The Law Firm Invoicing Guide: Formats, Terms, and Faster Payment

Billing keeps a law firm busy. Time entries, fees, expenses, and other charges have to be translated into a bill the client can understand, approve, and pay. But after it's sent, the waiting game starts.

The delay might begin with a LEDES bill rejected for formatting issues. It could be an entry that raises questions, a missing detail, or a payment process that takes too many steps. No matter where legal invoicing friction starts, it adds more distance between finished work and payment.

That makes the invoice itself one of the best places to shorten the billing cycle.

If your invoices clearly show what work was performed, what the client is being charged for, when payment is due, and how to pay, there are fewer chances for avoidable delays to slow down cash flow.

This guide covers the full invoicing process, from choosing the right format and writing clearer entries to reviewing drafts efficiently, setting payment terms, and automating recurring invoices and payments.

By the end, you'll be ready to make legal invoices easier for clients to understand and easier for your firm to move from draft to paid.

What Should a Law Firm Invoice Include?

A legal invoice should give the client enough information to understand what they're being charged for and why, the due date, and how to initiate payment.

At minimum, the invoice should provide:

- Your law firm's name and contact information
- The client name and matter reference number
- The invoice number and billing period
- The billing method or fee arrangement
- Clear descriptions of work performed or fee charged
- Timekeeper names, rates, and hours where applicable
- Itemized expenses and other approved charges
- Any discounts, credits, trust applications, or previous payments
- The total amount due
- Payment due date and payment terms
- Clear payment instructions, including online payment links when available

The exact format will change depending on how the matter is billed.

An hourly invoice needs enough detail for the client to review what work was performed and how long it took. A fixed-fee or recurring invoice might focus more on the service provided or billing period covered.

What shouldn't change is clarity. A client should be able to open the invoice and quickly answer three questions:

- What am I paying for?
- How much do I owe?
- How can I pay it?

The clearer the information on the invoice, the fewer questions each bill is likely to raise.

Choose the Right Legal Invoice Format

Your law firm's invoice format will differ based on your billing model and the client's billing requirements.

An individual client paying a family law firm by the hour won't have the same invoice needs as a corporate legal department that requires LEDES formatting, or a contingency client receiving a settlement statement.

Itemized Hourly Invoices

Use an itemized invoice when the client is billed based on time and expenses. These invoices should contain:

- Date of service
- Timekeeper(s)
- Task or activity performed
- Time spent
- Billing rate
- Line-item amount
- Expenses or other approved charges
- Total balance due
- Due date
- Payment instructions

Best fit: Hourly matters where clients need visibility into the work performed and how charges accumulated

Flat-Fee Invoices

A flat- or fixed-fee invoice focuses less on hours worked and more on the service provided or milestone being billed.

A flat-fee invoice should show:

- The service or scope covered
- The agreed fee
- Any included or excluded expenses
- Amount already paid or credited
- Total balance due
- Due date
- Payment instructions

Best fit: Predictable legal services where the fee is agreed in advance, including certain estate planning, immigration, or transactional matters.

Get your free Legal Billing Terms Cheat Sheet now to learn key terminology, common billing concepts, and the language firms expect billing professionals to know.

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Contingency and Settlement Statements

Contingency matters require a different type of billing summary because the fee is directly tied to the outcome of the matter, not the hours worked.

The final statement should include:

- The total settlement or recovery amount
- Agreed lawyer fee
- Case expenses
- Any other deductions
- Net amount due to the client
- Expected date of payment

Best fit: Contingency matters where the client needs a clear accounting of how the final recovery was distributed.

LEDES Invoices

LEDES, or Legal Electronic Data Exchange Standard, is a standardized electronic invoice format that some corporate clients, insurers, and e-billing platforms require so the invoice can be processed through an e-billing system.

These invoices may require specific task, activity, and expense codes in addition to standard billing details, no matter the billing model. A missing code or formatting error can cause a bill to be rejected before anyone reviews the substance of the work.

LEDES invoice formats vary, but commonly required details include:

- Client, matter, and invoice identifiers
- Billing period and line-item dates
- Timekeeper names, IDs, classifications, and rates
- Task, activity, and expense codes where required
- Descriptions, units, and amounts for each billed line item

Best fit: Clients with outside counsel guidelines or strict electronic billing requirements.

Write Legal Billing Entries Clients Can Understand

The next step is making sure each charge on the invoice gives the client enough context to understand what they're paying for.

