

**Intuit QuickBooks Training**  
by Real World Training

# Mastering QuickBooks®

**Level 1**  
**Online Edition**

Learning Manual

# Mastering QuickBooks<sup>®</sup> Learning Manual

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# Day 1 Agenda

*During webinars, all times listed below are in Central Time.*

**Seminar Welcome.....9:30**

**Chapter 1: Quickbooks Online Setup**

**Chapter 2: Getting Around**

Break ..... 10 minutes

**Chapter 3: Lists**

**Chapter 4: Financial Statements**

**Chapter 5: Products and Services**

Lunch Break .....1 hour

**Chapter 6: Money In I**

**Chapter 7: Money In II**

Break ..... 10 minutes

**Chapter 8: Customizing QuickBooks**

**Chapter 9: Saving Time**

**Chapter 10: Estimates**

**Chapter 11: Sales Tax**

Class Dismissed ..... 5:00

# Day 2 Agenda

*During webinars, all times listed below are in Central Time.*

**Seminar Welcome.....9:30**

**Chapter 12: Money Out I**

**Chapter 13: Money Out II**

Break ..... 10 minutes

**Chapter 14: Online Banking**

**Chapter 15: Reconciliation**

Lunch Break .....1 hour

**Chapter 16: Mobile App**

**Chapter 17: Working with Reports**

**Chapter 18: Accounting Tasks**

Break ..... 10 minutes

**Chapter 19: Payroll Setup**

**Chapter 20 Payroll Cycle**

**Chapter 21: Inventory**

Class Dismissed ..... 4:50

**Q and A**

# Day 1- Table of Contents

Select the headers below to be taken to the content

<b>Chapter 1: Setup</b> .....	<b>1</b>
Introduction .....	2
Setting Up QuickBooks .....	4
Create QuickBooks Account.....	4
Customize/Personalize QuickBooks .....	6
Import Data .....	8
Enter Opening Balances .....	11
Link Bank Accounts .....	12
Test Drive QuickBooks Online .....	12
<b>Chapter 2: Getting Around</b> .....	<b>13</b>
Dashboard.....	14
Moving Around in QuickBooks .....	15
What You See on Screen .....	18
<b>Chapter 3: Lists</b> .....	<b>19</b>
List Types .....	20
Names Lists .....	20
Work With Lists .....	21
<b>Chapter 4: Financial Statements</b> .....	<b>29</b>
Financial Statements .....	30
Account Category Types .....	33
Add Accounts/Subaccounts .....	34
Collapse Financial Statements .....	36
Journal Entries .....	37
Cash vs Accrual.....	38
<b>Chapter 5: Products and Services</b> .....	<b>39</b>
Products and Services Settings .....	40
Understanding Products and Services .....	41
Add Products and Services .....	42
<b>Chapter 6: Money In-I</b> .....	<b>47</b>
Customers .....	48
Methods to Record Sales .....	51
Method 1-Invoice .....	51
What is Accounts Receivable? .....	52
Undeposited Funds .....	54

<b>Chapter 7: Money In-II .....</b>	<b>55</b>
Method 2-Sales Receipts.....	56
Method 3-Make Deposits.....	57
Method 4-Import from Other Program .....	58
Refund Receipt .....	59
Credit Memos .....	60
Customer Statements .....	62
Reports.....	64
<b>Chapter 8: Customize QuickBooks.....</b>	<b>65</b>
Company Settings .....	66
Customer Label .....	66
Customize Forms.....	67
Customize Email Template .....	70
<b>Chapter 9: Save Time .....</b>	<b>73</b>
Find Transactions .....	74
Recurring Transactions .....	77
Shortcuts.....	78
QuickBooks Online Payments .....	79
<b>Chapter 10: Estimates .....</b>	<b>81</b>
Invoice Based on Estimate .....	83
Progress Invoicing .....	84
<b>Chapter 11: Sales Tax .....</b>	<b>85</b>
Set Up Sales Tax .....	85
Nontaxable Customer Setup .....	87
Invoice Sales Tax.....	89
Pay Sales Taxes .....	90

# Day 2- Table of Contents

Select the headers below to be taken to the content.

<b>Chapter 12: Money Out I.....</b>	<b>91</b>
Vendors.....	92
Method 1- Track Accounts Payable .....	94
Advantages of Bills .....	95
Method 2- No Accounts Payable .....	97
Record a Check .....	97
Enter Expenses .....	97
Reports.....	100
<b>Chapter 13: Money Out II.....</b>	<b>101</b>
Credit Cards .....	102
Vendor Credit Memos .....	106
Void vs. Delete Checks.....	108
<b>Chapter 14: Online Banking .....</b>	<b>109</b>
Add Bank Account .....	110
Set Up Online Banking .....	111
Online Banking Center.....	113
Manage Downloaded Transactions .....	114
Add Downloaded Expenses .....	116
Recognized Transactions .....	117
What Gets Downloaded.....	118
Manage Downloaded Deposits .....	119
Add Split Transactions.....	120
Exclude Transactions .....	121
Transfers .....	122
Credit Card Payments.....	123
Personal Expenses .....	124
<b>Chapter 15: Reconciliation.....</b>	<b>125</b>
Reconcile Bank Account.....	126
Reconciliation Difference .....	128
Reconciliation Report .....	129
<b>Chapter 16: Mobile App.....</b>	<b>131</b>
Install Mobile App .....	132
Mobile App Dashboard.....	133
Moving Around in QuickBooks Mobile.....	134
View Customer/Vendor Information .....	137
Online Banking in App .....	138
Run Reports.....	139
Record Transactions.....	142

<b>Chapter 17: Working with Reports</b> .....	<b>145</b>
Run Reports.....	146
Types of Reports.....	147
Date Range .....	150
Modify Reports-General .....	150
Modify Reports-Numbers.....	151
Modify Reports-Rows/Columns.....	153
Modify Reports-Filters.....	156
Modify Reports-Header/Footer.....	158
Save Report Customizations .....	159
Email & Schedule Reports.....	160
<b>Chapter 18: Accounting Tasks</b> .....	<b>163</b>
Account Numbers .....	164
Set Closing Date.....	165
Manage Users .....	166
Audit Log .....	168
<b>Chapter 19: Payroll Setup</b> .....	<b>169</b>
Enable Payroll .....	170
Start Payroll Setup .....	171
Enter Company Information .....	173
Employee W-4 Information .....	176
Employee Payroll Schedules .....	177
Employee Pay Types .....	177
Employee Deductions/Contributions .....	178
How to Pay Employees .....	178
Employee Setup Complete.....	179
Set Up Payroll Taxes.....	180
Payroll Tax-Federal Tax Details .....	181
Payroll Tax- State Tax Details .....	181
Direct Deposit Setup .....	182
Add Employees After Setup .....	184
<b>Chapter 20: Payroll Cycle</b> .....	<b>185</b>
Pay Employees.....	186
View Tax/Payments .....	188
Pay Non-Tax Liabilities .....	191
Chart of Accounts: Payroll Liabilities .....	191
Pay Deductions .....	192
<b>Chapter 21: Inventory</b> .....	<b>193</b>
Track Inventory .....	194
Inventory Reports .....	198
Adjust Inventory.....	199

# Chapter 1

# QuickBooks Online Setup

## Introduction

Welcome to Day 1 of the Mastering QuickBooks seminar. Using QuickBooks software effectively for your business is the focus of this seminar.

### Goals/Learning Objectives

- Learn the features and capabilities of QuickBooks.
- Learn the most common problems (and their fixes!) in each area of QuickBooks.
- Discover the tricks and tips of QuickBooks to help you use QuickBooks to its fullest potential.

### About Intuit

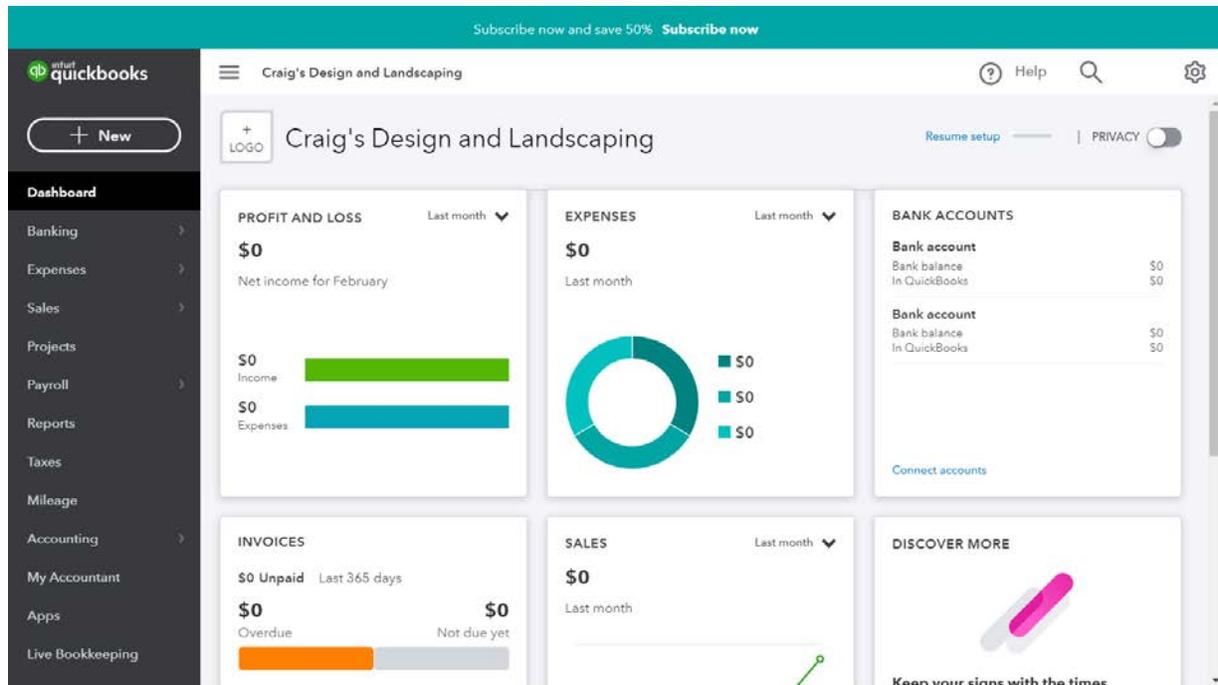
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### About Real World Training

Real World Training was founded in 1992 by David J. O'Brien, CPA. Initially the company provided one-on-one accounting software training to small businesses. In 1994, the company began focusing exclusively on QuickBooks and began offering training courses on the program. In 1996, Real World Training developed the *Mastering QuickBooks* seminar. Since that time, Real World Training has taught over 1,500,000 students how to master QuickBooks for their business. For more information on Real World Training or to see seminar schedules online, visit [www.quickbookstraining.com](http://www.quickbookstraining.com) on the internet.

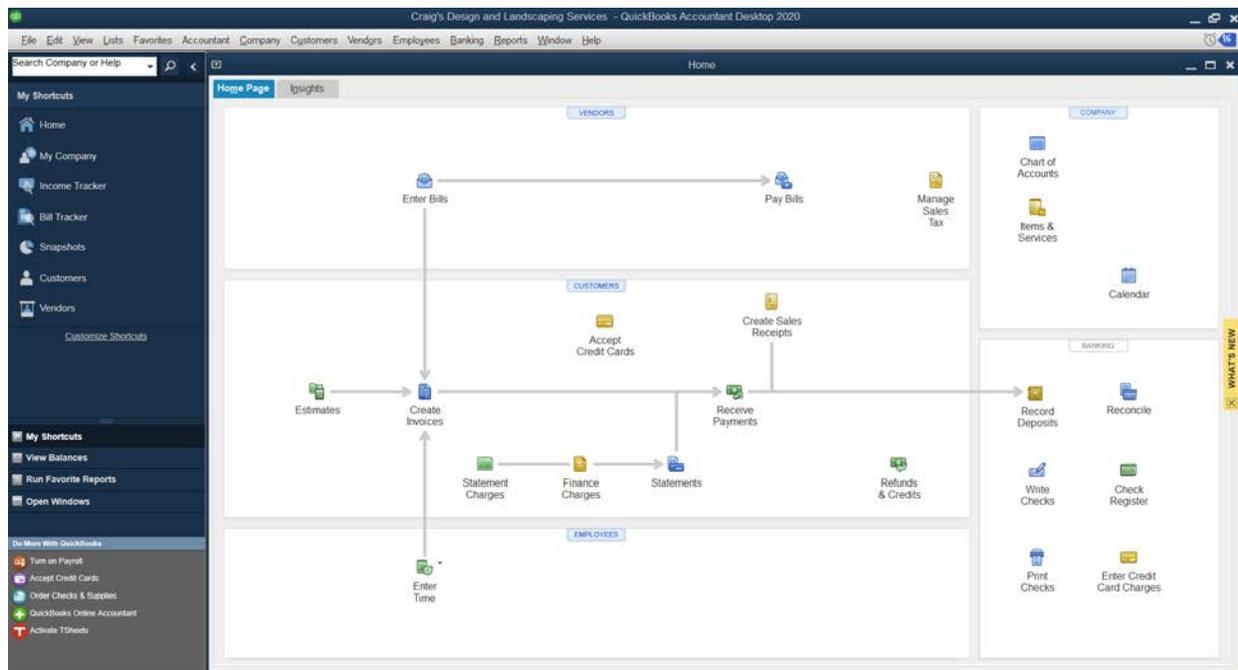
# QuickBooks Online

If you use QuickBooks Online, your screen will look like this:



## Desktop Editions (Pro, Premier, Enterprise Solutions)

If you use one of the desktop editions of QuickBooks, your screen will look like this:



# Setting Up QuickBooks

There are 5 steps to setting up and getting started using QuickBooks Online.

## 1. Create QuickBooks Account

This is how you create your company in QuickBooks.

## 2. Customize/Personalize QuickBooks

Customize your settings and invoices to make QuickBooks work best for you. Also, invite other people to your company file and set up their permissions.

## 3. Import Lists or QuickBooks Desktop Data

If you are coming to QuickBooks Online from QuickBooks Pro or Premier, you can import your company file to your QuickBooks Online account and your transactions, lists, and opening balances will come over during that process. If you are coming to QuickBooks Online from another accounting program that is not QuickBooks Pro or Premier, you can import your lists (customers, vendors, chart of accounts, products and services) using CSV or Excel files.

## 4. Enter Opening Balances

Entering account balances is necessary to get complete and accurate financial statements. Opening balances become the “starting point” for your business because they catch QuickBooks up to how much you had in a bank account, or owed on a credit card, as of a specific date that you choose. Most businesses choose the beginning of a fiscal year as the starting point for their QuickBooks data, so the balance of an account on that date is used to set up its opening balance. You can find that number on your bank and credit card statements.

## 5. Link Your Bank Account

This helps you add and categorize bank transactions going forward. It also makes reconciliations significantly easier, which you’ll learn about later in the training.

## Step 1: Create QuickBooks Account

Getting started with QuickBooks Online for your own business is easy. Just follow the steps below to start a free trial.

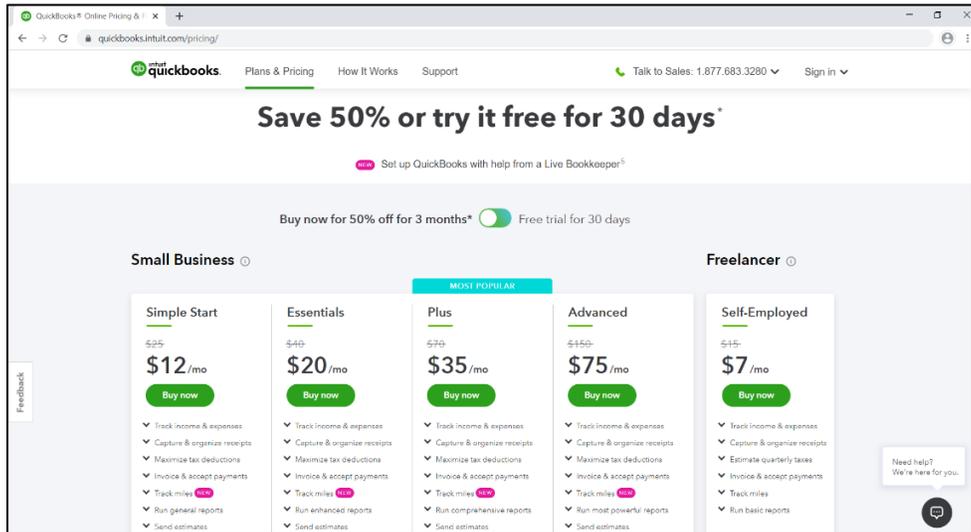
### Choose an Edition and Start a Free Trial

There are several editions of QuickBooks. Each edition includes basic features such as check writing, entering sales, and additional features and capabilities to support your growing business. To review features and compare current online editions, visit <https://quickbooks.intuit.com/online/compare/>.

**Note:** The QuickBooks Online setup steps frequently change. The screenshots you see in this part of our manual may not match exactly to what you see on the site.

## Start Free Trial

1. Open an internet browser (Intuit recommends Chrome).
2. Browse to <https://quickbooks.intuit.com/pricing/>.
3. Click **Free Trial**.
4. Click **Try it free** below the edition of your choice.
5. Complete the enrollment form and click **Create Account**.
6. Make the appropriate selections in the screens displayed by QuickBooks Online.



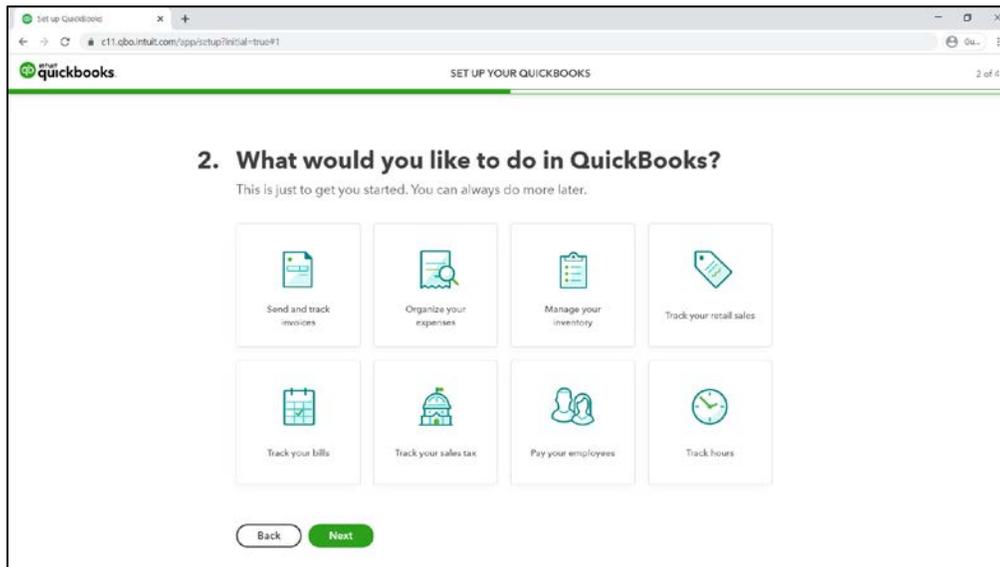
## Setup

Answer a few questions about your business to help QuickBooks set up your business.

A screenshot of the QuickBooks Online setup screen. The browser address bar shows 'c11.qbo.intuit.com/app/setup?initial=true#0'. The page title is 'SET UP YOUR QUICKBOOKS' and it is '1 of 4' steps. The main heading is '1. Tell us about your business.' Below this, there is a sub-heading: 'Everyone needs something a little different from QuickBooks. Let's get to know what you need so we can tailor things to fit you. You can change your info anytime in Settings.' The form contains three questions: 'What is the full, legal name of your business?' with a text input field containing 'Buildem'; 'How would you describe what your business does?' with a dropdown menu showing 'Landscaping services'; and 'Start typing and select the industry that fits best.' Below these is a checkbox labeled 'I've been using QuickBooks Desktop and want to bring in my data.' which is currently unchecked. A green 'Next' button is at the bottom.

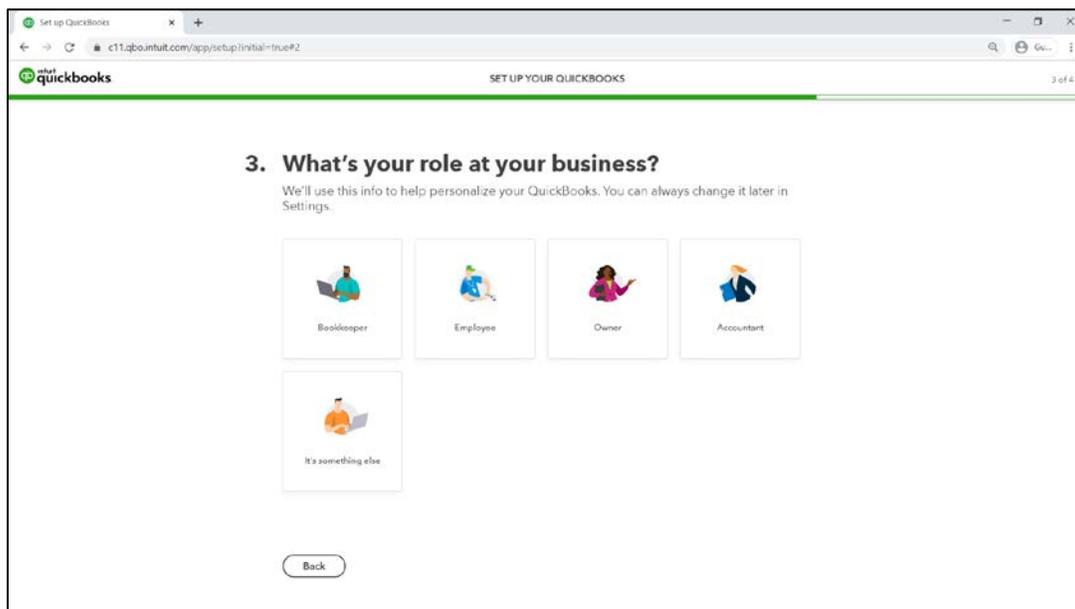
## Step 2: Customize/Personalize QuickBooks

During account creation you might be asked how you plan to use QuickBooks. Pages like these help QuickBooks customize your account to best suit your company's needs. Anything you select/change can be customized later.



## Accountant View vs. Business View

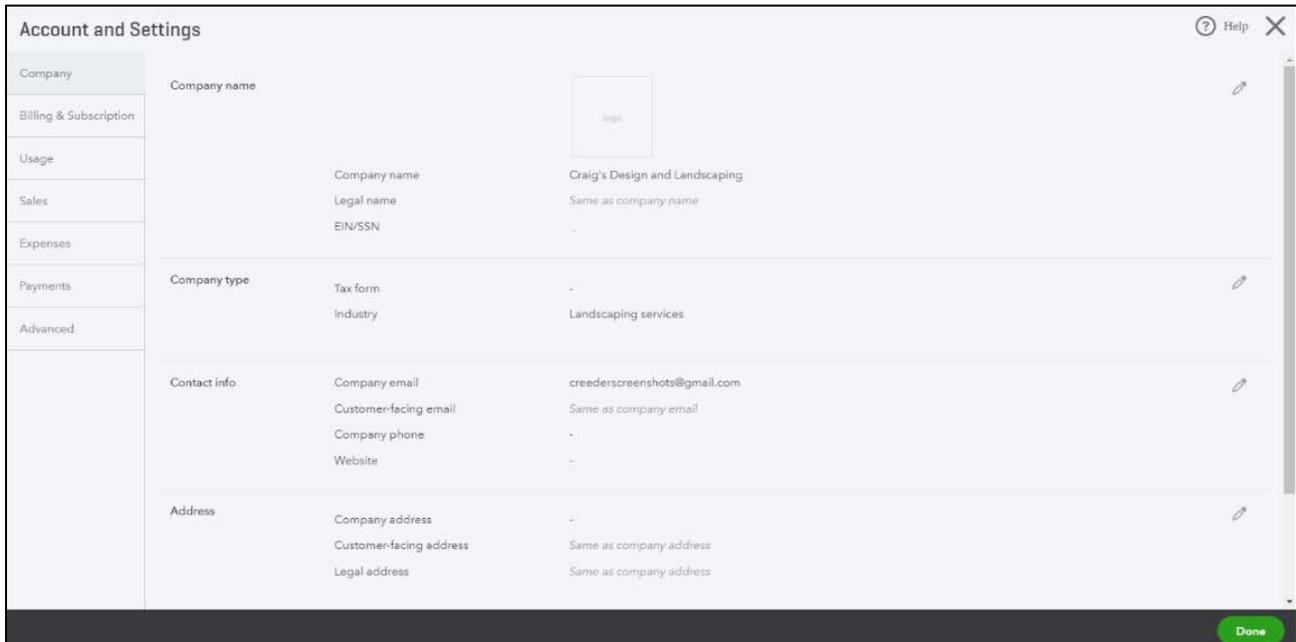
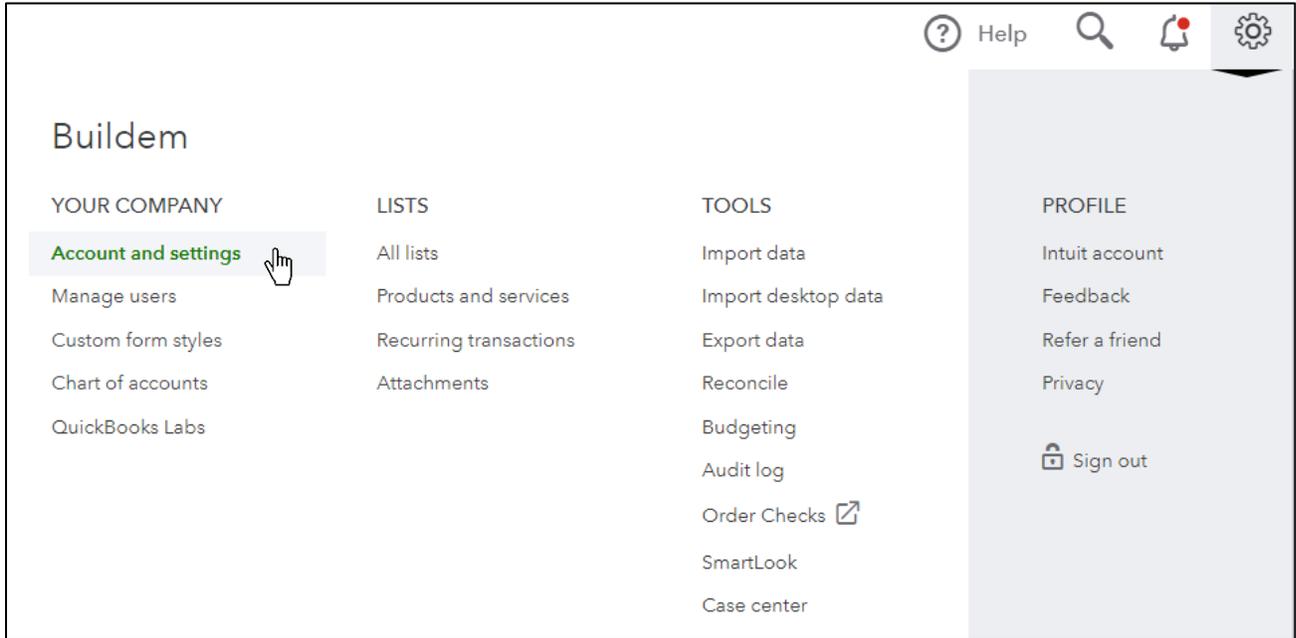
Based on your choice in the screen below, your QBO account will be in "Accountant View" or "Business View." These different views slightly alter the names of some transactions, but QBO still operates in the same way, regardless of your choice. You can also change this choice in your company's Advanced settings later.



# Review/Update Company Settings

After setup, you may want to customize your QuickBooks settings and forms to suit your needs. You learn about personalizing QuickBooks throughout this class.

1. Click the **Gear** menu and select **Account and Settings**.
2. Make the appropriate selections in the **Account and Settings** page.
3. Click **Done**.



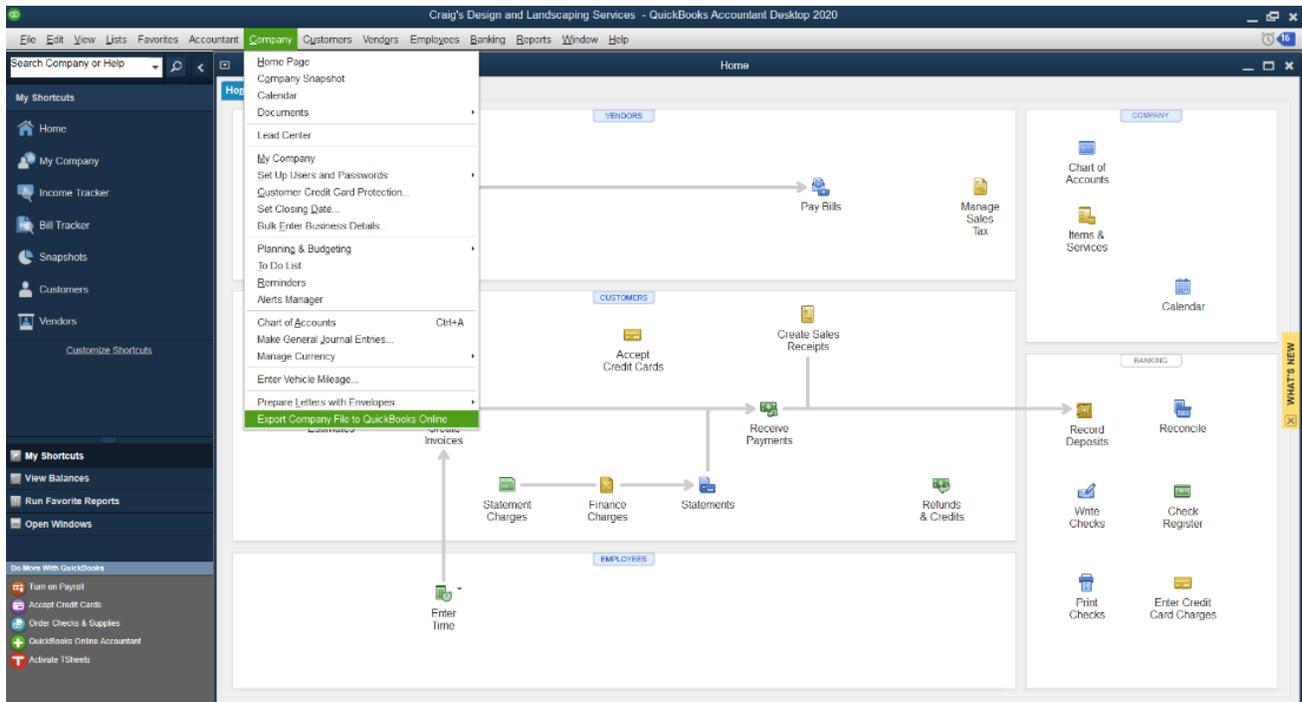
## Step 3: Import Data

### Import Company File from QuickBooks Pro/Premier

If you have your accounting information in a QuickBooks Pro or Premier company file, you can copy the data to your QuickBooks Online account. The process takes a few minutes, and most of your transactions, lists, and account balances are brought over.

### Export Company File to QuickBooks Online

1. Within QuickBooks Desktop, click the Company menu and select Export Company File to QuickBooks Online.
2. Follow the onscreen instructions.



## Tips for a Successful Conversion

There are a few tasks you should complete in your desktop company file before you convert it to QuickBooks Online.

### Before you Convert to QuickBooks Online

- Reconcile your Checking and Credit Card accounts
- Pay Sales and Payroll Taxes
- File Payroll quarterly forms (you'll need to set up payroll again in QuickBooks Online)

### After you Convert

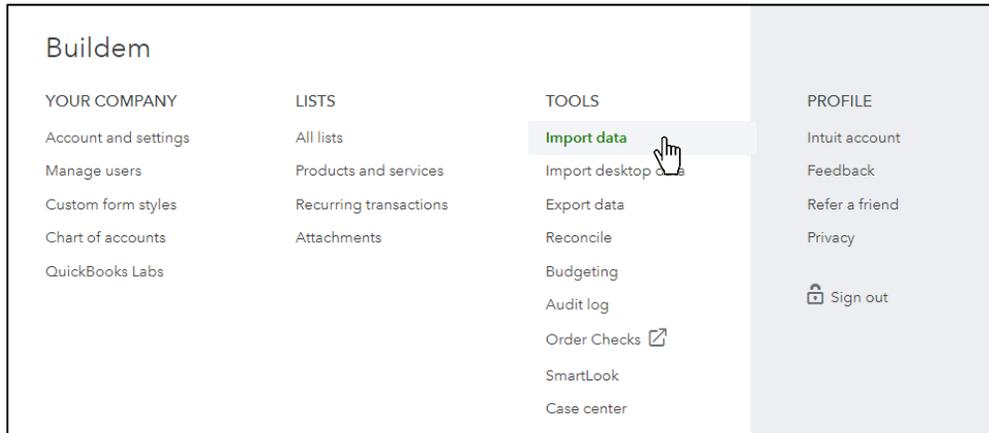
Open your QuickBooks desktop company and QuickBooks Online company at the same time. Run the following reports in both and compare. The balances should match.

- Profit and Loss Standard
- Balance Sheet Standard
- A/R Aging Summary
- A/P Aging Summary

# Import Lists from CSV or Excel Files

If you currently use QuickBooks Pro or Premier, your lists are imported during the conversion to QuickBooks Online. However, if you use a different accounting program, you can import lists with CSV or Excel files. Just export the lists you want to bring into QuickBooks, such as your list of customers, and use the menu below to bring them into QuickBooks.

1. Click the **Gear** menu and select **Import Data**.



2. Select the kind of data you want to import into QuickBooks.



## Step 4: Enter Opening Balances

If you currently use a desktop edition of QuickBooks, account opening balances will be included during the conversion to QuickBooks Online. However, if you use another accounting program, you will need to enter opening balances for most accounts on your Balance Sheet. Opening balances serve as your “starting point” for your accounts. They summarize how much money you had in a bank account, or owed on a credit card/loan, as of a specific day. Typically businesses choose the first day of their fiscal year as their starting point and use bank and credit card statements to find out what their balances were on that day.

You have three choices when entering account opening balances:

### 1. Enter an opening balance as you set up the account.

When you set up a new account on your Chart of Accounts you can enter the opening balance and the account’s starting point at the bottom right of the New Account screen.

### 2. Let the Online Banking feature enter opening balances for you.

When you link a bank or credit card account to QBO, you’re asked how far back you want it to go to download transactions. This is used to automatically set your starting date for the account and also the opening balance.

### 3. Enter a journal entry for opening balances.

This usually requires help from an accountant. Don’t worry if you can’t do it right away. You can start using QuickBooks now.

## Enter Journal Entry for Opening Balances

### 1. Click the **New (+)** menu and select **Journal Entry**.

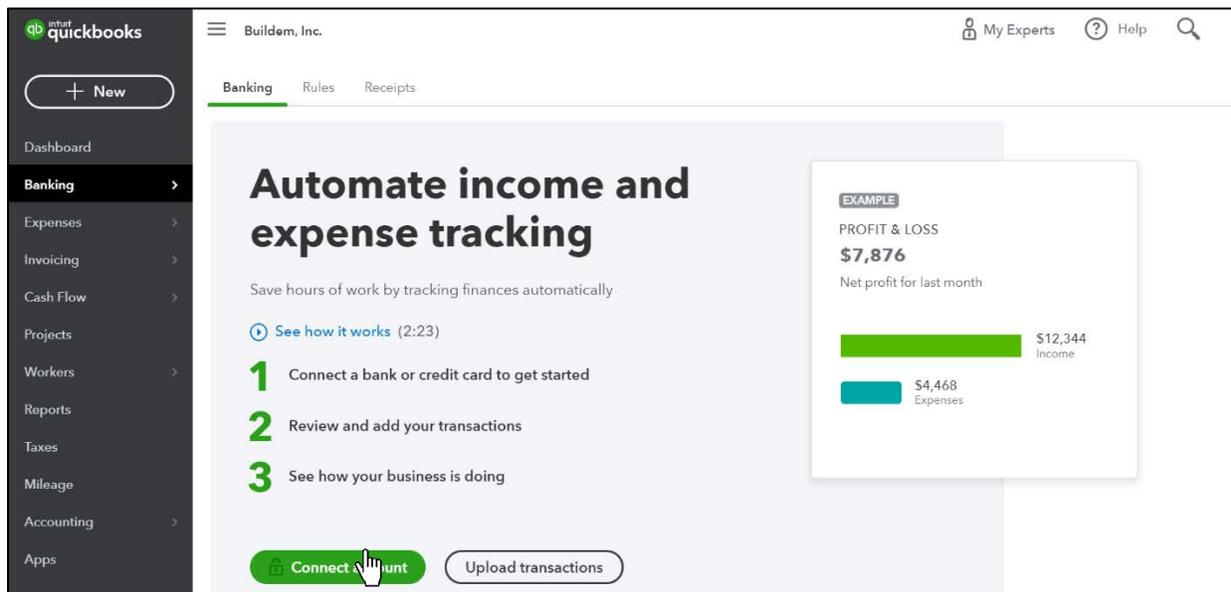
#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION	NAME
1	Accounts Receivable	12,000.00			Amy's Bird Sanctuary
2	Accounts Receivable	8,000.00			Bill's Windsurf Shop
3	Accounts Payable		9,000.00		Bob's Burger Joint
4	Accounts Payable		8,000.00		Books by Bessie
5	Opening Bal Equity		3,000.00		
6					
7					
8					
Total		20,000.00	20,000.00		

## Step 5: Link Bank Accounts

When you link your checking and credit-card accounts with QuickBooks, you choose how far back you want QuickBooks to look when it downloads transactions. It's generally recommended to start from the beginning of your fiscal year. You can also tell QuickBooks what transactions to exclude if you download something you've already recorded, or notice a duplicated transaction.

### Link Bank Account

1. Click **Banking** on the navigation bar.
2. Click **Connect account** in the Bank accounts section of the page.
3. Follow the onscreen instructions.



## Test Drive QuickBooks Online

You can practice in QuickBooks using a sample file. Please note: The test drive will expire and log you out due to inactivity after about an hour and any changes or transactions you've entered will be deleted.

### Start Test Drive

1. Open an internet browser.
2. Browse to <https://qbo.intuit.com/redirect/testdrive>. You can also do a Google search for "QBO Test Drive" to find the test drive page.
3. Enter the provided security code or Captcha.
4. Click **Continue**

# Chapter 2

# Getting Around

# Getting Around in QuickBooks Online

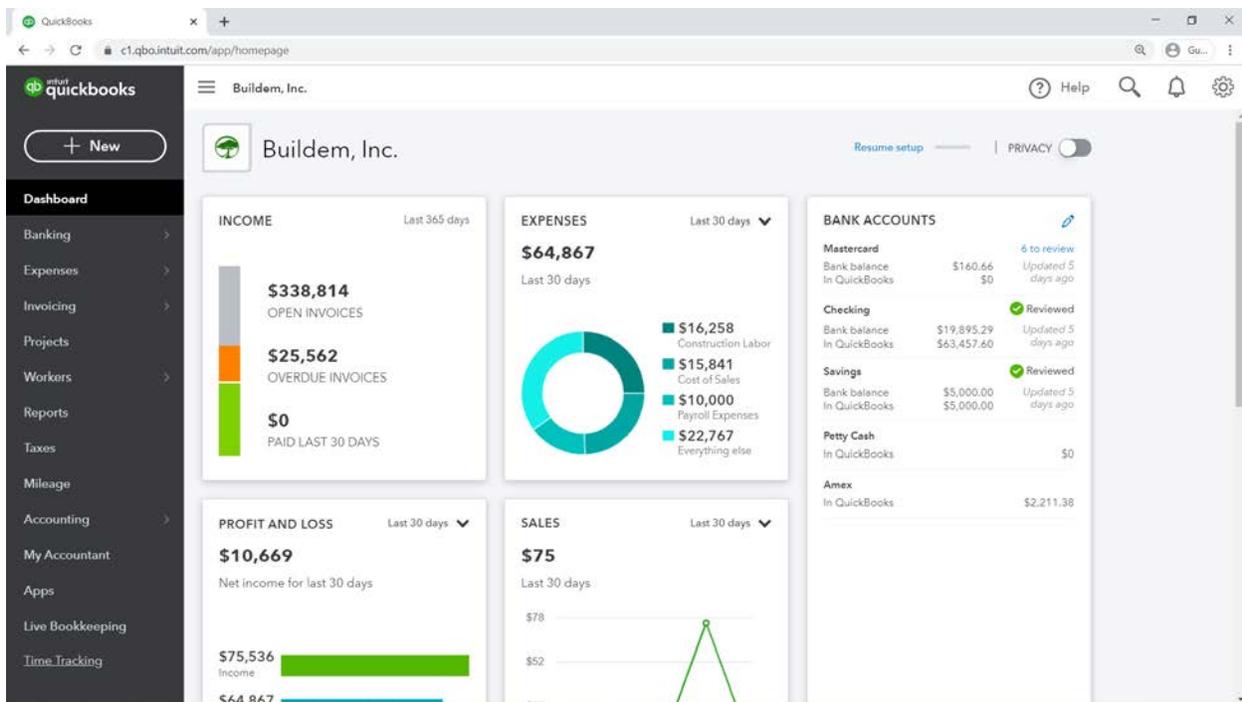
Now you learn more about the dashboard and the location of menus that let you to record new transactions, view historical transactions and access and edit your account settings. You'll also learn what transactions are and the value of entering financial data online so that you can build accurate reports about your business.

## Dashboard

The *Dashboard* provides quick information at your fingertips, including a financial dashboard, and bank account balances. You can enable *Private Mode* to hide this sensitive data if you're using QuickBooks in a public place.

## Display the Home Page

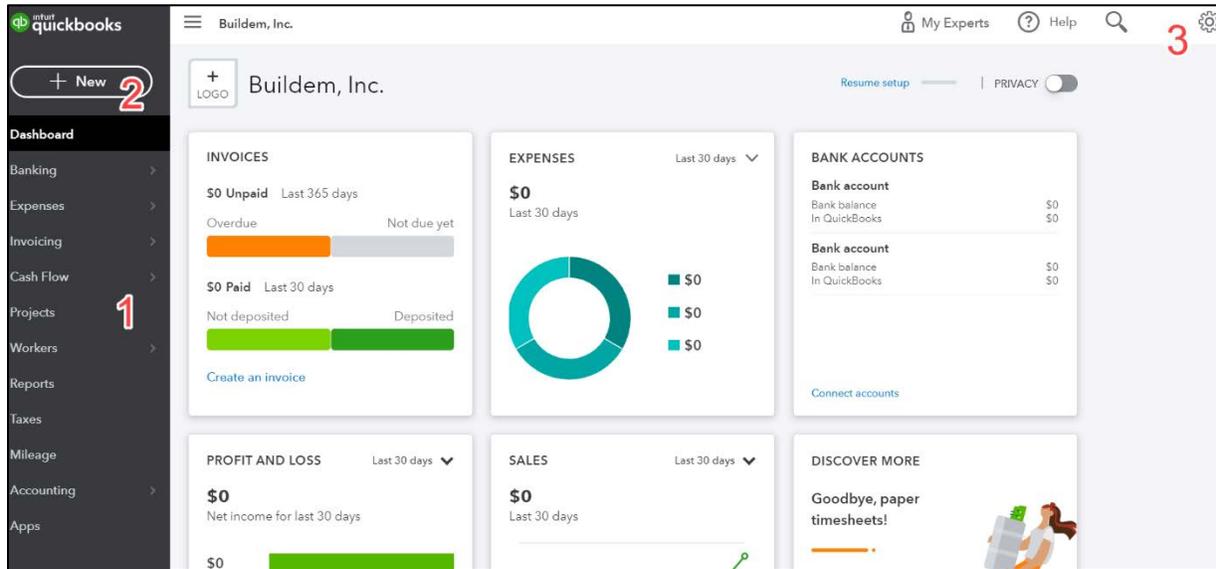
Click **Dashboard** from the left menu.



