Credit Card Processing for Lawyers —How to Pick the Best Service

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When it comes to credit card processing for lawyers, firms that leverage plastic as a payment method win. According to Clio's *Legal Trends Report*, firms that accept credit cards get paid faster—57% get paid the same day they are billed, and 85% get paid within a week. Credit card payments are convenient for clients, and they're easy to set up and track, meaning that firms who accept them provide more client satisfaction while spending less time on administrative tasks.

Want to get paid faster while staying compliant? Clio's online payment system for law firms makes it easy for lawyers to accept credit cards, debit, and eChecks—while ensuring trust accounting compliance and seamless integration with your billing workflows.

👉 *Book your free demo.*

But as recently as 2017, only 15% of solo and small firms were accepting credit cards.

Credit card processing for lawyers does come with challenges. Firms need solutions that integrate with their billing and accounting processes, and lawyers are bound by strict compliance regulations—especially for trust accounting. But with the right credit card processing provider, the benefits far outweigh the risk. Lawyers who accept credit cards and other online payments save valuable time otherwise spent tracking down payments and processing checks. And not only is it more efficient—many consumers expect to purchase anything and everything online. Requiring clients to physically appear at a brick-and-mortar location to hand over their payment or buy a stamp and put a check in the mail can harm client satisfaction.

Before you can start accepting online credit card payments, you'll need to pick a processing service for your firm. Ideally, one that specializes in credit card processing for lawyers. Here's how to choose the best one.

Can law firms charge credit card fees?

In some jurisdictions, it's permissible for lawyers to pass on credit card processing fees to clients. However, it's not recommended. A reversal of previous ethics opinions has happened. It's best to accept these fees as the cost of doing business.

Learn more about the ethics of law firms accepting credit cards.

Credit Card Processing for Lawyers — 4 Things to Consider

1. Ethics rules for trust accounting

For many business owners, choosing a credit card processing provider is as simple as comparing a few of the top players—PayPal, Stripe, and Square, for example—and deciding what's best for them. Credit card processing for lawyers, however, is not as simple. When accepting credit card payments, several ethics rules come into play. Lawyers need to ensure that their credit card processors will keep them compliant.

Specifically, lawyers need to consider the potential for chargebacks on trust accounts. If a client disputes a charge that results in a chargeback, and the credit card company withdraws money from a pooled trust account, this may add to an ethics violation.

Law firms need a credit card processing solution for lawyers—one that does not allow chargebacks on trust accounts and does not take fees from trust accounts.

A solution like Clio Payments ensures that you have separate operating and trust accounts and that processing fees are deducted from your operating account only. You'll never have to worry about an inadvertent ethics violation due to your choice of credit card processor.

Note: Aside from trust accounting ethics, you'll need to ensure your firm is PCI Compliant.

2. Pricing

Legal-specific credit card processors eliminate ethics concerns for lawyers by taking extra precautions that regular merchant credit card processors don't. Does that mean that lawyers need to pay a premium for this service?

Actually, no. It's true that you might pay a small monthly fee that you otherwise wouldn't with non-legal-specific credit card processors. However, your overall transaction costs will likely be *lower* with processors like Clio Payments.

Here's a more in-depth breakdown of pricing:

Monthly Fees

Most credit card processors do not charge a monthly fee. Still, LawPay charges users $20 per month for an account (Theoretically, customers can have an unlimited number of bank accounts connected to their LawPay account at no additional cost).

However, when you use Clio Payments, there is no monthly fee, as this feature is included with Clio Manage subscriptions.

Some credit card processors for lawyers charge lower per-transaction fees but make up the difference by charging a monthly rate to cover standard charges from credit card companies.

For example, LexActum only charges 25 cents per transaction, but monthly fees range between $19 and $99—and there's no trust accounting option on the lower-priced plans.

Per-transaction fees

Clio offers simple and transparent pricing. Not all credit card processing solutions for lawyers are the same. It's up to you to find the balance between monthly fees and per-transaction fees that works best for you and your firm.

Accepting credit cards at your law firm via Clio Payments can help you get paid faster and collect more. Angie Calliou, CEO of Advantage Virtual Services Ltd. highlights the benefits of choosing a good credit card processor:

> "Clio is always on the leading edge of providing client-centered services and the newly integrated Clio Payments is a great way to provide flexible payment options for your clients."

3. Integration—ensure online payments fit into your firm's workflow

Ethics and pricing considerations aside, you'll want a legal credit card processor that genuinely works for your firm. Most of the credit card processors mentioned above allow for customizable invoices, which is a must for keeping up a professional image for your firm.

When considering credit card processing for lawyers, it's imperative to think about how your chosen solution will impact the other tools you already use. If you're keeping multiple windows open and entering the same information into different programs, you're wasting valuable time on a rote task—and increasing the chance of human error.

The ideal solution will integrate directly with your practice management software so that you can handle your payments and keep your records up to date in one place. Clio Payments is one such solution, as it allows you to bill clients and track payments from directly within Clio.

4. Beyond the credit card—additional payment options

40% of clients who dealt with a legal issue stated they would never hire a lawyer who didn't accept credit or debit cards, according to the *2018 Legal Trends Report*. The *2021 Legal Trends Report* found that 66% of clients expect law firms to accept online payments.

Accepting digital payments beyond credit cards is integral to growing your business and prioritizing your clients' experience. That includes credit and debit—the most popular payment methods—but also eChecks and e-transfers. When investigating credit card processing for lawyers, look for a payment solution that also accepts multiple payment methods. The more options you offer, the more ease and convenience your clients will feel.

When you activate Clio Payments—you'll have the power to accept eChecks, credit, and debit cards, safely and securely, along with allowing for multiple payers on the same matter with split billing–split the bill by percentage and get paid faster (this is the type of flexibility clients crave in our digital world).

You're ready to choose the right credit card processing service

When it comes to your law firm, every dollar counts. Accepting online payments with the aid of technology like Clio Payments is an easy way to keep clients satisfied and ensure you get paid quickly. Do your research; credit card processing for lawyers is possible and can be highly beneficial to your firm. And the right solution is out there for you and your team.

With Clio Payments, you are in the drivers seat. Accept all forms of online payments from debit, credit, and eCheck's, as well as offer your clients payment flexibility to split a bill by a percentage and have it assigned to each payer, along with payment schedules, payment reminders, and more! Save money by streamlining your billing process into one solution, eliminating the cost and time required when working with a third party app.

Modern payment options your clients expect—legal compliance your firm needs. With Clio's legal payments software, you can accept credit, debit, and eCheck payments securely and ethically—right from your practice management platform. Eliminate delays, reduce admin time, and get paid faster. Schedule a demo today.

Book a Clio demo

**Note: Rates listed are for US accounts and may differ for international customers. Certain card processing rates and fees are set by the card brands and aren't negotiable by business owners or payment processors. This could cause additional card network pass-through fees that aren't preventable and could be caused by card type, transaction type, or personal information provided at the time of transaction. These fees will not apply to every transaction.*

About Clio

Clio is the global leader in legal AI, powering legal work across the profession, from law firms of every size to corporate legal teams, government agencies, and courts. Its Intelligent Legal Work Platform unites the business and practice of law, connecting the people, information, and processes behind legal work. Clio's AI brings the context together with legal sources drawn from Clio Library, a growing collection of more than one billion legal documents. Over 400,000 legal professionals in more than 130 countries rely on Clio to run their legal world. Learn more at www.clio.com.