

How to Create an Attorney Billing Statement: Step-by-Step



Efficient billing practices are essential for the success of your law firm. However, the time spent on billing can often become time-consuming, detracting from the productive hours of your day. Furthermore, this time spent on billing is typically not included in your billable hours, resulting in potential revenue loss.

Fortunately, there are ways to streamline your billing process and optimize your attorney billing statement, enabling you to expedite the invoicing process and ultimately enhance the profitability of your firm.

What Is an Attorney Billing Statement?

An attorney billing statement is a versatile and customizable invoice template that your law firm can utilize to bill your clients in an efficient manner.

With an attorney billing statement, you have the flexibility to tailor the invoice to meet the specific needs and requirements of each client, ensuring that it accurately reflects the services rendered and the associated costs.

This enables you to create professional and comprehensive invoices that clearly communicate the details of the legal services provided, the corresponding charges, and any other relevant information in a clear and concise manner.

What Is in an Attorney Billing Statement?

Your billing statement will be tailored to your firm, but in general, all [invoice templates](#) should have the following elements:

Details of the Firm and Client

The billing statement should always have the information about your law firm and your client, including:

- Names
- Addresses
- Phone numbers
- Email addresses

The Date

Including the date of issue on an invoice is crucial for proper financial management and communication with clients. It serves as a reference point for payment terms, evidences timely delivery of the invoice, streamlines communication, and supports accurate record-keeping.

Itemized Services and Costs

The most time-consuming part of an invoice is recording the details of the services and their costs. This is important, however, as clients have a better understanding of what they're paying for and are less likely to raise disputes.

The descriptions of the services should be brief, such as "prepared documents for court" or "researched case law" with the amount of time spent on each. Lawyers traditionally track time in six-minute [increments](#) for accuracy. The costs are based on your [fees](#), which may be flat or hourly.

Expenses

If you have expenses associated with the client's case, such as filing fees, include them on the invoice. You'll want to include detailed descriptions of each expense

so clients understand the value add. [Hard costs](#) are often easier to communicate than soft costs that are typically associated with the administrative brunt work needed for a client case.

Totals and Taxes

After itemizing the services, you should be able to calculate the subtotals and total easily. If you have legal billing software, these calculations may be done automatically.

Once you have the total for all the services, include the appropriate service tax for your state on the billing form. You may wish to include the tax rate and total tax amount. Then, add the subtotal and total with the tax amount for the final balance.

Statement Due Date

Putting a clear due date on your invoice is important for [law firm collections](#) and getting paid on time. If you add late fees for overdue payments, include those on the invoice as well.

Depending on the state, you may be able to assess late fees at a percentage of the invoice amount or a flat fee up to a certain amount, but be sure to check with your state bar association.

Payment Methods

Include the options for payment on your invoice. If you accept checks, provide the name and mailing address. If you have an [online payment portal](#), include the details to simplify it for the client.

Your accepted payment methods should be discussed prior to taking on your client's case, but it's good to have them listed as a reminder on your invoice.

Sample Attorney Billing Statement

Here is a sample billing statement:

sample attorney billing statement

How to Prepare a Billing Statement for Attorneys in 4 Steps

Creating a process for billing statements makes invoicing and billing can make the processes more straightforward in the future. Here's how:

Step 1: Set Your Fees

Your fees are usually based on competitors and what's appropriate for your practice area, experience level, and reputation. You'll want to research and analyze what's fair in the market along with your firm's [value proposition](#).

Step 2: Capture Time

Accurate invoices have every minute tracked accurately. With [Bill4Time's timekeeping software](#), you can ditch the spreadsheets and capture time in real-time with timers on your phone, desk, or tablet. This not only ensures you get paid, but it helps present more accurate information about the work you do for your clients.

Step 3: Automate Invoicing

Create, print, or email professional invoices with [Bill4Time software](#), complete with payment terms, late fees, discounts, and more. You can also include custom payment links on your invoices for clients to pay online.

Step 4: Communicate with Clients

A positive client experience starts with effective communication at intake. Proactively communicate your invoicing and billing details in advance, including fees, schedules, payment terms, and payment methods.

3 Attorney Best Practices for Legal Billing

Billing and invoicing software like Bill4Time makes it a breeze to create a customizable billing template to free up your time. Here are some of the best practices for legal billing:

Offer Multiple Payment Options

Clients want to be able to pay using the method they're most comfortable with, and as a result, your firm gets paid faster. With [Bill4Time Payments](#), your clients can pay using eChecks or major credit and debit cards for the fastest and most convenient payments.

Offer Custom Payment Plans

Payment plans make it easier for clients to afford legal services by reducing large bills. Bill4Time Payments allows you to create [custom payment plans](#) with weekly or monthly installments and automated payment reminders.

Show Consistency

It's important to set up billing expectations with your clients from the start. You should communicate your billing timelines and send your invoices based on this cadence, so clients know when to expect a bill. This also ensures that your cash flow is more predictable.

Streamline Your Billing Statements

Invoicing and billing are often the most time-consuming and cumbersome part of running your law firm, but it doesn't have to be. With [law firm invoicing software](#), you can create a streamlined billing process that saves you time, creates a better client experience, and gets your firm paid faster.