# Moving Around in QuickBooks

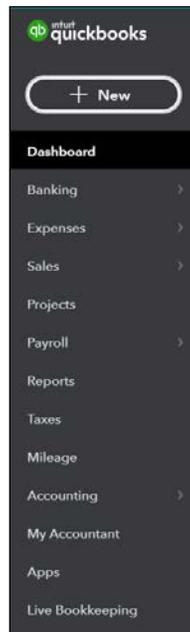
You access all the features of QuickBooks Online from three areas:

1. **Navigation bar**
2. **New (+) menu**
3. **Gear menu** (aka, Company menu)



## Navigation Bar

The Navigation Bar is the left-most menu on most pages within QuickBooks. It provides quick access to information about the people you do business with as well as a history of your business' financial transactions.



## New (+) Menu

The New (+) menu is at the top-left of the screen. It allows you to record your financial transactions. Note that your menu may look different depending on your settings.

### Accountant View:

CUSTOMERS	VENDORS	EMPLOYEES	OTHER
Invoice	Expense	Payroll 	Bank deposit
Receive payment	Check	Single time activity	Transfer
Estimate	Bill	Weekly timesheet	Journal entry
Credit memo	Pay bills		Statement
Sales receipt	Purchase order		Inventory qty adjustment
Refund receipt	Vendor credit		Pay down credit card
Delayed credit	Credit card credit		
Delayed charge	Print checks		

[Show less](#)

### Business View:

MONEY IN	MONEY OUT	OTHER
Make a sale	Add expense	Transfer between bank accounts
Create invoice	Add bill	Record bank deposit
Receive invoice payment	Pay bills	Track mileage
Create estimate	Pay down credit card	Track time
Receive credit	Write check	Add product/service
Receive credit card credit	Print checks	Add customer
Send customer statement	Create purchase order	Add vendor
	Give refund	Add employee
	Give credit	Add contractor
	Pay employee 	
	Pay contractor	

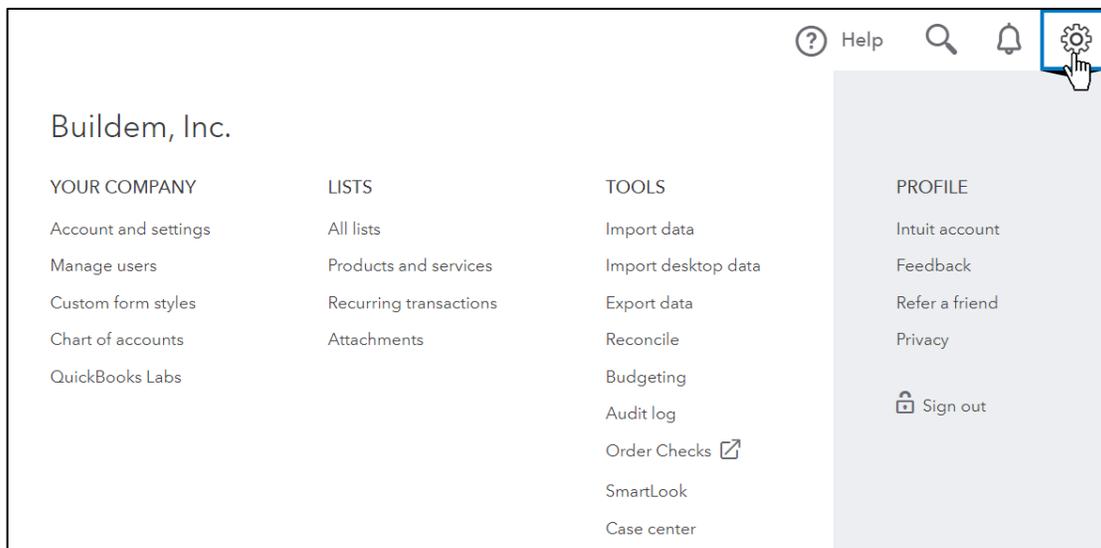
## Switch Between Views

In this class we use the Accountant View. To stay consistent as you learn the content feel free to switch over to the Accountant View throughout the class.

1. Select the **Gear** icon.
2. Select **Account and Settings** from the **My Company** column.
3. Select the **Advanced** tab.
4. In the **User view** section, select **Edit**.
5. Choose either **Business** or **Accountant** view from the dropdown.
6. Select **Save**.

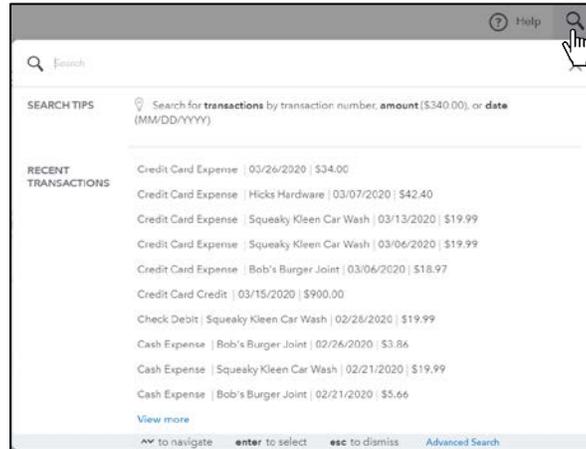
## Gear Menu (aka. Company Menu)

The Gear menu provides access to company settings, lists, tools, and account management.



## Search/Recent Transactions Menu

The Search/Recent Transactions menu is an easy way to search by transaction number, date, amount, and name. You can quickly open a recently entered transaction from the Recent Transactions list.



## What You See on a Transaction

All the forms in QuickBooks look similar. This makes it even easier to get around and enter transactions. Just fill out the “Who?” and the “When” at the top, the “What?” below, and the amount or the “How Much.”

## Parts of a QuickBooks Transaction

A screenshot of a QuickBooks invoice form titled 'Invoice #50'. The form is divided into several sections. At the top right, there are links for 'Take a tour', 'Help', and a close button. Below these, the 'BALANCE DUE' is shown as '\$1,000.00' with a 'Receive payment' button. The 'Customer' section includes a dropdown menu for 'John Melton' and a text field for 'Customer email' with 'Melton@John.com'. There are also checkboxes for 'Online payments' and 'Send later'. The 'Billing address' section contains the address 'John Melton, 2348 Melt On Rd, Dallas, TX 75248'. The 'Terms' section is set to 'Net 30', 'Invoice date' is '03/26/2020', and 'Due date' is '04/25/2020'. The main table has columns for '#', 'PRODUCT/SERVICE', 'DESCRIPTION', 'QTY', 'RATE', 'AMOUNT', and 'TAX'. The first row shows '1 Rocks' with a quantity of 10, a rate of 100, and an amount of 1,000.00. The second row is empty. Below the table, there are buttons for 'Add lines', 'Clear all lines', and 'Add subtotal'. The 'Message on invoice' section is empty. At the bottom right, there is a 'Let QuickBooks calculate your sales tax' section with a dropdown for 'Dallas' and a rate of 8.25%. The 'Subtotal' is \$1,000.00, 'Taxable subtotal' is \$0.00, and the 'Total' is \$1,000.00. Numbered annotations are present: '1.' next to the Customer dropdown, '2.' next to the Invoice date field, '3.' next to the first row of the table, and '4.' next to the Amount column header.

1. **Who-** Who are you paying or who is paying you?
2. **When-** When the transaction happened in the real world.
3. **What-** What are you purchasing or selling?
4. **How Much** - The amount of money you receive or spend on a transaction.

# Chapter 3

# Lists

# What are Lists?

QuickBooks uses lists to organize information about the people and businesses you buy things from as well as the things you buy and sell. Lists help you save time in several ways:

1. They store information about people and businesses you work with so you can record transactions more quickly.
2. They help you find transactions you previously entered and also run reports to see how much money you've spent/received with a specific person or business.
3. They also let you track who owes you money and who you owe money to.

## List types

The user interface and functionality of lists is different depending on what type of list you are working with. For example, with Names lists (Customers, Vendors and Employees), you have a Center that helps you quickly sort and filter information. On *Other Lists* (Chart of Accounts, Terms List, Products and Services List, etc.), your choices for interaction are more limited but you can still add/remove columns and resort the list.

## Names Lists

Names lists include Customers, Vendors, and Employees. You work with names lists often and you see them often throughout QuickBooks.

The screenshot displays the QuickBooks interface for the 'Customers' list. At the top, there are navigation tabs for Overview, All Sales, Invoices, Customers (selected), and Products and Services. Below the tabs, there are summary cards for Unbilled Last 365 Days (\$0, 0 ESTIMATE), Unpaid Last 365 Days (\$1,038, 11 UNBILLED ACTIVITY), Overdue (\$24,480, 11 OVERDUE), Open Invoices (\$337,657, 37 OPEN INVOICES), and Paid (\$100,000, 2 PAID LAST 30 DAYS). A promotional banner for TSheets is visible, stating 'Streamline invoicing so you can get paid sooner!'. Below the banner, there is a search bar and a table of customer records.

CUSTOMER / COMPANY	PHONE	OPEN BALANCE	ACTION
<input type="checkbox"/> Aaron's Photography Studio Aaron's Photography Studio	(817) 460-5510	\$85.00	Receive payment
<input type="checkbox"/> Alamo Foundation Alamo Foundation	210-888-1051	\$16,295.00	Receive payment

# Who Goes on Which Names List?

**Customers** - This list stores the people or businesses that pay you money for goods, services and donations. To invoice a company on account or to track sales/donations by customer, they must be entered as a customer.

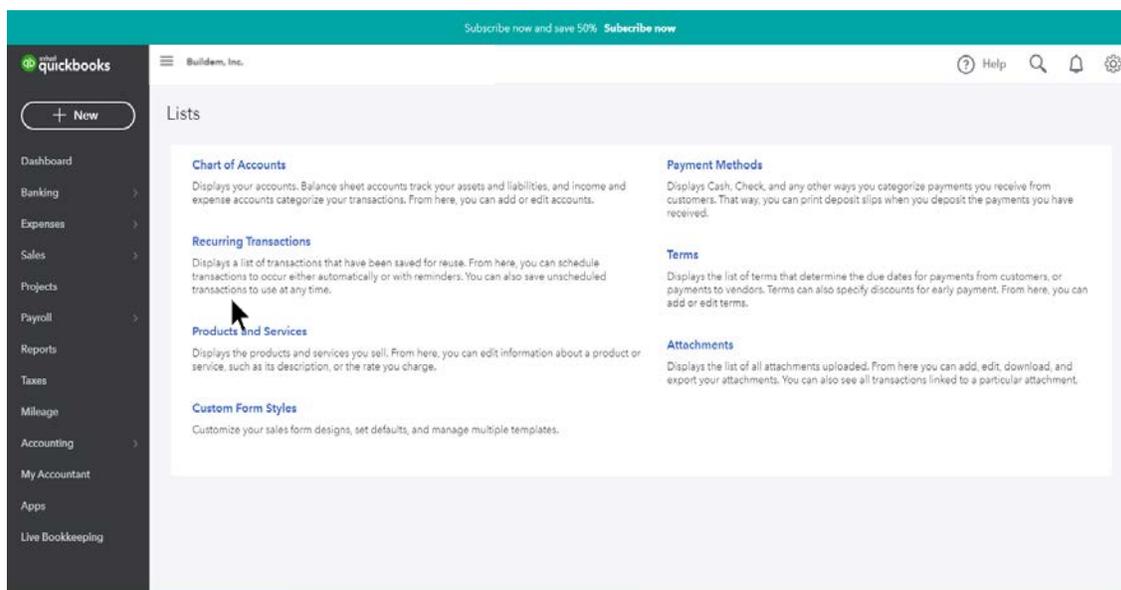
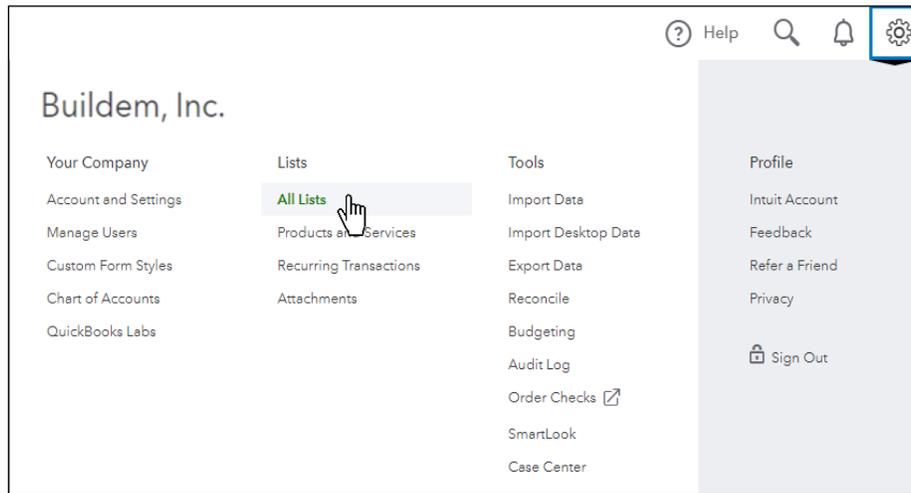
**Vendors (Suppliers)** - This list stores the companies and contractors you pay for goods or services. To track accounts payable (money you owe on open bills), issue a 1099, or track purchases by person or business, they must be set up as a vendor.

**Employees** - This list stores employees and their related payroll information. To pay an employee using payroll or issue a W-2 to an employee, he/she must be entered as an employee. Note that the Employees List is only for W-2 employees. People you issue a 1099 to are considered vendors/contractors.

## Other Lists

*Other Lists* include Products and Services, the Chart of Accounts, etc. You use these lists often because they're related to transactions, but you don't need to update them very often.

## All Lists



# Work with Lists

## Add Entry Before You Need It

1. Open the appropriate list.
2. Click the **New** (List Name) button.
3. Enter the appropriate information in the window.
4. Click **Save**.

## New Names List Entry

The screenshot shows the QuickBooks interface for the 'Customers' list. The left sidebar contains navigation options like Dashboard, Banking, Expenses, Sales, Projects, Payroll, Reports, Taxes, Mileage, Accounting, My Accountant, Apps, and Live Bookkeeping. The main area displays a summary of customer activity: Unbilled Last 365 Days (\$0, 0 ESTIMATE), Unpaid Last 365 Days (\$1,038, 11 UNBILLED ACTIVITY), Overdue (\$24,480, 11 OVERDUE), Open Invoices (\$337,657, 37 OPEN INVOICES), and Paid (\$100,000, 2 PAID LAST 30 DAYS). A 'New customer' button is highlighted with a hand cursor. Below the summary is a promotional banner for 'Streamline invoicing so you can get paid sooner!' and a table of customer records.

CUSTOMER	PHONE	OPEN BALANCE	ACTION
<input type="checkbox"/> Aaron's Photography Studio Aaron's Photography Studio	(817) 460-5510	\$85.00	Receive payment
<input type="checkbox"/> Alamo Foundation Alamo Foundation	210-888-1051	\$16,295.00	Receive payment

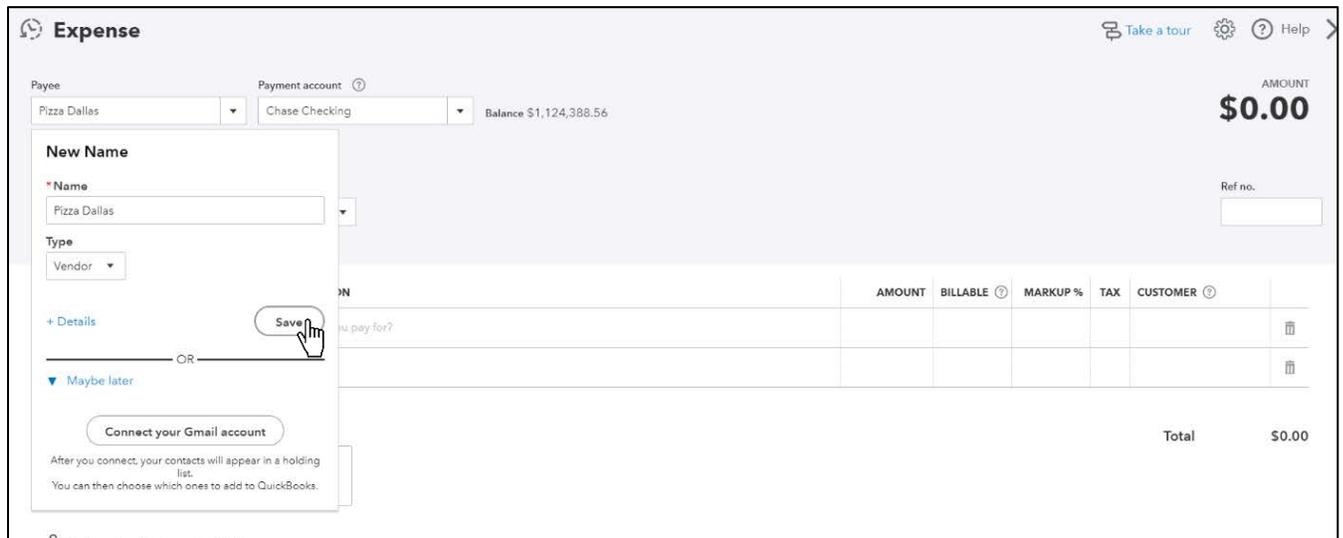
## New *Other* List Entry

The screenshot shows the QuickBooks interface for the 'Chart of Accounts' list. The left sidebar is the same as in the previous screenshot. The main area displays a table of accounts with columns for NAME, TYPE, DETAIL TYPE, QUICKBOOKS BALANCE, BANK BALANCE, and ACTION. A 'New' button is highlighted with a hand cursor.

NAME	TYPE	DETAIL TYPE	QUICKBOOKS BALANCE	BANK BALANCE	ACTION
Chase Checking	Bank	Cash on hand	23,888.34	19,895.29	View register
Petty Cash	Bank	Checking	0.00		View register
Savings	Bank	Checking	-4,500.00	5,000.00	View register
Accounts Receivable	Accounts receivable (A/R)	Accounts Receivable (A/R)	337,656.68		View register
Finished Goods Inventory	Other Current Assets	Other Current Assets	0.00		View register
Inventory	Other Current Assets	Other Current Assets	151,545.21		View register
Inventory Asset-1	Other Current Assets	Inventory	0.00		View register
Prepaid Expenses	Other Current Assets	Other Current Assets	0.00		View register
Raw Materials Inventory	Other Current Assets	Other Current Assets	750.00		View register

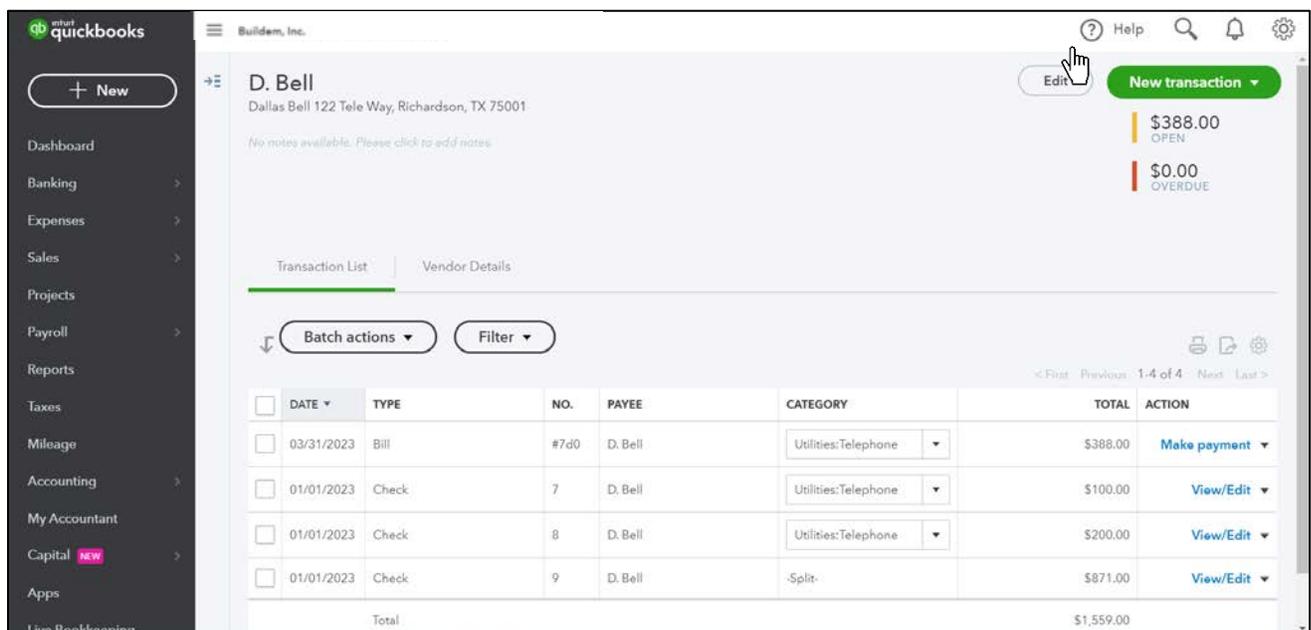
## Add Entry as You Need It

1. Open a transaction and enter appropriate information.
2. Type the name of the new list entry as you want it to appear on the list.
3. Select **Add** to add the new entry to the list.
4. Select the appropriate type (if applicable) and click **Save**.



## Edit Names List Entry

1. Display the appropriate list.
2. Select the entry in the list to edit.
3. Click the **Edit** button.
4. Enter or change appropriate information.
5. Click **Save**.



## Vendor Information

Company

Title First name Middle name Last name Suffix

\*Display name as

Print on check as  Use display name

Address [map](#)

Notes

Email

Phone Mobile Fax

Other Website

Billing rate (/hr)

Terms

Opening balance as of

Account no.

Business ID No.

Cancel Make inactive Privacy Save

## Edit *Other List* Entry

1. Display the appropriate list.
2. Select the dropdown in the Action column beside the desired list entry.
3. Click **Edit**.
4. Enter or change appropriate information.
5. Click **Save**.

Chart of Accounts

Buildern, Inc.

Chart of Accounts Reconcile

Run Report New

Filter by name or number  All

NAME	TYPE	DETAIL TYPE	QUICKBOOKS BALANCE	BANK BALANCE	ACTION
1120 Savings	Bank	Checking	5,000.00	5,000.00	View register <input type="button" value="Edit"/>
Checking	Bank	Checking	62,467.65		Make inactive (won't reduce usage) Run report
Petty Cash	Bank	Checking	0.00		
Accounts Receivable	Accounts receivable (A/R)	Accounts Receivable (A/R)	338,814.18		View register
Finished Goods Inventory	Other Current Assets	Other Current Assets	0.00		View register

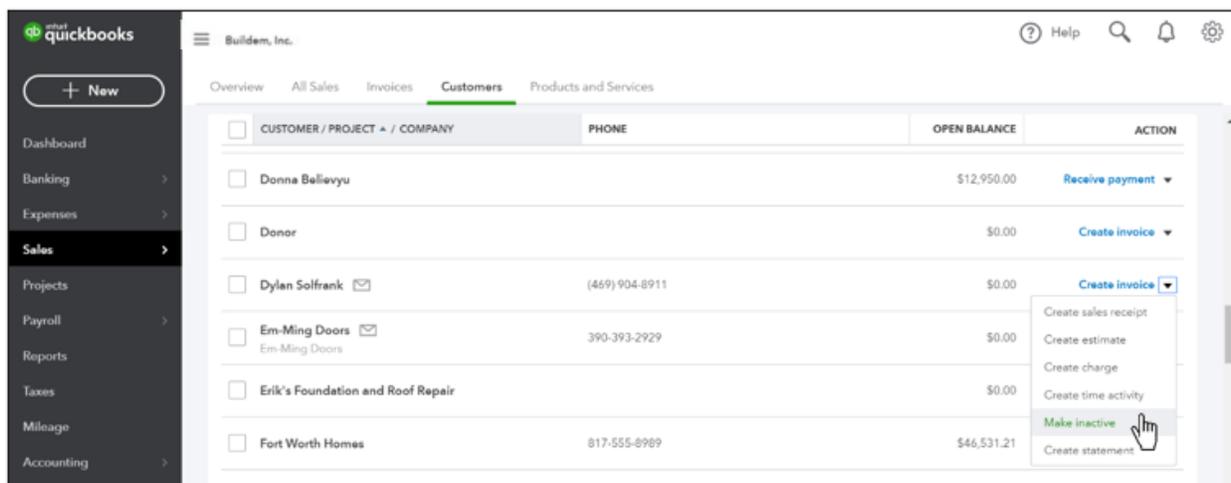
## List Rules

1. There is no limit to the number of list entries you can have in QuickBooks. However, keeping your lists under 10,000 is recommended.
2. Every entry in the "Display Name As" field for Customers, Vendors and Employees must be unique. If you want to list the same entity on multiple lists, make sure to give them different "Display Name As" entries.
3. Once entered on a list, the name can't be moved to another list.

## Delete Entry (Without Balance)

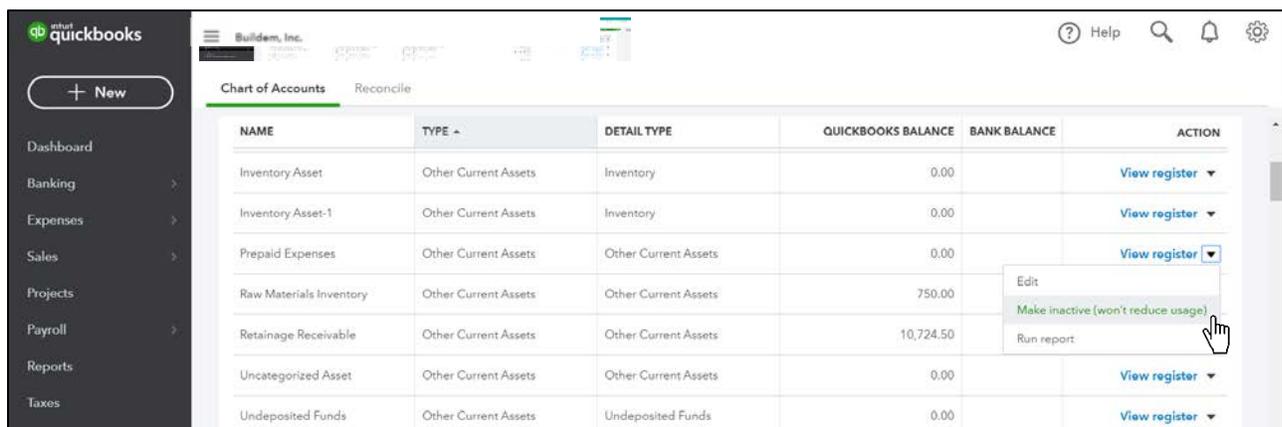
### Delete List Entry- Names List

1. Display the appropriate list.
2. Select the entry in the list to delete.
3. Click the drop-down arrow next to the entry to delete and select **Make inactive**.
4. Click **Yes** to confirm the deletion.



### Delete List Entry- *Other List*

1. Display the appropriate list.
2. Select the entry in the list to delete.
3. Click the drop-down arrow next to the entry to delete and select **Make Inactive**.
4. Click **Yes** to confirm the deletion.

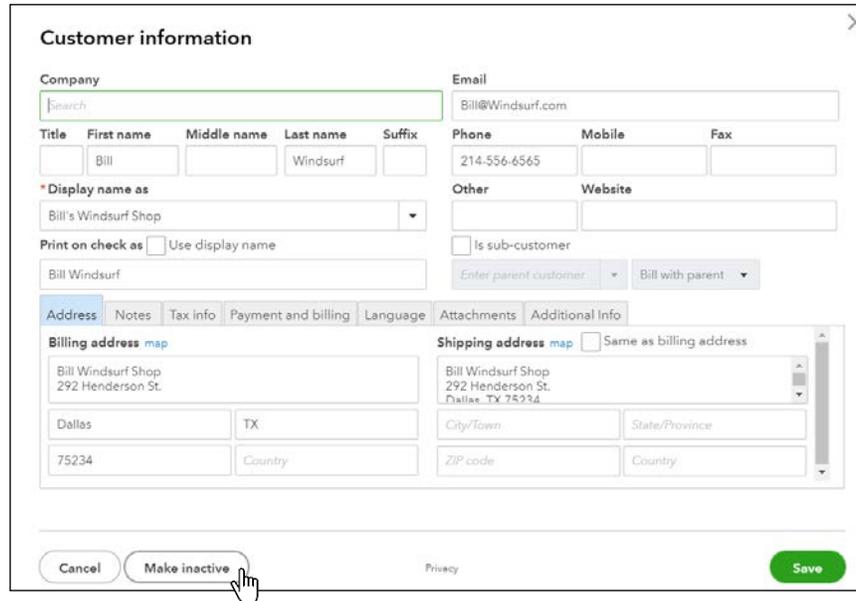


## Delete Entry (With Balance)

Deleting a list entry with a balance causes QuickBooks to record adjusting entries to zero the balance. These adjusting entries vary by what you make inactive.

## Delete List Entry-Names List

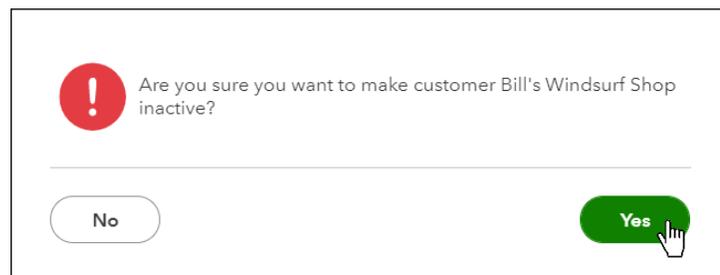
1. Display the appropriate list.
2. Select the entry in the list to delete.
3. Click the **Edit** button.
4. Click the **Make inactive** button.
5. Click **Yes** to confirm and have QuickBooks make adjusting entries to zero the balance



The screenshot shows the 'Customer information' form in QuickBooks. The form is titled 'Customer information' and has a close button (X) in the top right corner. It contains several sections: 'Company' with a search field, 'Email' (Bill@Windsurf.com), 'Title' (Bill), 'First name' (Windsurf), 'Middle name', 'Last name' (Windsurf), and 'Suffix'. There are also fields for 'Phone' (214-556-6565), 'Mobile', and 'Fax'. A dropdown menu for '\* Display name as' is set to 'Bill's Windsurf Shop'. Below this is a 'Print on check as' section with a checkbox for 'Use display name' and a field containing 'Bill Windsurf'. There are also dropdowns for 'Enter parent customer' and 'Bill with parent'. The form has tabs for 'Address', 'Notes', 'Tax info', 'Payment and billing', 'Language', 'Attachments', and 'Additional Info'. The 'Address' tab is active, showing 'Billing address map' and 'Shipping address map'. The billing address is 'Bill Windsurf Shop, 292 Henderson St., Dallas, TX 75234'. The shipping address is the same. At the bottom, there are buttons for 'Cancel', 'Make inactive' (with a hand cursor over it), 'Privacy', and 'Save'.

## Delete List Entry-Other List

1. Display the appropriate list.
2. Click the **Action** drop-down menu for the appropriate entry and select **Delete**.
3. Click **Yes** to confirm and have QuickBooks make adjusting entries to zero the balance.



The screenshot shows a confirmation dialog box with a red exclamation mark icon. The text inside the dialog box reads: 'Are you sure you want to make customer Bill's Windsurf Shop inactive?'. Below the text are two buttons: 'No' and 'Yes'. A hand cursor is pointing at the 'Yes' button.

# See Deleted/Inactive Entries

Deleted list entries are hidden from view. However, you can still see them if you want.

## View Inactive Entries

1. Open the appropriate list.
2. Click the **Gear icon** and select **Include inactive**.

### Include Inactive- *Other Lists*

The screenshot shows the QuickBooks interface for 'Buildem, Inc.' with the 'Chart of Accounts' list selected. A settings menu is open on the right side of the table, showing options for columns and other settings. The 'Include inactive' option under the 'Other' section is checked and highlighted by a mouse cursor.

NAME	TYPE	DETAIL TYPE	QUICKBOOKS BALANCE	BANK BALANCE
Chase Checking	Bank	Cash on hand	1,123,488.56	19,895.29
Checking	Bank	Checking	150.00	
Checking (deleted)	Bank	Checking	0.00	
Petty Cash	Bank	Checking	0.00	
Savings	Bank	Checking	4,500.00	5,000.00
Accounts Receivable	Accounts receivable (A/R)	Accounts Receivable (A/R)	326,721.68	
Finished Goods Inventory	Other Current Assets	Other Current Assets	0.00	

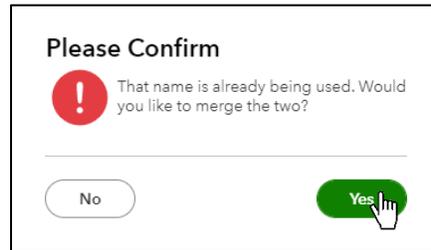
### Include Inactive-Names Lists

The screenshot shows the QuickBooks interface for 'Buildem, Inc.' with the 'Customers' list selected. A settings menu is open on the right side of the table, showing options for columns and other settings. The 'Include inactive' and 'Include projects' options under the 'Other' section are checked and highlighted by a mouse cursor.

CUSTOMER / PROJECT / COMPANY	PHONE	OPEN BALANCE
Aaron's Photography Studio Aaron's Photography Studio	(817) 460-5510	\$85.00
Alamo Foundation Alamo Foundation	210-888-1051	\$16,295.00
Amy's Bird Sanctuary Amy's Bird Sanctuary	214-656-5654	\$750.00
Auldrige Windows Auldrige Windows	312-395-3939	\$53,472.00
Bill's Windsurf Shop Bill's Windsurf Shop	214-556-6565	\$0.00
Building 101		\$0.00

## Merge Entry

1. Display the appropriate list.
2. Select the entry in the list to merge.
3. Click the **Edit** button.
4. Type the name of what you want to merge it with in the **Display Name As** field.
5. Click **Save**.
6. Click **Yes** to merge the list entries.



**Note:** When merging accounts on the Chart of Account, you can only merge accounts that are of the same type (e.g. liability, expense).

# Chapter 4

# Financial Statements

# Financial Statements

For those of you who are from a non-accounting background, this chapter will help you to learn some accounting basics, which leads to understanding more about how QuickBooks works. You'll discover the intention behind the Chart of Accounts and how it relates to two financial statements: the Balance Sheet and the Profit & Loss.

## Chart of Accounts

The Chart of Accounts represents the "hub" of your accounting system. Each account represents something that your business owns/owes or a reason that your business earns/spends money. As you record transactions, you assign accounts that represent where the money came from/went to and why. After each transaction, account balances are updated on your financial statements based on the accounts and amounts you entered.

For example, you used a debit card in an office supplies store and then later download the transaction. The first account affected by the transaction is the Checking account linked to your debit card. That represents where the money came from/went to. The second account the transaction affects is a summary of why money was earned/spent...in this case, office supplies. So you would probably use an expense account named Office Supplies so that you could track how much you've spent on office supplies over time.

NAME	TYPE	DETAIL TYPE	QUICKBOOKS BALANCE	BANK BALANCE	ACTION
Chase Checking	Bank	Cash on hand	1,123,488.56	19,895.29	<a href="#">View register</a>
Checking	Bank	Checking	150.00		<a href="#">View register</a>
Checking (deleted)	Bank	Checking	0.00		<a href="#">Make active</a>
Petty Cash	Bank	Checking	0.00		<a href="#">View register</a>
Savings	Bank	Checking	4,500.00	5,000.00	<a href="#">View register</a>
Accounts Receivable	Accounts receivable (A/R)	Accounts Receivable (A/R)	326,721.68		<a href="#">View register</a>
Finished Goods Inventory	Other Current Assets	Other Current Assets	0.00		<a href="#">View register</a>
Inventory	Other Current Assets	Other Current Assets	151,545.31		<a href="#">View register</a>

# Balance Sheet

The Balance Sheet is the financial *snapshot* or **position** of your business. If someone took a photograph of your business right now, it would be the Balance Sheet? The Balance Sheet is comprised of assets, liabilities, and equity.

## Assets

Anything owned by your business. Assets include cash/liquid assets like bank accounts, inventory you plan to sell to customers, fixed assets like vehicles and equipment, and even receivables that are owed to you by customers.

## Liabilities

What your business owes people/companies outside of your business. Liabilities include credit cards, loans like mortgages and car notes, lines of credit and even payables that you owe on open bills from vendors.

## Equity

What the business owes the owners of the business. Equity is used to track investments into the business, draws out of the business to pay the owner/partner and retained earnings. You might also see an account called Opening Balance Equity, which is a summary of what the business was worth to the owner before the business started using QuickBooks.

Chart of Accounts  
[All Lists](#)

Filter by name:  All

NAME	TYPE	DETAIL TYPE
Chase Checking	Bank	Cash on hand
Checking	Bank	Checking
Petty Cash	Bank	Checking
Savings	Bank	Checking
Accounts Receivable	Accounts receivable (A/R)	Accounts Receivable (A/R)
Finished Goods Inventory	Other Current Assets	Other Current Assets
Inventory	Other Current Assets	Other Current Assets
Inventory Asset	Other Current Assets	Inventory
Inventory Asset-1	Other Current Assets	Inventory



Buildem, Inc.  
**BALANCE SHEET**  
 As of May 8, 2020

	TOTAL
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash on hand	5,000.00
Checking	-5,570.22
<b>Total Bank Accounts</b>	<b>\$ -570.22</b>
<b>Accounts Receivable</b>	
Accounts Receivable	31,592.25
<b>Total Accounts Receivable</b>	<b>\$31,592.25</b>
<b>Other Current Assets</b>	
Inventory	174,835.72
Raw Materials Inventory	750.00
Undeposited Funds	0.00
<b>Total Other Current Assets</b>	<b>\$175,585.72</b>
<b>Total Current Assets</b>	<b>\$206,607.75</b>
<b>Fixed Assets</b>	
Furniture & Equipment	
Accumulated Depreciation	-4,200.00

# Profit & Loss

This statement is the *movie* of your business. It measures **performance** over a specified time period. This financial statement includes income, costs of goods sold and expenses.

## Income

Income accounts track money that comes into your business through the sale of goods or services. They're also used to track income generated through donations or pledges from donors. Examples include sales and service income.

## Cost of Goods Sold

Cost of Goods Sold accounts track the money you spend that is directly related to a specific sale. This includes the cost of contractors you paid to work on a specific job, materials that are purchased for a specific customer/project, and even the original purchase price of inventory that you've sold. Note that if you use inventory products & services, QuickBooks automatically calculates the cost of goods sold for you when you record your sale of inventory. You learn about this in the Inventory chapter.

## Expenses

Expense accounts track what your business spends on regular expenses like rent, insurance and payroll. Expenses are also often called "overhead" and don't tend to increase or decrease based on the work you perform.

NAME	TYPE	DETAIL TYPE
Shipping Income	Income	Sales of Product Income
Unapplied Cash Payment Income	Income	Unapplied Cash Payment Income
Uncategorized Income	Income	Sales of Product Income
Uncategorized Income (40)	Income	Sales of Product Income
Construction Labor	Cost of Goods Sold	Supplies & Materials - COGS
Cost of Goods Sold	Cost of Goods Sold	Supplies & Materials - COGS
Cost of Goods Sold-1	Cost of Goods Sold	Supplies & Materials - COGS
Cost of Sales	Cost of Goods Sold	Supplies & Materials - COGS
Materials	Cost of Goods Sold	Supplies & Materials - COGS

Buildem, Inc.	
PROFIT AND LOSS	
January 1 - May 8, 2020	
	TOTAL
Income	
4020 Service Income	64,029.13
4030 Freight Income	45.00
Construction Income	253,732.36
Design Income	2,475.00
Markup Income	3,718.20
Parts Sales	83,248.96
Sales Discount	-9,104.25
Sales of Product	1,000.00
<b>Total Income</b>	<b>\$399,144.40</b>
Cost of Goods Sold	
Construction Labor	79,558.93
Cost of Sales	78,008.40
Materials	36,539.22
<b>Total Cost of Goods Sold</b>	<b>\$194,106.55</b>
<b>GROSS PROFIT</b>	<b>\$205,037.85</b>

## Account Types

The most important element when working with the Chart of Accounts is the Account Category Type. This must be correct, or your financial statements will be wrong!

### Account Types-Balance Sheet

QuickBooks Type	Description	Examples
Bank	Your bank accounts	Checking and Savings
Accounts Receivable	What your customers owe you	Accounts Receivable
Other Current Asset	Assets likely to be turned into cash within 1 year	Inventory and Short-term Investments
Fixed Asset	Assets expensed over more than 1 year	Furniture & Fixtures and Computer Equipment
Other Asset	Assets that do not belong in other types	Long-Term Investments
Accounts Payable	What you owe vendors in open bills	Accounts Payable
Credit Card	Company credit cards	Mastercard and Visa
Other Current Liabilities	Liabilities you'll pay off within 1 year	Sales Tax Payable and Payroll Taxes
Long-Term Liabilities	Liabilities that take longer than 1 year to pay off	Mortgage Payable
Equity	Owner's investments and draws out of the business	Owner Contribution and Owners Draw

### Account Types-Profit & Loss

QuickBooks Type	Description	Examples
Income	Revenue generated through sales/donations	Product Sales and Service Income
Other Income	Income earned outside of normal operations	Interest Income
Cost of Goods Sold	Cost you pay for products sold/services performed	Materials and Cost of Sales
Expense	Operating expenses and overhead	Insurance and Rent
Other Expense	Non-operating expenses	Interest Expenses

## Add Accounts/Subaccounts

When adding an account, you are required to choose an **Account Type** and a **Detail Type**. This **Detail Type** selection doesn't affect your accounting. Just choose a **Detail Type** that best sounds like what you're trying to track.

### Accounts

#### Add Account

1. Click **Accounting** on the left navigation bar.
2. Select **Chart of Accounts**.
3. Click the **New** button at the top right.
4. Select the appropriate **Account Type** and **Detail Type**.
5. Enter the appropriate information in the remaining fields.
6. Click **Save and Close**.

**Account** [X]

**Account Type**  
Expenses ▼

**\*Name**  
Consulting

**\*Detail Type**  
Legal & Professional Fees ▼

**Description**  
[Empty]

Is sub-account  
Enter parent account ▼

Use **Legal & professional fees** to track money to pay to professionals to help you run your business.  
You may want different accounts of this type for payments to your accountant, lawyer, or other consultants.

