

Billing under the LPA

actlaw
society

A Bill may be in the form of a lump sum or itemised bill.¹

A Bill must be signed on behalf of a law practice by an Australian legal practitioner.²

A Bill may be interim or final.

A Law practice may issue an interim bill covering part only of the legal services the practice was retained to provide.³

Service of a bill

Service of a bill may be done so in the following manner:

- By personal delivery to the Client or its agent⁴; or
- By sending it by prepaid post to the Client or agent at the usual or last-known residential or business address of the client or agent⁵; or
- By leaving a copy of the Bill at the usual or last-known residential or business address of the client or agent⁶ or an address nominated by the Client⁷ with a person who is over the age of 16 and is apparently living or employed there; or
- May be delivered electronically IF the Client consents to the Bill being sent via this method⁸; or
- Any other method of delivery so long as the client has consented to that form of delivery.⁹

Itemised bills

A Client or a third-party payer may request a law practice to produce an itemised Bill.¹⁰

A request for an itemised bill must be made no later than 90 days after the day the lump sum bill is given to the Client.¹¹

The law practice must comply with the request as soon as practicable.¹²

If a client or Third-Party payer is only liable to pay part of the legal costs to which the bill relates, the request for an itemised bill may only be in relation to the costs that person is liable to pay.¹³

A law practice must not start any proceedings to recover the legal costs from the client until at least 30 days after the day the person is given an itemised Bill.¹⁴

A law practice is not entitled to charge a person for the preparation of an itemised bill.¹⁵

Notification of client's rights

Each Bill given by a law practice must include or be accompanied by a written statement setting out the following¹⁶:

- Avenues that are available to the Client or Third-Party payer if there is a dispute in relation to legal costs¹⁷
- Any time limits that may apply to those options¹⁸

Interests on unpaid legal costs

A Law practice may charge interest on unpaid legal costs if the costs are unpaid for 30 days or longer after the day the practice gave a bill for the costs.¹⁹

Interest can only be charged if the Bill for the costs states that interest is payable on unpaid costs and the rate of interest.²⁰

A law firm must not charge more than a rate prescribed by regulation²¹ or, if a rate is not prescribed by regulation, if the court has stated a specific amount of interest.²²

Questions?

If you have any questions about this topic, please contact the Law Society on (02) 6274 0333 or email memberconnect@actlawsociety.asn.au

1. Legal Profession Act 2006 s 290 (1)
2. Ibid s 290 (2)
3. Ibid s 293 (1)
4. Ibid s 290 (5)(a)
5. Ibid s 290 (5)(b)
6. Ibid s 290 (5)(c)(i)
7. Ibid s 290 (5)(c)(ii)
8. Ibid s 290 (7)
9. Ibid s 290 (6)
10. Ibid s 292 (2)
11. Ibid s 292 (3)
12. Ibid s 292 (4)
13. Ibid s 292 (5)
14. Ibid s 292 (7)
15. Ibid s 292 (8)
16. Ibid s 291 (1)
17. Ibid s 291 (1)(a)
18. Ibid s 291 (1)(b)
19. Ibid s 281 (1)
20. Ibid s 281 (3)
21. Ibid s 281 (4)
22. Court Procedure Rules 2006 s 1620