

LawPay Credit Card Processing

Apparently LawPay.com is affiliated with the DC Bar Association. Does anyone use this service in CA? anyplace else?

The ad in the DC Washington Lawyer magazine looks good. Also, it states that IOLTA guidelines and the ABA Rules of Prof. Conduct require attorneys to ethically accept credit cards. These criteria do not apply to CA ethics rules, I believe.

Any replies greatly appreciated.

I use them. They charge a monthly fee: \$15 (operating acct) and \$20 (both operating and trust). It's worth it if you process a lot of payments monthly if not then PayPal would be good choice. Trust acct is awesome because they don't charge a fee per transaction like PayPal allowing you to be state bar compliant.

Respectfully,

Dahlia Radcliffe-Castillo, Texas

I've used LawPay for the past two months and have liked it. I didn't accept cards before, but now virtually everyone wants to pay with credit or debit on LawPay. The site is user friendly, and they've always been very responsive via phone or email to any questions or concerns I've had. So, no complaints so far other than now having about 3% of all of my revenue off

the top going straight to LawPay...

Stephen Charles McArthur, California

Long-time list member, Tracy Griffith's company, Law Charge - is who I recommend to any attorney looking to add credit card processing to the mix. www.lawcharge.com

Andrea Cannavina, New York (not a lawyer)

I second the recommendation of Law Charge, the only such service I've ever recommended for which I've received unanimously good feedback.

Lyza L. Sandgren, Gerogia (not a lawyer)

I believe LawPay's fee is 1.9%, while PayPal is between 2.2% and 2.9%, depending on your monthly volume of transactions. Other than the lower fee, my main reason for using LawPay over PayPal is the ability to take retainers by credit card. Many clients — even those who could easily write a check — appreciate being able to do so. I would say the service pays for itself handily.

Best regards,

Rackham Karlsson, Massachusetts

Andrea, thanks for the Law Charge reminder.

Does anyone have support for Paypal being IOLTA-compliant? Perhaps it's dependent upon your state's IOLTA / trust rules, but the explanation I got of the process it uses did not make it seem to be acceptable.

Thanks,

Tim Ackermann

Which is exactly what you get to do with Law CHARGE - except you also get a long time Sezzzer watching your back - and you get to support a fellow list member vs. a faceless, nameless company.

Let's not forget that the rules change all the time - do you think Tracy is on top of all of that - constantly maneuvering to make sure her clients are getting the best deal (while keeping their arses covered)??

My 2 cents - I'd rather support a Sezzzer so it's a no brainer - PLUS just like Lyza, I get thanked by clients and contacts who I recommend to Law CHARGE.

Andrea Cannavina (not a lawyer)

I've been using LawPay since my practice opened in 2011. I love it.

Do your own research - LawPay and LawCharge are very similar. Both easy to use and both IOLTA-compliant.

The most handy thing, IMO, is having all fees from both Trust and Operating withdrawn from my Operating account.

Monica Elkinton, Alaska

Paypal and other non-compliant programs (basically every vendor but LawPay and LawCharge) are useful to pay for work already completed. Here at least it is not appropriate for a retainer and non-compliant for that use. I know of another vendor claiming compliance, but they were acquired and I cannot think of the name right now.

Darrell G. Stewart, Texas

Darrell,

Yes, this is what I was asking about. I should have been more specific - I was asking about the use of PayPal to process CC fees for retainers.

Tim Ackermann

I'd say look at your bar rules. California has an opinion re: use of credit cards, and basically it came down to the ability of another party to invade funds (I think that's the term - basically can a company pull funds out from a charge back, fees, etc).

I think one person on this list (not in CA) uses or used Paypal to process retainer fees, and then transferred money in to cover the transaction costs so that the client get the full amount they paid.

CA allows (last time I looked) a small amount to be placed in the IOLTA account to cover bank fees.

Dan X. Nguyen, California

I used to use LawCharge, which was ECHO. ECHO was acquired by Intuit. I'm not sure who LawCharge is through now.

ECHO allowed me to pick the deposit account; all charges went to the operating account.

Intuit no longer allows that, so to be compliant on retainers, I have to run all payments, including for work completed, through the trust account (which means setting up subaccounts in QuickBooks for people I wouldn't normally need to do that for). I will be reevaluating soon, when I have a little mental bandwidth, however; while the convenience of processing directly in QuickBooks is nice, the lack of flexibility is frustrating. (Not to mention they recently screwed up and took some charges out of trust, and it took them a good 10 days to fix it - along with literally a few hours with me on the phone.)

-Rick

Richard J. Rutledge, Jr., North Carolina

With LawPay and LawCharge, as with many other (non-law-specific) credit card processors, the exact percentage charged for each transaction depends on the type of card (MC/Visa vs. AMEX, is it a rewards card, is the card "qualifying," etc). Merchant processing statements are thus ridiculously complicated unless they are from a vendor such as PayPal that passes everything through at the same rate.

I switched from a non-law-specific processor to LawPay after their review of a few months of merchant processing statements showed me that they could save me 33% in processing fees. I don't recall offhand what they charge as a monthly account fee, but it's competitive.

Lisa Solomon, New York

Hi Rick:

I just went through this issue with LawCharge/Intuit. The way they set me up is that I need 1 login/email for the operating account and 1 email for IOLTA deposit.

Dan X. Nguyen

For those of you who have asked and had concerns, I have a call into Rick to see what he needs fixed. He may have gotten a hold of the Quick Books people when we did a platform change last year. We are still 100% compliant with IOLTA accounting rules and regs and never debit anything from your trust account - all fees come from operating account. We will always maintain the integrity of your attorney-merchant accounts.

LawCharge is even better now - 2 flat rates, no messing with rewards or business cards up charges, no monthly, annual, set-up or PCI fees. Very streamlined lined and most cost effective for the solo/ smaller firms.

Rick - call me back. Always call me directly if any of you have an issue with LawCharge. That's what I'm here for. 803-642-0360.

Tracy L. Griffin, Florida

To be clear, I have no problems with LawCharge! I was very happy with their service and services.

In fact, it was my understanding/belief that I stopped working with LawCharge when Intuit took over ECHO (LawCharge was using ECHO when I signed up) because, at the time, I didn't want to deal with getting set up with a new vendor, etc. So, I've been dealing with Intuit directly.

I will be reevaluating that after I have a chance to talk to Tracy.

-Rick

Richard J. Rutledge, Jr.

I take retainers by credit card using Paypal.

Michael Blake

Whether or not you can do this appears to vary by jurisdiction. See, e.g.,

<http://lab.lawyerist.com/ethics/693-paypal-iolita.html>

Best regards,

Rackham Karlsson, Massachusetts