Cancel Save and Close ▼

## Subaccounts

Subaccounts are used when you need to track more detail associated with an account. For example, you might have an account called Legal and Professional Fees, and subaccounts under that called Accounting, Lawyer, and Bookkeeping.

### Add Subaccount

1. Click **Accounting** on the left navigation bar.
2. Select **Chart of Accounts**.
3. Click the **New** button at the top right.
4. Select the appropriate **Account Type** and **Detail Type**.
5. Enter the appropriate information in the remaining fields.
6. Check the box next to **Is sub-account** and select the appropriate parent account.
7. Click **Save and Close**.

**Account** [X]

Account Type: Expenses

\* Name: Consulting

\* Detail Type: Legal & Professional Fees

Description: [Empty]

Is sub-account

Enter parent account: [Dropdown menu]

Use **Legal & professional fees** to track money to pay to professionals to help you run your business.

You may want different accounts of this type for payments to your accountant, lawyer, or other consultants.

Landscaping	Expenses
<b>Legal &amp; Professional Fees</b>	Expenses
Accounting	Sub-account of Legal & ...
Bookkeeping	Sub-account of Legal & ...
Legal Fees	Sub-account of Legal & ...
Machine Rent	Expenses
Meals	Expenses
Merchant Services Fees	Expenses
Miscellaneous	Expenses

Cancel [Save and Close]

### Convert an Account to a Subaccount

1. Click **Accounting** on the left navigation bar.
2. Select **Chart of Accounts**.
3. Click **Edit** from the dropdown menu beside the account you wish to change to a subaccount.
4. Check the box next to **Is sub-account** and select the appropriate parent account.
5. Click **Save and Close**.

# Collapse Financial Statements

When running financial statements with subaccounts, the collapse feature allows you to hide the subaccounts and only show the parent accounts.

## Collapse/Expand Financial Statements

- 1. Click **Reports** on the navigation bar.
- 2. Select **Profit and Loss**.
- 3. Click the **Collapse** button to collapse the subaccounts.
- 4. Click the **Expand** button to show the subaccount detail.

Buildem, Inc.	
SALES BY CUSTOMER SUMMARY	
January 1 - May 8, 2020	
	TOTAL
Aaron's Photography Studio	953.15
Amy's Bird Sanctuary	825.00
Bill's Windsurf Shop	150.00
Cassie's Dog Grooming	1,125.00
▼ Columbia Management	
Seattle School	2,621.25
<b>Total Columbia Management</b>	<b>2,621.25</b>
Cool Cars	917.75
▼ Crandall Contractors	
Cheyenne 1	1,979.95
<b>Total Crandall Contractors</b>	<b>1,979.95</b>
Dittrich Motors	100.00
Dylan Solfrank	337.50
Em-Ming Doors	0.00
Erik's Foundation and Roof Repair	408.00
▼ Fort Worth Homes	
Convention Center	2,849.49
<b>Total Fort Worth Homes</b>	<b>2,849.49</b>

## Journal Entries

Occasionally, you may need to change the balances of your accounts in the chart of accounts. Typically account balances should be updated with regular transactions and not journal entries. However, there are three occasions that might call for a journal entry:

1. You need to record something that another transaction just can't summarize, like the depreciation of an asset.
2. You need to fix an error and your account gave you a journal entry to enter.
3. You're setting up a new company and need to enter many balances at once.

## Add Journal Entry

1. Click the **Global Create** menu.
2. Select **Journal Entry**.
3. Enter appropriate **Debit** and **Credit** accounts and amounts.
4. Click **Save and Close**.

## Journal Entry

#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION	NAME
1	Depreciation Expense	1,000.00		monthly depreciation	
2	Truck Depreciation		1,000.00	monthly depreciation	

## Profit & Loss Statement After Journal Entry

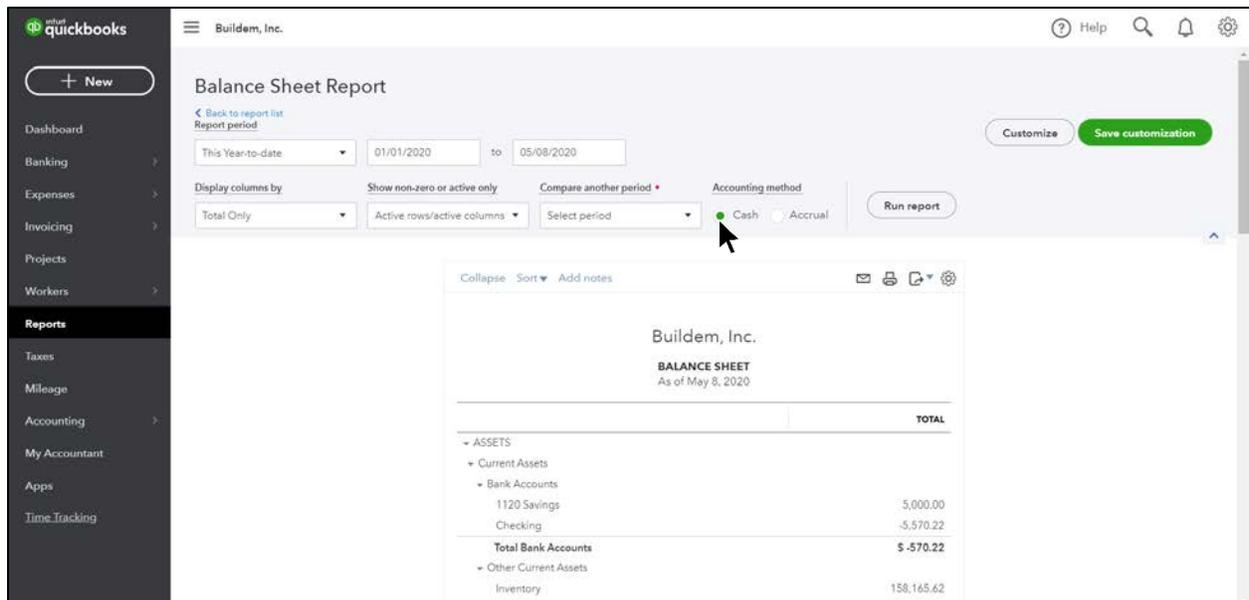
Bank Service Charges	258.00
Cleaning	600.00
Depreciation Expense	2,000.00
Dues and Subscriptions	200.00
Equipment Rental	5,415.00
Freight & Delivery	1,200.00
▼ Insurance	
Equipment Insurance	1,500.00
Property Insurance	3,200.00
Worker's Comp	1,800.00

## Cash vs Accrual

When running financial statements, choose the appropriate report basis. Accrual basis shows transactions in the period when the service was performed or when the goods were delivered, not when it was paid. Cash Basis shows transactions in the period when they were paid. You can also change the company setting which sets your report defaults.

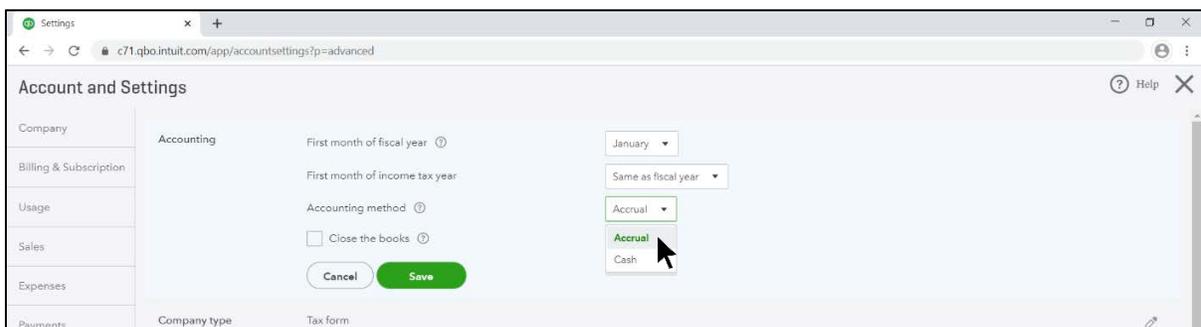
### Change Report to Cash Basis

1. Open the desired financial statement.
2. Select **Cash** at the top of the report.
3. Click **Run report**.



### Change Accounting Method-Company Setting

1. Click the **Gear** menu and select **Account and Settings**.
2. Click **Advanced** on the list to the left.
3. Click in the **Accounting** section and change the **Accounting Method**.
4. Click **Save**



# Chapter 5

# Products and Services

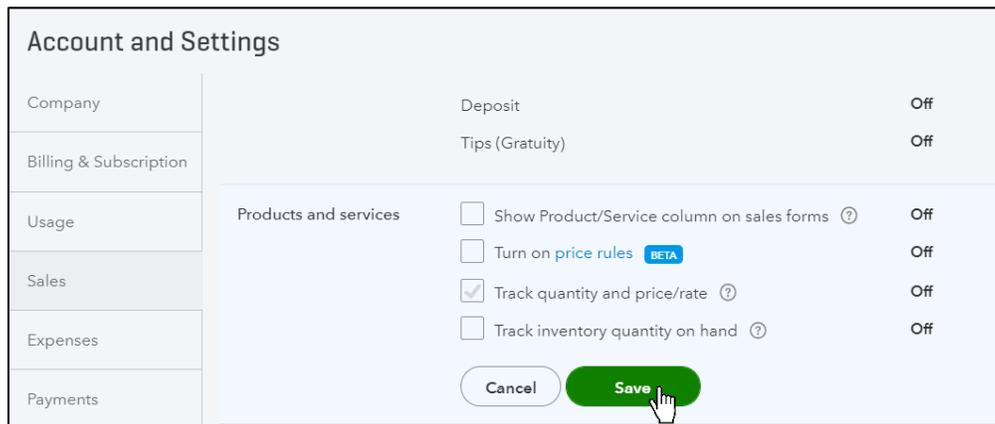
# Products and Services Settings

Products and Services are the things you charge customers for, whether that happens to be physical goods, services performed, or even pledges and donations. Reviewing your products and services settings can help customize QuickBooks to suit your needs.

## Turn Off Products and Services

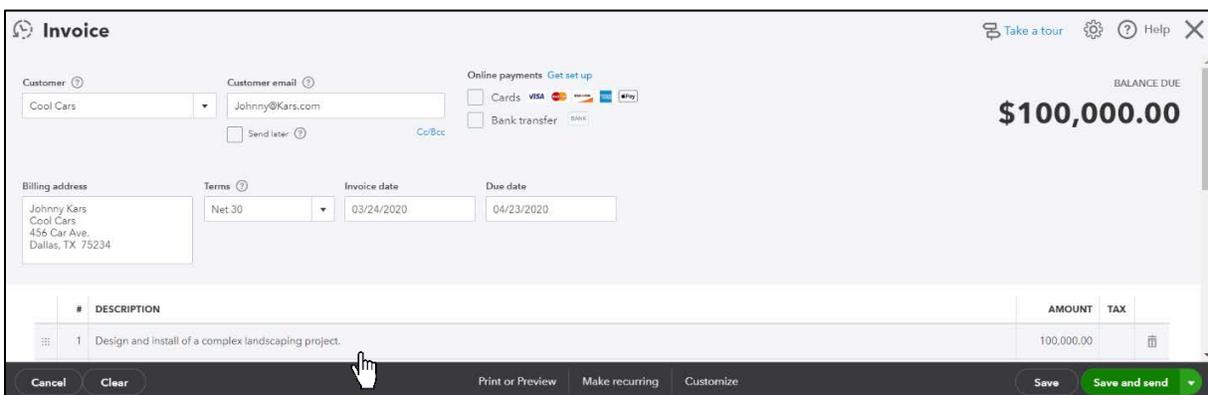
It's possible that your business doesn't need products or services because your company is small enough that there is no need to separate what you do into separate categories. If this is the case, you can turn products and services off in order to remove certain fields on your sales forms.

1. Click the **Gear** menu and select **Account and Settings**.
2. Click **Sales** on the list to the left.
3. Click in the **Products and Services** section.
4. Make the appropriate selections.
5. Click **Save**.



## Invoice WITHOUT Products and Services

If you turn off products and services, invoices will be categorized on your Profit and Loss Statement as Services income.

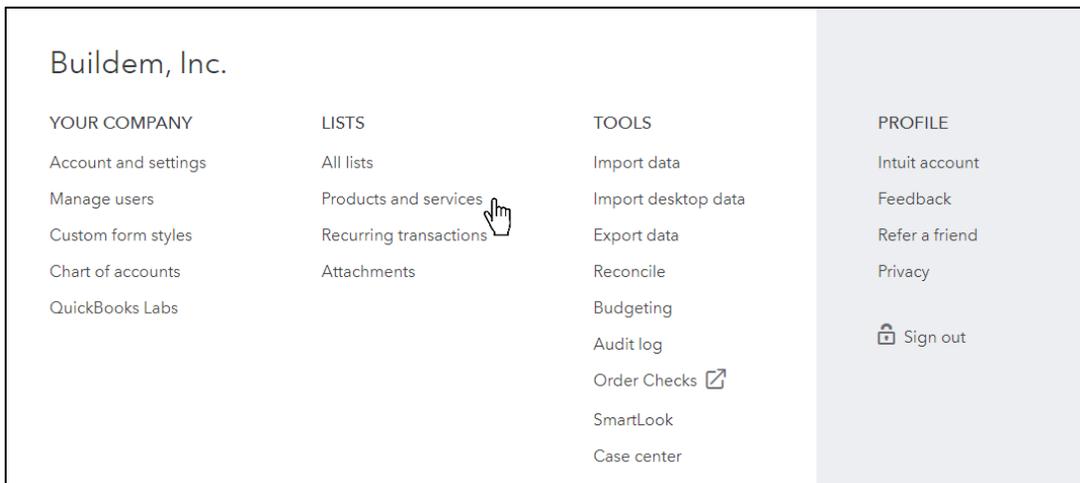


# Understanding Products and Services

Products and Services can make using QuickBooks easier and provide additional information to help you run your business. They perform the following functions:

1. Make it easier to fill out forms by providing default descriptions and sale prices.
2. Act as pointers to the financial statements. In other words, they handle the behind the scenes accounting for sales and purchases, routing the correct amounts to your income and expense accounts.
3. Can help you track the quantity of products you've sold, or hours of services you've charged customers for.

## Access the Products and Services List



## Products and Services List

The screenshot shows the 'Products and Services' list in QuickBooks Online. The list is displayed in a table format with the following columns: NAME, SKU, TYPE, SALES DESCRIPTION, SALES PRICE, COST, TAXABLE, and ACTION. The 'Products and Services' tab is highlighted with a mouse cursor.

NAME	SKU	TYPE	SALES DESCRIPTION	SALES PRICE	COST	TAXABLE	ACTION
Design		Service	Custom Design Ser...	75			Edit
Door Knob		Non-inventory	Deluxe Brass Door ...	49.95	35.95	<input checked="" type="checkbox"/>	Edit
Full Service		Bundle	Complete repairs a...				Edit
Garage Repair		Service	Garage Repair	0			Edit
Garage Service		Service	Garage Service	0			Edit
Gardening		Service	Weekly Gardening ...	25			Edit
Glass Door		Non-inventory	Deluxe, Customize...	395.99	199.95	<input checked="" type="checkbox"/>	Edit

## Products and Services on Invoice

**Invoice #47**

Customer: Cool Cars  
Customer email: Johnny@Kars.com  
Online payments: [Get set up](#)  
 Cards (VISA, MasterCard, American Express, Discover, PayPal)  
 Bank transfer (ACH)

BALANCE DUE  
**\$100,000.00**  
[Receive payment](#)

Send later [?](#) [ColBec](#)

Billing address: Johnny Kars, Cool Cars, 456 Car Ave, Dallas, TX 75234  
Terms: Net 30  
Invoice date: 03/24/2020  
Due date: 04/23/2020

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX
1	Design	Custom Design Services	1,000	75	75,000.00	
2	Gardening	Weekly Gardening Services	1,000	25	25,000.00	

Cancel Revert Print or Preview Make recurring Customize More Save **Save and close**

## Add Products and Services

1. Click the **Gear** menu and select **Products and Services**.
2. Click the **New** button.
3. Select the appropriate **Type**. Non-Inventory is usually something physical that you sell but you don't keep track of how many of them you have on hand. Services are services you charge customers for.
4. Enter remaining information in the **Product/Service Information** window.
5. Click **Save and close**.

# Elements of a Product or Service

**Product/Service information** Non-inventory [Change type](#)

**1.** Name\*  
Lawnmower

SKU ⓘ

Is sub-product/service  
Enter parent product/service

**2.** Description  
 I sell this product/service to my customers.  
Description on sales forms

**3.** Sales price/rate

**4.** Income account  
Sales

Let QuickBooks calculate your sales tax  
Sales tax category ⓘ  
Taxable - stan...

**5.** Purchasing information  
 I purchase this product/service from a vendor.

**Save and close**

1. The **Name** of the product or service.
2. Enter a **Description** of the product or service. This will appear in the description field on sales forms that include this item. \*
3. Enter a default **Sales Price**. \*
4. Choose the account which will track the **Income** of this items sales.
5. Select this box if you also purchase this product or service in addition to selling it. You'll see additional purchasing information if you select this. \*

\* These sections are optional. By entering details in this window you'll save time in the sales for creation process.

# Quantity and Rate

Tracking how much money you've made by product or service is great, but you might also want to know how many hours or units you sold to get to that amount of sales dollars.

## Turn on Quantity and Rate in Settings

1. Click the **Gear** menu and select **Account and Settings**.
2. Click **Sales** on the list to the left.
3. Click in the **Products and Services** section.
4. Click the box beside **Track Quantity** and **Price/Rate**.
5. Click **Save**.

The screenshot shows the 'Account and Settings' interface. On the left is a sidebar menu with categories: Company, Billing & Subscription, Usage, Sales, Expenses, Payments, and Advanced. The main content area is titled 'Products and services' and contains several toggle options: 'Show Product/Service column on sales forms' (checked), 'Show SKU column' (unchecked), 'Turn on price rules' (unchecked, with a 'BETA' tag), 'Track quantity and price/rate' (checked, with a mouse cursor over the checkbox), and 'Track inventory quantity on hand' (unchecked). Below these are 'Cancel' and 'Save' buttons. At the bottom, there is a 'Late fees' section with a 'Default charge applied to overdue invoices' (with a 'BETA' tag) set to 'Off', and a note: 'Appears as a line under Product/Service on the invoice, and applies to all customers. Learn more'.

## Results of Using Quantity and Price/Rate

The screenshot shows an 'Invoice #45' for 'Sun Valley Builders'. The invoice details include: Customer (Sun Valley Builders), Customer email (with a 'Send later' option), Billing address (Sun Valley Builders, 8903 Lansing, Philadelphia, PA 19103), Terms (Net 30), Invoice date (03/31/2023), Due date (04/30/2023), and Shipping date (04/01/2023). The total amount due is \$1,344.95. The invoice table is as follows:

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX
1	Double Install	Install double doors (oak)	1	1,295	1,295.00	
2	Door Knob	Deluxe Brass Door Knob	1	49.95	49.95	

At the bottom of the invoice, there are buttons for 'Cancel', 'Print or Preview', 'Make recurring', 'Customize', 'More', 'Save', and 'Save and send'.

# Reports

## Review the Sales by Product/Service Summary

1. Click **Reports** on the navigation bar.
2. Enter **Sales by Product/Service Summary** in the search field.
3. Select the **Sales by Product/Service Summary** report.

Buildem, Inc.				
SALES BY PRODUCT/SERVICE SUMMARY 				
January 1 - May 8, 2020				
	TOTAL			
	QUANTITY	AMOUNT	% OF SALES	AVG PRICE
Bag Of Nails	65.00	646.75	2.25 %	9.95
Bag of Washer	10.00	299.50	1.04 %	29.95
Bolts	30.00	598.50	2.08 %	19.95
Cedar Door	5.00	2,499.75	8.69 %	499.95
Design	33.00	2,475.00	8.60 %	75.00
Door Knob	0.00	0.00	0.00 %	
Double Install	3.00	2,402.00	8.35 %	800.6666667
Garage Install	6.00	2,375.94	8.26 %	395.99
Garage Repair	1.00	868.15	3.02 %	868.15
Glass Install	1.00	218.75	0.76 %	218.75
Knob Install	1.00	103.55	0.36 %	103.55
Lock	6.00	419.70	1.46 %	69.95

By turning on and using the Quantity and Price/Rate feature, you are also able to track that specific information now when running the Sales by Product/Service Summary and Detail reports.

## Review a Profit and Loss Statement

1. Click **Reports** on the navigation bar.
2. Select **Profit and Loss**.

Buildem, Inc.	
<b>PROFIT AND LOSS</b>	
January 1 - May 8, 2020	
	<b>TOTAL</b>
▼ Income	
4020 Service Income	64,029.13
4030 Freight Income	45.00
Construction Income	253,732.36
Design Income	2,475.00
Markup Income	3,718.20
Parts Sales	83,248.96
Sales Discount	-9,104.25
Sales of Product	1,000.00
<b>Total Income</b>	<b>\$399,144.40</b>

The income from your sales is reported on the Profit and Loss statement. QuickBooks increases the balance of the income account you assign to each product or service whenever you record a sale of that product or service.

# Chapter 6

# Money In-1

# Money In Part I

Without your customers you wouldn't have a company. QuickBooks helps you track your customers' information, their balances, and who has paid you. This chapter guides you through setting up customer information, sending and tracking invoices, and depositing their payments at the bank. You'll learn about great reports that help you with collections and help you track who's overdue. When your customer pays, QuickBooks helps you close your Invoice and record the deposit at your bank.

## Customers

The Customers list stores information about your customers and makes it easy to find out which customers owe you money, are overdue on payments, etc.

The screenshot shows the 'Customers' page in QuickBooks. At the top, there are navigation tabs for Overview, All Sales, Invoices, Customers, and Products and Services. The 'Customers' tab is active. Below the navigation, there are five summary boxes:
 

- \$0 (0 ESTIMATE)
- \$1,038 (11 UNBILLED ACTIVITY)
- \$24,480 (11 OVERDUE)
- \$337,657 (37 OPEN INVOICES)
- \$100,000 (2 PAID LAST 30 DAYS)

 A notification banner reads: 'Streamline invoicing so you can get paid sooner! Billable time is accurately tracked with TSheets and automatically added to QuickBooks, making invoices easier and faster. Try TSheets free'. Below the notification is a search bar and a table of customer information:
 

CUSTOMER	PHONE	OPEN BALANCE	ACTION
Aaron's Photography Studio Aaron's Photography Studio	(817) 460-5510	\$85.00	Receive payment

## Sales Transactions

You can also see sales transactions in the Sales/Invoicing tab.

The screenshot shows the 'Sales Transactions' page in QuickBooks. At the top, there are navigation tabs for Overview, All Sales, Invoices, Customers, and Products and Services. The 'All Sales' tab is active. Below the navigation, there are five summary boxes:
 

- \$0 (0 ESTIMATE)
- \$1,038 (5 UNBILLED ACTIVITY)
- \$24,480 (11 OVERDUE)
- \$337,657 (37 OPEN INVOICES)
- \$100,000 (2 PAID LAST 30 DAYS)

 A notification banner reads: 'Getting customers is hard. Check out these four tips to grow your customer base with ease. Learn more.' Below the notification is a filter set to 'Last 365 Days' and a table of sales transactions:
 

DATE	TYPE	NO.	CUSTOMER	DUE DATE	BALANCE	TOTAL	STATUS	ACTION
04/01/2023	Billable Exp...		Columbia M...	04/01/2023	\$0.00	\$14,999.00	Open	Create invoice
04/01/2023	Estimate	8	Treyar Inco...	04/01/2023	\$0.00	\$39,187.30	Closed	Print

# Add Customers

1. Click **Invoicing** or **Sales** on the navigation bar.
2. Click **Customers**.
3. Click **New** customer.
4. Enter the appropriate information in the **Customer Information** page.
5. Click **Save**.

## Customer Information

The screenshot shows the 'Customer information' form. The 'Company' field contains 'Amy's Bird Sanctuary'. The 'Email' field contains 'Amy@Birds.com'. The 'Title' field is empty, 'First name' is 'Amy', 'Middle name' is empty, 'Last name' is 'Sparrow', and 'Suffix' is empty. The 'Phone' field contains '214-656-5654'. The 'Display name as' dropdown is set to 'Amy's Bird Sanctuary'. The 'Print on check as' checkbox is checked, and the 'Use display name' checkbox is also checked. The 'Billing address' tab is selected, showing '654 Pelican Ave.', 'Dallas, TX 75240'. The 'Shipping address' tab is also selected, showing 'Amy's Bird Sanctuary', 'Amy Sparrow', and '654 Pelican Ave.'. The 'Is sub-customer' checkbox is unchecked. The 'Bill with parent' dropdown is set to 'Bill with parent'. The 'Save' button is highlighted in green.

## Set up a Sub-Customer

Many businesses have separate jobs with the same customer that they'd like to track separately for job costing. QuickBooks Online helps you do this with sub-customers. With sub-customers, you can see your income and expenses for each job, but still bill the customer for the work that's been done. This also helps track multiple addresses.

1. Create New Customer OR Edit an Existing Customer
2. Select the box next to **Is sub-customer**
3. Select the parent customer in the drop-down

## Billing Options

If you choose an account in the **Bill with Parent** drop-down, anytime this sub-customer is used on a sales form, the parent customer will be billed.

## Payment and Billing Information

The screenshot shows the 'Payment and billing' tab of the customer information form. The 'Preferred payment method' dropdown is set to 'Check'. The 'Preferred delivery method' dropdown is set to 'Print later'. The 'Terms' dropdown is set to 'Net 30'. The 'Opening balance' field is empty, and the 'as of' date is '03/27/2020'.

# Methods to Record Sales

There are 4 ways to record sales in QuickBooks.

1. **Invoice** - Use this method if a customer owes you money and will pay you later.
2. **Sales Receipt** - Use this method if your customer pays you at the time of the sale.
3. **Deposit** - Use this method to record income on a deposit, when none of the previous methods are used.
4. **Import from Other Program**- Use this method if you use an integrated app to capture sales.

## Method 1- Invoice

Use this workflow if the customer pays you later. As you enter invoices, Accounts Receivable increases, and the customer is given a due date to pay their balance.

### Steps for Method 1

1. Create Invoice
2. Receive Payment
3. Make Deposit

### Step 1. Enter Invoice

1. Click the **New (+)** button.
2. Select **Invoice**.
3. Click the customer drop-down arrow and select the appropriate customer.
4. Click the **Product/Service** drop-down arrow to add the appropriate products and/or services.
5. Click the **Save and send** drop-down arrow and select the appropriate option.

**Invoice** Take a tour Help X

Customer: Cool Cars  Send later CorBoc Online payments: Get set up

Cards  Bank transfer

BALANCE DUE: **\$100,000.00**

Billing address: Johnny Kars, Cool Cars, 456 Car Ave., Dallas, TX 75234

Terms: Net 30 Invoice date: 05/08/2020 Due date: 06/07/2020

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX
1	Design	Custom Design Services	1,000	75	75,000.00	
2	Gardening	Weekly Gardening Services	1,000	25	25,000.00	
3						

Subtotal: \$100,000.00

# What is Accounts Receivable?

When you enter an invoice for a customer, QuickBooks tracks the open balance in the Accounts Receivable account. The balance in this account is the total of all open invoices you have for your customers. When you apply payment against an invoice, the balance goes down.

Buildem, Inc.	
BALANCE SHEET	
As of April 25, 2020	
	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1120 Savings	5,000.00
Checking	-14,179.13
<b>Total Bank Accounts</b>	<b>\$ -9,179.13</b>
Accounts Receivable	
Accounts Receivable	31,517.25
<b>Total Accounts Receivable</b>	<b>\$31,517.25</b>
Other Current Assets	
Inventory	174,835.72
Raw Materials Inventory	750.00
Undeposited Funds	0.00
<b>Total Other Current Assets</b>	<b>\$175,585.72</b>
<b>Total Current Assets</b>	<b>\$197,923.84</b>

## Accounts Receivable Reports

### Review Open Customer Invoices

1. Click **Invoicing** or **Sales** on the navigation bar.
2. Select Customers.
3. Click the **Unpaid** filter at the top of the window.

Overview **Invoices** Customers All Sales Products and Services

\$337,731.68 Unpaid Last 365 days      \$0.00 Paid Last 30 days

**\$24,479.95** Overdue      **\$313,251.73** Not due yet      **\$0.00** Not deposited      **\$0.00** Deposited

Batch actions ▾      New invoice ▾

INVOICE	CUSTOMER	DATE	DUE DATE	BALANCE	TOTAL	STATUS	ACTIONS
<input type="checkbox"/> 46	Bill's Windsurf Shop	01/01/2020	01/11/2020	\$150.00	\$150.00	Overdue 90+ days (Not sent) ▾	Receive payment ▾
<input type="checkbox"/> 46	Weiskopf Consulting	01/01/2020	01/01/2020	\$375.00	\$375.00	Overdue 90+ days (Not sent) ▾	Receive payment ▾
<input type="checkbox"/> 45	Dittrich Motors	01/01/2020	01/01/2020	\$100.00	\$100.00	Overdue 90+ days (Not sent) ▾	Receive payment ▾
<input type="checkbox"/> 46	Ruvaldt Pickling Co.	01/01/2020	01/01/2020	\$400.00	\$400.00	Overdue 90+ days (Not sent) ▾	Receive payment ▾

# Review Accounts Receivable Aging Summary

1. Click **Reports** on the navigation bar.
2. Select **Accounts Receivable Aging Summary** under Who owes you.

Collapse Sort Add notes ✉️ 🖨️ ↻ ⚙️

Buildem, Inc.  
**A/R AGING SUMMARY**  
As of May 12, 2020

	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	TOTAL
Aaron's Photography Studio					85.00	\$85.00
Amy's Bird Sanctuary	75.00				750.00	\$825.00
Bill's Windsurf Shop					150.00	\$150.00
Cassie's Dog Grooming					1,125.00	\$1,125.00
▼ Columbia Management						\$0.00
Seattle School				2,621.25		\$2,621.25
<b>Total Columbia Management</b>				<b>2,621.25</b>		<b>\$2,621.25</b>
Cool Cars	100,000.00					\$100,000.00
▼ Crandall Contractors						\$0.00
Cheyenne 1				1,979.95		\$1,979.95
<b>Total Crandall Contractors</b>				<b>1,979.95</b>		<b>\$1,979.95</b>
Dittrich Motors					100.00	\$100.00
▼ Fort Worth Homes						\$0.00
Convention Center			3,084.59			\$3,084.59
<b>Total Fort Worth Homes</b>			<b>3,084.59</b>			<b>\$3,084.59</b>
Home & Hardware Stop			867.23	539.63	906.32	\$2,313.18
John Melton		1,082.50				\$1,082.50

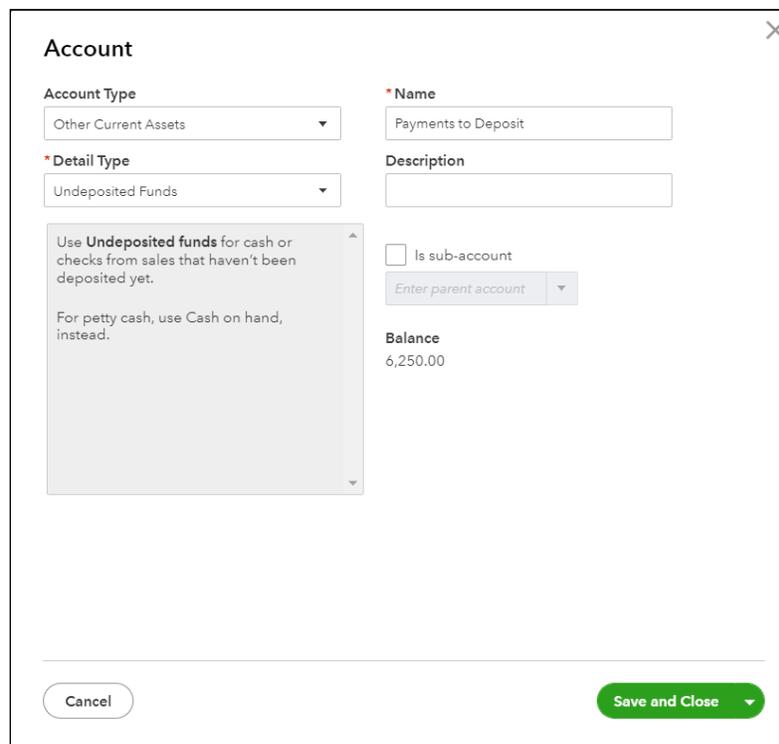
## What Is Undeposited Funds?

If you use Undeposited Funds, you can combine multiple customer payments into a single deposit so that your records in QuickBooks match your bank's records exactly. This is the general workflow for sales where a customer is given time between receiving a product or service and paying.

### Rename Undeposited Funds (Optional)

QuickBooks uses an account called Undeposited Funds to hold money received that is waiting to be deposited. Renaming this account can help you understand where the money really is. For example, if you keep customer checks and cash payments in a blue vinyl bank bag, you could rename your Undeposited Funds account to 'Blue Vinyl Bank Bag'. If you have multiple places where you keep customer payments before they are deposited, you can use a generic term like 'Payments to be Deposited'.

1. Click **Accounting** on the left navigation bar and select **Chart of Accounts**.
2. Next to **Undeposited Funds** (Other Current Asset) click the drop-down arrow in the **Action** column and select **Edit**.
3. Enter an appropriate account **Name**.
4. Click **Save and Close**.



The screenshot shows the 'Account' edit dialog box in QuickBooks. The dialog has a title bar with a close button (X) in the top right corner. The main content area is divided into several sections:

- Account Type:** A dropdown menu currently set to 'Other Current Assets'.
- \* Name:** A text input field containing 'Payments to Deposit'.
- \* Detail Type:** A dropdown menu currently set to 'Undeposited Funds'.
- Description:** An empty text input field.
- Is sub-account:** A checkbox that is currently unchecked.
- Enter parent account:** A dropdown menu with a downward arrow, currently showing a greyed-out state.
- Balance:** A label 'Balance' followed by the value '6,250.00'.
- Help text:** A scrollable text area containing the following text: 'Use **Undeposited funds** for cash or checks from sales that haven't been deposited yet. For petty cash, use Cash on hand, instead.'

At the bottom of the dialog, there are two buttons: a 'Cancel' button on the left and a green 'Save and Close' button on the right with a small downward arrow.

## Step 2. Receive Payment Toward an Invoice

1. Click the **New (+)** button
2. Select **Receive Payment**.
3. Click the customer drop-down arrow and select the appropriate customer.
4. Enter the appropriate information in the remaining fields.
5. Select the appropriate Outstanding Transaction(s).
6. Enter a **Memo**. (Optional)
7. Click the **Save and new** drop-down arrow and select the appropriate option.

**Receive Payment**

Customer: Cool Cars | Find by invoice no. | Get paid 2 times faster Accept payments online | Credit card VISA

AMOUNT RECEIVED: **\$100,000.00**

Payment date: 03/31/2020

Payment method: Choose payment method | Reference no. | Deposit to: Undeposited Funds | Amount received: 100,000.00

**Outstanding Transactions**

DESCRIPTION	DUE DATE	ORIGINAL AMOUNT	OPEN BALANCE	PAYMENT
<input checked="" type="checkbox"/> Invoice # 47 (03/24/2020)	03/24/2020	100,000.00	100,000.00	100,000.00

Amount to Apply: \$100,000.00  
Amount to Credit: \$0.00

Buttons: Cancel, Print, Save and new

## Step 3. Make Deposit

1. Click the **New (+)** button
2. Select **Bank Deposit**.
3. Click the **Account** drop-down arrow and select the account to deposit to.
4. Select the payments to deposit.
5. Enter a **Memo**. (Optional)
6. Click the **Save** drop-down arrow and select the appropriate option.

**Bank Deposit**

Account: Chase Checking | Balance \$1,023,488.56 | Date: 03/31/2020

AMOUNT: **\$100,003.87**

Select the payments included in this deposit

RECEIVED FROM	DATE	TYPE	PAYMENT METHOD	MEMO	REF NO.	AMOUNT
<input checked="" type="checkbox"/> Cool Cars	03/31/2020	Payment	Enter Text			100,000.00

Total: 100000.00  
Selected Payments Total: 100000.00

Don't see the payments you want to deposit?

▼ Add funds to this deposit

#	RECEIVED FROM	ACCOUNT	DESCRIPTION	PAYMENT METHOD	REF NO.	AMOUNT
1	Dallas Bell	Utilities	Rate Adjustment	Check	98902918	3.87
2						

Other funds total: \$3.87

Buttons: Cancel, Clear, Print, Make recurring, Save and new

# Chapter 7

# Money In- II

## Method 2-Sales Receipts

Enter sales receipts when your customer pays you in full at the time of the sale. Sales receipts record income and they also record where the money goes. Whenever you're receiving money it can go into Undeposited Funds, just like with invoices and receiving payments, or they can go directly into a bank account. The second step in this process is a bank deposit.

### Steps for Method 2

1. Create **Sales Receipt**
2. **Make Deposit** as you learned in Chapter 6

#### Step 1. Create Sales Receipt

1. Click the **New (+)** button.
2. Select **Sales Receipt**.
3. Enter the appropriate information on the **Sales Receipt** form.  
This would be the time to consider using Undeposited Funds based on the location of the funds when you receive them as well as the method in which you'll be depositing this money into the bank.
4. Click **Save and close**.
5. Follow the steps from Method 1 to record the deposit.

The screenshot shows the 'Sales Receipt' form in QuickBooks Online. The form is titled 'Sales Receipt' and has a 'Help' icon in the top right corner. The 'Customer' field is set to 'John Melton' and the 'Email' field is 'Melton@John.com'. There is a 'Send later' checkbox and a 'CoRec' link. The 'Billing address' field contains 'John Melton, 2348 Melt On Rd., Dallas, TX 75248'. The 'Sales Receipt date' is '03/31/2020'. The 'Payment method' is 'Choose payment method' and the 'Deposit to' field is 'Undeposited Funds'. There is a link 'Accept payments in QuickBooks'. The table below has columns: #, PRODUCT/SERVICE, DESCRIPTION, QTY, RATE, AMOUNT, TAX. The first row is: 1, Rocks, Garden rocks., 10, 100, 1,000.00, and a trash icon. The second row is: 2, and a trash icon. At the bottom right, there is a 'Save and send' button with a dropdown arrow, which is highlighted by a mouse cursor. Other buttons at the bottom include 'Cancel', 'Clear', 'Print or Preview', 'Make recurring', and 'Customize'.

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX
1	Rocks	Garden rocks.	10	100	1,000.00	
2						

The screenshot shows the 'Bank Deposit' form in QuickBooks Online. The form is titled 'Bank Deposit' and has a 'Help' icon in the top right corner. The 'Account' field is 'Chase Checking' and the 'Date' is '03/31/2020'. The 'Balance' is '\$1,022,488.56'. The 'AMOUNT' field is '\$1,000.00'. The form asks to 'Select the payments included in this deposit'. The table below has columns: RECEIVED FROM, DATE, TYPE, PAYMENT METHOD, MEMO, REF NO., AMOUNT. The first row is: Cool Cars, 03/31/2020, Payment, Check, and 100,000.00. The second row is: John Melton, 03/31/2020, Sales Receipt, Check, and 1,000.00. There are 'Select all' and 'Clear all' buttons. At the bottom right, there is a 'Save and new' button with a dropdown arrow. Other buttons at the bottom include 'Cancel', 'Clear', and 'Print'.

RECEIVED FROM	DATE	TYPE	PAYMENT METHOD	MEMO	REF NO.	AMOUNT
Cool Cars	03/31/2020	Payment	Check			100,000.00
John Melton	03/31/2020	Sales Receipt	Check			1,000.00

# Record Deposit

## Method 3-Make Deposits

Use this method to record income on a deposit when none of the other methods are used. Please note that although money deposited using this method shows on your financial statements, it will not show on sales reports. If you need the money being deposited to show on sales reports, use one of the previous methods.

### Step 1. Make Deposit

1. Click the **New (+)** button.
2. Select Bank Deposit.
3. Select the appropriate **Deposit to** account at the top.
4. Enter appropriate information in the **Add New Deposits** section of the form.
5. Click Save and close.

**Bank Deposit** Help X

#	RECEIVED FROM	ACCOUNT	DESCRIPTION	PAYMENT METHOD	REF NO.	AMOUNT	
1	Donor	Donations	Quarterly donation	Check	8932	1,000,000.00	
2							

Other funds total **\$1,000,000.00**

Track returns for customers

Memo

Cash back goes to  Cash back memo  Cash back amount

**Total \$1,000,000.00**

Maximum size: 20MB

[Show existing](#)

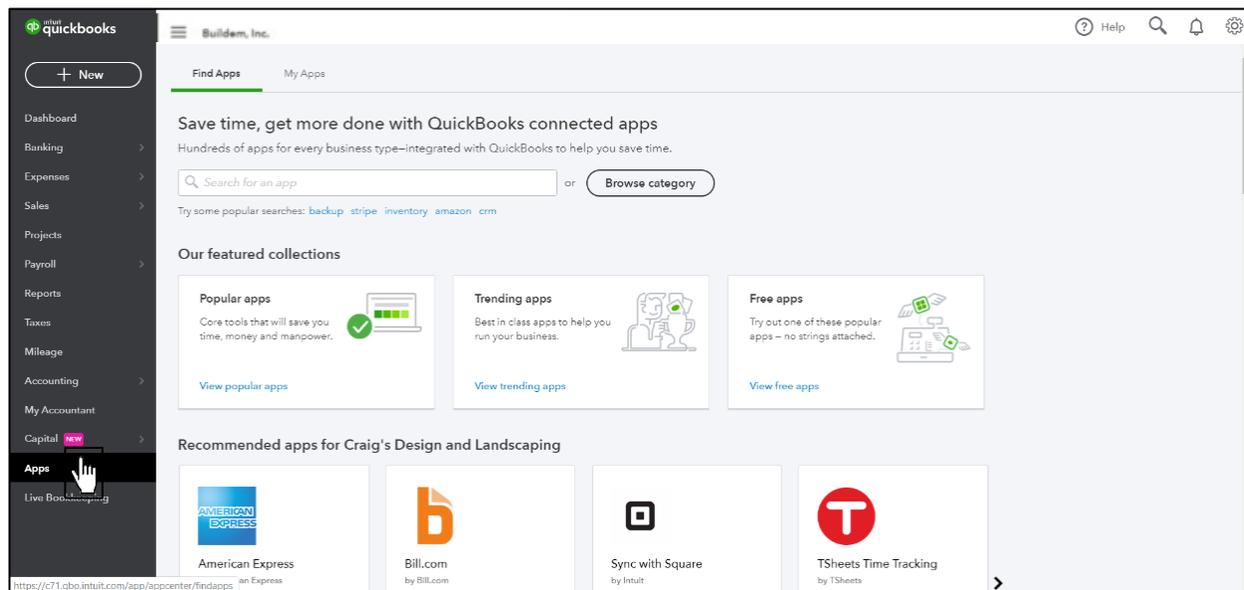
Privacy

## Method 4- Import from Other Program

With Method 4, another program or app designed for your industry determines how sales are imported into QuickBooks. You can browse apps at [apps.intuit.com](https://apps.intuit.com).

