LATE PAYMENT LETTER

Late Payment Letter

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HOW TO USE IT

Fill in every [BLANK]. Where you see ☐ options, keep the ones you want and strike the rest.

BEFORE YOU SIGN

This is a template, not a lawyer-drafted legal document and not legal advice. It replaces the verbal agreement most of this work runs on, so both sides have the terms in writing. Laws differ by country and by state. Have a lawyer where you live read it before anyone signs.

[YOUR NAME OR BUSINESS NAME]

[YOUR ADDRESS]

[YOUR EMAIL] / [YOUR PHONE]

[DATE OF THIS LETTER]

To: [CLIENT NAME], [CLIENT ADDRESS]

Subject: Invoice [INVOICE NUMBER], due [DUE DATE], unpaid

Dear [CLIENT NAME],

I am writing about invoice [INVOICE NUMBER], dated [INVOICE DATE], for [THE WORK, FOR EXAMPLE THE FULL FIRST DRAFT OF THE BOOK]. It was due on [DUE DATE] and is now [NUMBER] days overdue.

☐ I sent reminders on [DATES OF EARLIER REMINDERS] and have not had a reply.

The invoice is for [AMOUNT AND CURRENCY].

☐ No part of it has been paid.

☐ You paid [AMOUNT] on [DATE], which leaves [AMOUNT] outstanding.

The work was delivered on [DATE OF DELIVERY], under our agreement dated [DATE OF AGREEMENT, OR "AGREED BY EMAIL ON DATE"]. A copy of the invoice is attached. I will send you a copy of the agreement if you ask for it.

☐ Our agreement provides for interest on late payment at [RATE] a year from the due date. To today that comes to [AMOUNT], and it keeps running until you pay.

☐ Under the Late Payment of Commercial Debts (Interest) Act 1998, I am entitled to statutory interest at 8 per cent a year above the Bank of England base rate from [DATE INTEREST STARTS], which to today comes to [AMOUNT], and a fixed sum of [£40 / £70 / £100] towards the cost of recovering this debt.

☐ My business is a micro or small enterprise registered on Udyam, number [UDYAM REGISTRATION NUMBER]. Under sections 15 and 16 of the Micro, Small and Medium Enterprises Development Act 2006, compound interest with monthly rests at three times the bank rate notified by the Reserve Bank of India runs on this amount from [DATE INTEREST STARTS]. To today that comes to [AMOUNT].

☐ Under New York's Freelance Isn't Free Act, payment was due on [DUE DATE]. A court that finds it was paid late awards double damages and reasonable attorney's fees.

☐ I am not adding interest today. If the invoice is not paid by the date below, I will claim the interest the law and our agreement allow.

The total now due is [TOTAL AMOUNT AND CURRENCY]: the invoice of [AMOUNT], interest of [AMOUNT] and compensation of [AMOUNT].

Please pay by bank transfer to: account name [ACCOUNT NAME], bank [BANK NAME], account number or IBAN [ACCOUNT NUMBER OR IBAN], [IFSC, SORT CODE OR SWIFT CODE].

☐ Or pay online at [PAYMENT LINK].

Please quote [INVOICE NUMBER] as the reference.

Please pay the full amount within [14] days of the date of this letter, by [FINAL DATE].

If you think any part of the invoice is wrong, please tell me in writing before that date which part and why. I will reply within [7] days.

If you cannot pay the full amount by then, write to me before that date with a payment plan and I will consider it.

If I have not received payment, or heard from you, by [FINAL DATE], I will:

☐ make a claim against you in the [COURT OR TRIBUNAL, FOR EXAMPLE THE COUNTY COURT IN ENGLAND] for the total, the interest that keeps running, and my costs.

☐ refer the debt to the Micro and Small Enterprises Facilitation Council through the MSME Samadhaan portal, under section 18 of the Micro, Small and Medium Enterprises Development Act 2006.

☐ apply to the court in [EMIRATE] for a writ of debt for the total, under Articles 143 and 144 of the UAE Civil Procedure Code.

☐ start arbitration under clause [CLAUSE NUMBER] of our agreement.

☐ pass the debt to [A LAWYER OR A COLLECTION AGENCY].

☐ Until this invoice is paid, I have paused work on [THE NEXT STAGE, FOR EXAMPLE THE REVISED DRAFT].

☐ Under clause [CLAUSE NUMBER] of our agreement, copyright in [THE DELIVERABLE] passes to you when it is paid for. Until then it stays with me.

I would rather settle this on a call than on a claim form. You can reach me on [YOUR PHONE] or at [YOUR EMAIL].

Yours sincerely,

[YOUR NAME]

Enclosed: invoice [INVOICE NUMBER]. ☐ Statement of account. ☐ Information sheet, reply form and financial statement under the Pre-Action Protocol for Debt Claims.

Writer

SIGNATURE	FULL NAME	DATE