

Information Attorneys Need to Know About IOLTA Compliance

If you practice law and will be handling client funds, you must know the following:

Attorneys that enter the private practice of law and receive or handle client funds must deposit those funds in a separate bank account designated as “trust” or “escrow”. If the client funds received are nominal in amount or short term, they must be deposited in an IOLTA (**Interest on Lawyers’ Trust Account**) account at an eligible financial institution. *See Rule 1.14 of the Texas Disciplinary Rules of Professional Conduct, “Safekeeping of Property”.* Read the publication, “A Lawyer’s Guide to Client Trust Accounts”, www.teajf.org/attorneys/lawyer's-guide.aspx

Learn about your obligations to comply with the **IOLTA** Rule regarding eligible bank accounts for client funds and notice requirements. Visit the website of the **Texas Access to Justice Foundation (TAJF)** at www.teajf.org for information. TAJF is a 501(c)(3) nonprofit organization created by the Supreme Court of Texas in 1984 to administer the IOLTA program. These funds are used to provide civil legal aid to the poor in Texas.

IOLTA COMPLIANCE

The Rules Governing the Operation of the Foundation, Section 23 “Compliance” state that each year all attorneys licensed by the Supreme Court of Texas shall report annually IOLTA compliance in a manner to be prescribed by the Foundation and the State Bar of Texas. An attorney’s refusal to comply may result in their suspension. The complete rules can be found at, www.teajf.org/about_tajf/governing_rules.aspx

The State Bar of Texas annual membership dues statements are used to confirm your compliance with IOLTA. All attorneys must verify that their IOLTA information online is correct and up-to-date **BEFORE** certifying their compliance.

To verify and/or change your IOLTA account information, go to www.teajf.org click on “**Attorneys**” then “**IOLTA Compliance**” to log-in. You must verify the information and make any of the below changes:

- Open a new IOLTA account (a notice form is required when opening a new account)
- Close your IOLTA account
- Make changes to your firm listing

By paying your Bar dues, you certify that you have verified and updated, if necessary, your IOLTA information and are in compliance with IOLTA. If you are not currently in compliance (or have changes in your IOLTA status), check the box on the dues remittance coupon or online, certifying that you have or will update your IOLTA compliance information online.

HELP SUPPORT CIVIL LEGAL AID

You can effortlessly support civil legal aid to the poor in Texas by selecting to open your IOLTA account with a financial institution that is a **Prime Partner** – banks that go above and beyond eligibility requirements to foster the IOLTA Program by paying higher interest rates on IOLTA accounts. A current list of Texas IOLTA Prime Partners can be found on our website.

For questions or more information, visit our website www.teajf.org. You can also email compliance@teajf.org or call **800-252-3401 ext. 108**.