### Learn About Integrated Apps

1. Click **Apps** on the navigation bar.
2. Select an app from the list to review.
3. Click **Try It Free** (if available) to start a free trial.



# Refund Receipt

Use this form when you need to give your customer a refund instead of keeping a credit to use later.

## Enter Refund Receipt

1. Click the **New (+)** button.
2. Select **Refund Receipt**.
3. Enter the appropriate information in the **Refund Receipt** window.
4. Click **Save and close**.

**Refund Receipt #50** Help X

Customer: Auldrige Windows | Email: auldrigewindows@gmail.com Cc/Bcc

**AMOUNT**  
**\$75.00**

Billing address: Ms. Mary W Auldrige, Auldrige Windows, 123 West Brooklyn Bridge, New York, NY 10022  
Refund Receipt date: 03/24/2020

Payment method: Check | Refund From: Chase Checking | Balance: \$2,023,488.56 | Check no.: 23  
 Print later

Refund payments in QuickBooks

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX
1	Design	Custom Design Services	1	75	75.00	
2						

Add lines | Clear all lines

Subtotal: \$75.00

Cancel | Order checks | Print or Preview | Make recurring | More | **Save and new**

# Credit Memos

Use this form to issue a customer credit for a previously recorded sale. You should create credit memos if you use sales methods 1 or 2.

## Enter Credit Memo

1. Click the **New (+)** menu.
2. Select **Credit Memo**.
3. Enter appropriate information in the **Credit Memo** window.
4. Click **Save and close**.

The screenshot shows the 'Credit Memo' form in QuickBooks. The customer is 'Weiskopf Consulting' with email 'Howard@Weiskopf.com'. The billing address is 'Howard Weiskopf, Weiskopf Consulting, 589 Consultation Ave., Dallas, TX 75234'. The credit memo date is '03/31/2020'. The table below shows one line item: 'Design' (Custom Design Services) with a quantity of 3, a rate of 75, and an amount of 225.00. The subtotal is \$225.00, and the total credit is \$225.00. A green 'Save and send' button is highlighted with a mouse cursor.

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX
1	Design	Custom Design Services	3	75	225.00	
2						

Subtotal: \$225.00  
Taxable subtotal: \$0.00  
Total: \$225.00  
Total Credit: \$225.00

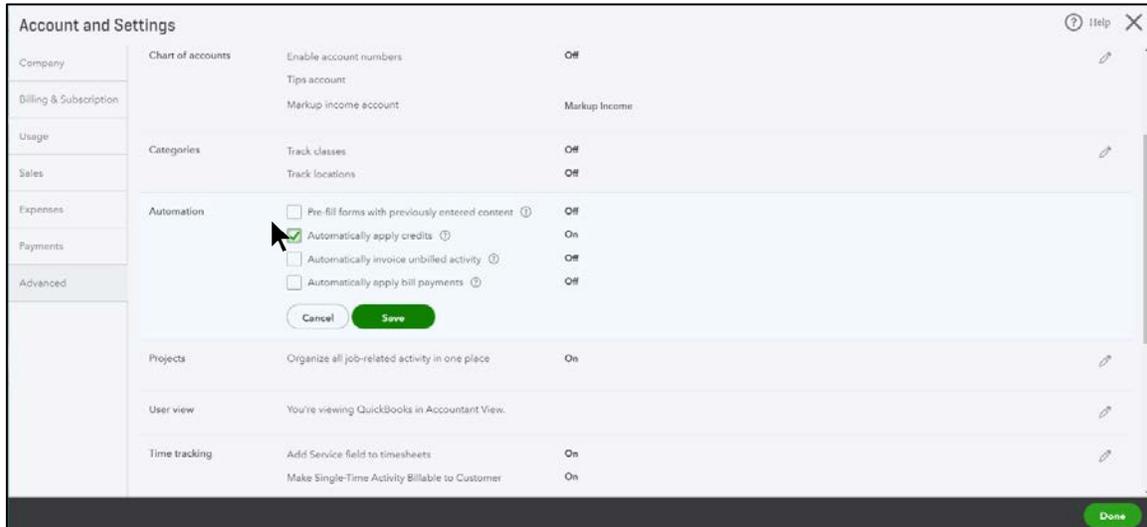
## Credit Memo Applied to Invoice

The screenshot shows the 'Customers' page in QuickBooks. The transaction list is displayed with columns for DATE, TYPE, NO., DUE DATE, BALANCE, TOTAL, STATUS, and ACTION. A hand cursor is pointing to the 'Credit Memo' entry on 03/31/2020.

DATE	TYPE	NO.	DUE DATE	BALANCE	TOTAL	STATUS	ACTION
03/31/2020	Credit Memo	54	03/31/2020	\$0.00	\$-225.00	Closed	Print
03/24/2020	Payment		03/24/2020	\$0.00	\$0.00	Closed	
01/01/2020	Invoice	46	01/01/2020	\$150.00	\$375.00	Overdue	Receive payment
Total				\$150.00	\$150.00		

## Review Advanced Automation Setting-Automatically Apply Credits

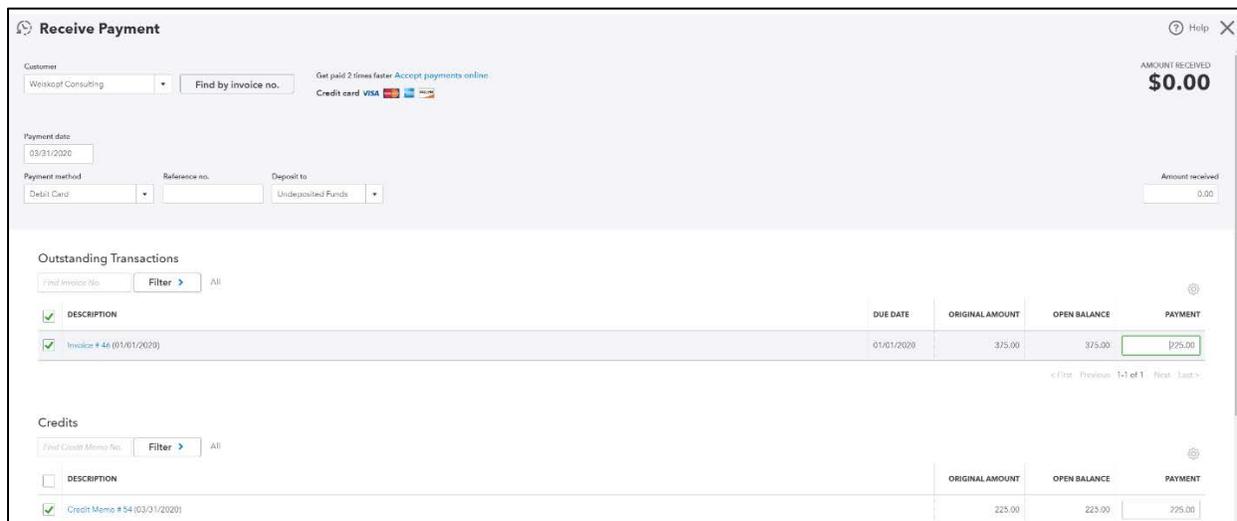
1. Click the **Gear** menu and select **Account and Settings**.
2. Click **Advanced** in the list to the left.
3. Click in the **Automation** section.
4. Check the box next to Automatically apply credits.
5. Click **Save**.



## Apply the Credit Memo

If you want to select the invoices that the credit memo is applied to, as opposed to the automation option shown earlier, you may do so by creating a payment that links the Credit Memo to the Invoice.

1. Click the **New (+)** menu.
2. Select **Credit Memo**.
3. Enter appropriate information in the **Credit Memo** window.
4. Click **Save and Close**.
5. In the customer center, select the **Received Payment** option.
6. In the **Amount Received** field, enter \$0.00 if you're only applying the credit to the account, not taking any additional payment from this customer.
7. Select **Save and Close**.

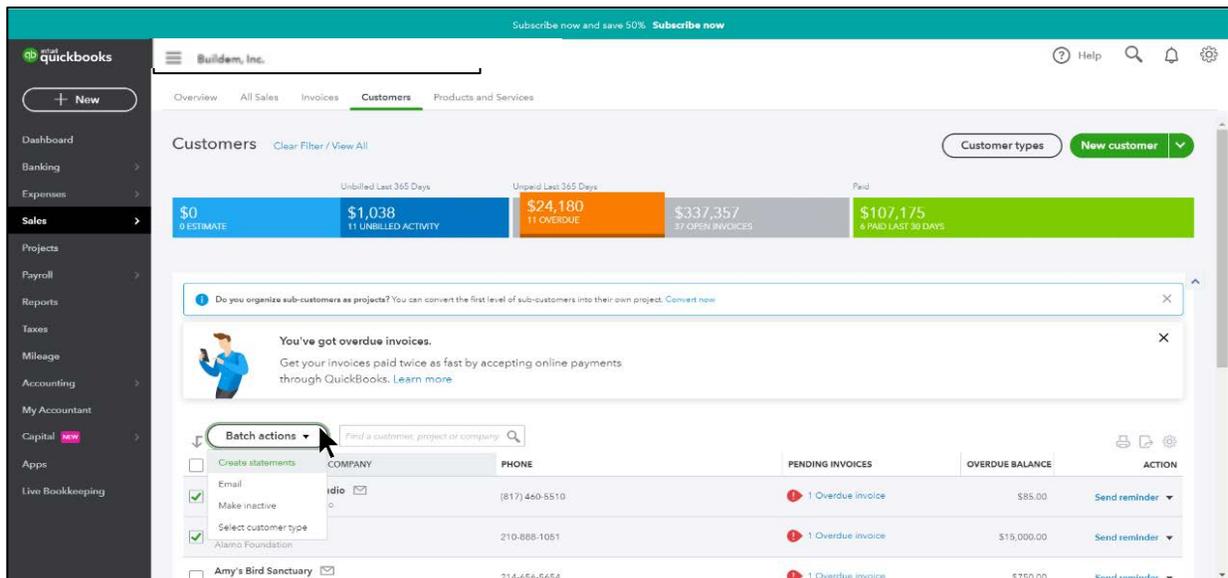


# Customer Statements

Use statements to remind customers of unpaid balances on their account or send them a list of transactions that you've had with them.

## Prepare Customer Statements

1. Click **Invoicing** or **Sales** on the navigation bar.
2. Select **Customers**.
3. Select the checkboxes for the customers you want to send statements to.
4. Click the **Batch actions** button and select **Create statements**.
5. Make the appropriate selections in the **Statement Settings** window.
6. Click **Print** or **Preview** to print the statements, or **Save and send** to send the statements to your customers.



## Statement Settings-Balance Forward

The customer is sent is a statement that tells them the amount of money that they owed one day before the Start Date. Then it also lists each individual transaction that affected their accounts receivable balance between the start and the end date you entered when setting up the statement.

The 'Create Statements' dialog box shows the following settings:

- Statement Type: Balance Forward
- Statement Date: 03/24/2020
- Customer Balance Status: Open
- Start Date: 04/04/2020
- End Date: 05/04/2020

An 'Apply' button is located at the bottom of the dialog.

## Customer Statement-Balance Forward

**Buldem, Inc.**  
 13520 Mount Castle Dr.  
 Farmers Branch, TX 75234 US  
 qboshooting30+04142020@gmail.com

**Statement**

**TO**  
 Howard Weiskopf  
 Weiskopf Consulting  
 589 Consultation Ave.  
 Dallas, TX 75234

**STATEMENT NO.** 1001  
**DATE** 03/24/2020  
**TOTAL DUE** \$75.00  
**ENCLOSED**

DATE	DESCRIPTION	AMOUNT	BALANCE
02/23/2020	Balance Forward		375.00
03/24/2020	Credit Memo #51	-225.00	150.00
03/24/2020	Credit Memo #52	-75.00	75.00

## Statement Settings-Open Item

Looking at their statement, a customer might wonder where the "Balance Forward" came from since it isn't detailed on the statement. In those situations, an Open Item statement can be sent as well, or instead. Open Item statements show each "open" transaction linked to Accounts Receivable, such as unpaid invoices or unapplied credits and payments.

**Create Statements**

Statement Type  
 Open Item (Last 365 days) ▼

Statement Date  
 04/24/2020

Customer Balance Status  
 Open ▼  
 Open  
 Overdue

## Customer Statement-Open Item

**Buldem, Inc.**  
 13520 Mount Castle Dr.  
 Farmers Branch, TX 75234 US  
 qboshooting30+04142020@gmail.com

**Statement**

**TO**  
 Amy Sparrow  
 Amy's Bird Sanctuary  
 654 Pelican Ave.  
 Dallas, TX 75240

**STATEMENT NO.** 1039  
**DATE** 05/04/2020  
**TOTAL DUE** \$825.00  
**ENCLOSED**

DATE	DESCRIPTION	AMOUNT	OPEN AMOUNT
01/03/2020	Invoice #100: Due 01/03/2020.	750.00	750.00
04/30/2020	Invoice #47: Due 05/30/2020.	75.00	75.00

## Statement Settings-Transaction Statement

If you want to tell the customer how much they've spent or donated over a period of time, run the Transaction Statement.

### Create Statements

**Statement Type**  
Transaction Statement

**Statement Date**  
05/04/2020

**Start Date**      **End Date**  
01/01/2020      05/01/2020

Apply

## Customer Statement-Transaction Statement

**Buildem, Inc.**  
13520 Mount Castle Dr.  
Farmers Branch, TX 75234 US  
qboshooting30+04142020@gmail.com

### Statement

**TO**  
Myers & Associates  
Myers & Associates  
9099 Metric Lane  
Garland, TX 75939

**STATEMENT NO.** 1046  
**DATE** 05/04/2020

DATE	DESCRIPTION	AMOUNT	RECEIVED
03/27/2020	Invoice #13	24.95	24.95
		<b>TOTAL AMOUNT</b>	<b>TOTAL RECEIVED</b>
		\$24.95	\$24.95

## Review the Sales by Customer Summary

1. Click **Reports** on the navigation bar.
2. Click the **Sales by Customer Summary** under Sales and Customers.

Collapse Sort Add notes

Buildem, Inc.

**SALES BY CUSTOMER SUMMARY**  
January - March, 2020

	TOTAL
Aaron's Photography Studio	953.15
Amy's Bird Sanctuary	750.00
Bill's Windsurf Shop	150.00
Cassie's Dog Grooming	1,125.00
▼ Columbia Management	
Seattle School	2,621.25
<b>Total Columbia Management</b>	<b>2,621.25</b>

# Chapter 8

# Customizing QuickBooks

# Customizing QuickBooks

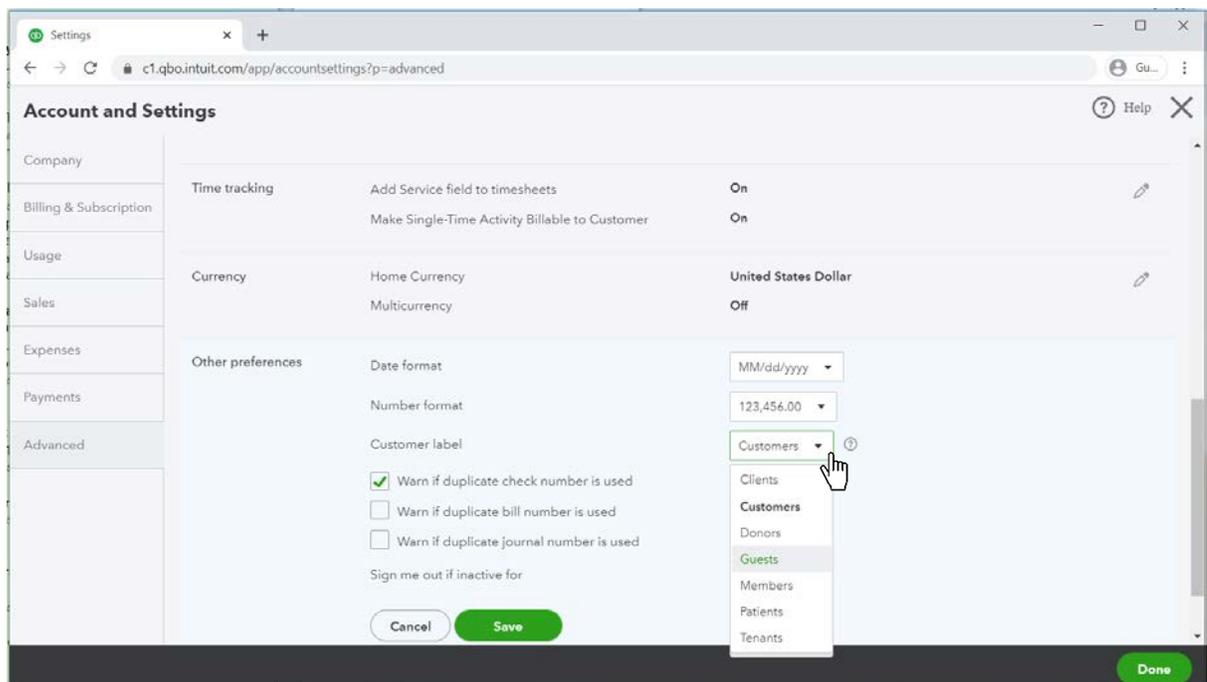
There are a lot of ways to change how QuickBooks works for you, and in this chapter you'll learn customization options for sales and customers.

## Customer Label

The Customer label is how you refer to your customers. When you select a customer label, QuickBooks changes all instances of the word Customer to the label you select.

### Customize Customer Label

1. Click the **Gear** menu and select **Account and Settings**.
2. Click **Advanced** in the list to the left.
3. Click in the **Other preferences** section.
4. Click the **Customer label** drop-down arrow and select the appropriate label.
5. Click **Save**.

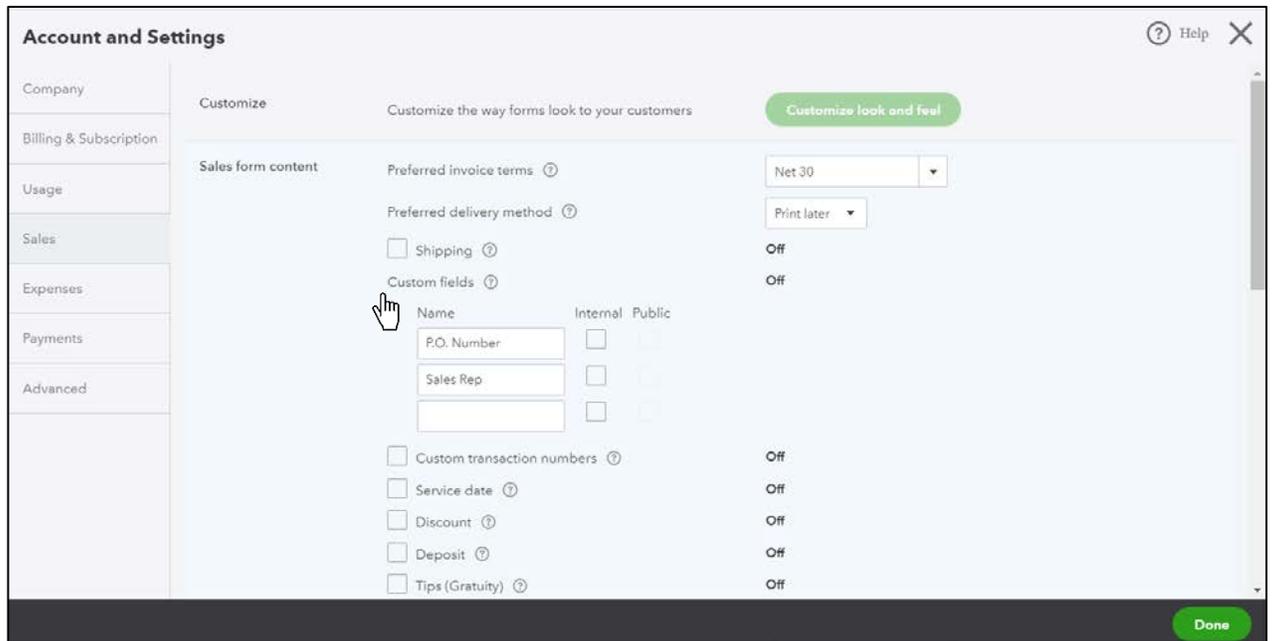


## Custom Fields

Use Custom Fields to add data to sales forms that is not included in QuickBooks. You can also run reports that include your custom fields.

### Add Custom Field

1. Click the **Gear** menu and select **Company and Settings**.
2. Click **Sales** on the list to the left.
3. Click in the **Sales Form Content** section.
4. Enter the **Name** for the custom field.
5. Select the appropriate checkboxes next to **Internal** or **Public**.
6. Click **Save**.



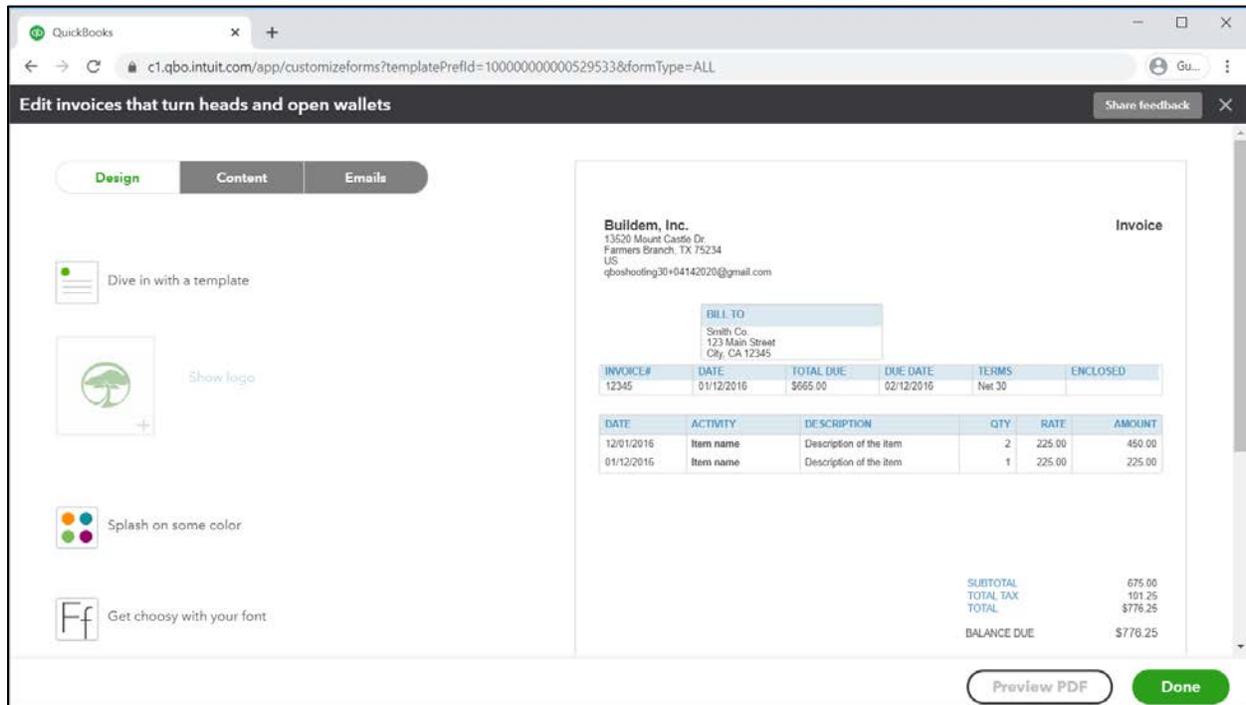
## Customize Forms

QuickBooks provides some customization options for your sales forms. As you make changes to what appears on your form and how it appears, QuickBooks provides a preview of the form appearance. If you edit the Standard style your changes apply to invoices, credit memos and sales receipts. But you can also create new styles that only apply to a specific transaction type.

### Customize Invoice Form

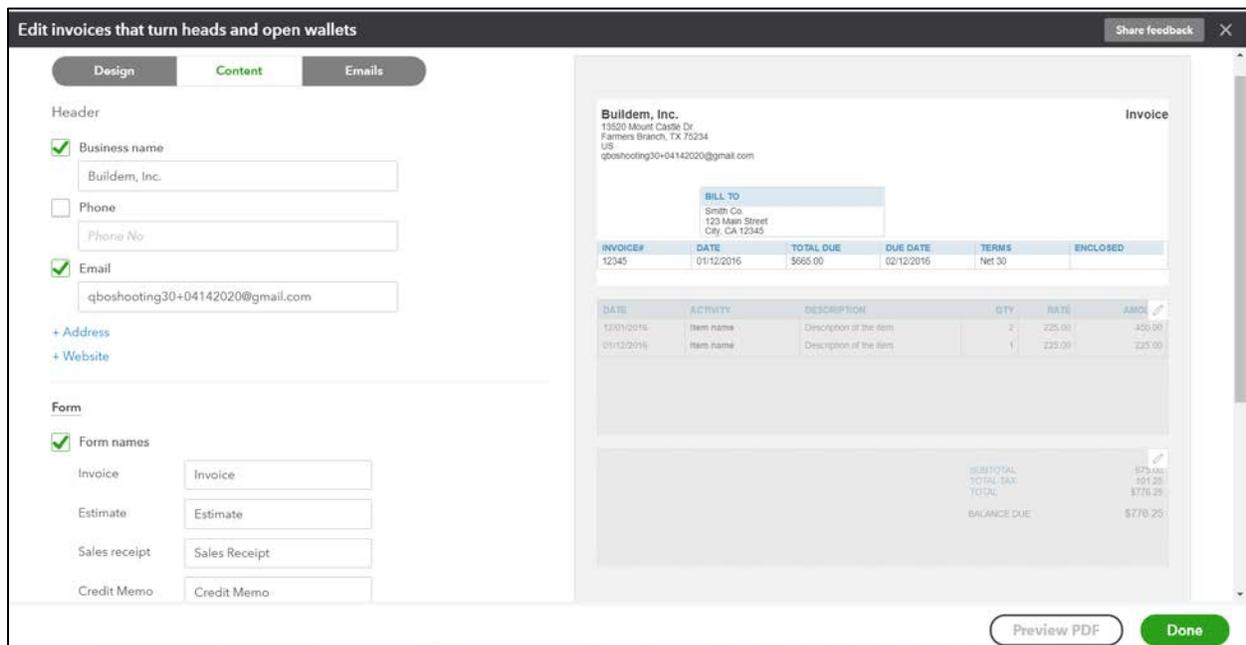
1. Click the **Gear** menu and select **Custom Form Styles**.
2. Click the **New Style** button.
3. Select the form type to customize.
4. Make appropriate selections on the **Design** tab.
5. Make appropriate selections in the **Content**, **Emails**, and **Payments** tabs.

# Customize Look and Feel



Sales form content is divided up into three parts: The Header, Table and Footer. The Header is at the top of the form. While the Table, or body is where the customer sees what products and services they are being charged and the Footer is at the bottom of the form.

## Customize Form Content- Header



# Customize Form Content- Body

Edit invoices that turn heads and open wallets Share feedback

Design **Content** Emails

Table

Account summary

Show on invoice

Activity table

COLUMNS EDIT LABELS AND WIDTHS

- Date
- Product/Service
  - Include description here
  - Category
- Description
  - Include Quantity and Rate
- Quantity
- Rate
- Amount

**Bulldem, Inc.** Inv

13520 Mount Castle Dr  
Farmers Branch, TX 75234  
US  
gpostrouteg30-04142020@gmail.com

**BILL TO**

South Co  
123 Main Street  
City, CA 12345

INVOICE#	DATE	TOTAL DUE	DUE DATE	TERMS	ENCLOSURE
12345	01/12/2016	\$445.00	02/12/2016	Net 30	

DATE	ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
12/01/2016	Item name	Description of the item	2	225.00	450.00
01/12/2016	Item name	Description of the item	1	225.00	225.00

SUBTOTAL 875.00  
 TOTAL TAX 101.25  
 TOTAL \$776.25  
 BALANCE DUE \$776.25

Preview PDF Done

# Customize Form Content- Footer

Edit invoices that turn heads and open wallets Share feedback

Design **Content** Emails

Footer

Display

- Discount
- Deposit
- Estimate summary (email and web only)

Message to customer on

Invoices and other sales forms

We appreciate your business and look forward to helping you again soon. 8pt

Add footer text

Enter any other text you'd like in the footer. 8pt

Centered

**Bulldem, Inc.** Inv

13520 Mount Castle Dr  
Farmers Branch, TX 75234  
US  
gpostrouteg30-04142020@gmail.com

**BILL TO**

South Co  
123 Main Street  
City, CA 12345

INVOICE#	DATE	TOTAL DUE	DUE DATE	TERMS	ENCLOSURE
12345	01/12/2016	\$445.00	02/12/2016	Net 30	

DATE	ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
12/01/2016	Item name	Description of the item	2	225.00	450.00
01/12/2016	Item name	Description of the item	1	225.00	225.00

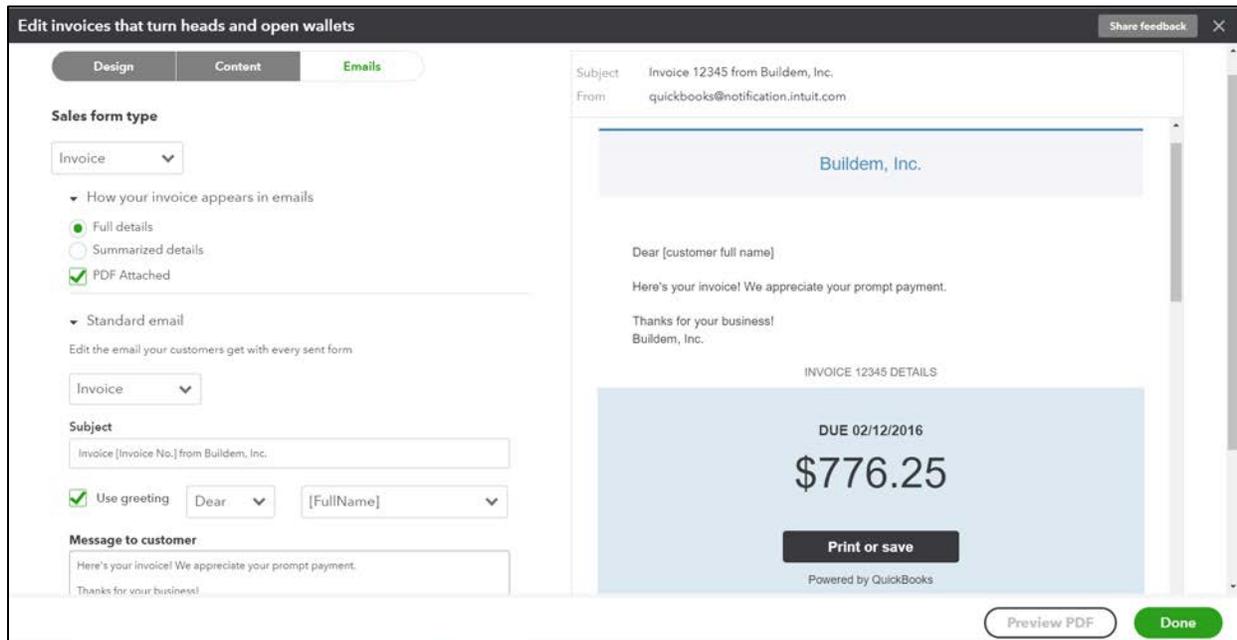
SUBTOTAL 875.00  
 TOTAL TAX 101.25  
 TOTAL \$776.25  
 BALANCE DUE \$776.25

Preview PDF Done

# Customize Email Template

QuickBooks has a standard email template for your sales forms. But you can customize this for all of your sales forms, or for individual forms.

## Customize Form Messaging

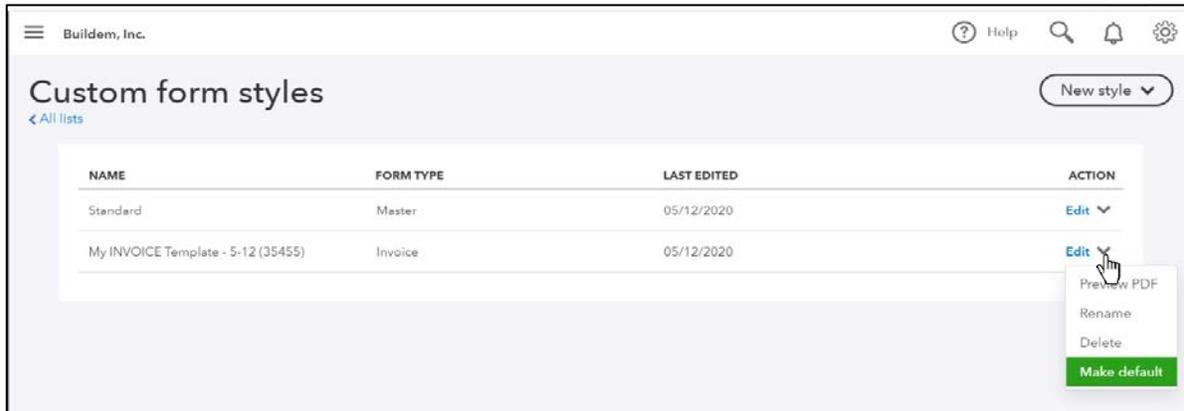


1. Click the **Gear** menu and select **Company and Settings**.
2. Click **Sales** on the list to the left.
3. Click in the **Messages** section.
4. Enter the appropriate information for the sales form message.
5. Click **Save**.

## Set Your Custom Form as Default

After creating your own custom form, you can make your form the default communication sent to customers.

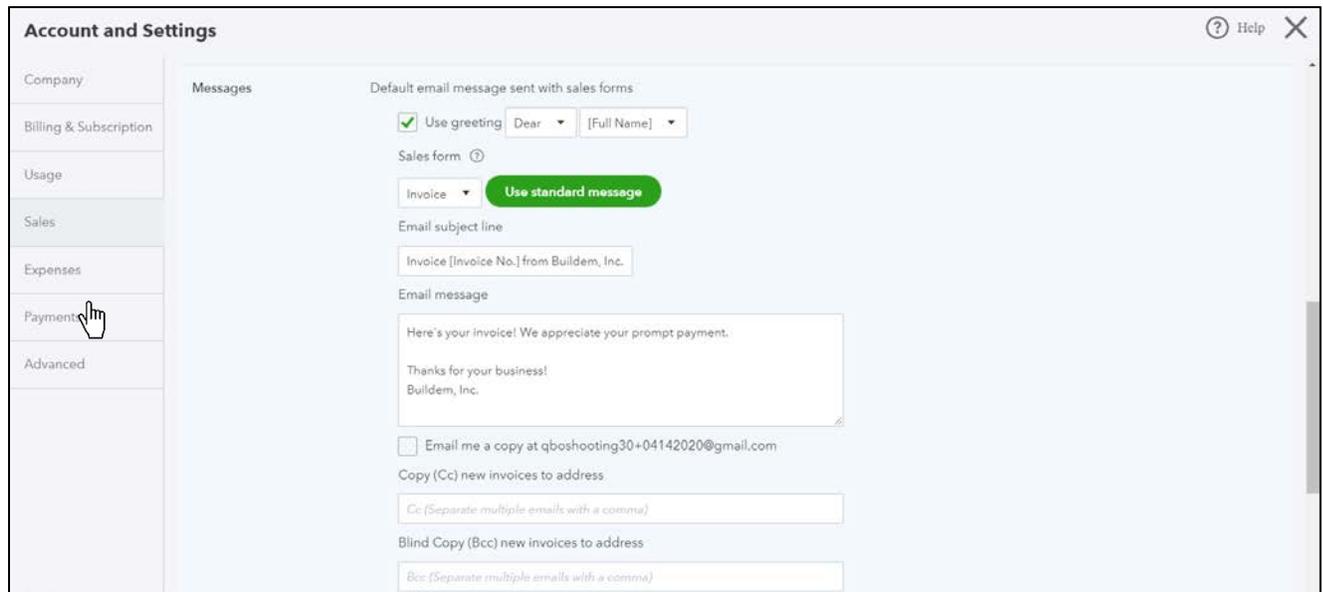
1. Select the **Gear**.
2. In the **Company and Settings** column, click **Custom Form Settings**.
3. To set your template as the default, select the dropdown in the **Action** tab beside the template you wish to make default.
4. Select **Make Default**.



## Editing Default Messaging in Settings

Another location in QuickBooks Online where you're able to edit default messaging is found in your Sales Settings. Here you're able to edit the standard messaging for numerous communications for both customers and vendors.

1. Select the **Gear** icon.
2. Select the **Sales** tab.
3. Edit the message(s) as desired.
4. Click **Save**.



The screenshot shows the 'Account and Settings' interface in QuickBooks Online. On the left is a sidebar with navigation tabs: Company, Billing & Subscription, Usage, Sales, Expenses, Payments (highlighted with a mouse cursor), and Advanced. The main content area is titled 'Messages' and 'Default email message sent with sales forms'. It includes the following settings:

- Use greeting: Dear [Full Name]
- Sales form: Invoice (with a green 'Use standard message' button)
- Email subject line: Invoice [Invoice No.] from Buildem, Inc.
- Email message: Here's your invoice! We appreciate your prompt payment. Thanks for your business! Buildem, Inc.
- Email me a copy at qboshooting30+04142020@gmail.com
- Copy (Cc) new invoices to address: Cc (Separate multiple emails with a comma)
- Blind Copy (Bcc) new invoices to address: Bcc (Separate multiple emails with a comma)

# Chapter 9

# Saving Time

# Find Transactions

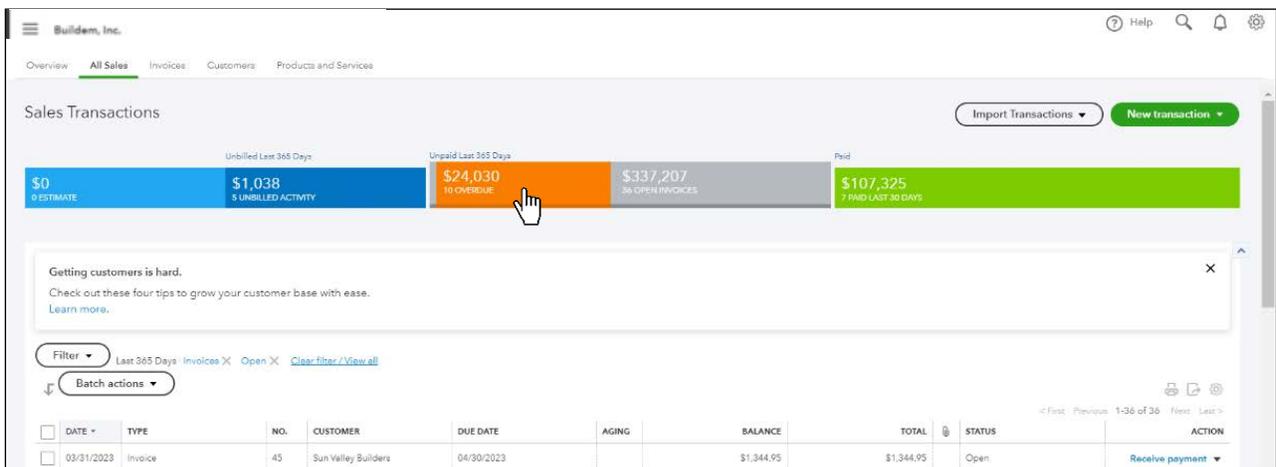
There are a few ways to find transactions in QuickBooks. You can use the Sales/Invoicing or Expenses lists, and the built-in search function.

## Sales Transactions

If you're looking for a sales transaction, you can look at the Sales/Invoicing tab on the left navigation bar. Use the Filter drop-down menu to help narrow down the list to just the transaction(s) you're looking for.

### Find in Sales Transactions List

1. Click **Sales** (or **Invoicing**) in the left navigation bar.
2. Select **All Sales**.
3. Use the filters at the top of the list, or click the **Filter** button at the top left and select the appropriate filters and click **Apply**.

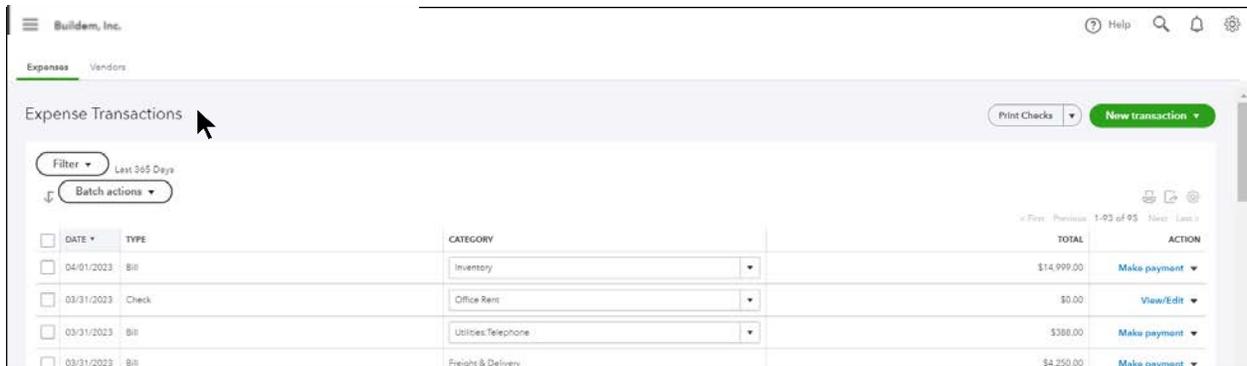


## Expense Transactions

If you're looking for an expense transaction, you can look at the Expenses tab on the left navigation bar. Use the **Filter** button to help narrow down the list to just the transaction(s) you're looking for.

### Find in Expense Transactions List

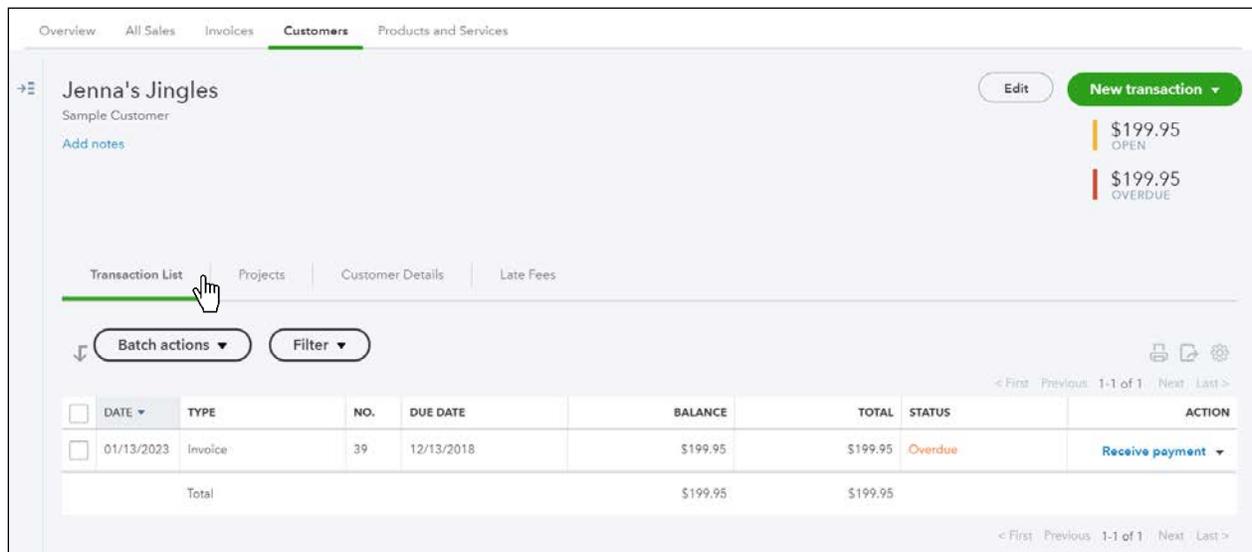
1. Click **Expenses** in the left navigation bar.
2. Select **Expenses**.
3. Use the filters at the top of the list, or click the **Filter** button and select the appropriate filters then click **Apply**.



