

Cash for Fee Payments

My husband is a little concerned about me taking cash for payments. Do any of you take cash, and do you have any opinions or arguments on whether a female solo practitioner should do so? Money orders and cashier's checks, Visa, MasterCard and Discover are all acceptable as well. I don't want to limit business, but I don't want to get knocked over in Downtown Fort Worth either.

How much cash are you talking about? \$250 for a consultation? Cash is OK (although I'd rather have a check). \$25,000 retainer? Hell no.

It's actually illegal to copy a dollar (or twenty dollar) bill. If someone wants to pay you a significant amount of money in bills for work, I'd politely suggest that they go to the local bank and get a money order or cashier's check.

Sasha Golden, Massachusetts

I have clients who come in and make payments. Sometimes they use a credit card, other times they bring \$500 cash. I have never thought twice about it.

RETA A McKannan, Alabama

I wouldn't see a problem in taking cash, just do the deposit during lunch hour. My old office almost always did banking at lunch hour and money was never left in the office. It went out in a purse (not a deposit bag) or the deposit bag was put into a purse. Also the person usually parked right out front so there was no issue of being surprised etc.

As someone who routinely did the night deposit of a retail store at age 17-18 (by myself), it's all about knowing your surroundings and taking all the precautions you can. I always parked near the exit, right under a light, keys at the ready before I left etc.

Erin M. Schmidt, Ohio

I have had clients make smaller payments in cash. I have them sign something saying they gave me \$X and I sign saying I received \$X as payment for _____.

Naomi C. Fujimoto, Hawaii

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Just for comparison, it is extremely common for persons in Japan to pay in cash, even large amounts. It is also fairly common for some to carry large amounts in cash on their persons.

I remember watching a Japanese TV variety show in which they asked various entertainers to show what was in their pockets. One old guy pulled out a roll of big bills about the size of a large lemon.

As this is fairly common knowledge, Japanese tourists are frequent victims of robberies when they travel abroad.

In the US, increasingly the feds seem uncomfortable with users of cash. If you have any concern, as Naomi says, just use receipts.

Norm Solberg, Japan

Why In God we trust all other's pay cash. That said I use it as a teaching moment. I tell them never to pay anyone in cash whop won't give a receipt then I give the client a receipt. Ok may bank is half a block away open over 360 days a year till 7 PM and on the way is police headquarters.

John Davidson, Pennsylvania

I prefer to take checks, mostly because my clients prefer to write them. (Most of my work is done for companies, whom I invoice.) However sometimes clients pay in cash, especially the people who want to start a new business. In that case, I write them out a receipt that says something to the effect of: "On (Date), (Client Name) paid \$X to Attorney Kaczynski at (Address), representing payment for (service)." Then I have my receptionist present for the transaction so that she can sign the receipt as a witness. Client gets a copy. Never had a problem.

Mike Kaczynski

It's easy to book cash receipts in PCLaw and seconds to print out an invoice. Don't you give your clients invoices for every transactions, cash or otherwise? Always nice when someone peels of a stack of hundreds to serve as you're walking around money for a couple of days. Especially too when I'm taking someone out for a night on the town, you've got to have \$500 in \$50 and \$100 bills in your pocket, and you're not getting that from the ATM.

Rick Bryan, NewYork

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I get cash payments maybe 2-3 times a year. if it is a small amount, like under \$500, I don't worry about it. if it is a couple of thousand, i get a little nervous, but still take it. If it is over \$5-10K, then, I doubt I would take it, and request a check, money order, or wire deposit.

However, if you get cash payments daily from various clients, and make cash deposits daily (or worse, keep lots of cash at work and make weekly deposits), its possible bad people will find out, and plan to rob you during one of your deposit runs. I doubt most attorneys get cash payments often enough to worry about though.

Michael A. Blake, Connecticut

It's actually illegal to copy a dollar (or twenty dollar) bill.

No, it isn't illegal to copy money unless there is intent to pass the copy off as legal tender. Secret Service advises the best way to remove that doubt is to copy only one side of the money and copy it at 3/4 size or smaller or 150% or larger.

Accepting cash payments is very common with criminal lawyers. It is very common with criminal defense lawyers also.

Duke Drouillard, Nebraska

Cash payments are very common in divorce cases, among poor folk, and among not-so-poor-folk whose only way to save is to rathole money away under the mattress. None of these folks are criminal; it's just their way of doing things. Here in Mexico, we're very much a cash economy for a lot of reasons -- history, distrust of banks, very high bank fees, and now the banks' nasty habit of withholding a percentage tax on cash deposits of more than \$1200 USD in a month's time. Cashing a check isn't easy for many people, and the law requires that wages be paid in cash. Consequently, we tend to keep stores of folding money on hand for a lot of reasons, none of which have to do with matters illegal.

A few months ago, I had to go to labor court to pay severance to a client's workers, carrying the equivalent of more than five times what my first new car cost in currency hidden on various parts of my body. Counted it out right in front of the labor court judge, who had to sign off on everything before it was given to the workers. And the lawyer? Yes, he had to be paid in cash, too, giving me a receipt. I encouraged the workers to set up bank accounts with their money. Did they? Not on your life.