Vague entries lead to questions, and questions lead to delays. Clear entries explain the work, connect it to the matter, and make the value easier for the client to see.

Here are examples of unclear descriptions and stronger alternatives.

Vague Entry	Clearer Entry
Research – 1.3	Researched enforceability of noncompete provision and summarized relevant state case law for attorney review –1.3
Client call – 0.2	Call with client to confirm timeline of events and prepare facts for upcoming deposition – 0.2
Drafting – 1.8	Drafted revised settlement agreement reflecting negotiated payment and confidentiality terms – 1.8
Document review – 0.9	Reviewed lease documents and correspondence to identify provisions relevant to renewal dispute – 0.9

The same principle applies to expense entries. A line that says “filing fee” or “miscellaneous” gives the client very little to work with. Identify what the expense was, when it was incurred, and how it related to the matter.

These are examples of detailed expense entries:

- Court filing fee for motion to compel, paid July 12 – $150.00
- Certified mail to opposing counsel for notice of hearing, sent July 18 – $12.40
- Deposition transcript for Anderson v. Smith Corp., received July 22 – $486.75

Every clear line item gives the client less to question or dispute, and more reason to pay the invoice as expected.

Set Clear Payment Terms Upfront

Your firm’s payment terms tell clients when payment is due, what happens if it’s late, and what your firm expects next. Before creating a draft invoice, make sure those expectations and timelines are clear whether you use net-15, net-30, due-on-receipt, or another payment schedule.

Payment terms should include:

- Payment due date
- Accepted payment methods
- Any late-fee or interest policy
- Applicable surcharging or processing fees, where allowed
- When reminders begin
- What happens if a balance remains unpaid

Under ABA Model Rule 1.5, late fees or interest should only be charged when they’ve been disclosed to the client in advance and are permitted in your jurisdiction. State requirements vary, so review your state’s guidance before adding those charges to any invoice.

With clear payment terms, follow-up gets easier, too. Instead of deciding when to reach out regarding an overdue balance, your firm can refer to the existing terms to keep the process predictable.

To keep reminders consistent, consider using your time and billing software to automatically send reminder messages on a predetermined schedule.

Build a Complete Invoice Draft

With the format decided and clear entries recorded, the next step is building the first complete version of the invoice.

At this stage, make sure the draft includes:

- The correct client and matter number
- All billable time, fees, and expenses for the period
- The correct rates or flat-fee amounts
- Clear descriptions for each charge
- Any required LEDES codes or client-specific fields
- Credits, discounts, trust applications, or prior payments
- Remaining total balance
- Payment terms and due date

How you create that draft will vary based on the billing tools your firm uses.

Fully integrated time and billing software, like TimeSolv, can automatically pull recorded time, expenses, rates, and client and matter details directly into a draft invoice. The assigned billing template determines how the information is formatted and displayed, with built-in support for LEDES data and coding.

Other firms may rely on standalone invoicing software, where time, expenses, and client or matter details may need to be imported, re-entered, or synced separately before the draft is created.

Accounting software often includes general invoicing tools that still require your firm to manually transfer timekeeping, client, and matter details to create a draft. These tools may not include LEDES support for legal invoices.

But with a two-way integration, like TimeSolv's QuickBooks integration, that information is shared between both systems to keep legal billing and accounting aligned.

Some firms rely on a combination of systems and tools, like spreadsheets, time tracking software, invoicing software, and accounting software to build invoices. Each extra handoff lengthens the billing cycle and creates more opportunities for information to be missed, duplicated, or entered incorrectly.

The most efficient setup keeps the tools that build your invoices connected.

When time, expenses, client and matter details, invoices, payments, and accounting are fully integrated in one platform, draft invoices can pull from existing information instead of making staff rebuild each draft from scratch.

Review Draft Invoices Without Slowing Down Billing

A pre-bill review helps ensure your firm catches any errors that may lead to billing questions, disputes, rejections, or write-downs.

Keep this review focused and time-bound so invoices don't sit in draft for days or weeks before getting approved. The faster review happens, the sooner the invoice can be sent and paid.

As you review each draft invoice, check the following:

- Client, matter, rates, and fee arrangement is correct
- Time and expense entries are clear and complete
- Does not contain duplicate or unsupported charges
- Includes any required LEDES codes or client-specific billing rules
- Includes any credits, discounts, trust applications, or prior payments
- Payment terms and due date match the client agreement
- Contains payment instructions and online payment link

Assign clear owners for the pre-bill review and give that person a deadline. Depending on your staff and firm structure, that may be the responsible attorney, billing manager, or another designated reviewer.

