputed.
7. **Reconcile monthly** so every payment ties to the right invoice, client, and account.

## More Ways to Get Paid Faster

- **Offer scheduled payments.** Clients can use a credit or debit card to pre-schedule automated payments toward their account, breaking large legal bills into smaller payments without having to think about it each month.

- **Offer installment payment plans.** While it doesn't make payment quicker, it makes full payment of your bill more likely while providing your firm with a steady flow of cash.
- **Charge interest on late payments.** These fees encourage clients to pay on time. Make sure you understand the rules of your jurisdiction regarding interest charges and late fees, and put them in the engagement agreement.
- **Automate the collection process.** Preset email reminders serve the same purpose as collection calls without the awkwardness, and they free up valuable firm time.
- **Standardize the process.** Put firm-wide procedures in place so attorneys and staff aren't figuring it out every time client payments come due.

## Get Paid Faster With TimeSolvPay

TimeSolvPay is built into TimeSolv, so clients can pay by credit card, debit card, or ACH right from their invoice or client portal. Payments post automatically to the right invoice and client; firms can set up recurring payments and keep payment methods on file with client authorization, and trust and operating payments stay separate. Learn how TimeSolvPay protects your firm, or see how firms use it to get to Zero AR in the Zero AR playbook.

Ready to give clients more ways to pay? Schedule a demo of TimeSolv today.

## FAQ

### Do lawyers accept credit cards?

Most do. ABA Formal Opinion 00-419 allows lawyers to accept credit cards for legal fees, as long as unearned funds go into trust, earned fees go into operating, and processing fees are paid from the operating account.

### Can you pay a lawyer with a credit card?

Yes, if the firm accepts cards. Clients can typically use a credit card for invoices, retainers, flat fees, case costs, and payment plans. Ask whether the firm adds a surcharge or offers a lower-cost ACH option.

## Can you pay a lawyer retainer with a credit card?

Yes, at most firms that accept cards. The retainer must be deposited into the firm's trust account, and the processing fee must be paid by the firm from its operating account, not from your retainer.

## Can lawyers charge a fee for paying by credit card?

In many states, yes, if the fee is disclosed in advance, doesn't exceed the firm's actual cost, and follows card network rules. Debit cards can't be surcharged, and some states ban or limit surcharges.

## Which is better for law firm payments, ACH or credit card?

ACH costs less and works well for large and recurring payments like retainers. Credit cards are faster to approve and more convenient for clients. Most firms offer both.

## Is ACH safer than a credit card?

For the firm, ACH usually means lower fees and fewer chargebacks, though payments can be returned for insufficient funds. For clients, credit cards generally offer stronger fraud and dispute protection. Both are secure when processed through a reputable, PCI-compliant processor.

## How long does an ACH payment take to clear?

Usually 1 to 3 business days. Firms should wait for ACH deposits to clear before disbursing funds from trust.

## Do client portals help law firms get paid faster?

Yes. Portals put invoices, payment options, trust balances, and reminders in one place, so clients can review and pay without calls, checks or separate

payment systems.