### Find in Names List

If you know the name used on a transaction, you can find it using the appropriate names list.

1. Open the appropriate names (Customers or Vendors) list.
2. Select the name from the list.
3. Find the transaction in the **Transactions** list.
4. Click on the transaction to open it.

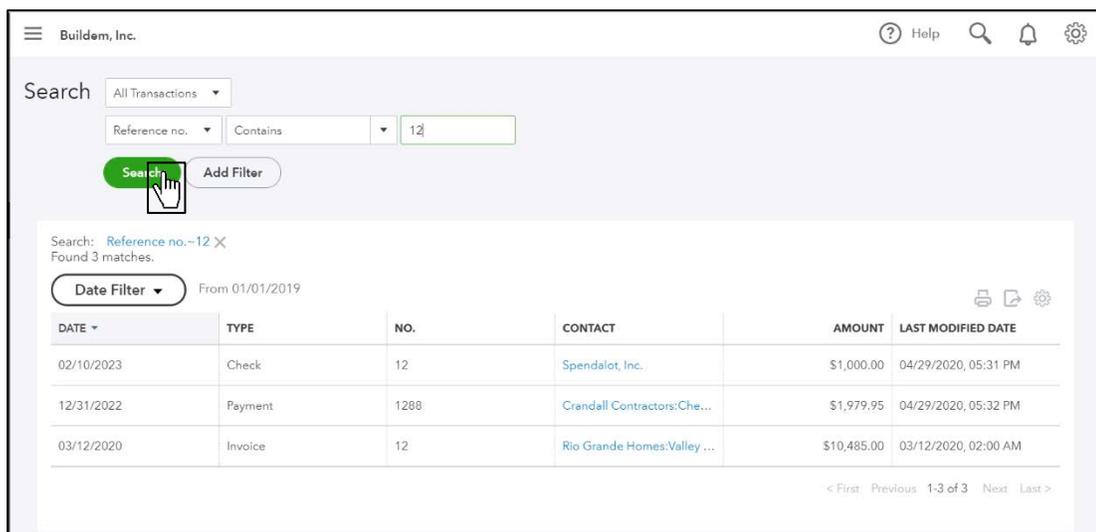
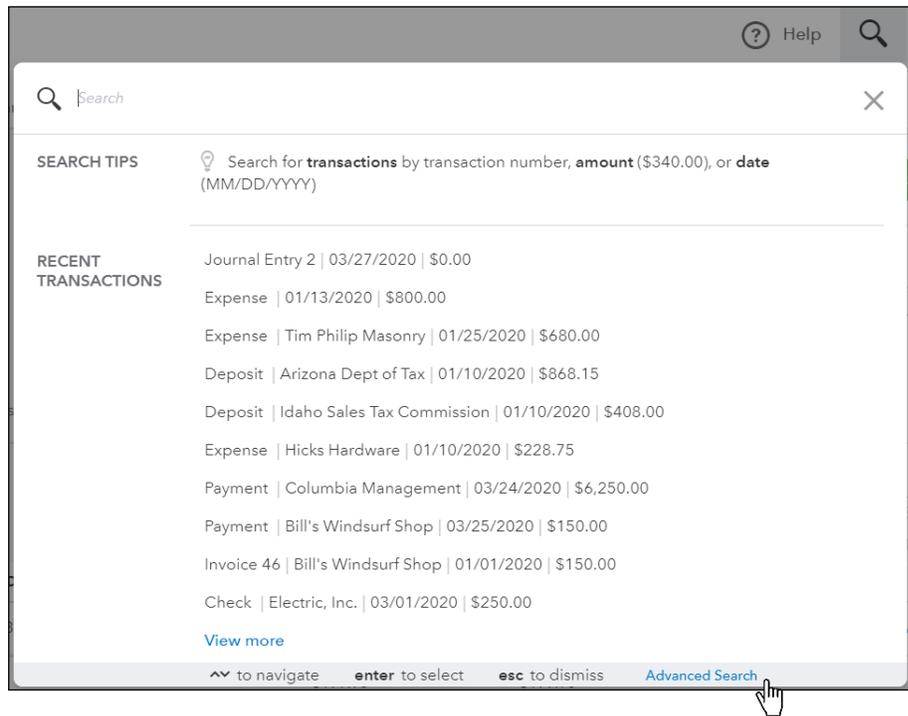


# Search

Use the Search function to find transactions quickly. You can use basic search to find transactions based on transaction number, date, or amount. Use Advanced Search for expanded search options.

## Transaction Search

1. Click the **search** icon.
2. Enter the search criteria for the transaction and press Enter, or click **Advanced Search**.
3. Enter the appropriate search filters.
4. Click **Search**.



# Recurring Transactions

Some transactions need to be entered the same way many times. Save time entering these with recurring transactions. When it's time to enter the recurring transaction, QuickBooks will ask you to confirm that you want to enter it.

## Set Recurring Transaction

1. Create a new transaction and add information that will be the same every time.
2. Click **Make Recurring**.
3. Enter the appropriate information for the recurring transaction.
4. Click **Save template**.

The screenshot shows the 'Check' form in QuickBooks. At the top, it says 'Recurring Check'. The 'Template name' is 'Halls Properties' and the 'Type' is 'Scheduled'. There is a 'Create' field for 'days in advance'. The 'Payee' is 'Halls Properties' and the 'Account' is 'Chase Checking'. The 'Interval' is 'Monthly' on the '1st' of every '1' month(s). The 'Start date' is '03/23/2020' and the 'End date' is '03/26/2021'. The 'Mailing address' is 'Fred Hall, 123 Property Ave., Dallas, TX 75238'. There is a 'Check no.' field and a 'Print later' checkbox. Below this is a table with columns: #, CATEGORY, DESCRIPTION, AMOUNT, BILLABLE, MARKUP %, TAX, CUSTOMER. The first row has #1, Rent Expense, 'What did you pay for?', and an amount of 1,000.00. At the bottom right, there is a green 'Save template' button.

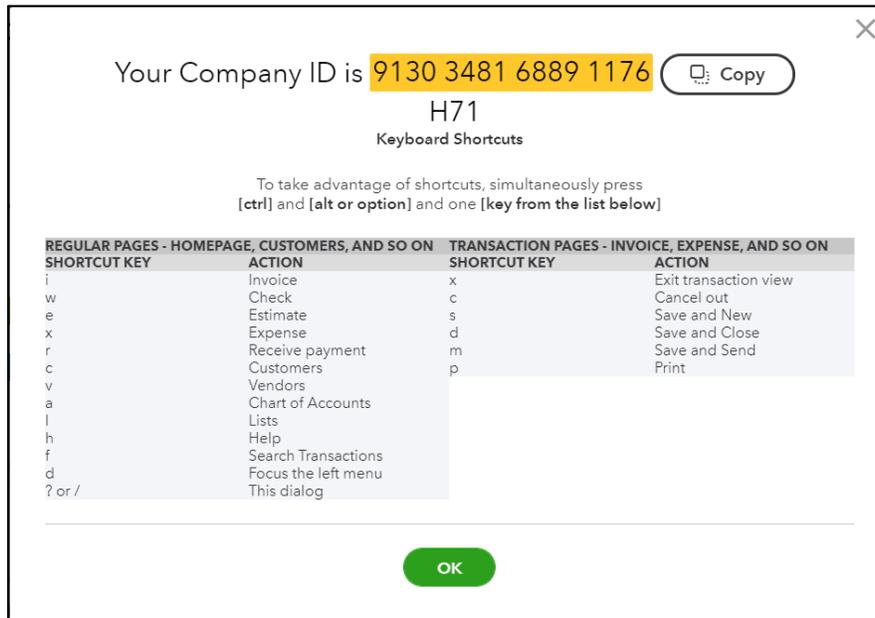
## Quickmath

When you are in a transaction, you can calculate different amounts for products and services with Quickmath. In any number field, enter a dollar amount and a math symbol (+, -, \*, /). Then enter the number or amount you want to add, subtract, multiply or divide by and press Tab on your keyboard.

The screenshot shows the 'Invoice' form in QuickBooks. At the top right, there is a 'BALANCE DUE' of '\$125.00'. The 'Customer' is 'Select a customer' and the 'Customer email' is 'Separate emails with a comma'. There are options for 'Online payments' like 'Cards' (VISA, MasterCard, American Express, Discover, PayPal) and 'Bank transfer' (BANK). The 'Billing address' is empty. The 'Terms' are 'Net 30', the 'Invoice date' is '03/27/2020', and the 'Due date' is '04/26/2020'. Below this is a table with columns: #, SERVICE DATE, DESCRIPTION, QTY, RATE, AMOUNT, TAX. The first row has #1, an empty service date, 'Services', and an amount of '35+40+50'. At the bottom right, there is a 'Subtotal' of '\$125.00'.

# Keyboard Shortcuts

QuickBooks has keyboard shortcuts to make your life easier. To display a list of these shortcuts, hold down the **Control key** and press **Alt or Option+?**. To use a shortcut, hold down **Control or Option+Alt**, and the corresponding shortcut key.



# Date Shortcuts

Quickly change the date on forms using the keyboard shortcuts in the table below.

+	Increase form number or increase date
-	Decrease form number or decrease date
R	Changes date to end of year
Y	Changes date to beginning of year
M	Changes date to beginning of month
H	Changes date to end of month
T	Changes date to today's date

# QuickBooks Online Payments

QuickBooks Online Payments makes it easy for your customers to pay you online. When you send your customer an invoice, you can include a Pay Now button that they can use to enter their payment information. When they do this, QuickBooks enters all the necessary transactions for you and deposits their payment into your designated bank account.

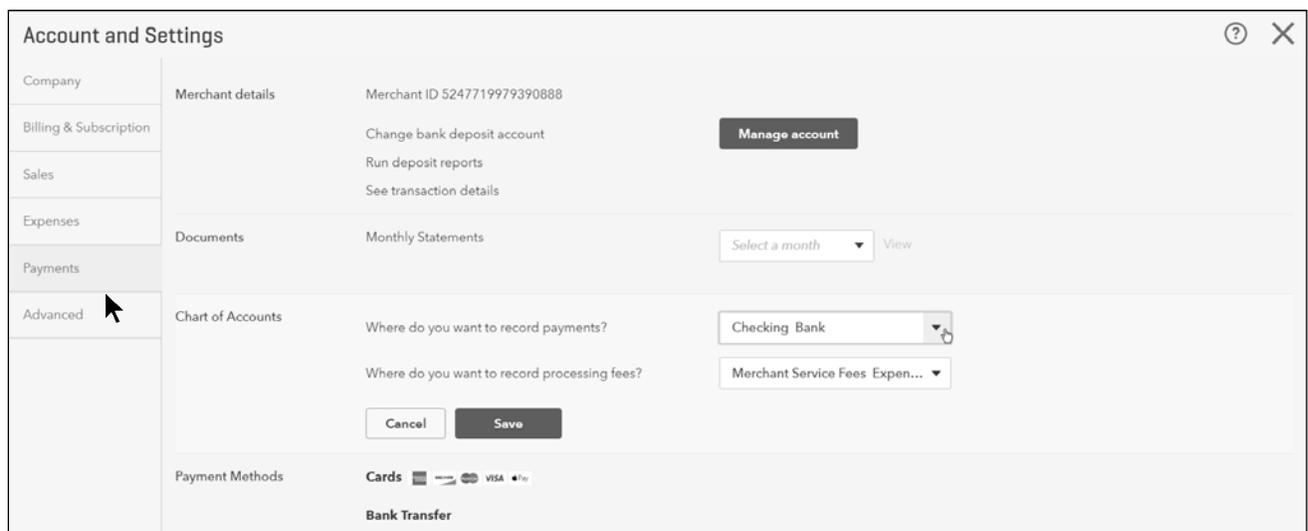
**Note:** Some fees apply for credit card payments. Go to <https://quickbooks.intuit.com/payments/> for more information.

## Sign up for QuickBooks Online Payments

1. Click the **Gear** menu and select **Account and Settings**.
2. Select **Payments**.
3. Click **Learn more**.
4. Click **Finish setup**.
5. Enter the appropriate information in the following sections.
6. Click **Submit**.

## Edit QuickBooks Payments Settings

1. Click the **Gear** menu and select **Account and Settings**.
2. Select **Payments**.
3. Click the edit icon in the appropriate section, and make any necessary changes.
4. Click **Save**.



The screenshot shows the 'Account and Settings' interface in QuickBooks Online. The left sidebar contains a navigation menu with the following items: Company, Billing & Subscription, Sales, Expenses, Payments (highlighted with a mouse cursor), and Advanced. The main content area is divided into several sections:

- Merchant details:** Displays 'Merchant ID 5247719979390888' and a 'Manage account' button.
- Change bank deposit account:** Includes a 'Run deposit reports' link and a 'See transaction details' link.
- Documents:** Shows 'Monthly Statements' with a 'Select a month' dropdown menu and a 'View' button.
- Chart of Accounts:** Contains two questions: 'Where do you want to record payments?' (with a dropdown menu set to 'Checking Bank') and 'Where do you want to record processing fees?' (with a dropdown menu set to 'Merchant Service Fees Expen...'). Below these are 'Cancel' and 'Save' buttons.
- Payment Methods:** Lists 'Cards' (with icons for American Express, Discover, Mastercard, and Visa) and 'Bank Transfer'.

## Use QuickBooks Online Payments-Invoice

1. Click the **New (+)** menu and select **Invoice**.
2. Enter the appropriate information on the invoice.
3. Select the options at the top of the form to allow **Card** or **Bank transfer** payments.
4. Click **Save and send**.
5. Click **Send and close**.

The screenshot shows the QuickBooks Online 'Invoice' form. At the top, there's a header with 'Invoice' and a 'BALANCE DUE \$1.00' indicator. The form includes fields for 'My Customer' (qboshooting30@gmail.com), 'Online payments' (Cards and Free bank transfer), 'Billing address' (David O'Brien, Buildem Construction), 'Terms' (Net 30), 'Invoice date' (08/06/2018), and 'Due date' (09/05/2018). A table lists two items: 'Products and Services' with a quantity of 1 and a rate of 1, totaling 1.00. The summary section shows a subtotal of \$1.00, taxable subtotal of \$0.00, sales tax of \$0.00, and a total balance due of \$1.00. The bottom of the form has buttons for 'Cancel', 'Clear', 'Print or Preview', 'Make recurring', 'Customize', 'Save', and 'Save and send'.

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX
1	Products and Services	These are the products and services we are charging you for.	1	1	1.00	
2						

	AMOUNT	TAX
Subtotal	\$1.00	
Taxable subtotal	\$0.00	
Sales tax	\$0.00	
Total	\$1.00	
Balance due	\$1.00	

## Use QuickBooks Online Payments-Sales Receipt

1. Click the **New (+)** menu and select **Sales Receipt**.
2. Enter the appropriate information on the sales receipt.
3. Click the **Payment method** drop-down and select the appropriate payment method.
4. Select the checkbox next to **Process credit card**.
5. Click **Enter credit card details**.
6. If this is a credit card payment, click **Swipe card** if you have the credit card reader from Intuit, or enter the customer's payment information manually.
7. Click **Save**.
8. Click **Got it**.
9. Click **Save and send**.
10. Click **Send and close**.

# Chapter 10

# Estimates

## What are Estimates?

Estimates are a way to provide your customers with the proposed cost of a job or service before invoicing them. They are non-posting transactions, so they will not show up on reports or financial statements.

### Record and Send an Estimate

1. Click the **New (+)** menu.
2. Select **Estimate**.
3. Enter the appropriate information in the **Estimate** window.
4. Click **Save and close** (or) **Save and Send** to email the estimate to your customer.

**Estimate #1001** Help X

Customer: Erik's Foundation Estimate status: Pending AMOUNT: \$100,000.00 Create invoice

Email:  Email (Separate emails with a comma)  Send later Cc/Bcc

Billing address: Erik's Foundation an Repair Estimate date: 03/27/2020 Expiration date:

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX
1	Design	Custom Design Services	1,000	75	75,000.00	
2	Gardening	Weekly Gardening Services	1,000	25	25,000.00	
3						

# Create an Invoice from an Estimate

If your customers request a bid, proposal, or estimate and then you later do the work, invoicing based on an estimate is the solution. You might want to set up jobs (sub-customers) to track specific projects for your customers.

## Steps for Invoicing Based on Estimate

1. Create **Estimate**
2. Create **Invoice**

## Invoice Based on Estimate

1. Visit the **Customers** center.
2. Select the **Estimates filter** at the top of the page.
3. Select **Start invoice** to create the invoice for the desired estimate.
4. On the right side of the invoice, click **Add all** or select individual estimates to add.
5. Click **Save and close**.

**Invoice**

Customer: Erik's Foundation and Roof Repair

Customer email: Separate emails with a comma

Online payments:  Cards (VISA, M/C, A/M, D/C)  Bank transfer

BALANCE DUE: **\$0.00**

Filter by: All dates

**Add all**

Estimate #1001  
Mar 27  
\$100,000.00

- Custom Design Services
- Weekly Gardening Ser...

[Add](#) [Open](#)

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX
1						
2						

Subtotal: \$0.00

Taxable subtotal: \$0.00

Total: \$0.00

Balance due: \$0.00

Message on invoice: This will show up on the invoice.

Message on statement: If you send statements to customers, this will show up as the description for this invoice.

Print or Preview | Make recurring | Customize | **Save** | **Save and send**

# Create Multiple Invoices from a Single Estimate

When you select an estimate to add onto an invoice, you're given the option to invoice all or just a portion of the estimate. If you choose to invoice for a portion, this is called Progress Invoicing.

1. Click the **New (+)** menu.
2. Select **Invoice**.
3. Enter the customer to invoice.
4. On the right side of the invoice, select individual estimates to add.
5. Choose to invoice for a percentage of the estimate or choose the specific products and services to invoice for.
6. Click **Save and close**.

**Invoice** Take a tour Help X

Customer: Erik's Foundation and Roof Repair Customer email: Separate emails with a comma Online payments: Get set up

Cards  Bank transfer 1 linked transaction  Send later Co/Boo

Billing address: Erik's Foundation and Roof Repair Terms: Net 30 Invoice date: 03/31/2020 Due date: 04/30/2020

#	PRODUCT/SERVICE	DESCRIPTION	DUE	QTY	RATE	AMOUNT	TAX
1	Design	Custom Design Services	75,000.00 of 75,000.00	1,000	75	75,000.00	
2	Gardening	Weekly Gardening Services	25,000.00 of 25,000.00	1,000	25	25,000.00	
3							

Message on invoice:

Message on statement:

Subtotal: \$100,000.00  
Taxable subtotal: \$0.00  
Total: \$100,000.00  
Balance due: \$100,000.00

# Chapter 11

# Sales Tax

# What is Sales Tax?

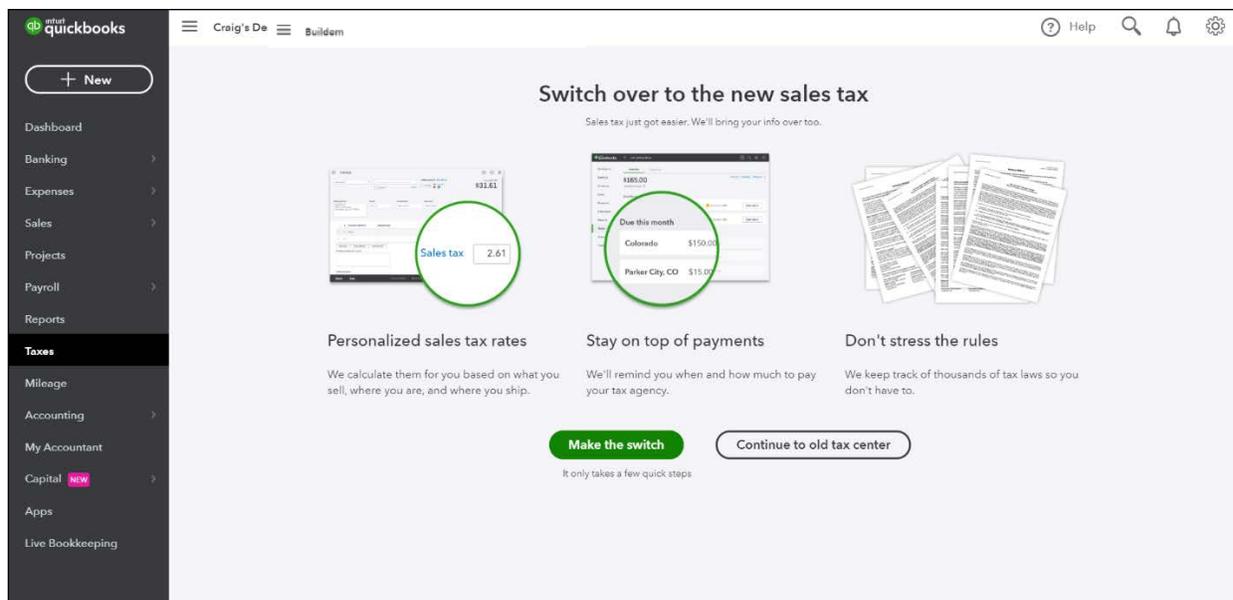
Sales taxes are taxes placed on the sale or lease of goods and services. Sales tax is governed at the state level in the United States and there is no national sales tax.

## Set Up Sales Tax

If you sell taxable goods or services, you'll need to collect the sales tax for your state and any other qualifying state. QuickBooks automatically chooses the sales tax rate based on your location. But if you have a distribution center or an office in another state, you'll also need to collect sales tax on sales made in that state. Intuit has thought of this and during the sales tax setup you can tell QuickBooks you're required to collect tax for other states.

## Edit Sales Tax Settings

1. Click **Taxes** on the navigation bar and select **Sales Tax**.
2. Click **Set up** sales tax.
3. Make the appropriate selections in the following windows.
4. Click **Got it**.



## Sales Tax Options for Customers

By default, QuickBooks sets all customers as taxable. If you have a customer who is tax exempt, you need to change their settings in their customer information.

### Set Up Nontaxable Customer

1. Click **Sales** on the navigation bar and select **Customers**.
2. Click **New**.
3. Enter the appropriate information for the customer.
4. Click the Tax Info tab.
5. Select the checkbox next to **This customer is tax exempt**.
6. Click the **Reason for exemption** drop-down list and make the appropriate selection.
7. Click **Save**.

The screenshot shows the 'Customer information' form in QuickBooks. The 'Tax info' tab is selected. The 'Exemption details' section is visible, with 'Charitable Organ' selected. A dropdown menu is open, showing various exemption reasons with their respective rates: Out of State (0%), San Antonio (8.25%), Dallas (8.25%), Texas State (6.25%), Dallas City (1%), Dallas Special Rate (1%), San Antonio City (1.25%), San Antonio Special Rate (0.75%), and Rhode Island (7%). The 'Enter Text' option is also visible at the bottom of the dropdown. The form includes fields for Company, Title, First name, Middle name, Last name, Display name as, Print on check as, Address, Notes, Tax info, Payment and billing, Mobile, Fax, Website, and Bill with parent. Buttons for Cancel, Make inactive, Privacy, and Save are at the bottom.

## Sales Tax Options for Products

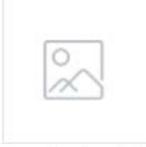
1. Click **Sales** and select **Products and Services**.
2. Edit a **product** to mark as taxable.
3. Select the correct category in the **Sales Tax Category** dropdown.
4. Click **Save and close**.

### Product/Service information

 Non-inventory [Change type](#)

---

**Name\***

Taxable Widget 

**SKU** ⓘ

Is sub-product/service

*Enter parent product/service* ▼

---

**Description**

I sell this product/service to my customers.

Widget that is a taxable item.

**Sales price/rate**  **Income account**  ▼

---

**Let QuickBooks calculate your sales tax**

**Sales tax category** ⓘ

Taxable - standard rate ▼

---

**Purchasing information**

▼ SHOW MORE

**Save and close** ▼

# Taxable Sale

To record a taxable sale, either use a product that you've set up as a taxable item, or check the box beside "Tax" to make an item taxable from the sales form window. QuickBooks then adds up all of the taxable products and displays them as a Taxable subtotal. QuickBooks then adds up all of the taxable products and displays them here as a Taxable subtotal. This is the amount of sales tax the customer will pay. You collect this amount on the sale, and then later, send this money to the state.

**Invoice** Take a tour Help

Customer: Taxable customer  Taxable customer is not tax exempt  
Customer email:  Separate emails with a comma  
Online payments:  Cards  Bank transfer

Billing address: Taxable customer  
Terms: Net 30  
Invoice date: 03/31/2020  
Due date: 04/30/2020  
Location of sale: 5510 LBJ Fwy, Dallas, TX, 75241, L

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX
1	Taxable Widget	widget that is taxable	1	100	100.00	<input checked="" type="checkbox"/>
2						<input type="checkbox"/>

Subtotal: \$100.00  
Taxable subtotal: \$100.00  
Sales tax: \$8.25  
Total: \$108.25  
Balance due: \$108.25

Buttons: Cancel, Clear, Print or Preview, Make recurring, Customize, Save, Save and send

# Non-taxable Sale

In order for the sale to include sales tax, two things must be true: the product or service being sold must be taxable and the customer must be taxable as well. As long as one of those situations is not true to the sale being made, it will remain nontaxable.

**Invoice** Take a tour Help

Customer: Nontaxable Customer  
Customer email:  Separate emails with a comma  
Online payments:  Cards  Bank transfer

Billing address: Nontaxable Customer  
Terms: Net 30  
Invoice date: 03/31/2020  
Due date: 04/30/2020  
Location of sale: 5510 LBJ Fwy, Dallas, TX, 75241, L

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX
1	Taxable Widget	widget that is taxable	1	100	100.00	<input checked="" type="checkbox"/>
2						<input type="checkbox"/>

Subtotal: \$100.00  
Taxable subtotal: \$100.00  
Sales tax: \$0.00  
Total: \$100.00  
Balance due: \$100.00

Buttons: Cancel, Clear, Print or Preview, Make recurring, Customize, Save, Save and send

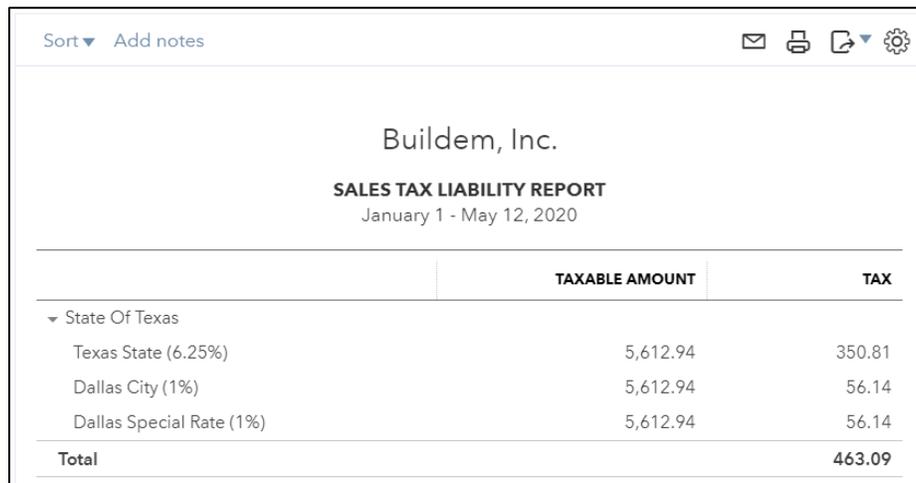
## Pay Sales Taxes

When you collect sales tax, you're in a unique position. Since it's money you have that's owed to someone else, it's considered a liability on your Balance Sheet. Whenever you collect sales tax, QuickBooks calculates the tax amount and increases the account balance for you. When you send the money to the tax agency you collected for, QuickBooks lowers the balance of the account.

## Determine Amount Due

### Review Sales Tax Liability Report

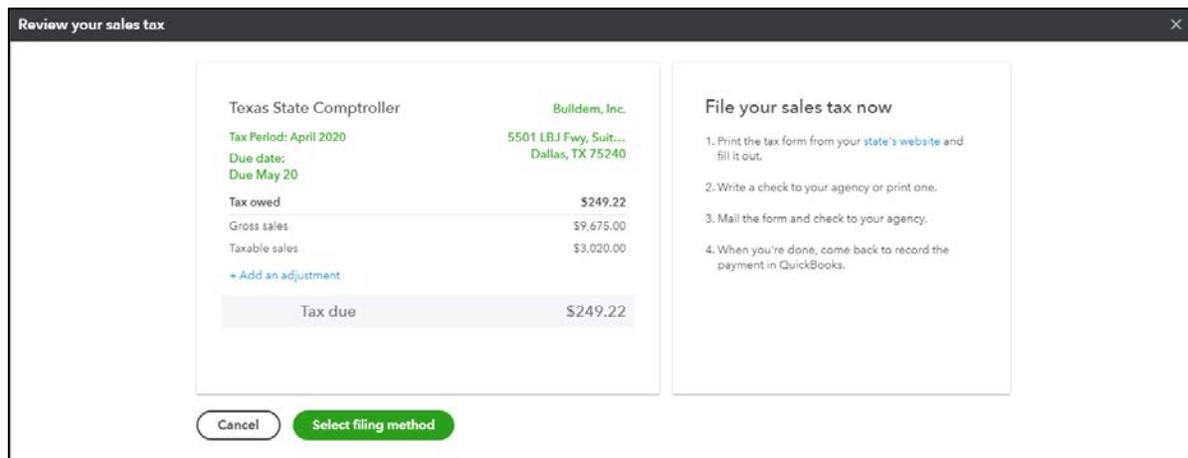
1. Click **Reports** on the navigation bar.
2. Select the **Sales Tax Liability** report in the **Sales Tax** section.



	TAXABLE AMOUNT	TAX
▼ State Of Texas		
Texas State (6.25%)	5,612.94	350.81
Dallas City (1%)	5,612.94	56.14
Dallas Special Rate (1%)	5,612.94	56.14
<b>Total</b>		<b>463.09</b>

## Pay Sales Taxes

1. Click **Taxes** on the navigation bar, and select **Sales Tax**.
2. Click **View return** next to the appropriate sales tax.
3. Click the **Select Filing Method** button.
4. Select the appropriate filing method based on the options available to you.
5. Enter the appropriate information in the **Record payment** window (if filing manually).
6. Click **Record payment**.
7. Click **Close**.



Review your sales tax

Texas State Comptroller

Buildem, Inc.

Tax Period: April 2020

5501 LBJ Fwy, Suit...  
Dallas, TX 75240

Due date:  
Due May 20

Tax owed \$249.22

Gross sales \$9,675.00

Taxable sales \$3,020.00

+ Add an adjustment

Tax due \$249.22

File your sales tax now

1. Print the tax form from your state's website and fill it out.
2. Write a check to your agency or print one.
3. Mail the form and check to your agency.
4. When you're done, come back to record the payment in QuickBooks.

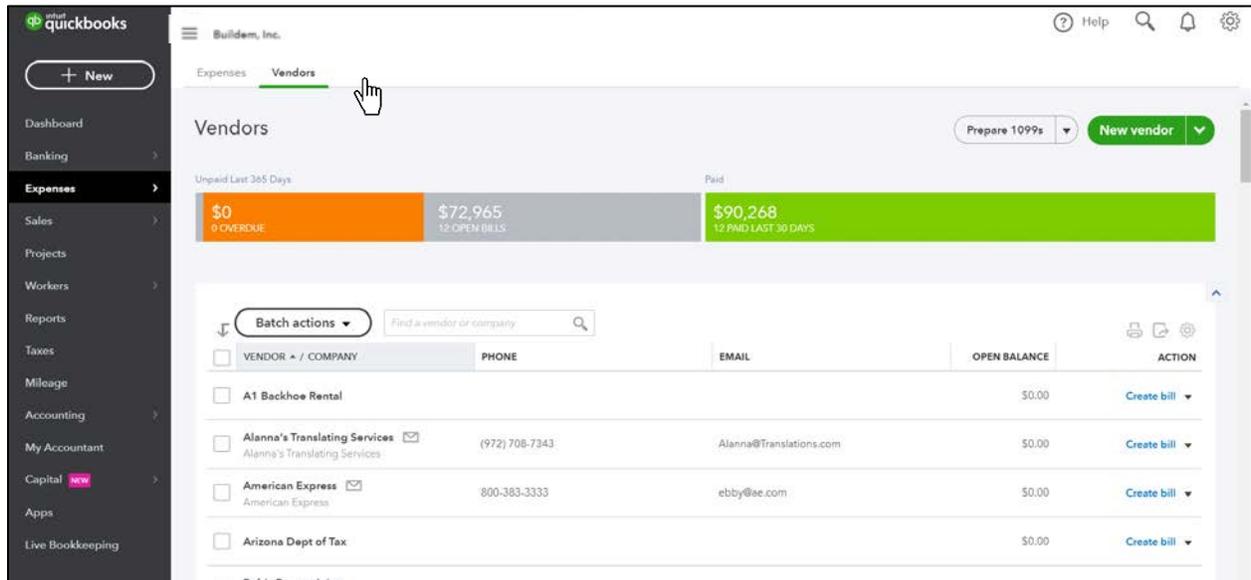
Cancel Select filing method

# Chapter 12

# Money Out- I

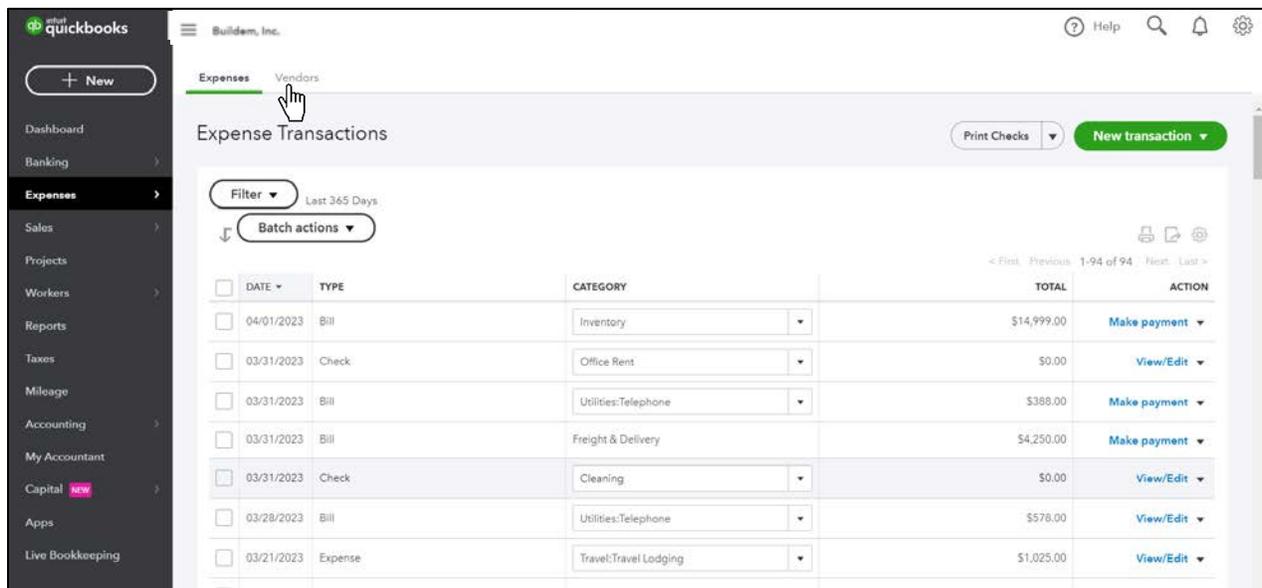
# Vendors

Companies or individuals you purchase goods or services from are called vendors (or Suppliers in QuickBooks Online Canada). If you need to enter a bill, send a 1099 to a company or individual, or track purchases by vendor, they must be set up as a vendor. The Vendors list stores vendor information and makes it easy to filter to see all vendors, vendors you owe money to and even vendors that you're overdue on paying.



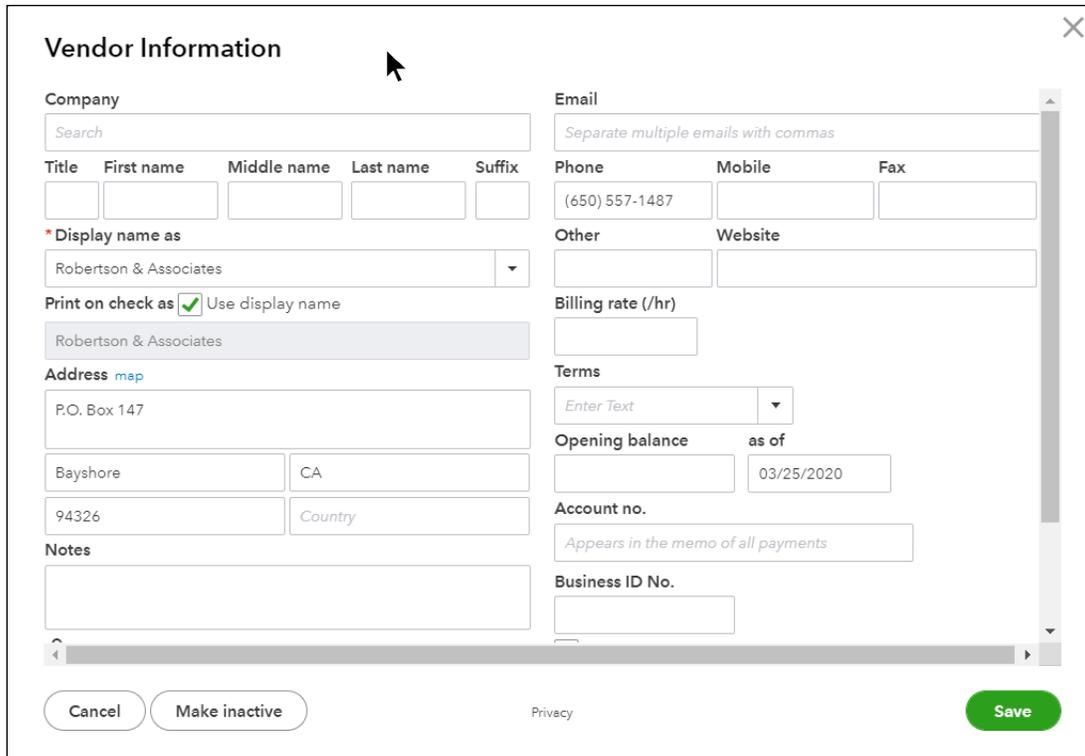
# Purchase/Expense Transactions

You can also see purchase and expense transactions associated with vendors.



## Add Vendor

1. Click **Expenses** on the navigation bar.
2. Click **Vendors**.
3. Click **New vendor**.
4. Enter appropriate information in the **Vendor Information** page.
5. Click **Save**.



The screenshot shows the 'Vendor Information' form in QuickBooks Online. The form is titled 'Vendor Information' and has a close button (X) in the top right corner. It is divided into several sections:

- Company:** A search bar with the placeholder text 'Search'.
- Title, First name, Middle name, Last name, Suffix:** Five input fields for the vendor's name.
- \*Display name as:** A dropdown menu with 'Robertson & Associates' selected.
- Print on check as:** A checkbox labeled 'Use display name' which is checked, and a text field containing 'Robertson & Associates'.
- Address:** A section with a 'map' link. It includes fields for 'P.O. Box 147', 'Bayshore', 'CA', '94326', and 'Country'.
- Notes:** A large text area for additional information.
- Email:** A text field with the placeholder 'Separate multiple emails with commas'.
- Phone, Mobile, Fax:** Three input fields for contact numbers.
- Other, Website:** Two input fields for additional contact information.
- Billing rate (/hr):** An input field for the vendor's billing rate.
- Terms:** A dropdown menu with 'Enter Text' selected.
- Opening balance, as of:** Two input fields for the opening balance and the date it was as of.
- Account no.:** An input field with the placeholder 'Appears in the memo of all payments'.
- Business ID No.:** An input field for the vendor's business ID number.

At the bottom of the form, there are three buttons: 'Cancel', 'Make inactive', and 'Save'. A 'Privacy' link is also visible near the bottom center.

## Money Out Workflow

Your bookkeeping should accurately mirror the transactions that occur in the real world as closely as possible. There are two different ways to enter and pay bills. The method you use depends on if you track accounts payable for a transaction.

# Method 1: Use Accounts Payable

## What is Accounts Payable?

Tracking accounts payable means that you **enter the bill before paying** the vendor. If you track accounts payable, you always know how much you owe vendors for bills. Expenses are also recorded in the correct accounting period. You will also be warned when entering duplicate bills.

Not all money out transactions require you to use Accounts Payable. If you pay for something right away, or you paid it in the past, you won't need to use Accounts Payable. You learn how to deal with those kinds of money out transactions later.

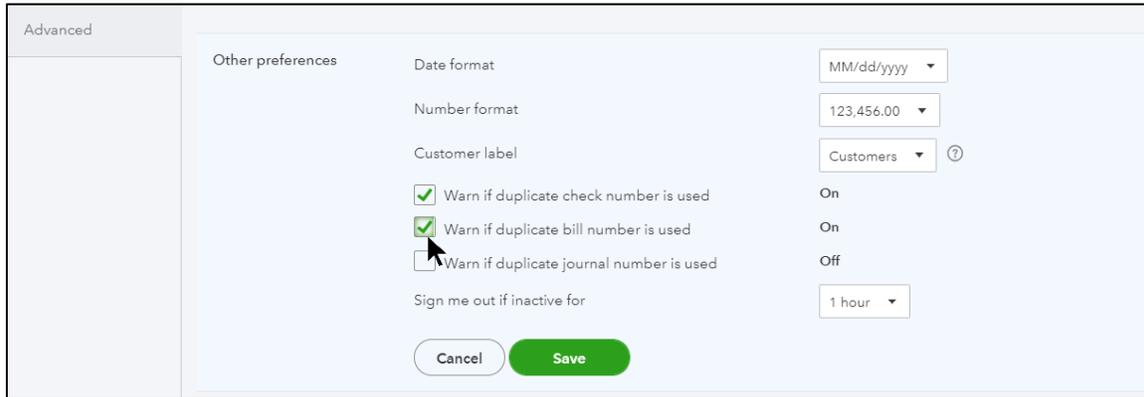
## Steps if you use Accounts Payable

1. Enter Bill
2. Pay Bill (regardless of how you pay the bill: check, credit card, PayPal, cash, other

# Advantages of Bills

## 1. Company Setting-Warn About Duplicate Bills

1. Click the **Gear** menu and select **Account and Settings**.
2. Click **Advanced** on the list to the left.
3. Click in the **Other preferences** section.
4. Click the box next to **Warn if duplicate bill number is used**.
5. Click **Save**.



