

MARYLAND STATE BAR ASSOCIATION, INC.

COMMITTEE ON ETHICS

ETHICS DOCKET 89-52

Use of Credit Cards for Payment of Legal Services

Your letter requests a formal opinion by the Ethics Committee as to the acceptance of credit card payment by a law firm for hourly legal services rendered on behalf of clients.

While this issue is not addressed by the current Maryland Rules of Professional Conduct, this question was decided by the Committee on Ethics in Docket 78-19 on December 14, 1977. That opinion, which incorporates the American Bar Association opinion from its Committee on Ethics and Professional Responsibility authorizes the use of credit cards for payment of legal services subject to the proviso of the ABA opinion.

After reviewing this opinion, it is the Committee's opinion that law firms may allow the use of credit cards for the payment of legal expenses and services so long as: (1) Charges made by the lawyers to clients pursuant to a credit card plan shall be only the client; and, (2) In participating in a credit card program, the attorney shall scrupulously observe his obligation to preserve the confidences of this client.

The Committee concurs with the former ABA opinion which states that a lawyer can charge his client interest on delinquent accounts providing that the client is advised that the lawyer intends to charge interest and agrees to the payment of interest on accounts that are delinquent for more than a stated period of time. To the extent that the previous Ethics' opinion differs from this opinion, it is overruled.