That's just the way it is.

jennifer j. rose, Mexico

"Accepting cash payments is very common with criminal lawyers. It is very common with criminal defense lawyers also."

<http://www.youtube.com/watch?v=bBeOO1nBThQ>

Tony LaCroix, Missouri

This is what I do. Copy it at the bottom of the Service Agreement signature page, fanned out.

CJ Stevens, Montana

I accept cash but some of my friends think it's a bad idea because apparently there is a lot of counterfeit bills floating around Philly. I'm not concerned with being robbed because my office is downtown and about 1.5 blocks from my bank so I don't end up carrying cash around at night.

Fareeda Brewington

Why not? You save on the credit card service fees and don't have to deal with bounced checks. Just give a receipt and run to the bank.

Josh Friedman, Illinois

I accept cash for BKs all the time. Especially if they want to file like today (though money orders and cashiers checks work as well). I don't like carrying around large amounts of cash, but it's better than having to find out if a check is good.

Lesley Hoenig, Michigan

My old firm did not accept checks or CC's for bankruptcy (debt cards ok or if it was a relatives cc it was okay). It was cash, cashier check or money order. A lot of the BK attorneys in the area only accepted these payment forms as well.

Which makes sense, the person/people are going into bankruptcy and if the check doesn't clear you may not only be SOL in getting paid, but now conflicted with your client.

Erin M. Schmidt, Ohio

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The rare times someone has asked me to pay for a bk with a credit card, I explain to them why they can't do it (incurring debt right before filing is never a good idea). With personal checks though, I will take them if it is a local bank so I can just go cash it immediately, or if they aren't filing for a month or so, so I have time to deposit it to make sure it is good (usually the former). If someone wants to pay by personal check the day of filing and it is somehow not drawn from a local bank, I tell them I have to wait until it clears to file.

Lesley Hoenig

Thanks for all of the responses. I don't take any personal checks at all, never planned on it, too many problems. My bank is on the same street as my office, so that's not a problem. I guess I will just have to be very careful with the cash. And pray no one is following me that closely.

Not a solo, but it would be difficult for me to run my business if I neither took cash nor personal checks with our client profile. The majority of our individual clients pay with a personal check. Cash is usually 2nd, and usually for amounts <\$500 (though we've received thousands of dollars from clients), and credit cards 3rd. There are plenty of people out there who don't use credit cards, or don't like using them regularly. Some of this is generational.

If you are worried about counterfeits, get a counterfeit detection pen and use it. Write receipts for all cash transactions. Deposit at least once a day. I usually make our deposits, and the deposit bag is in my purse, which is closed until I'm in line at the bank.

Cynthia V. Hall, Florida

Cynthia and others, are you referring to the counterfeit detector pen on amazon.com

http://www.amazon.com/Sharpie-Counterfeit-Detector-Markers-1778830/dp/B0042ET0LU/ref=sr_1_1?ie=UTF8&qid=1378943435&sr=8-1&keywords=counterfeit+detector+pen

Is this the best one to use?

Roberta Fay, California

Many people rely on cash. They could be unbanked because they don't trust banks, they're in a cash business, they can't get a bank account, or they can't bank the money they're paying you with (legal pot suppliers in CA and CO can't get bank accounts). There are many, many reasons for using cash.

If you want to provide a receipt, fan the bills out on a table and take one picture. Send to client. Fanning the bills out is the way to do it, and one picture needs no explanation.

Or you can write out a receipt and get a note acknowledging payment. If you use Square, GoPayment, or other card device, then they will allow you to send a receipt to people for cash payments (this feature is free).

If it's a security issue, say for a large fee, have the client accompany you to the bank. Just be aware that you may need to provide info for a SAR. Never allow the client to be named in the SAR.

Roger Traversa, Pennsylvania

I have accepted cash as fee payments for years. I make sure to always give a written receipt; make sure I record its receipt for income purposes.

Have yet to have a problem. I really do not understand the concern.

Sharon Campbell, Texas

I have an insurance agent client that has accepted cash for payments and then an accomplice robbed office, which is a reflection of his clientele. Absent such cooperation or an inside job, there is no reason with appropriate techniques that someone will know whether you have cash or not.

Cash handling is largely about appropriately managing security of yourself and others. I don't broadcast any information if I get paid in cash. Frankly, I don't tell my spouse, and generally my assistant has no information unless passing by right when paid. No variance in behavior exists if I go to the bank to deposit cash versus checks, and regular deposits are recommended.

Give a receipt when paid and account for it properly. Deposit money (checks or cash) regularly and promptly. If for some reason funds are held overnight, then have appropriate measures to protect it.

Have an appropriate personal security plan for your clientele and circumstances. Find appropriate trainers for protection of yourself, to the extent needed. Practice well and often.

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Controlling your behavior is a key issue to protecting yourself. Showing fear, nervousness, or lack of awareness can increase the risk of criminal interaction, and you minimize risk by your behavior.

Darrell G. Stewart, Texas

Just don't look like a successful drug dealer, pimp, or Japanese tourist on your way to the bank, and you should be fine.

I have a jeweler friend who frequently travels abroad with tens of thousands of dollars worth of jewelry on him. He dresses like a teenager and sews the jewelry into the pockets of his ratty old jeans.

Tracia Y. Lee, Texas