The screenshot shows the 'Advanced' settings page in QuickBooks. The 'Other preferences' section is active, displaying several settings:

- Date format: MM/dd/yyyy
- Number format: 123,456.00
- Customer label: Customers
- Warn if duplicate check number is used:  On
- Warn if duplicate bill number is used:  On
- Warn if duplicate journal number is used:  Off
- Sign me out if inactive for: 1 hour

At the bottom of the settings area, there are 'Cancel' and 'Save' buttons.

## 2. Greater Control over Expenses and Financial Statements

Using Bills allows you to realize the expense on the day of the Bill and not the day of the Bill Payment.

## 3. Keep Track of Who you Owe and Bill Due Dates

By using Bills you have access to two important Accounts Payable reports: Accounts Payable Aging Summary and Detail. Both reports show who you owe, how much you owe them and if you are overdue. The Summary report shows totals owed to the vendor whereas the Detail report shows each bill separately.

## Step 1. Record Bills

1. Click the **New (+)** menu.
2. Select **Bill**.
3. Enter the appropriate information on the bill.
4. Click **Save and close**.

Bill

Vendor: Robertson & Associates

BALANCE DUE: **\$1,250.00**

Pay bills directly from QuickBooks

Mailing address: Robertson & Associates, P.O. Box 147, Bayshore, CA 94326

Terms: Net 10

Bill date: 03/25/2020

Due date: 04/04/2020

Bill no.:

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	MARKUP %	TAX	CUSTOMER
1	Legal & Professional Fees:Legal	Retainer for new cases	1,000.00				
2	Legal & Professional Fees:Accounting	Accounting work for the month	250.00				
3							

Add lines Clear all lines

Memo:

Total \$1,250.00

Cancel Clear Make recurring Save Save and close

## Should You Record a Bill Payment?

If you enter a Bill in QuickBooks the only way to record the payment is with Pay Bills. Entering the Bill increases Accounts Payable and your payment lowers Accounts Payable. It is, however, possible that you'll also download your bill payments. If you record a bill and then later download the bill payment, you won't need to enter it manually at all. Just visit the Banking Center and you should see the downloaded transaction "Match" against your bill. If, however, you pay a bill with a check or aren't using online banking, you can still enter bill payments manually.

# Recording Bill Payments

## Step 2. Pay Bills

1. Click the **New (+)** menu.
2. Select **Pay Bills**.
3. Select the appropriate **Payment** account.
4. Select the bills you're paying.
5. Enter the **Payment Date**.
6. Click **Save and Close** or **Save and Print**.

### Select Bills to Pay

<input type="checkbox"/>	PAYEE	REF NO.	DUE DATE	OPEN BALANCE	CREDIT APPLIED	PAYMENT	TOTAL AMOUNT
<input checked="" type="checkbox"/>	Robertson & Associates		04/04/2020	\$1,250.00	Not available	1,250.00	\$1,250.00
<input type="checkbox"/>	Jo Jo Inc.	3553	04/24/2022	\$1,085.00	Not available		\$0.00
<input type="checkbox"/>	Locks, Inc.		01/20/2023	\$995.00	Not available		\$0.00
<input type="checkbox"/>	Door Knob Corporation		01/21/2023	\$3,749.75	Not available		\$0.00
<input type="checkbox"/>	Spendalot, Inc.	0039	03/15/2023	\$14,000.00	Not available		\$0.00
<input type="checkbox"/>	Jo Jo Inc.	343v	04/01/2023	\$2,999.90	Not available		\$0.00
<input type="checkbox"/>	Jo Jo Inc.	343	04/04/2023	\$18,748.75	Not available		\$0.00
<input type="checkbox"/>	General Carriers, Inc.		04/14/2023	\$7,250.00			\$0.00
<input type="checkbox"/>	King & King	4558	04/14/2023	\$3,250.00	Not available		\$0.00

## Method 2: No Accounts Payable

If you've decided to not track Accounts Payable in QuickBooks, or you've just paid for something that didn't involve a bill, you don't need to use Bills/Bill Payments. Instead, all you have to record is a Check or Expense. Checks are used for physical checks that are not connected with a bill. Whether you want to print them through QuickBooks or record a handwritten check, Checks are the right transaction to record. If you spent money through any method other than a check use an Expense instead.

### Record a Check

1. Click the **Global Create** menu.
2. Select **Check**.
3. Enter the appropriate information on the **Check** form.
4. Click **Print check** to print the check now. Otherwise, click the box next to **Print later** to print the check along with other checks later.

5. Click **Save and close**.

## Check-To Be Printed Later

**Check #To print**

Payee: Lee Advertising | Bank Account: Chase Checking | Balance \$1,124,388.56

AMOUNT: **\$1,349.18**

Mailing address: Bruce Lee, Lee Advertising, 282 Kung Fu St, Dallas, TX 75240

Payment date: 03/25/2020

Check no.: [ ]

Print later

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	MARKUP %	TAX	CUSTOMER
1	Advertising	Spring brochure update	1,349.18				
2							

Buttons: Cancel, Revert, Print check, Order checks, Make recurring, More, **Save and close**

## Hand-written Check

**Check #24**

Payee: Lee Advertising | Bank Account: Chase Checking | Balance \$1,124,388.56

AMOUNT: **\$1,349.18**

Mailing address: Bruce Lee, Lee Advertising, 282 Kung Fu St, Dallas, TX 75240

Payment date: 03/25/2020

Check no.: 24

Print later

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	MARKUP %	TAX	CUSTOMER
1	Advertising	Spring brochure update	1,349.18				
2							

Buttons: Cancel, Print check, Order checks, Make recurring, More, **Save and close**

## Printing Checks

Print Checks

Chase Checking | Balance \$1,124,388.56 | 4 checks selected \$3,427.18

Buttons: Add check

Remove from list | Sort by Date / Order created | Show all checks | Starting check no. 26

DATE	TYPE	PAYEE	AMOUNT
03/01/2020	Check	Electric, Inc.	\$250.00
03/25/2020	Bill Payment (Check)	Robertson & Associates	\$1,250.00
03/25/2020	Bill Payment (Check)	Dallas Bell	\$578.00
03/25/2020	Check	Lee Advertising	\$1,349.18

Buttons: Cancel, Print setup, Order checks, **Preview and print**

## Record an Expense

For expenses other than checks and bill payments, use the Expense form. This form can be used for debit cards, credit card charges, PayPal charges, and other non-check forms of payment.

1. Click the **New (+)** menu.
2. Select **Expense**.
3. Select the appropriate payment account and Payment method.
4. Enter appropriate information in the Expense form.
5. Click **Save and close**.

### Enter Expense (Credit Card Charge)

The screenshot shows the 'Expense' form in QuickBooks. The 'Payee' is 'Books by Bessie' and the 'Payment account' is 'Mastercard'. The 'Balance' is \$708.95. The 'AMOUNT' is \$400.00. The 'Payment date' is 05/12/2020 and the 'Payment method' is 'MasterCard'. The 'Ref no.' field is empty. Below the form, there is a 'Category details' table with one row: '1 Legal & Professional Fees fixed a journal entry' with an amount of 400.00. There are 'Add lines' and 'Clear all lines' buttons at the bottom.

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	MARKUP %	TAX	CUSTOMER
1	Legal & Professional Fees	fixed a journal entry	400.00				
2							

### Enter Expense (Debit Card)

The screenshot shows the 'Expense' form in QuickBooks. The 'Payee' is 'Books by Bessie' and the 'Payment account' is 'Checking'. The 'Balance' is \$56,221.40. The 'AMOUNT' is \$400.00. The 'Payment date' is 05/12/2020 and the 'Payment method' is 'Debit Card'. The 'Ref no.' field is empty. Below the form, there is a 'Category details' table with one row: '1 Legal & Professional Fees fixed a journal entry' with an amount of 400.00. There are 'Add lines' and 'Clear all lines' buttons at the bottom. Below the table, there is an 'Item details' section with a 'Memo' field. At the bottom right, there is a 'Total' of \$400.00. At the bottom, there are 'Cancel', 'Clear', 'Make recurring', 'Save', and 'Save and close' buttons.

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	MARKUP %	TAX	CUSTOMER
1	Legal & Professional Fees	fixed a journal entry	400.00				
2							

# Reports

## Review the A/P Aging Summary

1. Click **Reports** on the navigation bar.
2. Select **Accounts Payable Aging Summary** under Who you owe.

Sort ▾ Add notes ✉️ 🖨️ ↗️ ⚙️

Buildem, Inc.  
**A/P AGING SUMMARY**  
As of May 16, 2020

	CURRENT	1 - 30	31 - 60	61 - 90	91 AND OVER	TOTAL
A Cheung Limited		-10,600.00				\$ -10,600.00
Cal Gas & Electric					98.68	\$98.68
Cal Telephone					77.92	\$77.92
Custom Kitchens of Bayshore					3,076.32	\$3,076.32
Daigle Lighting				-1,100.00		\$ -1,100.00
East Bayshore Tool & Supply					790.00	\$790.00
Holly Heating and Electric					289.95	\$289.95
Internet Provider				-67.80		\$ -67.80
Sergeant Insurance					4,050.00	\$4,050.00
Sloan Roofing					850.00	\$850.00
Thomas Kitchen & Bath				-79.00		\$ -79.00
<b>TOTAL</b>	<b>\$0.00</b>	<b>\$ -10,600.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$7,986.07</b>	<b>\$ -2,613.93</b>

## Review the Expenses by Vendor Summary

1. Click **Reports** on the navigation bar.
2. Select **Expenses by Vendor Summary** under **Expenses and Vendors**.

Sort ▾ Add notes ✉️ 🖨️ ↗️ ⚙️

Buildem, Inc.  
**EXPENSES BY VENDOR SUMMARY**  
January 1 - May 12, 2020

	TOTAL
A1 Backhoe Rental	1,800.00
Arizona Dept of Tax	
Bob's Burger Joint	8.95
Books by Bessie	530.00
Brosnahan Insurance Agency	3,800.00
Chamber of Commerce	50.00
Chin's Gas & Oil	185.00
Computers by Jenni	89.95

# Chapter 13

# Money Out- II

# Credit Cards

You handle credit card transactions in much the same way as bank account transactions. You need to have a credit card account on your Chart of Accounts, and whenever you purchase something with that credit card, or pay it off, you need to record it in QuickBooks. You can set up your credit card to download transactions, or you can record transactions manually.

## Set up Credit Card Account

1. Click **Accounting** on the left navigation bar.
2. Click **New**.
3. Click the **Account Type** drop-down list and select Credit Card.
4. Enter the **Name** of the account.
5. Enter the **Balance** on the card, and the date it had that balance (usually it's best to find your balance from the beginning of the fiscal year and enter that).
6. Click **Save and Close**.

The screenshot shows the 'Account' setup form in QuickBooks. The form is titled 'Account' and has a close button (X) in the top right corner. It contains several fields and sections:

- Account Type:** A dropdown menu with 'Credit Card' selected.
- \* Name:** A text field containing 'Visa 1234'.
- \* Detail Type:** A dropdown menu with 'Credit Card' selected.
- Description:** An empty text field.
- Is sub-account:** A checkbox that is unchecked.
- Enter parent account:** A dropdown menu with a downward arrow.
- When do you want to start tracking your finances from this account in QuickBooks?:** A dropdown menu with 'Today' selected. Below this is a link for 'More info on opening balances'.
- What was your account's balance on 03/24/2020?:** A text field containing '\$ 1,200.00'. Below this is a note: 'This lets us get your books in order by tax time.'
- Buttons:** 'Cancel' and 'Save and Close' (with a hand cursor icon).

There is also a grey informational box on the left side of the form with the following text:

**Credit card** accounts track the balance due on your business credit cards.

Create one **Credit card** account for each credit card account your business uses.

## Record Credit Card Expense

1. Click the **New (+)** menu and select **Expense**.
2. (Optional) **Enter a Payee**.
3. Click the **Payment account** drop-down and select your credit card account.
4. Enter the **Payment date**.
5. (Optional) Click the **Payment method** drop-down menu and select the appropriate payment method.
6. Click on the first line under **Account Details** and select the appropriate expense account.
7. (Optional) Enter a description.
8. Enter the amount.
9. Click **Save and close**.

The screenshot shows the QuickBooks Expense entry form. The form is titled "Expense" and is located at the URL "c1.qbo.intuit.com/app/expense". The form includes the following fields and sections:

- Payee:** Chin's Gas & Oil
- Payment account:** Visa 1234
- Balance:** \$0.00
- AMOUNT:** \$150.00
- Payment date:** 04/03/2020
- Payment method:** What did you pay with?
- Ref no.:** (empty)

**Category details**

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	MARKUP %	TAX	CUSTOMER
1	Automobile Expense:Fuel Expense	What did you pay for?	150.00				
2							

**Item details**

Memo: (empty)

Total: \$150.00

# Record Credit Card Payment

1. Click the **New (+)** menu and select **Expense**.
2. (Optional) **Enter a Payee.**
3. Click the **Bank/Credit** account drop-down and select your bank account.
4. Enter the **Payment date.**
5. (Optional) Click the **Payment method** drop-down and select the appropriate payment method.
6. Click on the first line under **Account Details**, and select the credit card account.
7. (Optional) Enter a description.
8. Enter the amount.
9. Click **Save and close**.

**Expense** Take a tour Help X

Payee: Chin's Gas & Oil | Payment account: Checking | Balance: \$55,821.40 | **AMOUNT \$700.00**

Payment date: 04/03/2020 | Payment method: What did you pay with? | Ref no.:

▼ Category details

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	MARKUP %	TAX	CUSTOMER
1	Visa 1234	credit card payment	700.00				
2							

## Turn on Customer/Project Costs

1. Click the **Gear** menu and select Account and Settings.
2. Click **Expenses** on the list to the left.
3. Click in the **Bills and expenses** section.
4. Make appropriate selections in the **Account and Settings** window.
5. Click **Save**.

### Account and Settings

Company	
Billing & Subscription	
Usage	
Sales	
Expenses	<b>Bills and expenses</b>
Payments	
Advanced	

Show Items table on expense and purchase forms ? Off

Track expenses and items by customer ? On

Make expenses and items billable ? On

Markup with a default rate of  % ?

Track billable expenses and items as income ?

Charge sales tax ?

Default bill payment terms

## Enter Customer/Project Related Costs

You can enter expenses related to customers/projects by using the Customer field on expenses, checks and bills.

1. Click the **New (+)** menu.
2. Select **Expense, Check, or Bill**.
3. Use the **Customer** field to record who/what the expense was for.
4. Click **Save and close**.

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	MARKUP %	TAX	CUSTOMER
1	Subcontractors		900.00	<input checked="" type="checkbox"/>	10	<input type="checkbox"/>	Enter Text
2							

## Vendor Credit Memos

When a vendor gives you a credit to use on a future bill, enter a Vendor Credit. QuickBooks will automatically apply this credit to future bills from the same vendor.

### Enter Vendor Credit

1. Click the **New (+)** menu.
2. Select **Vendor Credit**.
3. Enter appropriate information in the **Vendor Credit** window.
4. Click **Save and close**.

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	MARKUP %	TAX	CUSTOMER
1	Equipment Rental	overbilled for equipment rental	200.00				
2							

# Vendor Balance Detail Report

Run a vendor balance detail report to keep track of who your business owes money to and when it needs to be paid.

Sort ▾ Add notes ✉️ 🖨️ 📄 ⚙️

Buildem, Inc.  
**VENDOR BALANCE DETAIL**  
All Dates

DATE	TRANSACTION TYPE	NUM	DUE DATE	AMOUNT	OPEN BALANCE	BALANCE
▼ D. Bell						
03/31/2023	Bill	#7d0	04/15/2023	388.00	388.00	388.00
<b>Total for D. Bell</b>				<b>\$388.00</b>	<b>\$388.00</b>	
▼ Dallas Bell						
03/28/2023	Bill	38888	04/07/2023	578.00	578.00	578.00
<b>Total for Dallas Bell</b>				<b>\$578.00</b>	<b>\$578.00</b>	
▼ Door Knob Corporation						
01/21/2023	Bill		01/21/2023	3,749.75	3,749.75	3,749.75
<b>Total for Door Knob Corporation</b>				<b>\$3,749.75</b>	<b>\$3,749.75</b>	
▼ General Carriers, Inc.						
01/01/2023	Vendor Credit	CM-03-20		-500.00	-500.00	-500.00
03/15/2023	Bill		04/14/2023	7,250.00	7,250.00	6,750.00
03/31/2023	Bill	3993	04/30/2023	4,250.00	4,250.00	11,000.00
<b>Total for General Carriers, Inc.</b>				<b>\$11,000.00</b>	<b>\$11,000.00</b>	

## Pay Bills- Apply Credit

1. Click the **New (+)** menu.
2. Select **Pay Bills**.
3. Select the appropriate bills to pay (Notice QuickBooks uses available credits).
4. Click **Save and print** or **Save and close**.

**Pay Bills** ? ✕

Payment account: Chase Checking Balance \$1,124,388.56 Payment date: 03/30/2020 Starting check no.: To print Print later TOTAL PAYMENT AMOUNT: **\$0.00**

Pay bills directly from QuickBooks

Filter ▾ Last 365 Days 13 open bills, 1 overdue

PAYEE	REF NO.	DUE DATE	OPEN BALANCE	CREDIT APPLIED	PAYMENT	TOTAL AMOUNT
<input checked="" type="checkbox"/> Hicks Hardware		03/11/2020	\$200.00	200.00	0.00	\$200.00
<input type="checkbox"/> Robertson & Associates		04/04/2020	\$1,250.00	Not available		\$0.00
<input type="checkbox"/> Jo Jo Inc.	3553	04/24/2022	\$1,085.00	Not available		\$0.00
<input type="checkbox"/> Locks, Inc.		01/20/2023	\$995.00	Not available		\$0.00
<input type="checkbox"/> Door Knob Corporation		01/21/2023	\$3,749.75	Not available		\$0.00
<input type="checkbox"/> Spendalot, Inc.	0039	03/15/2023	\$14,000.00	Not available		\$0.00

Cancel Save and print

## Bill Payment Check and Voucher Showing Credit Applied

				03/25/2020	
Hicks Hardware				**2,415.00	
Two thousand four hundred fifteen and 00/100*****					
Geoff Hicks Hicks Hardware 1234 Hardware Ave. Dallas, TX 75240					
03/25/2020		Hicks Hardware			
<b>Date</b>	<b>Type</b>	<b>Reference</b>	<b>Original Amount</b>	<b>Balance Due</b>	<b>Payment</b>
03/01/2020	Bill		2,615.00	2,415.00	2,415.00
Check Amount					2,415.00

## Void vs. Delete Checks

Void a check if you used the check number but the check will never be cashed.  
Delete a check if the check was never written.

### Delete a Check

1. Display the appropriate check.
2. Click the **More** button and select **Delete**.
3. Click **Yes** to confirm.

### Void a Check

1. Display the appropriate check.
2. Click the **More** button and select **Void**.
3. Click **Yes** to confirm.

Check #17
Help X

Payee: Tony Rondonuwu

Bank Account: Chase Checking

Balance: \$1,123,488.56

AMOUNT

**\$900.00**

Mailing address: Tony Rondonuwu

Payment date: 01/01/2020

Check no.: 17

Print later

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	MARKUP %	TAX	CUSTOMER
1	Subcontractors	What did you pay for?	900.00				
2							

Add lines

Clear all lines

Memo

Attachments Maximum size: 20MB

Total \$900.00

Copy

Void

Delete

Transaction journal

Audit history

Cancel
Print check
Order checks
Make recurring
More
Save and close

# Chapter 14

# Online Banking

## Online Banking

You can potentially download transactions directly from your bank and credit cards allowing you to skip some of the manual data entry. You'll learn how to set up a bank account on your Chart of Accounts, then take a tour of the Banking Center and learn how to integrate them into your books. You'll learn the difference between matching and adding transactions, and situations such as transfers, credit card charges and payments.

## Add Bank Account

Managing your bank and credit card accounts in QuickBooks is free and easy to use. After you add your bank account to QuickBooks you choose how far back you want QuickBooks to go when downloading historical transactions. After that, it's easy to add and match transactions that are automatically downloaded as they clear your bank.

### Option 1: Add Bank Account to Chart of Accounts

1. Click **Accounting** on the left navigation bar.
2. Select **Chart of Accounts** at the top of the page.
3. Click **New**.
4. Enter appropriate information on the new account page.
5. Click **Save**.

The screenshot shows the 'Account' form in QuickBooks. The form is titled 'Account' and has a close button (X) in the top right corner. It contains several fields: 'Account Type' (dropdown menu with 'Bank' selected), '\*Detail Type' (dropdown menu with 'Cash on hand' selected and a mouse cursor hovering over it, showing a list of options: 'Cash on hand', 'Checking', 'Money Market', 'Rents Held in Trust', 'Savings', and 'Trust account'), '\*Name' (text input field with 'Chase Checking'), 'Description' (text input field), 'Is sub-account' (checkbox), 'Enter parent account' (dropdown menu), and 'When do you want to start tracking your finances from this account in QuickBooks?' (dropdown menu with 'Choose one' selected). At the bottom, there are 'Cancel' and 'Save and Close' buttons.

If you choose to add the bank account to your Chart of Accounts, you will upload the bank transactions from your downloaded bank statements on a regular basis.

# Set Up for Online Banking

1. Click **Banking** on the navigation bar.
2. Click **Add account**.
3. Enter your bank name or online banking URL, or select from a list of popular banks.
4. Enter the login information you use to access your account on your bank's website.
5. Click **Sign in**.
6. Click the drop-down list next to each account you want to connect and select the bank or credit card account on your chart of accounts.
7. Click **Connect**.

## The Online Banking Center

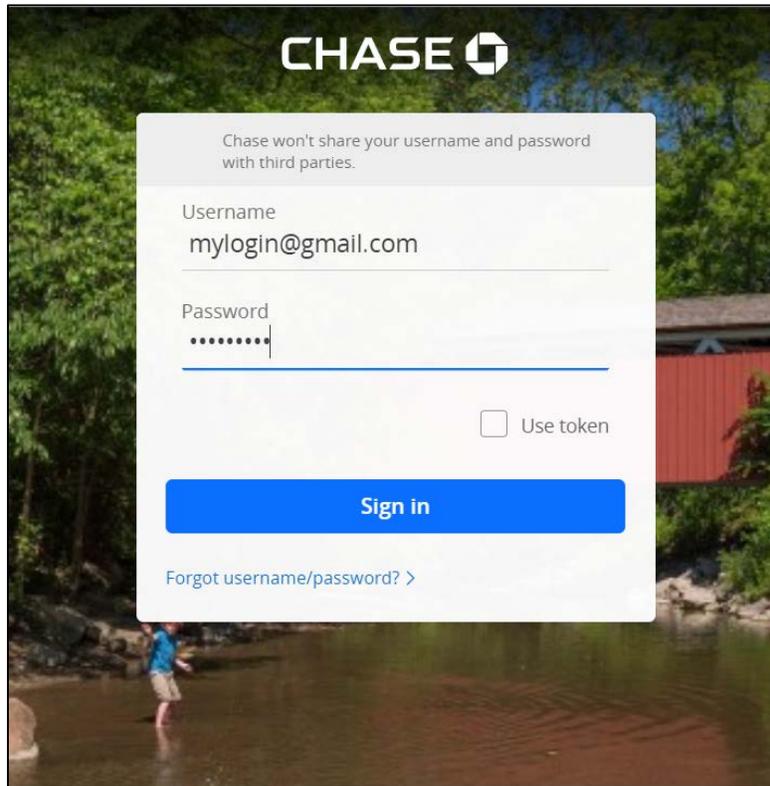
The screenshot shows the QuickBooks Online Banking Center for 'Buildem, Inc.'. The interface includes a sidebar with navigation options like Dashboard, Banking, Expenses, Sales, Projects, Workers, Reports, Taxes, Mileage, Accounting, My Accountant, Apps, and Live Bookkeeping. The main content area displays three account cards: '1100 Checking' with a balance of \$19,895.29, 'Savings' with a balance of \$5,000.00, and 'Mastercard' with a balance of \$160.66. Below these cards is a table for transactions under the heading 'For review (22)'. The table has columns for DATE, DESCRIPTION, PAYEE, CATEGORY OR MATCH, SPENT, RECEIVED, and ACTION. The first four rows of data are as follows:

DATE	DESCRIPTION	PAYEE	CATEGORY OR MATCH	SPENT	RECEIVED	ACTION
01/13/2020	A1 Backhoe Rental Deposit ...		Sales	\$800.00		Add
02/03/2020	A1 Backhoe Rental Deposit ...		Sales	\$1,200.00		Add
01/03/2020	Cheesecake Factory		Meals	\$24.38		Add
01/04/2020	Mahoney's Mugs	Mahoney's Mugs	Advertising:Print:Newspapers	\$18.08		Add

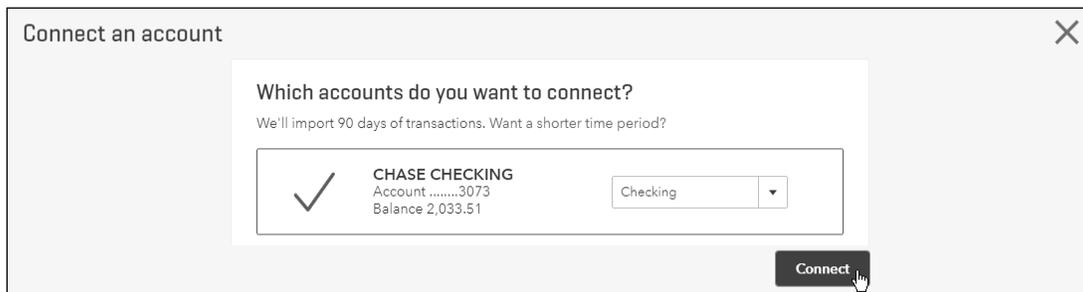
## Add Account

The 'Add Account' screen features the heading 'Let's get a picture of your profits' and the instruction 'Connect your bank or credit card to bring in your transactions.' Below this is a search input field with the placeholder text 'Enter your bank name or URL'. A section titled 'Here are some of the most popular ones' displays a grid of bank logos: AMERICAN EXPRESS, CHASE, BANK OF AMERICA, WELLS FARGO, J.P.Morgan, Capital One, PayPal, and usbank. A mouse cursor is shown hovering over the CHASE logo.

## Login to Your Bank Account



## Connect Your Accounts



If you connect your bank account, you'll be able to download previous transactions into your banking center. Future transactions in your bank account will be automatically downloaded into your QuickBooks Banking Center.

## The Online Banking Center

After you've connected your bank account to QuickBooks, you're ready to update QuickBooks with new bank activity. You manage this process through the Online Banking Center.

**Note:** Each connected account shows a Bank Balance and an In QuickBooks balance. These balances will often differ from each other as the Bank Balance is based on transactions that have cleared the bank account, and the QuickBooks Balance is based only on transactions that have been recorded in QuickBooks.

## Online Banking Center Processes

The Bank and Credit Cards page is where you perform all your online banking tasks.

- **File upload**

Click **File upload** to upload a list of transactions from your bank. Note that you won't need to do this if you choose to connect your bank to QuickBooks.

- **Link account**

Click **Link account** to connect a new account to QuickBooks.

- **For Review**

The **For Review** tab lists transactions downloaded from your bank that haven't been added or matched to existing transactions in QuickBooks. Until these transactions are added or matched, they have no impact on your accounting records.

- **Categorized**

The **Categorized** tab lists transactions you have matched or added to QuickBooks. This tab does NOT show transactions that you manually entered into QuickBooks.

- **Excluded**

The **Excluded** tab lists transactions you have chosen to exclude, such as duplicate transactions or transaction history you don't need in QuickBooks. You can undo this action at any time.

## Open the Online Banking Center

1. Click **Banking** on the navigation bar.
2. Select an account from the top of the page.

The screenshot shows the QuickBooks Online Banking Center for 'Buildem, Inc.'. The interface includes a sidebar with navigation options such as Dashboard, Banking, Expenses, Sales, Projects, Workers, Reports, Taxes, Mileage, Accounting, My Accountant, Apps, and Live Bookkeeping. The main content area displays three account cards: 1100 Checking, Savings, and Mastercard. Below these cards is a table of transactions for review, with columns for DATE, DESCRIPTION, PAYEE, CATEGORY OR MATCH, SPENT, RECEIVED, and ACTION.

<input type="checkbox"/>	DATE	DESCRIPTION	PAYEE	CATEGORY OR MATCH	SPENT	RECEIVED	ACTION
<input type="checkbox"/>	01/13/2020	A1 Backhoe Rental Deposit ...		Sales	\$800.00		Add
<input type="checkbox"/>	02/03/2020	A1 Backhoe Rental Deposit ...		Sales	\$1,200.00		Add

## Manage Downloaded Transactions

There are two types of downloaded transactions: ones that you have already entered into QuickBooks, and ones that have not been entered into QuickBooks.

**Match-** Transactions that you've already entered need to be verified or '**matched**' to the downloaded expense. If QuickBooks finds that you've already entered something that it has downloaded, you'll see "**Match**" or "**View**" as an option. By matching a downloaded transaction with something you've already entered, you ensure that the transaction is not entered twice. QuickBooks attaches the downloaded version to the version you've already entered.

**View-** If QuickBooks finds that you've already entered two or more transactions like the bank transaction you've downloaded, you'll need to choose the exact transaction which is a match. The non-selected transaction(s) will remain in the Online Banking center until action is taken on that remaining transaction.

## Review/Match Downloaded Transactions (Already Entered)

1. On the **For Review** tab, select a transaction to match.
2. Select the appropriate match, or click **Find match** if the transaction was not matched correctly.
3. Click **Match**.

01/10/2020 Hicks Hardware Hicks Hardware **1 record found** Check 01/10/2020 \$-228.75 \$228.75 **Match**

Categorize  Find match  Record as transfer

Matching records found

**Check75** 01/10/2020 \$-228.75

**BANK DETAIL** Hicks Hardware Hicks Hardware Hicks Hardware

Find other matches **Add**

## Batch Accept Downloaded Transactions (Already Entered)

1. On the **For Review** tab, select all matched transactions.
2. Check the box to the left of the desired transactions and select **Accept**.

Banking Rules Receipts

For review (22) Categorized Excluded

4 items selected **Accept** **Update** **Exclude**

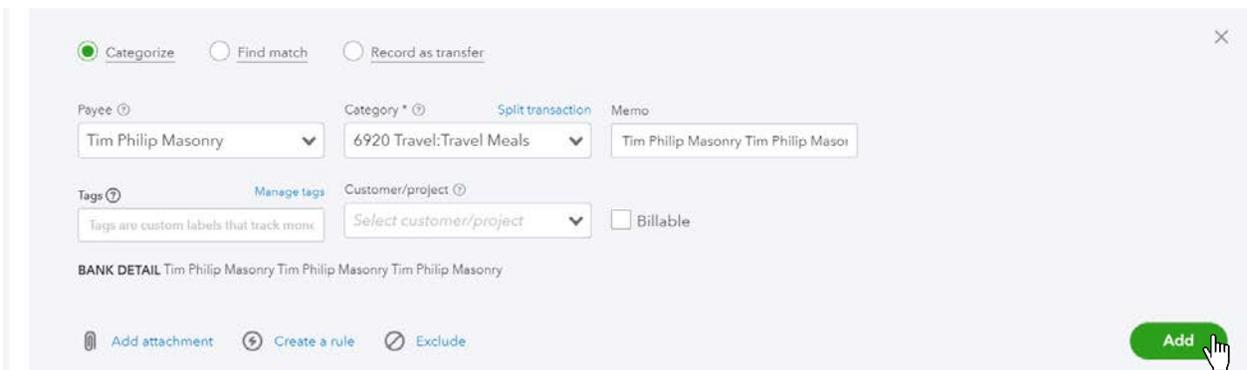
<input type="checkbox"/>	DATE	DESCRIPTION	PAYEE	CATEGORY OR MATCH ▲	SPENT	RECEIVED	ACTION
<input type="checkbox"/>	01/10/2020	Pam Seitz	Pam Seitz	<b>2 records found</b>	\$75.00		<b>View</b>
<input type="checkbox"/>	01/08/2020	Squeakys		<b>2 records found</b>	\$19.99		<b>View</b>
<input type="checkbox"/>	01/30/2020	Transfer to Savings		<b>1 record found</b> Check 01/01/2020 \$-500.00	\$500.00		<b>Match</b>
<input checked="" type="checkbox"/>	01/10/2020	Hicks Hardware	Hicks Hardware	<b>1 record found</b> Check 01/10/2020 \$-228.75	\$228.75		<b>Match</b>
<input checked="" type="checkbox"/>	01/10/2020	Check		<b>1 record found</b> Deposit 01/10/2020 \$868.15		\$868.15	<b>Match</b>
<input checked="" type="checkbox"/>	01/09/2020	DALLAS BELL PAYMENT 16...		<b>1 record found</b> Bill Payment 01/09/2020 \$-114.09	\$114.09		<b>Match</b>

## Add Downloaded Transactions (Not Already Entered)

New transactions that you haven't recorded in QuickBooks yet can be "**added**," which means that QuickBooks creates a new transaction for you based on the downloaded information and the information that you add into the transaction, specifically the **Who, When, What** and **How Much**. Sort the list by the column headers to help organize your work.

When dealing with a new transaction, you'll see the date it cleared the bank (the **When**), how much money it was for (the **How Much**), and something called the Bank Detail, which is usually who you paid (the **Who**). QuickBooks cannot download the reason **Why** you spent the money, so you must enter the category, or account, as an explanation to QuickBooks for why the money was spent or received. In doing so, you'll be able to track why you spent or received the money later on your financial statements.

1. On the **For Review** tab, select a transaction to add.
2. Correct or enter an appropriate name (optional) and account category.
3. Click **Add**.



The screenshot shows the 'Add' dialog box in QuickBooks. At the top, there are three radio buttons: 'Categorize' (selected), 'Find match', and 'Record as transfer'. Below this, there are several input fields: 'Payee' with a dropdown menu showing 'Tim Philip Masonry', 'Category \*' with a dropdown menu showing '6920 Travel:Travel Meals', and a 'Memo' field containing 'Tim Philip Masonry Tim Philip Masor'. There is also a 'Split transaction' link. Below these, there are 'Tags' and 'Customer/project' dropdown menus, and a 'Billable' checkbox. At the bottom, there is a 'BANK DETAIL' section with the text 'Tim Philip Masonry Tim Philip Masonry Tim Philip Masonry'. At the bottom right, there is a green 'Add' button with a hand cursor over it. At the bottom left, there are three icons: 'Add attachment', 'Create a rule', and 'Exclude'.

## Recognized Transactions

As you add information to downloaded transactions, QuickBooks 'remembers' the accounts and names you've added to previous transactions, and prefills some of this information for you. These transactions are listed together on the Recognized list. You can batch add these recognized transactions to save time.

## Add Downloaded Transactions (Recognized)

1. Click All transactions at the top of the list and then choose **Recognized**.
2. Review the information for new transactions, and make any necessary changes.
3. Check the box to the left of the desired transactions and select **Accept**.

The screenshot displays the QuickBooks Online Banking interface. At the top, there are three account summary cards: 1100 Checking (Bank balance: \$19,895.29, In QuickBooks: \$83,950.55), Savings (Bank balance: \$5,000.00, In QuickBooks: \$4,500.00), and Mastercard (Bank balance: \$160.66, In QuickBooks: \$657.12). Below these cards, there are filters for 'For review (22)', 'Categorized', and 'Excluded'. A dropdown menu is open, showing 'All transactions' selected, with a sub-menu showing 'Recognized' highlighted. Below the filters is a table of transactions for review.

<input type="checkbox"/>	DATE	DESCRIPTION	PAYEE	CATEGORY OR MATCH	SPENT	RECEIVED	ACTION
<input type="checkbox"/>	01/13/2020	Backhoe Rental Deposit ...		Sales	\$800.00		Add
<input type="checkbox"/>	02/03/2020	A1 Backhoe Rental Deposit ...		Sales	\$1,200.00		Add

## What Gets Downloaded

You might be wondering why you would need to manually add anything into QuickBooks if your transactions are already downloaded from your connected bank account. Since online banking makes it so easy to enter transactions, it's tempting to rely on it to record all of your transactions. However, there are some transactions that cannot be downloaded from the bank that you still need to enter manually. If you want QuickBooks to print a check, or if you want to record more specific products and services a customer purchased from you, you'll need to enter in those details through a manually entered transaction.

## Transactions You Add Through Online Banking

- Receive Payment (should still be entered manually if it applies to multiple invoices, or was deposited with other payments)
- Expenses
- Bill Payments (if a bill was paid with a check, it should still be entered manually)
- Credit Card Credit
- Transfers

## Transactions You Enter Manually

- Invoices
- Estimates
- Credit Memos
- Sales Receipts
- Refund Receipts
- Delayed Credits
- Delayed Charges
- Checks
- Bills
- Purchase Orders
- Vendor Credits
- Paychecks and Timesheets (third party payroll can sometimes be downloaded as an expense)
- Deposits

## Manage Downloaded Deposits

Deposits you make at the bank can be added through online banking if they're deposits for a single transaction. For example, a refund from a vendor. But if a deposit you make at the bank is for a batch of transactions, such as customer payments on invoices, you should still record it manually in QuickBooks.

When you receive a refund from a vendor, this effectively reduces the expense you incurred with that vendor. When the refund is downloaded from the bank, select the expense account you used on the original expense with the vendor to reduce your expense account balance on your financial statement.

## Review/Add Downloaded Deposits (Not Entered)

1. On the **For Review** tab, select the deposit.
2. (Optional) Add a vendor name.
3. In the **Category** field, select the appropriate income or expense account.
4. Click **Add**.

<input type="checkbox"/>	DATE	DESCRIPTION	PAYEE	CATEGORY OR MATCH ▾	SPENT	RECEIVED	ACTION
<input type="checkbox"/>	01/13/2020	A1 Backhoe Rental Deposit ...		Sales	\$800.00		<a href="#">Add</a>

Categorize    Find match    Record as transfer

Payee    Category \*    Split transaction   Memo

Tags    Manage tags   Customer/project     Billable

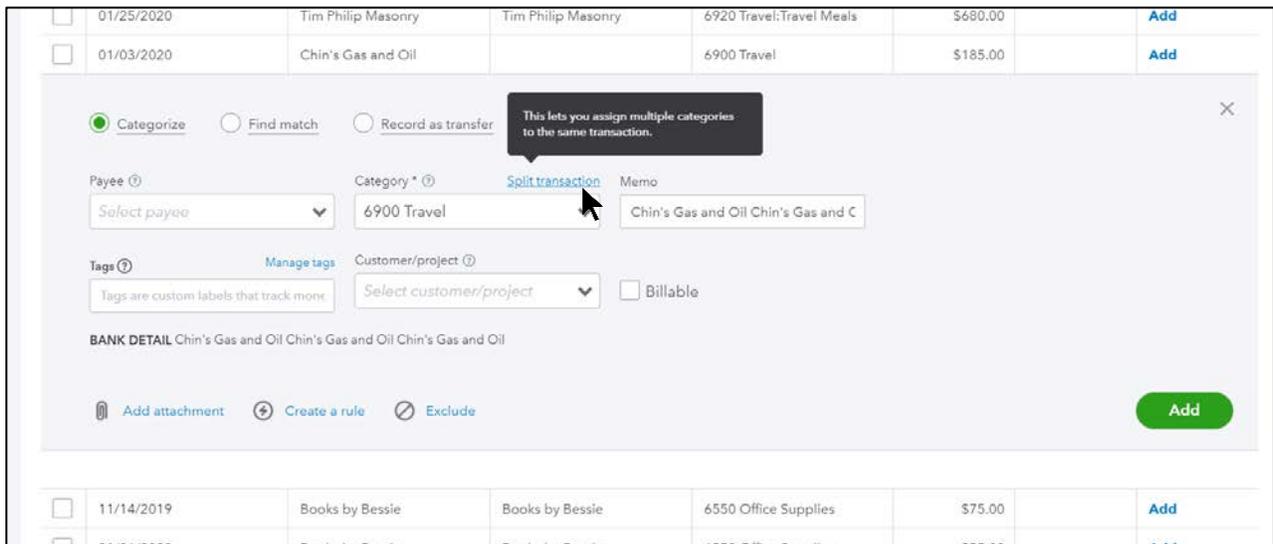
**BANK DETAIL** A1 Backhoe Rental A1 Backhoe Rental A1 Backhoe Rental

# Add Split Transactions

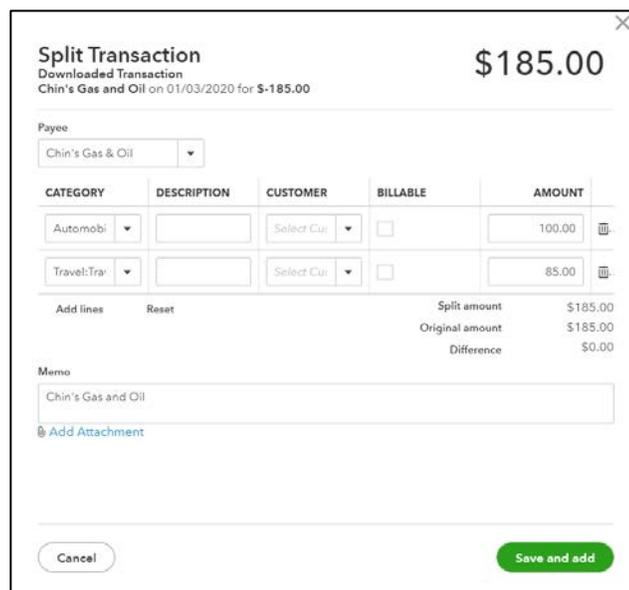
When an expense is downloaded that needs more than one expense account associated with it, you can do this with the Split option.

## Review/Add Split Transactions

1. On the **For Review** tab, select the transaction.
2. Click **Split Transaction**.



3. (Optional) Add a payee name.
4. On the first line, select an appropriate account.
5. On the following lines, select the appropriate expense accounts, and enter the appropriate amounts (click **Add lines** if necessary).
6. Click **Save and add**.



