



BILLING UNDER THE LEGAL PROFESSION UNIFORM LAW

Type of Bill

A bill may be lump sum or itemised.¹

A bill may be interim or final. The legal costs the subject of an interim bill may be assessed either at the time of the interim bill or at the time of the final bill for the matter, whether or not the interim bill has previously been assessed or paid.²

Service of Bill

Service of a bill may be made in the following manner;

- By personal delivery to the client or its agent or by sending it by post to the client or agent at the usual or last known business or residential address of the client or agent or an address so nominated by the client or agent for service of bills; or
- By leaving a copy of the bill addressed to the client at the usual or last known business or residential address of the client or at an address so nominated by the client for service of bills; or
- By leaving a copy of the bill, addressed to the client, in the DX box referred or included in the client's address; or
- Where the client has consented to receiving bills by facsimile to a number nominated by the client for transmission of bills; or
- Where the client has consented to receiving bills electronically by sending the bill electronically addressed to the client to the client's usual email address or mobile phone number (or another number specified by the client or agent for the purpose) or by different arrangements as agreed by the client or agent.
- Where the client or third party payer is a corporation by serving a copy of the bill on the corporation in any manner in which service of a notice or document may be, by law, served on the corporation.³

Itemised Bills

A client or third party payer may request a law practice produce an itemised bill. If the client or third party payer is liable for only part of the legal costs the subject of the lump sum bill the request may only be in relation to those costs that the person is liable to pay. The request must be made within 30 days after the date on which the legal costs became payable. The law practice must comply with the request within 21 days after receiving the request.⁴

Itemised Bill higher than Lump Sum Bill

If the total amount of legal costs specified in an itemised bill is higher than the amount previously specified in a lump sum bill issued by the law practice for the same matter those additional costs will only be recoverable where;

- a. At the time the lump sum bill was given, the law practice "made an appropriately worded disclosure in writing to the client indicating that the total amount of the legal costs specified in any itemised bill may be higher than the amount specified in the lump sum bill", and
- b. The additional costs are determined to be payable after a costs assessment or binding determination made by the Office of Legal Services Commissioner.⁵

Responsible Principal for a Bill

Each bill or covering letter accompanying each bill must be;

- a. signed by a principal of the law practice nominated in the bill or covering letter as the responsible principal for the bill; or
- b. so nominate a principal of the law practice as the responsible principal for the bill.

If a bill or covering letter is not signed by the nominated responsible principal or no nomination is made each principal of the law practice is taken to be a responsible principal for the bill.⁶

Charging for Bills & Written Reports as to Costs

A law practice must not charge for the preparation or giving of a bill or written report as to the legal costs incurred in a matter.⁷





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Notification of Client's Rights

Each bill given by a law practice must include or be accompanied by a written statement setting out;

- a. the options open to the client or third party payer in the event of a dispute about the legal costs; and
- b. any time limits which may apply to those options.⁸

Interest on Unpaid Legal Costs

A law practice may charge interest on unpaid legal costs in accordance with the terms of a costs agreement or where the legal costs are unpaid 30 days or more after a complying bill has been given to a client.

Interest can only be charged where the bill contains a statement that interest will be payable and the rate chargeable.

A law practice must not charge more than the prescribed rate of interest for outstanding legal costs. The prescribed rate of interest payable on unpaid legal costs is 2 percentage points above the prevailing cash rate target specified by the Reserve Bank of Australia at the time the bill was given.

A law practice must not charge interest on a bill given more than 6 months after completion of the matter unless;

- a. the law practice provided a lump sum bill within 6 months after completion and the client or third party payer requested an itemised bill outside the 6 month period; or
- b. at the request of the client or third party payer the law practice did not give to the client or third party payer a bill within the 6 month period.⁹

¹ Section 186 of the Legal Profession Uniform Law (NSW) ("LPUL")

² Ibid section 193

³ Rule 73 of the Legal Profession Uniform General Rules 2015 ("LPGR")

⁴ Section 187 of LPUL

⁵ Rule 74 of the LPGR

⁶ Section 188 of the LPUL

⁷ Ibid sections 189 & 190 of the LPUL

⁸ Ibid section 192

⁹ Ibid section 195