Aim to complete pre-bill review within two to three business days. If an entry needs to be adjusted, added, or removed, note the reason in writing so your firm can identify any recurring billing issues.

Send the Invoice with Simple Ways to Pay

When you're ready to send an approved draft invoice, make sure it makes the next step clear and simple for clients.

Your firm may use one or more delivery methods for an electronic invoice:

- Email
- Client portal
- Mail

Email and portal delivery reduce mailing delays and expenses, but paper may still be an appropriate option for some clients. If you choose to mail paper invoices, sending an electronic invoice alongside it can provide an additional way for clients to view and pay the invoice quickly.

Send a message with each invoice to give the client more context, answer frequently asked questions, and briefly explain the contents of the bill.

For example, you might note that the invoice reflects a recently completed phase of the matter, call attention to a credit or write-down, or remind the client of the upcoming payment deadline.

A time and billing platform like TimeSolv can make this step easier by allowing your firm to customize the invoice message at the firm, client, or matter level and deliver the invoice through email and a secure client portal.

Built-in batch invoicing reduces the time it takes to build, review, and send multiple bills at once, while recurring invoicing and auto-debit help keep manual billing effort low.

And with the addition of TimeSolv Pay, each invoice includes an embedded payment link clients can use to pay with a credit card or ACH payment. Next-day funding gets cash to your firm faster.

The easier you can make the next step, the sooner clients can pay.

Automate Recurring Invoices and Payments

The work your firm does on a repeatable basis shouldn't require the same billing effort as a one-time engagement. For ongoing services, retainers, or subscription-style arrangements, setting up recurring invoices and payments can make billing much simpler.

The setup should include the amount billed, any billing rules, start and end dates, authorized payment method, and replenishment rules, if applicable.

Good client communication is just as important. Make sure the client understands the billing schedule, has the payment method they want to use authorized and on file, and is willing to comply with future retainer replenishment requests.

For example, TimeSolv supports recurring billing through TimeSolv Pay. Clients can store an authorized payment method for future use, opt-in to auto-debit payments, and receive automated replenishment requests when retainers fall below the required minimum balance.

And because retainer billing differs from standard invoicing, TimeSolv can apply authorized trust funds to approved invoices where permitted and track replenishment thresholds so the balance can be restored when needed.

Instead of relying on someone to manually configure, send, and wait for invoice payment, each bill arrives on the right schedule and makes paying convenient for clients.

Bring the Full Invoicing Process Together in One Place

You know what belongs on a strong legal invoice that clients can easily understand. You just need a simpler way to put those steps into practice every time.

TimeSolv brings time, expenses, invoices, and payments together in one integrated platform so the data moves with each step and billing takes less manual effort.

Tracked time and expenses become descriptive entries. Those entries flow into the right invoice. Invoices arrive with a built-in payment link and more ways for clients to pay. And your team spends less time moving information from one step to the next.

That makes it easier to keep invoices moving from draft to paid without making the process harder on your team.

Explore how it works with 10 days of free access to TimeSolv. Build your first draft invoice, test your billing workflow, and see how much easier the process can be when everything works together.

Frequently Asked Questions

What should be on a law firm invoice?

A law firm invoice should include the client and matter, explain the work performed and fees being charged, itemize applicable time and expenses, show the total balance and due date, and clearly explain which payment methods clients can use to pay.

What are typical payment terms for law firms?

Law firms commonly use terms such as due-on-receipt, net-15, or net-30. The right schedule for your firm depends on your client agreement and billing process, but the due date and any late-payment policies should be clearly disclosed in advance.

Can lawyers charge late fees or interest on unpaid invoices?

Potentially, but late fees and interest should be disclosed to the client in writing and must comply with the rules in your state and jurisdiction. Check applicable state guidance before adding a late fee or interest charge to a past-due balance.

What is a LEDES invoice?

Legal Electronic Data Exchange Standard, or LEDES, is a legal invoice format commonly used by corporate clients, insurers, and e-billing systems to standardize the data contained in an invoice. It can require specific data or codes for clients, matters, timekeepers, tasks, activities, and expenses.

Want fewer invoice corrections and faster LEDES approvals?

Start your 10-day TimeSolv free trial now—no credit card needed.

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