# Exclude Transactions

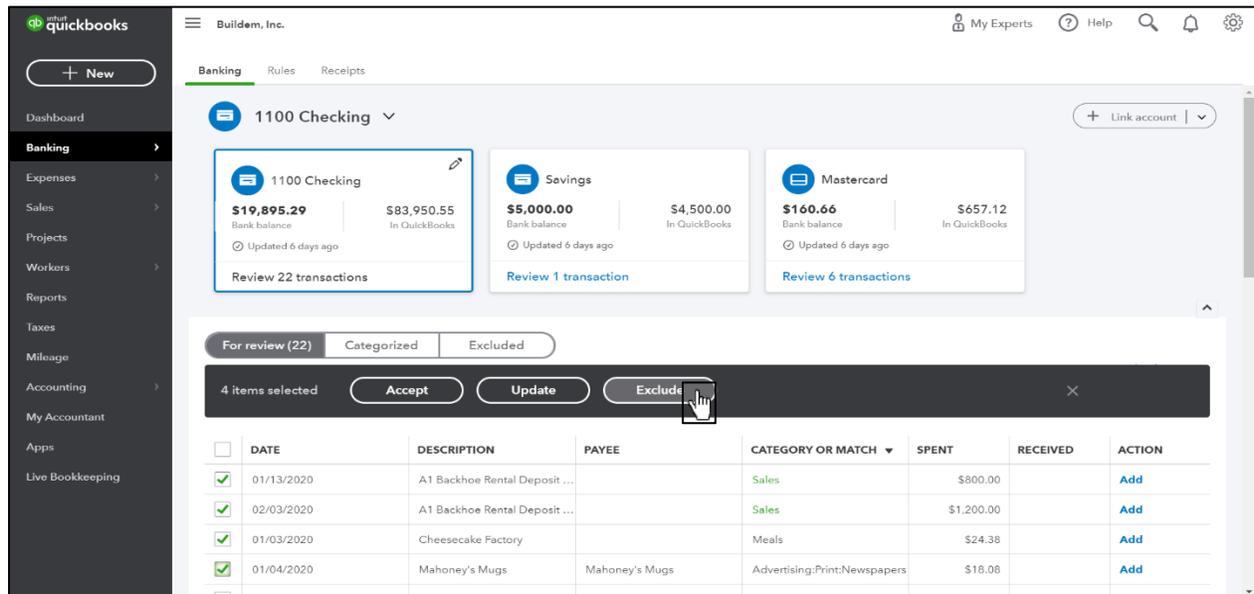
You can exclude downloaded transactions such as duplicates or transactions that took place before when you chose to start tracking an account.

## Reasons to Exclude Transactions

1. If you are connecting an account you have used manually in QuickBooks Online and are now starting to download transactions from your bank and transactions you've already reconciled appear in the Banking Center
2. If the bank sent the transaction more than once.
3. If the transaction happened before the starting date/balance for the account. In other words, if it happened before the "As of" date that you entered for the account as you set it up.

## Exclude New Transactions

1. On the **For Review** tab, click the box next to transactions to exclude.
2. Click **Exclude**.

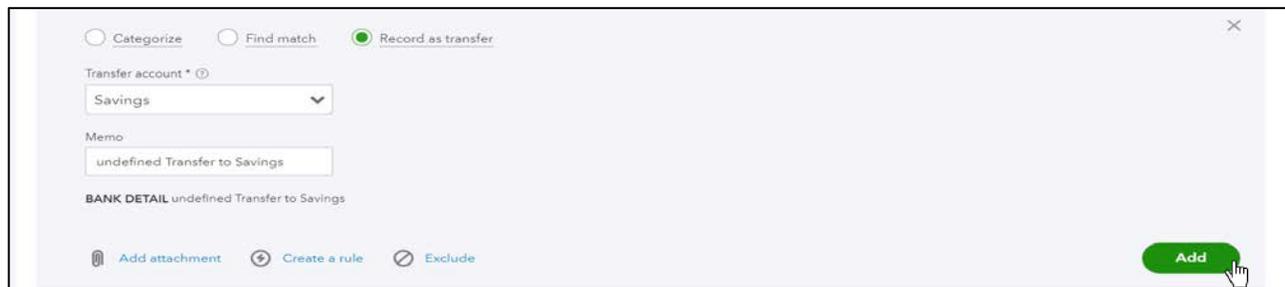


## Transfers

**Transfers** are financial transactions that represent you moving money from one bank account to another. They can be downloaded and added to QuickBooks without entering them manually first. If you transfer money between two bank accounts that you've connected to download transactions, then you only need to **Add** the transfer for one account, and then **Match** it for the other.

### Add Transfers

1. On the **For Review** tab, select the transfer.
2. In the **Category** field, select the account the money came from (if this is an increase in the bank account) or the account the money went to (if this is a decrease in the bank account).
3. Click **Add**.



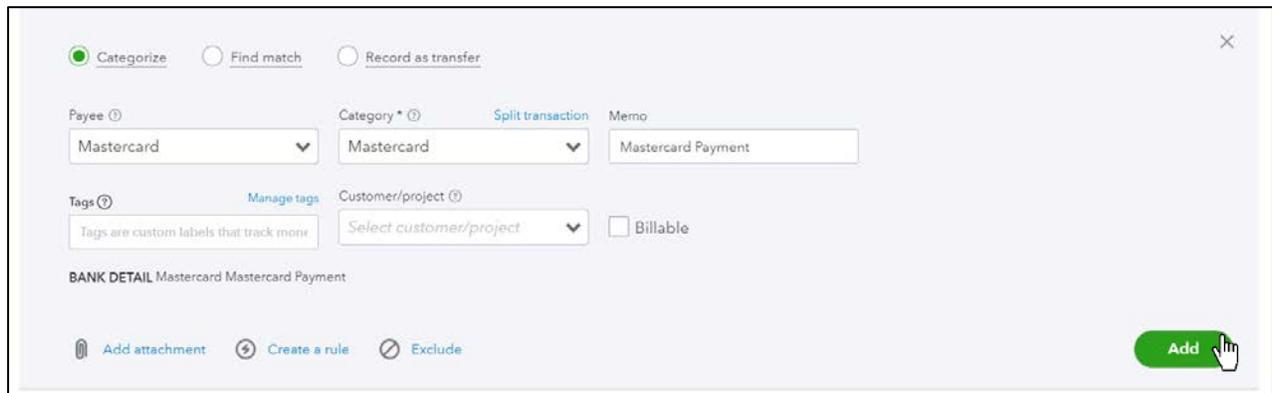
The screenshot shows a modal window for adding a transfer. At the top, there are three radio buttons: "Categorize", "Find match", and "Record as transfer". The "Record as transfer" option is selected. Below this, there is a "Transfer account" dropdown menu with "Savings" selected. A "Memo" field contains the text "undefined Transfer to Savings". Below the memo field, it says "BANK DETAIL undefined Transfer to Savings". At the bottom, there are three icons with labels: "Add attachment", "Create a rule", and "Exclude". A green "Add" button is located in the bottom right corner, with a mouse cursor hovering over it.

## Credit Card Payments

If you pay your credit card balance online or with your debit card, those payments will be downloaded to the banking center.

### Add Credit Card Payments

1. On the **For Review** tab, select the credit card payment.
2. (Optional) Click the **Payee** drop-down and select a payee.
3. In the **Category** field, select the credit card account to apply the payment towards.
4. Click **Add**.



The screenshot shows the 'Add' dialog box in QuickBooks. At the top, there are three radio buttons: 'Categorize' (selected), 'Find match', and 'Record as transfer'. Below this, there are several input fields: 'Payee' with a dropdown menu showing 'Mastercard', 'Category' with a dropdown menu showing 'Mastercard', and 'Memo' with a text field containing 'Mastercard Payment'. There is also a 'Split transaction' link. Below these, there are 'Tags' (with a 'Manage tags' link), 'Customer/project' with a dropdown menu showing 'Select customer/project', and a 'Billable' checkbox. At the bottom, there are three icons: 'Add attachment', 'Create a rule', and 'Exclude'. A green 'Add' button is located in the bottom right corner, with a mouse cursor hovering over it. The text 'BANK DETAIL Mastercard Mastercard Payment' is visible at the bottom left of the dialog box.

**Note:** If you have your credit card account connected as well, once you Add the transaction for the bank account, it will show up as a Match on the credit card account.

## Recording a Personal Expense

It's tempting to want to exclude personal expenses, however, all transactions from your bank account need to be recorded in QuickBooks in order for you to reconcile the account. During reconciliations you compare your bank statements to what you have in QuickBooks to make sure you've recorded everything that happened in that account. If you exclude ANY transactions that appear on your bank statement, you'll not be able to reconcile.

Instead of excluding these transactions when they show up, you can use an **Equity** account in the **Category** field to properly record the transaction. Most businesses have an equity account named **Owner's Draw** that is used for these kinds of personal purchases. If you do not have this on your Chart of Accounts, you can easily create a new Equity account with this name.

The screenshot shows the QuickBooks transaction entry interface. At the top, a transaction header displays the date '01/04/2020', the payee 'Mahoney's Mugs', the account 'Mahoney's Mugs', the category 'Owner's Equity/Owner's Draw', and the amount '\$18.08'. Below this, the 'Categorize' tab is active, showing options for 'Find match' and 'Record as transfer'. The 'Payee' is set to 'Mahoney's Mugs'. The 'Category' dropdown is open, showing a list of options: '+ Add new Owner', 'Owner's Equity', 'Owner's Contribution', and 'Owner's Draw'. The 'Owner's Draw' option is highlighted in green. The 'Memo' field contains 'Mahoney's Mugs Mahoney's Mugs'. There is also a 'Billable' checkbox which is unchecked. At the bottom right, there is a green 'Add' button. A hand cursor is pointing at the 'Owner's Draw' option in the dropdown menu.

# Chapter 15

# Reconciliation

## Reconcile Bank Account

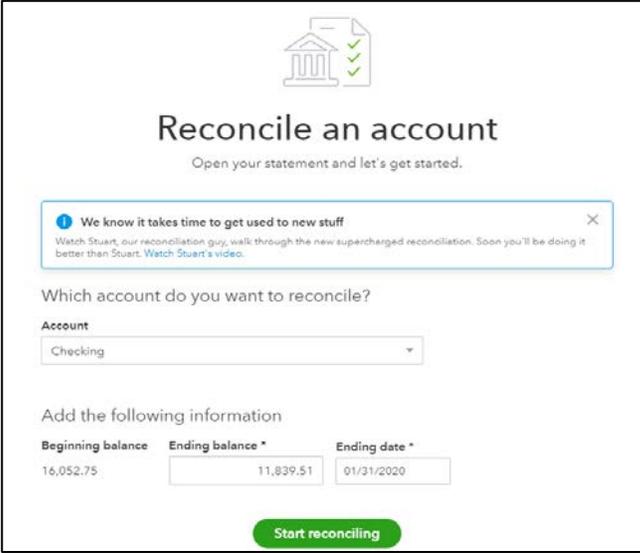
Trusting your reports and balances in QuickBooks is important. Your task with all bookkeeping is to record transactions accurately so that they match with the reality of your business' bank and credit card accounts. The best way to check for accuracy is to perform a reconciliation, which is the process of comparing your records in QuickBooks to the official records you receive from your bank and credit card issuers.

**When to reconcile:** Real World Training recommends that you reconcile every month when you receive the bank/credit card's official statement.

**Before you reconcile:** To reconcile, you should have last month's bank statement on hand for this process, printed if possible.

## Reconcile Account

1. Click the **Gear** menu and select **Reconcile**.
2. Click the **Account** drop-down arrow and select the appropriate bank or credit card account.



### Reconcile an account

Open your statement and let's get started.

**!** We know it takes time to get used to new stuff ×

Watch Stuart, our reconciliation guy, walk through the new supercharged reconciliation. Soon you'll be doing it better than Stuart. [Watch Stuart's video.](#)

Which account do you want to reconcile?

**Account**

Checking

Add the following information

Beginning balance	Ending balance *	Ending date *
16,052.75	11,839.51	01/31/2020

**Start reconciling**

3. Enter the Ending balance and the Ending date you see on the statement.
4. Click the **Start reconciling** button.
5. Select the transactions that cleared the bank.

Buildem, Inc. My Experts Help

Chart of accounts > Bank register > Reconcile

Reconcile Checking  
Statement ending date: January 31, 2020

1 **\$11,839.51**  
STATEMENT ENDING BALANCE

**\$16,052.75**  
BEGINNING BALANCE

- **\$4,213.24**  
9 PAYMENTS

+ **\$0.00**  
0 DEPOSITS

- **\$11,839.51**  
CLEARED BALANCE

3 **\$0.00**  
DIFFERENCE

Edit info Finish now

Statement ending date Clear filter / View all Payments Deposits All

DATE	CLEARED DATE	TYPE	REF NO.	ACCOUNT	PAYEE	MEMO	PAYMENT (USD)	DEPOSIT (USD)
01/01/2020		Check	84	Owner's Equity...	Business Owner		1,286.82	
01/01/2020		Bill Payment	3333	Accounts Payable	Dallas Phone Company		400.00	
01/01/2020		Check	DEBIT	Automobile Exp...	Squeaky Klean Car W...		19.99	
01/02/2020		Deposit		Construction Inc...	Amy's Bird Sanctuary	Deposit		333.51
01/03/2020		Deposit		Undeposited Fu...	Cool Cars	Deposit		699.00

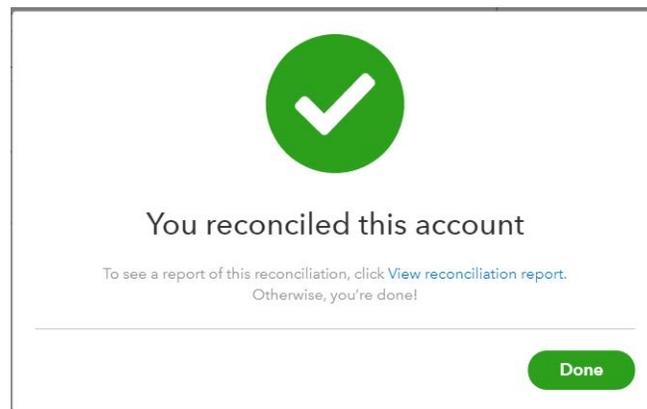
## What you'll see on the reconciliations screen...

1. **Reconciliation equation** - Throughout the reconciliation process QBO calculates several numbers. The first is the *beginning balance* which is the amount you had in the bank at the beginning of the month. QuickBooks determines this by adding up all of the transactions you've reconciled in the past. *The Cleared Balance* is the balance of all the selected transactions. If what's on the bank statement doesn't match what you've checked off for your cleared balance, QuickBooks shows you a *difference*. That means there's a difference between what you have in QuickBooks and what the bank or credit card reports on the statement.
2. **Pre-reconciled transactions** - If you use Online Banking, the transactions you've added or matched already have checkmarks. This is one of the great things that online banking does for you. If you're using online banking to add and match all of your transactions you might just see an entire row of checkmarks and you won't need to do any more work at all since everything has already been checked against the bank's records.
3. **The goal of the reconciliation** - The goal is to check off all the transactions that appear on your bank statement and get a difference of zero!

## Completing your Reconciliation

1. Click **Finish Now**.
2. Click **View report** to open the Reconciliation Report.
3. Click **Print**.

## Reconcile Completed



## What Causes a Reconciliation Difference?

There are a few reasons for a difference between your bank or credit card statement and what you have in QuickBooks.

1. The ending balance or date is incorrect. This can be fixed by clicking the Edit button to change it to what you see on your statement.
2. You might have a transaction checked on the Reconciliation window that shouldn't be. To fix this, just uncheck it in the reconciliation window to remove it from the balance.
3. One of the transactions you've checked in the reconciliations window is for the wrong amount. You may edit the balance by clicking on the line of the incorrect transaction.

# Reconciliation Report

It's important to remember that in most cases you should never change transactions after they're reconciled. To track down changes or deletions if they happen, you can view the **History by Account**. Here you'll see a brief summary of your reconciliations including beginning and ending balances, as well as changes, if any have occurred, and any adjustments that might have been made while reconciling.

Buildem, Inc.	
Checking, Period Ending 01/31/2020	
RECONCILIATION REPORT	
Reconciled on: 05/04/2020	
Reconciled by: creederpracticeaccountapril@gmail.com	
Any changes made to transactions after this date aren't included in this report.	
<b>Summary</b>	USD
Statement beginning balance.....	16,052.75
Checks and payments cleared (9).....	-4,213.24
Deposits and other credits cleared (0).....	0.00
Statement ending balance.....	<u>11,839.51</u>
Uncleared transactions as of 01/31/2020.....	4,747.40
Register balance as of 01/31/2020.....	16,586.91
Cleared transactions after 01/31/2020.....	0.00
Uncleared transactions after 01/31/2020.....	63,356.55
Register balance as of 05/04/2020.....	79,943.46

# Account Register

Every Balance Sheet account in QuickBooks has a register. A register is a record of all the transactions you've recorded for that account. It shows transactions you manually added, as well as those you matched and added through the Bank and Credit Cards page. QuickBooks marks matched/added transactions as "C" cleared and indicates it was an automatically added transaction. Reconciled transactions are indicated with an "R".

## Review Bank Account Register

1. Click **Accounting** on the navigation bar.
2. On the **Chart of Accounts**, click the **View register** link next to the account.

DATE	REF NO. TYPE	PAYEE ACCOUNT	MEMO	PAYMENT	DEPOSIT		BALANCE
02/20/2020	Payment	Craven, Pam Accounts Receivable			\$1,660.00		\$-31,083.80
02/20/2020	Payment	Yoo, Young-Kyu Accounts Receivable			\$1,500.00		\$-32,743.80
02/20/2020	Payment	Shawn Spencer Accounts Receivable			\$755.00		\$-34,243.80
12/29/2007	494 Check	Dan T. Miller -Salt-		\$170.60		C	\$-34,998.80
11/15/2003	Deposit	Abercrombie, Kristy Family Room-1 Undeposited Funds	Deposit		\$2,080.11	C	\$-34,828.20
12/14/2023	493 Check	Union Dues		\$100.01		R	\$-34,908.31
11/20/2023	472 Bill Payment	Petson Hardware Supplies Accounts Payable	RC 93	\$654.23		R	\$-34,909.30
11/09/2023	473 Bill Payment	Wheeler's Tile Etc. Accounts Payable		\$686.00		R	\$-34,152.07

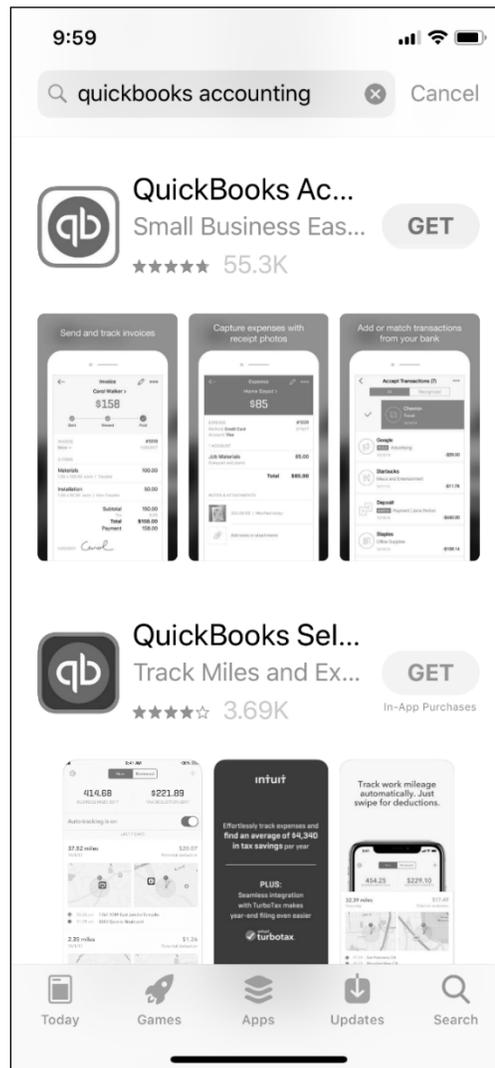
# Chapter 16

# Mobile App

## Install Mobile App

The free mobile app for QuickBooks Online makes it easy to enter sales and expense transactions, add and match downloaded transactions, and manage lists. You can install the app on your phone or tablet from the app store for your device.

1. Browse to the app store on your phone or tablet (App store on Apple® devices, Google Play store on Android® devices).
2. Search for '**QuickBooks Accounting**'.
3. Select the QuickBooks Accounting app in the list of results.
4. Select the option to **Get** (Apple) or **Install** (Android) the app.
5. Follow the prompts to complete the installation.

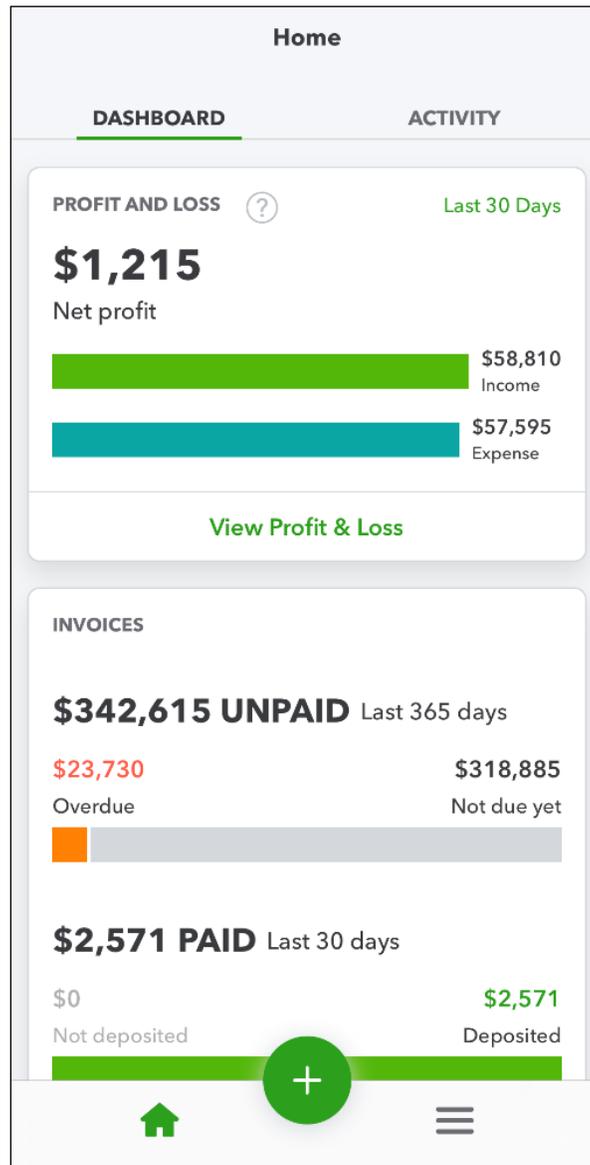


# Mobile App Dashboard

The Dashboard in the mobile app displays information about your business such as a Profit and Loss graph, and an Expenses graph. You also see an Activity list which shows recent transactions and changes to list entries and company information.

## Access Mobile App Dashboard

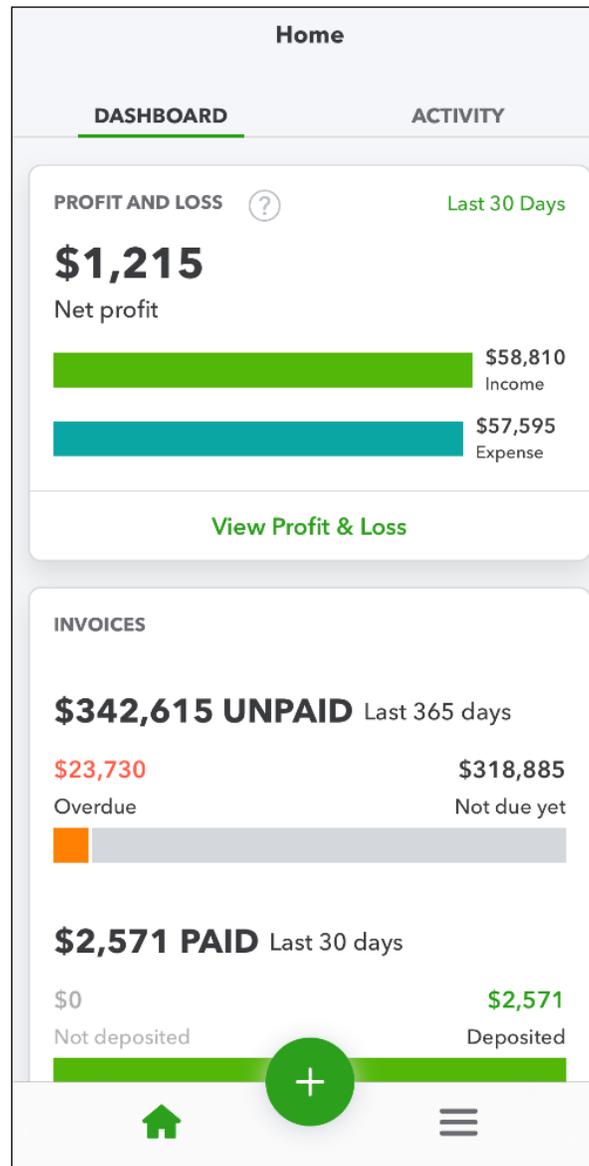
1. Browse to the **QuickBooks Accounting** app on your mobile device.
2. Enter your login information and select **Sign in**.



## Moving Around in QuickBooks Mobile

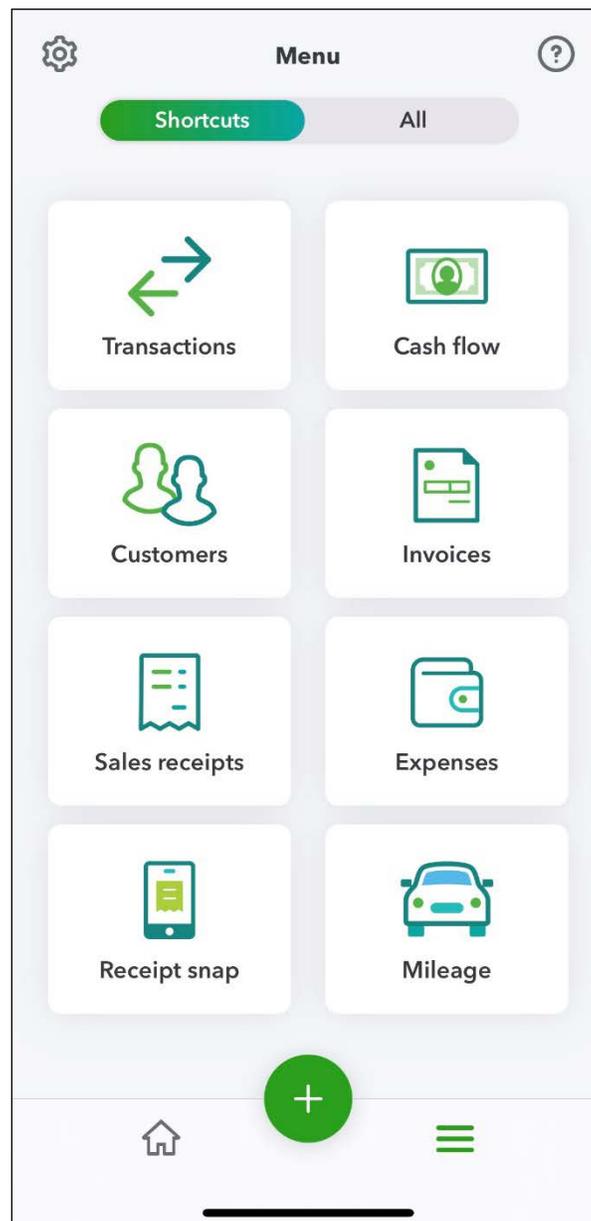
You can access all the features in the mobile app from two areas:

1. Hamburger menu
2. **New (+)** menu



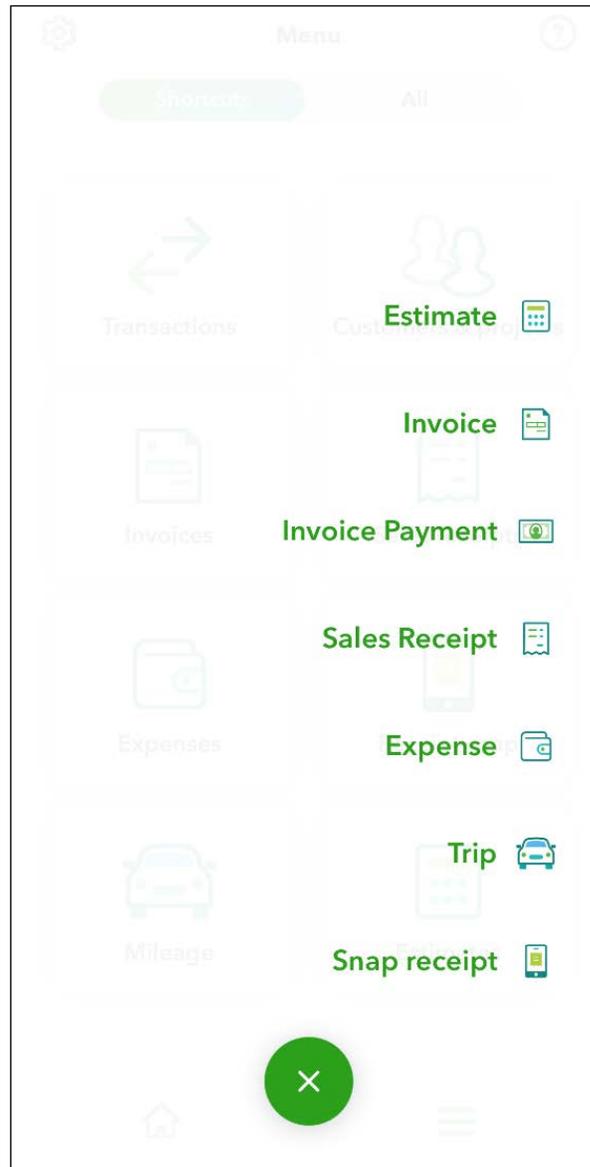
## Hamburger Menu

The **Hamburger menu** appears at the bottom right on the IOS app. It provides quick access to lists you use often as well as common transactions and reports.



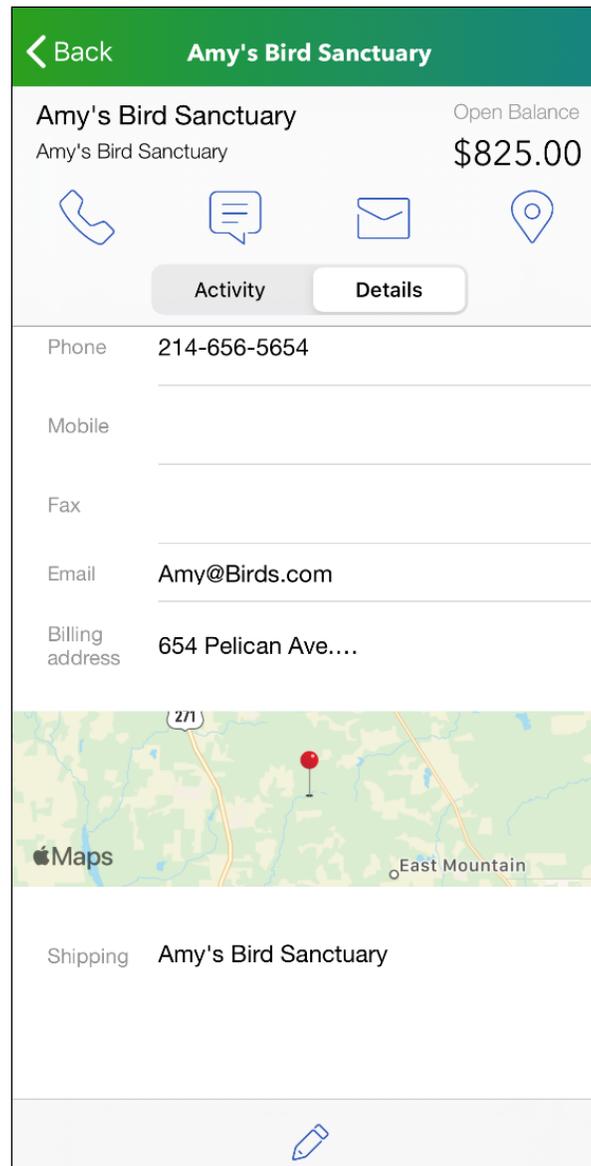
## New (+) Menu

The **New (+)** appears at the bottom middle of the app. It allows you to record transactions for customers and vendors, as well as deposits.



## View Customer/Vendor Information

1. Tap the **Hamburger** menu.
2. Select **Customers or Vendors**.
3. Select the name you want to view more information for.
4. Select **Activity** to see transactions for that name; select **Details** to see contact information such as phone number and address.
5. Select the **phone icon** to call the customer or vendor.
6. Select the **speech bubble icon** to send a text message to the customer or vendor.
7. Select the **envelope icon** to email the customer or vendor.
8. Select the **map location icon** to get directions to their address.
9. Select the **back arrow** (<) to return to the list.

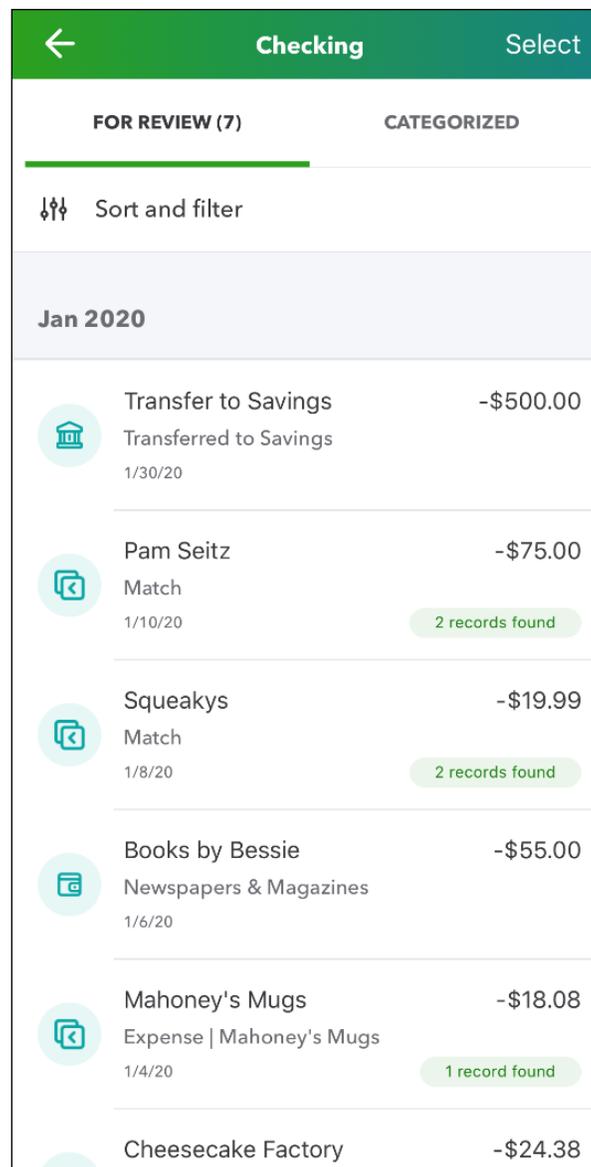


## Online Banking in App

When transactions are downloaded from your bank, you can add and/match them directly in the QuickBooks Online app. There's no need to wait to get back to the office to manage your transactions.

### Add/Match Downloaded Transactions

1. Tap the **Hamburger** menu.
2. Select **Banking**.
3. Select the appropriate account.
4. Select a transaction in the list:
  - To Match a transaction, select Accept at the bottom of the screen.
  - To Add a transaction, select the appropriate name and account information and select Accept.



The screenshot shows the 'Checking' account page in the QuickBooks Online app. The page is titled 'Checking' and has a 'Select' button in the top right corner. Below the title, there are two tabs: 'FOR REVIEW (7)' and 'CATEGORIZED'. The 'FOR REVIEW (7)' tab is selected. Below the tabs, there is a 'Sort and filter' option. The main content area shows a list of transactions for 'Jan 2020'. Each transaction entry includes an icon, the transaction name, the amount, a description, the date, and a 'Match' button. Some transactions have a '2 records found' or '1 record found' indicator.

Transaction Name	Amount	Description	Date	Match Status
Transfer to Savings	-\$500.00	Transferred to Savings	1/30/20	
Pam Seitz	-\$75.00	Match	1/10/20	2 records found
Squeakys	-\$19.99	Match	1/8/20	2 records found
Books by Bessie	-\$55.00	Newspapers & Magazines	1/6/20	
Mahoney's Mugs	-\$18.08	Expense   Mahoney's Mugs	1/4/20	1 record found
Cheesecake Factory	-\$24.38			

## Run Reports

You can run two reports in the QuickBooks Online app: the Profit & Loss Statement and the Balance Sheet.

### Run Profit & Loss

1. Tap the **Hamburger** menu.
2. Select **Profit & Loss**.
3. Select **View Report**.
4. Select the settings icon at the top right to change the date range on the report.



## Viewing the Profit and Loss

Profit & loss	
Jan 1, 2020 – Mar 31, 2020	
INCOME	
Construction Income	172,906.86
Design Income	3,150.00
Freight Income	45.00
Markup Income	2,435.67
Parts Sales	54,138.94
Sales Discount	-5,955.89
Sales of Product	250.00
Service Income	46,078.65
<b>Total Income</b>	<b>\$273,049.23</b>
COST OF GOODS SOLD	
Construction Labor	48,735.45
Cost of Sales	49,934.94
Materials	25,612.40
<b>Cost of Goods Sold</b>	<b>\$124,282.79</b>
GROSS PROFIT	
<b>Gross Profit</b>	<b>\$148,766.44</b>

# Run Balance Sheet

1. Tap the **Hamburger** menu.
2. Select **Balance Sheet**.

Balance sheet	
Mar 1, 2020 – Mar 31, 2020	
ASSETS	
Current Assets	
Bank Accounts	
Checking	6,381.80
Petty Cash	5,000.00
Savings	4,500.00
<b>Total Bank Accounts</b>	<b>15,881.80</b>
Accounts Receivable	
Accounts Receivable	29,684.75
<b>Total Accounts Recei...</b>	<b>29,684.75</b>
Other Current Assets	
Inventory	174,835.72
Raw Materials Inven...	750.00
Undeposited Funds	0.00
<b>Total Other Current A...</b>	<b>175,585.72</b>
<b>Total Current Assets</b>	<b>221,152.27</b>
Fixed Assets	
Furniture & Equipment	
Accumulated Depre...	-4,200.00

## Record Transactions

You can record sales and expense transactions in the QuickBooks Online app.

### Record an Invoice

1. Tap the **New (+)** menu.
2. Select **Invoice**.
3. Select a **Customer**.
4. Select **Add Line Item** to add a product or service to the invoice.
5. Select the product or service from the list.
6. Enter the **Quantity and Rate**.
7. Select **Add** at the top right.
8. Repeat steps 4-7 for additional products and services.
9. Select **Save**.
10. Select **Send invoice** to email the invoice to the customer, then select **Send**.

Cancel		New Invoice	Save
Bill's Windsurf Shop			>
Date	April 17, 2020		
Terms	Net 30		
Due	May 17, 2020		
<b>Sales Rep</b>			
	<b>Design</b> 10.00 x 75.00 each Custom Design Services	750.00	Non-Taxable
 <b>Add Line Item</b>			
Subtotal		\$750.00	
Dallas	8.25% >	0.00	
Total		\$750.00	
Balance Due		\$750.00	

## Viewing the Invoice Status

← Invoice  

Bill's Windsurf Shop >

**\$750**

DUE IN 30 DAYS

○ Sent — Viewed — Paid — Deposited ○

**Send invoice >**

**PAYMENT** 

---

INVOICE #53  
[More](#)  4/17/20

**1 ITEM**

---

<b>Design</b>	<b>750.00</b>
10.00 x 75.00 each   Non-Taxable Custom Design Services	

---

<b>Total</b>	<b>\$750.00</b>
--------------	-----------------

[X Get signature](#)

## Record an Expense

1. Tap the **New (+)** menu.
2. Select **Expense**.
3. Enter the amount.
4. (Optional) Select the camera icon to add a picture of your receipt.
5. Select the method of payment.
6. Select the **Account** the expense was paid from.
7. Enter the payee in the **Who did you pay?** field.
8. Select the appropriate account in the **What kind of expense is this?** field.
9. (Optional) Select a customer in the **Who was it for?** field.
10. Enter a description in the **Anything you need to remember?** field.
11. Select **Add a Split** if you need to select another account.
12. (Optional) Enter a **Reference #** and a **Memo**.
13. Select **Save**.

The screenshot shows the 'New Expense' screen in a mobile app. At the top, there is a green header with 'Cancel', 'New Expense', and 'Save' buttons. Below the header, there is a camera icon and a text input field containing '\$8.95'. Underneath, there is a section titled 'How did you pay for it?' with three buttons: 'Credit', 'Check', and 'Other'. Below this, there is a section for 'Account' with a dropdown menu showing 'Checking' and a right arrow. The date 'May 4, 2020' is displayed. Below the date, there are two dropdown menus for 'Who did you pay for it?' (showing 'Bob's Burger Joint') and 'Who or what was it for?' (showing 'Travel Meals'). There is a 'Billable' toggle switch which is currently turned off. Below the toggle, there is a text input field for 'Anything you need to remember?'. At the bottom, there is a green button with a plus sign and the text 'Split'. Finally, at the very bottom, there is a 'Total' label and the amount '\$8.95'.

# Chapter 17

# Working With Reports

## Working with Reports

The reason you use QuickBooks is to get reports. If entering transactions and performing reconciliations is the work, then reports are the results. Reports you get out of QuickBooks are only as reliable as the data that you put in, This chapter teaches you how to find what you're looking for in the QuickBooks reports center.

## Run Reports

The Report Center is where you can find all the reports that help you keep track of your business. There are four areas of the report list:

- **All Reports**

A list of all available reports in QuickBooks.

- **Custom Reports**

Reports that you have customized and memorized for future use.

- **Management Reports**

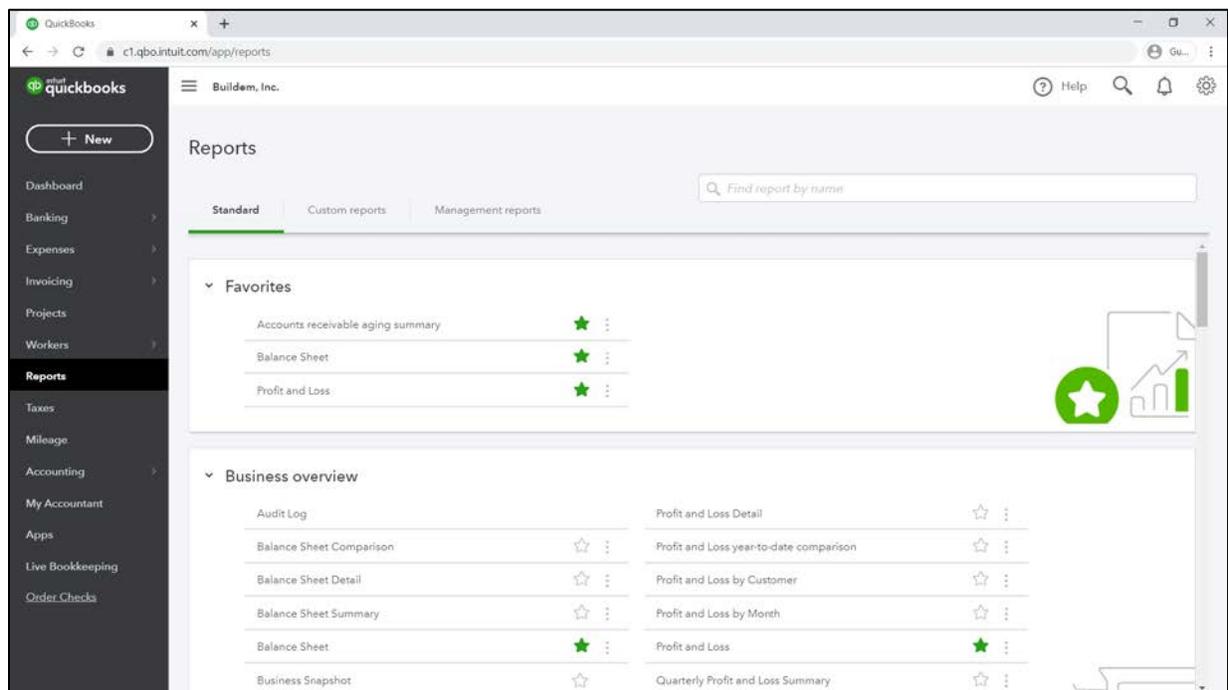
Customizable report packet that includes a cover letter, and table of contents.

- **Search Box**

Just type the name of a report and QuickBooks finds it for you.

## Running Reports

1. Click **Reports** on the navigation bar.
2. Click **Run** next to the appropriate report or search for a report and press **Enter**.



# Types of Reports

There are three types of reports in QuickBooks. Each type offers different views of company information and has varying levels of details.

## List Reports

List reports are the most basic kind of report in QuickBooks. They don't do any analysis, they only list data. Examples include the Customer Contact List, and the Invoice List. Lists reports are great if you want to look up a lot of data quickly. They are good for looking up information and printing or exporting it.



Sort ▾ Add notes ✉ 🖨 📄 ⚙

Buildem, Inc.

**INVOICE LIST BY DATE**  
January 1 - May 4, 2020

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	DUE DATE	AMOUNT	OPEN BALANCE
01/01/2020	Invoice	46	Bill's Windsurf Shop		01/11/2020	150.00	150.00
01/01/2020	Invoice	46	Weiskopf Consulting		01/01/2020	375.00	375.00
01/01/2020	Invoice	45	Dittrich Motors		01/01/2020	100.00	100.00
01/01/2020	Invoice	46	Ruvaldt Pickling Co.		01/01/2020	400.00	400.00
01/01/2020	Invoice	2020-8	Aaron's Photography Studio		01/01/2020	85.00	85.00
01/02/2020	Invoice	2020-5	Dylan Solfrank		01/02/2020	337.50	0.00
01/03/2020	Invoice	2020-7	Cool Cars		01/03/2020	699.00	0.00
01/03/2020	Invoice	100	Amy's Bird Sanctuary		01/03/2020	750.00	750.00
01/03/2020	Invoice	46	Cassie's Dog Grooming		01/03/2020	1,125.00	1,125.00
01/06/2020	Invoice	2020-1	Aaron's Photography Studio		01/06/2020	868.15	0.00
01/06/2020	Invoice	2020-3	Cool Cars		01/06/2020	218.75	0.00
01/07/2020	Invoice	2020-2	Erik's Foundation and Roof R...		01/07/2020	408.00	0.00
01/08/2020	Invoice	2020-4	Travis Waldron		01/08/2020	103.55	0.00
01/17/2020	Invoice	1	Home & Hardware Stop		02/01/2020	906.32	0.00
01/18/2020	Invoice	2	Columbia Management:Seatt...		02/17/2020	2,621.25	0.00
02/12/2020	Invoice	3	Crandall Contractors:Cheyen...		02/27/2020	1,979.95	0.00
02/13/2020	Invoice	4	Ruvaldt Pickling Co.		02/13/2015	1,295.00	1,295.00

## Detail Reports

Detail reports show the transactions that affect balances for customers, vendors, accounts, or products and services. Examples include the Sales by Customer Detail report, and Profit and Loss Detail

Sort ▾ Add notes ✉ 🖨️ 📄 ⚙️

Buildem, Inc. 

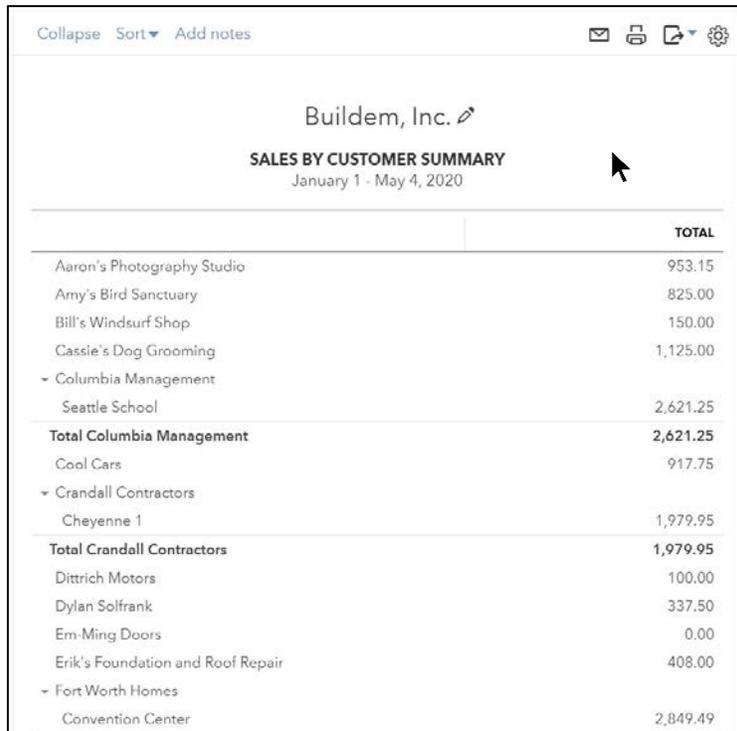
**SALES BY CUSTOMER DETAIL**  
January 1 - May 4, 2020

DATE	TRANSACTION TYPE	NUM	PRODUCT/SERVICE	MEMO/DESCRIPTION	QTY	SALES PRICE	AMOUNT	BALANCE
- Aaron's Photography Studio								
01/01/2020	Invoice	2020-8	Repair Hinges	Repaired Hinges.	1.00	85.00	85.00	85.00
01/06/2020	Invoice	2020-1	Garage Repair	Garage Repair	1.00	868.15	868.15	953.15
<b>Total for Aaron's Photography Studio</b>							<b>\$953.15</b>	
- Amy's Bird Sanctuary								
01/03/2020	Invoice	100	Design	Custom Design Services	10.00	75.00	750.00	750.00
04/30/2020	Invoice	47	Design	Custom Design Services	1.00	75.00	75.00	825.00
<b>Total for Amy's Bird Sanctuary</b>							<b>\$825.00</b>	
- Bill's Windsurf Shop								
01/01/2020	Invoice	46	Design	Custom Design Services	2.00	75.00	150.00	150.00
<b>Total for Bill's Windsurf Shop</b>							<b>\$150.00</b>	
- Cassie's Dog Grooming								
01/03/2020	Invoice	46	Design	Custom Design Services	15.00	75.00	1,125.00	1,125.00
<b>Total for Cassie's Dog Grooming</b>							<b>\$1,125.00</b>	
- Columbia Management								
- Seattle School								
01/18/2020	Invoice	2	Lock Repairs:Lock Repair-Thel...	Repair by senior specialist.Th...	25.00	29.95	748.75	748.75

## Summary Reports

Summary reports are the most used of the report types. They show a list of customers, vendors, products and services, or accounts and information on balances associated with them without showing the transactions that contribute to that balance. Examples include the Sales by Customer Summary report, and the Balance Sheet.

Summary reports show you a total but instead of showing you each individual transaction you'll see a total for each item, whatever it might be. By clicking on the total for a particular item, you'll get a detail report that shows you individual transactions that make up the total.



	TOTAL
Aaron's Photography Studio	953.15
Amy's Bird Sanctuary	825.00
Bill's Windsurf Shop	150.00
Cassie's Dog Grooming	1,125.00
▾ Columbia Management	
Seattle School	2,621.25
<b>Total Columbia Management</b>	<b>2,621.25</b>
Cool Cars	917.75
▾ Crandall Contractors	
Cheyenne 1	1,979.95
<b>Total Crandall Contractors</b>	<b>1,979.95</b>
Dittrich Motors	100.00
Dylan Solfrank	337.50
Em-Ming Doors	0.00
Erik's Foundation and Roof Repair	408.00
▾ Fort Worth Homes	
Convention Center	2,849.49

# Modify Reports - General

## Customize Report

1. Click the **Customize** button.
2. Select **General**.

**Customize report** [X]

▼ General

Report period

This Year-to-date ▼ 01/01/2020 to 05/04/2020

Accounting method

Cash  Accrual

Number format

Divide by 1000

Without cents

Except zero amount

Negative numbers

-100 ▼

Show in red

▶ Rows/Columns

▶ Filter

▶ Header/Footer

## Changing Date Range

By default, the many reports show the company's data for the year-to-date, but you can choose what time period you want more information on like the Previous Quarter. Now you'll see all income, cost of goods sold, and expenses for that chosen period of time.

Buildem, Inc.

### Sales by Customer Summary Report

Report period: 01/01/2020 to 05/14/2020

Accounting method:  Accrual

Buildem, Inc.	
SALES BY CUSTOMER SUMMARY	
January 1 - May 14, 2020	
	<b>TOTAL</b>
Aaron's Photography Studio	2,748.15
Amy's Bird Sanctuary	750.00
Bill's Windsurf Shop	150.00
Cassie's Dog Grooming	1,125.00
▼ Columbia Management	
Seattle School	2,621.25
<b>Total Columbia Management</b>	<b>2,621.25</b>

## Modify Reports- Numbers

QuickBooks lets you change how numbers are displayed by dividing them by 1000. You can also display values without cents. You can even choose how negative numbers are displayed.

### Customize report

▼ General

Report period

This Year-to-date ▼ 01/01/2020 to 05/04/2020

Accounting method

Cash  Accrual

Number format

Divide by 1000

Without cents

Except zero amount

Negative numbers

-100 ▼

Show in red

► Rows/Columns

► Filter

► Header/Footer

## Numbers Without Cents

Collapse Sort ▼ Add notes

Buildem, Inc.

**SALES BY CUSTOMER SUMMARY**

January 1 - May 4, 2020

	BAG OF NAILS	BAG OF WASHER	DESIGN	TOTAL
Amy's Bird Sanctuary			825	\$825
Bill's Windsurf Shop			150	\$150
Cassie's Dog Grooming			1,125	\$1,125
Home & Hardware Stop	647	300		\$946
Weiskopf Consulting			375	\$375
<b>TOTAL</b>	<b>\$647</b>	<b>\$300</b>	<b>\$2,475</b>	<b>\$3,421</b>

Accrual basis Monday, May 4, 2020 05:24 PM GMT-05:00

# Collapse/Expand

Expand Sort Add notes

Buildem, Inc.

**SALES BY CUSTOMER SUMMARY**  
January 1 - May 14, 2020

	<b>TOTAL</b>
Aaron's Photography Studio	2,748.15
Amy's Bird Sanctuary	750.00
Bill's Windsurf Shop	150.00
Cassie's Dog Grooming	1,125.00
Columbia Management	2,621.25
Cool Cars	917.75
Crandall Contractors	1,979.95
Dittrich Motors	100.00
Dylan Solfrank	337.50
Erik's Foundation and Roof Repair	408.00
Fort Worth Homes	2,849.49
Home & Hardware Stop	2,178.73
Jupiter Homes	529.94
Myers & Associates	24.95

Collapse Sort Add notes

Buildem, Inc.

**SALES BY CUSTOMER SUMMARY**  
January 1 - May 14, 2020

	<b>TOTAL</b>
Aaron's Photography Studio	2,748.15
Amy's Bird Sanctuary	750.00
Bill's Windsurf Shop	150.00
Cassie's Dog Grooming	1,125.00
▼ Columbia Management	
Seattle School	2,621.25
<b>Total Columbia Management</b>	<b>2,621.25</b>
Cool Cars	917.75
▼ Crandall Contractors	
Cheyenne 1	1,979.95
<b>Total Crandall Contractors</b>	<b>1,979.95</b>
Dittrich Motors	100.00
Dylan Solfrank	337.50
Erik's Foundation and Roof Repair	408.00

# Modify Reports- Rows/Columns

## Customize Report

1. Click the **Customize** button.
2. Select **Rows/Columns**.

You can change the columns to break up the data in other ways, by selecting Customize, then Previous Comparison. You also have the option to see a dollar and/or percentage change for the previous year or period.

## Rows/Columns

**Customize report** [X]

▶ General

▼ Rows/Columns

Columns: Total Only [v]

Show non-zero or active only: Active rows/active cr [v]

Period Comparison

Previous period (PP)  
 \$ change  % change

Previous year (PY)  
 \$ change  % change

Year-to-date (YTD)  
 % of YTD

% of Row

% of Column

▶ Filter

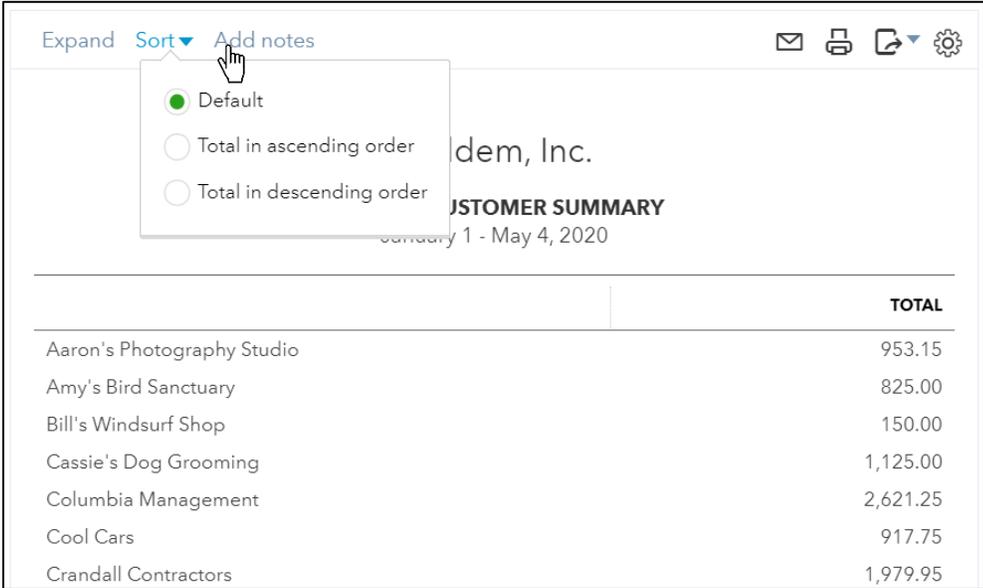
▶ Header/Footer

**Run report**

## Sort Order-Descending

It is possible to change the sorting method.

1. Click the **Sort** drop down arrow
2. Select **Total in descending order**.



Expand Sort Add notes

Default  
Total in ascending order  
Total in descending order

dem, Inc.  
**CUSTOMER SUMMARY**  
January 1 - May 4, 2020

	TOTAL
Aaron's Photography Studio	953.15
Amy's Bird Sanctuary	825.00
Bill's Windsurf Shop	150.00
Cassie's Dog Grooming	1,125.00
Columbia Management	2,621.25
Cool Cars	917.75
Crandall Contractors	1,979.95

## Columns-Total By Month

By default, reports show a single column for income, cost of goods sold and expenses. You can break up the report by dividing the data by days, weeks, months, quarters and more. Instead of a single column, you can select **Display Columns by** and select the desired view (e.g. months).

**Sales by Customer Summary Report**

Buildem, Inc.

SALES BY CUSTOMER SUMMARY  
January - March, 2020

	JAN 2020	FEB 2020	MAR 2020	TOTAL
Aaron's Photography Studio	2,748.15			\$2,748.15
Amy's Bird Sanctuary	750.00			\$750.00
Bill's Windsurf Shop	150.00			\$150.00
Cassie's Dog Grooming	1,125.00			\$1,125.00
↳ Columbia Management				\$0.00
Seattle School	2,621.25			\$2,621.25
<b>Total Columbia Management</b>	<b>2,621.25</b>			<b>\$2,621.25</b>
Cool Cars	917.75			\$917.75
↳ Crandall Contractors				\$0.00
Cheyenne 1		1,979.95		\$1,979.95

## Modify Reports-Filters

### Customize Report

You have the option to change the accounts that are viewed on your reports. This includes accounts that were used in transactions only (active), all accounts, or only those with a non-zero balance.

**Sales by Customer Summary Report**

Buildem, Inc.

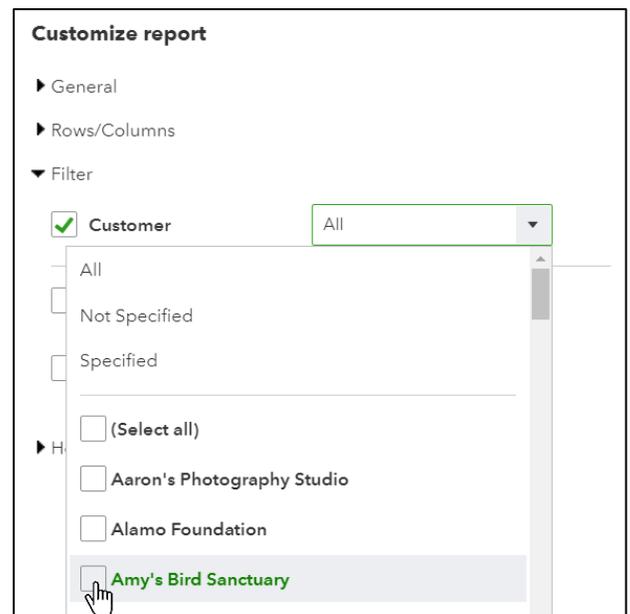
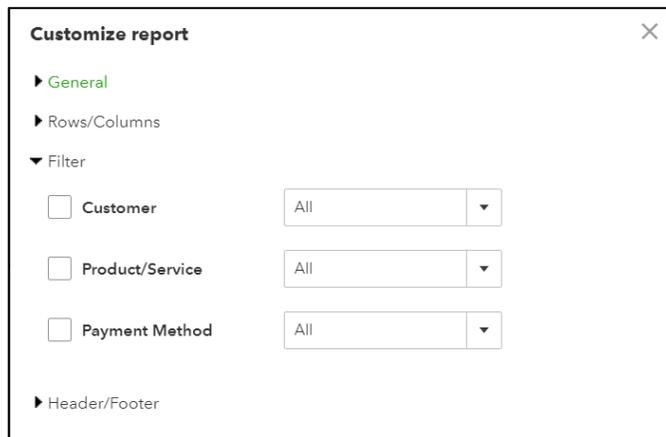
SALES BY CUSTOMER SUMMARY  
January 1 - February 14, 2020

	TOTAL		CHANGE	% CHANGE
	JAN 1 - FEB 14, 2020	JAN 1 - FEB 14, 2019 (PY)		
Aaron's Photography Studio	2,748.15		2,748.15	
Amy's Bird Sanctuary	750.00		750.00	
Bill's Windsurf Shop	150.00		150.00	

## Select from Filters

1. Click the **Customize** button.
2. Select **Filter**.

These filters represent all the data displayed on the report. Right now, all income, cost of goods, expense accounts, and all customers, vendors, employees, and other metrics are building the report. To see income and expenses for a particular customer (for example), select the checkbox(es) beside the selection(s) you want details on.



## Removing Filters

At the top of the report, QuickBooks shows all of the filters that are currently applied. Just click the X to remove the filter.

The screenshot shows the QuickBooks report interface for 'Buildem, Inc.' The report is titled 'Sales by Customer Summary Report' and is filtered by 'Customer'. The report period is from 01/01/2020 to 05/04/2020. The report shows the following data:

Buildem, Inc.	
SALES BY CUSTOMER SUMMARY	
January 1 - May 4, 2020	
	<b>TOTAL</b>
Amy's Bird Sanctuary	750.00
<b>TOTAL</b>	<b>\$750.00</b>

# Reporting by Specific Product/Service

**Customize report** ✕

▶ General

▶ Rows/Columns

▼ Filter

Product/Service Select Multiple ...

Customer

Payment Method

P.O. Number

Sales Rep

▶ Header/Footer

Bag Of Nails

Bag of Washer

Bolts

Cedar Door

Check

Client Retain

Dallas City

Dallas Special Rate

Design

Run report

Collapse Sort ▼ Add notes ✉ 🖨️ 📄 ⚙️

Buildem, Inc.

**SALES BY CUSTOMER SUMMARY** ▶

January 1 - May 4, 2020

	BAG OF NAILS	BAG OF WASHER	DESIGN	TOTAL
Amy's Bird Sanctuary			825.00	\$825.00
Bill's Windsurf Shop			150.00	\$150.00
Cassie's Dog Grooming			1,125.00	\$1,125.00
Home & Hardware Stop	646.75	299.50		\$946.25
Weiskopf Consulting			375.00	\$375.00
<b>TOTAL</b>	<b>\$646.75</b>	<b>\$299.50</b>	<b>\$2,475.00</b>	<b>\$3,421.25</b>

Accrual basis Monday, May 4, 2020 05:22 PM GMT-05:00

# Modify Reports- Header/Footer

## Customize Report

1. Click the **Customize** button.
2. Select **Header/Footer**.

In the customize menu, you can change more features of the header or footer. To remove a section such as company name select the checkbox to the left of the field. On this menu you can also edit title details and adjust alignment as desired.

## Header/Footer

**Customize report** ✕

- ▶ General
- ▶ Rows/Columns
- ▶ Filter
- ▼ Header/Footer

**Header**

Show logo

Company name

Report title

Report period

**Footer**

Date prepared

Time prepared

Report basis (cash vs. accrual)

**Alignment**

Header

Footer

**Run report**

Collapse Sort Add notes ✉ 🖨 📄 ⚙

Buildem, Inc.

**DESIGN SALES BY CUSTOMER SUMMARY**

January 1 - May 4, 2020

	DESIGN	TOTAL
Amy's Bird Sanctuary	825	\$825
Bill's Windsurf Shop	150	\$150
Cassie's Dog Grooming	1,125	\$1,125
Weiskopf Consulting	375	\$375
<b>TOTAL</b>	<b>\$2,475</b>	<b>\$2,475</b>

## Save Report Customizations

1. Click **Save Customizations**.
2. Enter the appropriate information for the customized report.
3. Click **Save**.

## Save Customizations

Sales by Customer Summary Report

[Back to report list](#)  
Report period

This Year-to-date | 01/01/2020 to 05/04/2020

Customize | **Save customization**

Display columns by: Products/Services | Show non-zero or active only: Active rows/active columns | Compare another period: Select period | Accounting method: Cash (selected), Accrual

Run report

Filters: Product/Service X

Collapse | Sort | Add notes

Buildem, Inc.  
**DESIGN SALES BY CUSTOMER SUMMARY**  
January 1 - May 4, 2020

	DESIGN	TOTAL
Amy's Bird Sanctuary	825	\$825
Billie Weidman Shop	150	\$150

1. **Groups** help you organize your customized reports. This is helpful if you have a lot of customized reports that you want QuickBooks to access or email for you on a regular basis.
2. You can also **share this report** with other users in your company file, so they can see it as well.

Customize | **Save customization**

Custom report name  
in Sales by Customer Summary

Add this report to a group  
None

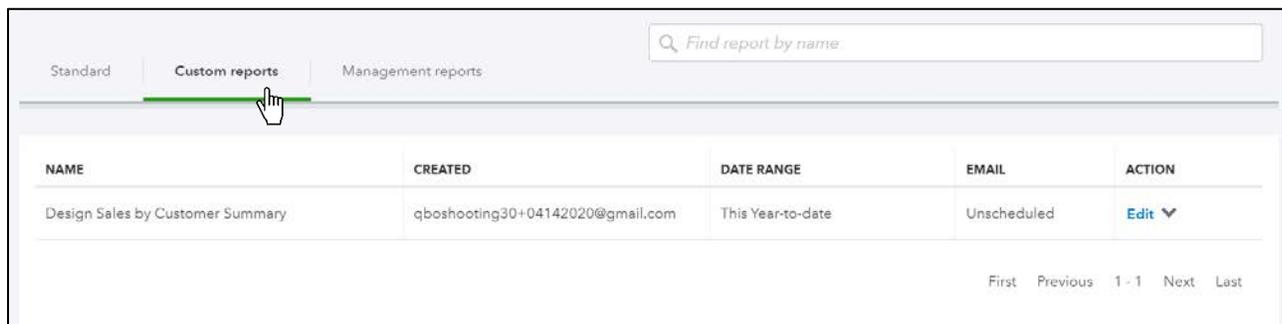
[Add new group](#)

Share with  
None

Save

## Run My Custom Report

1. Click **Reports** on the navigation bar.
2. Click **Custom Reports**.
3. Click the name of the report to run.



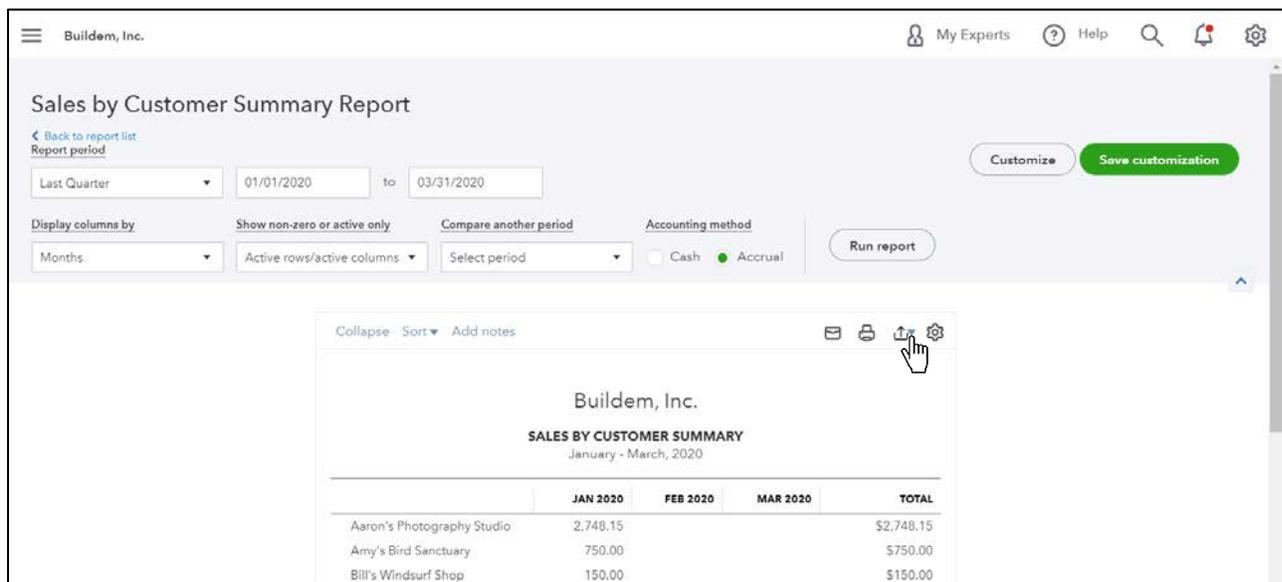
## Email & Schedule Reports

### Email Once

QuickBooks lets you schedule reports so you can receive them daily, weekly, monthly, or twice a month through email. After saving the report customizations, locate the report in **Custom Reports** window. The report is sent as a PDF attachment.

### Email Report

1. Run the appropriate report.
2. Click the email icon at the top of the report.
3. Click the **Email** button.
4. Enter the appropriate information.
5. Click **Send**.



## Email Report

**Email Report** [X]

To: someone@important.com

CC:

Subject: Your Sales by Customer Summary Report

Body: Hello  
Attached is the Sales by Customer Summary report for Buildem, Inc..  
Regards  
qbshooting30+05132020@gmail.com

Report: Sales by Customer Summary Report .pdf

Cancel Send

## Email on Schedule

You can set an email schedule for your customized reports and report groups. By default, QuickBooks sends the report as a PDF attachment. You can choose to send the report as an Excel file.

### Set Report Email Schedule

1. Click **Reports** on the navigation bar.
2. Select **Custom Reports**.
3. Click **Edit** next to the appropriate report or report group.
4. Click the **Set email schedule** option.
5. Make the appropriate selections.
6. Click **Save and close**.
7. (Optional) Select Attach the report as an Excel file.
8. Click **Save**.

## Edit Memorized Report/Report Group

Buildem, Inc.

My Experts Help

Get a leg up on taxes  
Stay ahead of tax season all year with the expert help of a QuickBooks certified Live Bookkeeper. [Find out how it works](#)

Find report by name

Standard Custom reports Management reports

NAME	CREATED	DATE RANGE	EMAIL	ACTION
Design Sales by Customer Summary	qboshooting30+05132020@gmail.com	Last Quarter	Unscheduled	<a href="#">Edit</a>

First Previous 1 - 1 Next Last

Custom Report

Set email schedule

On

SET RECURRENCE

Repeats:  Every:  day(s)

Next Date: 05/14/2020 End:

End Date: -

EMAIL INFORMATION

To:  Cc:

Financial reports for Buildem, Inc.

Hello,  
Attached is the set of financial reports for Buildem, Inc..  
Regards,  
qboshooting30+05132020@gmail.com

Cancel Save Save and close

## Custom Reports-Email Scheduled

Buildem, Inc.

My Experts Help

Get a leg up on taxes  
Stay ahead of tax season all year with the expert help of a QuickBooks certified Live Bookkeeper. [Find out how it works](#)

Find report by name

Standard Custom reports Management reports

NAME	CREATED	DATE RANGE	EMAIL	ACTION
Design Sales by Customer Summary	qboshooting30+05132020@gmail.com	Last Quarter	Every Week	<a href="#">Edit</a> ▼

# Chapter 18

# Accounting Tasks

## Accounting Tasks

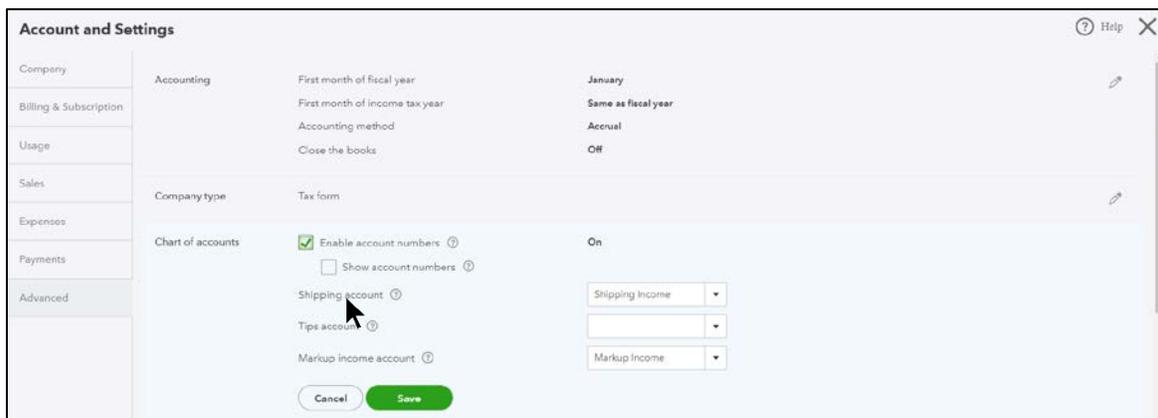
You learn about a variety of important topics in this chapter such as account numbers, how to create a closing date for your books post-reconciliation or year-end, as well as how to add and manage users that you can add to your QuickBooks online account.

## Account Numbers

Account numbers make it easy for you to standardize your Chart of Accounts. After you enable account numbers, you must enter an account number for each account. Ask your accountant for assistance in assigning the appropriate account numbers. When entering transactions, you can enter the account name or the account number.

## Enable Account Numbers

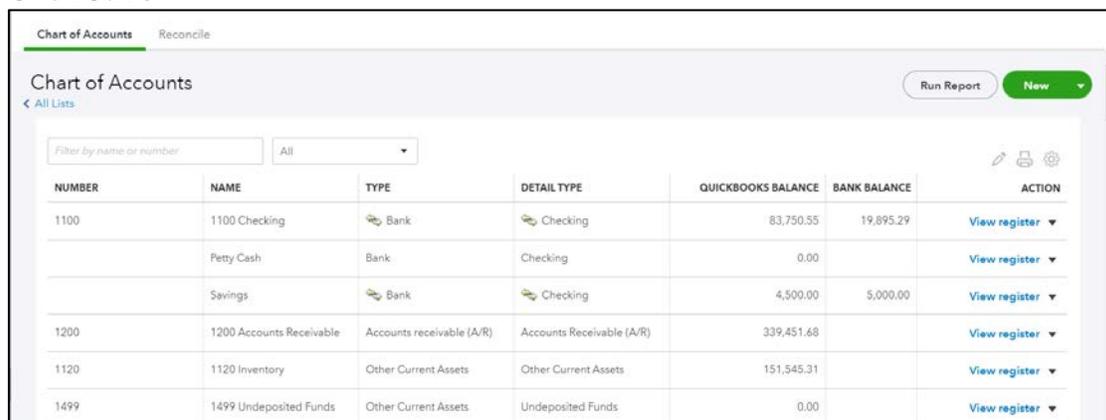
1. Click the **Gear** menu and select **Account and Settings**.
2. Click **Advanced** on the list to the left.
3. Click in the **Chart of accounts** section.
4. Click the box next to **Enable account numbers**.
5. Click **Save**.



The screenshot shows the 'Account and Settings' page in QuickBooks Online. The 'Advanced' section is selected on the left sidebar. Under 'Chart of accounts', the 'Enable account numbers' checkbox is checked, and the 'Show account numbers' checkbox is unchecked. Below these are fields for 'Shipping account', 'Tips account', and 'Markup income account', each with a dropdown menu. The 'Shipping account' dropdown is set to 'Shipping Income'. At the bottom, there are 'Cancel' and 'Save' buttons.

## Assign Account Numbers

1. Click the **Gear** menu and select **Chart of Accounts**.
2. Click the **edit** icon.
3. Enter the appropriate account numbers in the **Number** column.
4. Click **Save**.



The screenshot shows the 'Chart of Accounts' page in QuickBooks Online. The table below lists several accounts with their respective details and balances.

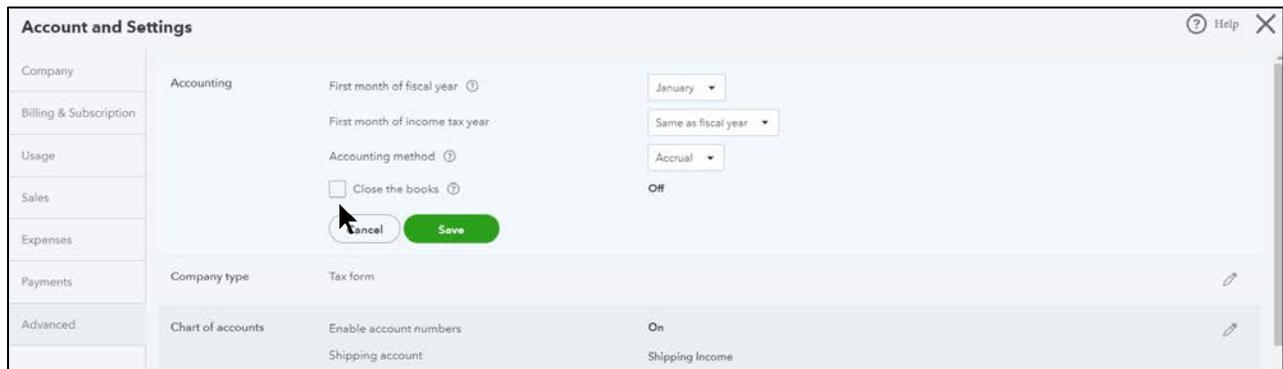
NUMBER	NAME	TYPE	DETAIL TYPE	QUICKBOOKS BALANCE	BANK BALANCE	ACTION
1100	1100 Checking	Bank	Checking	83,750.55	19,895.29	<a href="#">View register</a>
	Petty Cash	Bank	Checking	0.00		<a href="#">View register</a>
	Savings	Bank	Checking	4,500.00	5,000.00	<a href="#">View register</a>
1200	1200 Accounts Receivable	Accounts receivable (A/R)	Accounts Receivable (A/R)	339,451.68		<a href="#">View register</a>
1120	1120 Inventory	Other Current Assets	Other Current Assets	151,545.31		<a href="#">View register</a>
1499	1499 Undeposited Funds	Other Current Assets	Undeposited Funds	0.00		<a href="#">View register</a>

## What is a Closing Date?

The Closing Date in QuickBooks essentially “locks” all of your transactions with a specific date or any date before that chosen date. That makes it harder to change the protected transactions. It also restricts the entry of new transactions with that date or any date before it. To make any changes to the accounting period, a user must know the closing date password (if you have set one).

## Set Closing Date and Password

1. Click the **Gear** menu and select **Account and Settings**.
2. Click **Advanced** on the list to the left.
3. Click in the **Accounting** section.
4. Click the box next to **Close the books**.
5. Enter the **Closing date**.
6. Click the drop-down arrow and select the appropriate option.
7. (Optional) Enter the password in the **Password** and **Confirm Password** fields.
8. Click **Save**.



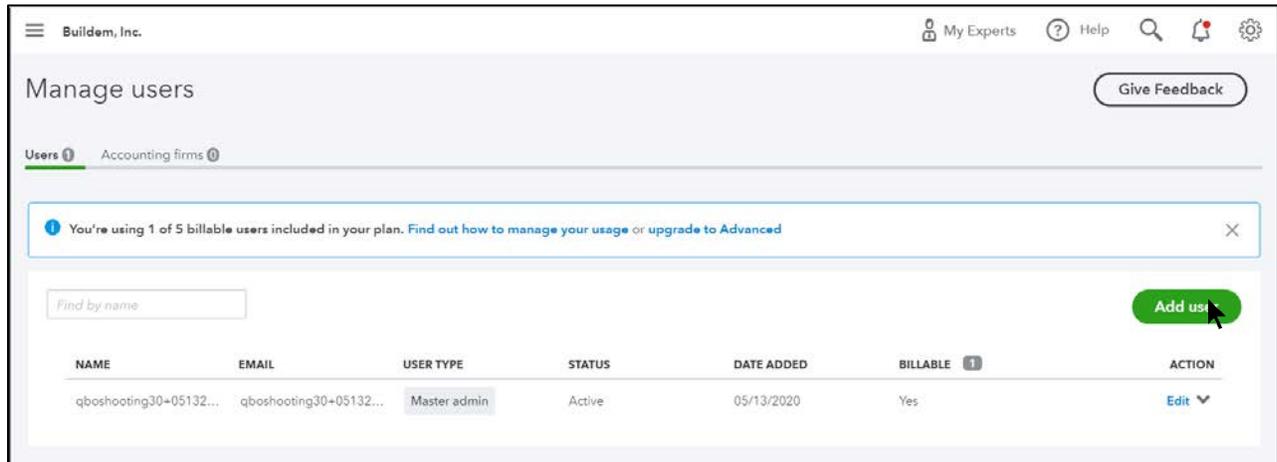
## Manage Users

There are five types of users you can add in QuickBooks.

User Type	Description
Standard user	You specify the areas of QuickBooks this user can access: All, Accounts Receivable only, or Accounts Payable only.
Company admin	Can access all areas of QuickBooks, including other subscription services.
Reports only	Logs in to a special version of QuickBooks that shows reports only. Can access all reports except payroll reports, and reports listing contact information for customers, vendors, or employees. Does not count toward total user limit. (QuickBooks Online Plus and Advanced only)
Time tracking only	Logs in to a special version of QuickBooks that only allows them to fill out or edit their own time sheets. Does not count toward total user limit. (QuickBooks Online Plus and Advanced only)
Accountant	An accountant user gets special access to QuickBooks Online Accountant, which has special tools they can use to work with your data. You can only have two Accountant users.

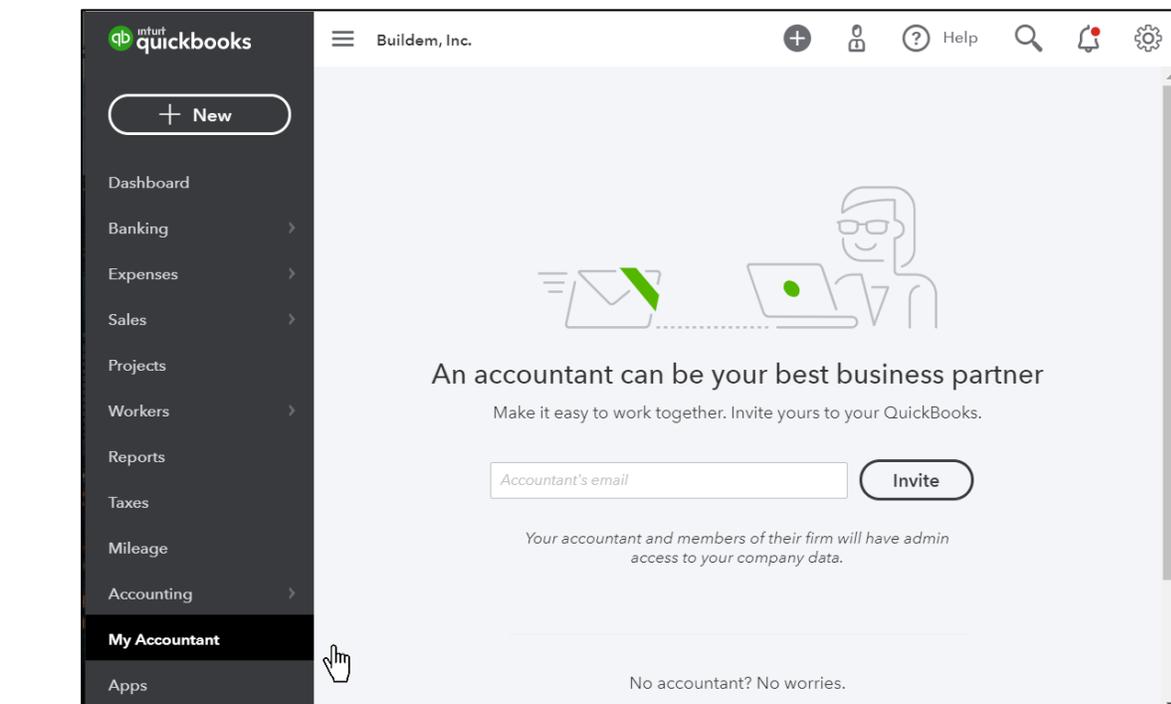
## Add Standard User

1. Click the **Gear** menu and select **Manage Users**.
2. Click the **Add** user button.
3. Select the appropriate **User Type**, and click **Next**.
4. Select the appropriate **access rights**, and click **Next**.
5. Select the appropriate **user settings**, and click **Next**.
6. Enter the new **user's name** and **email address**.
7. Click **Save**.



## Add Accountant User

1. Click the **Gear** menu and select **Manage Users**.
2. Click the **Accountants** tab.
3. Enter your accountant's **email address**, and click **Invite**.



# Audit Log

The Audit Log allows you and your accountant to see almost every activity in QuickBooks, including when users log in and log out, when transactions are entered, changed, or edited, and any list activity such as adding or editing list entries.

## Run Audit Log

1. Click the **Gear** menu and select **Audit Log**.
2. (Optional) Click the **Filter** drop-down arrow to select the appropriate filters.
3. Click **View** to open any activity on the Audit Log.

DATE CHANGED	USER	EVENT	NAME	DATE	AMOUNT	HISTORY
May 13, 12:27 pm...	qbshooting3...	Logged in.				
May 13, 11:50 am ...	qbshooting3...	Logged out.				
May 13, 11:31 am ...	qbshooting3...	Logged in.				
May 13, 10:43 am ...	qbshooting3...	Edited Account: <a href="#">Finished Goods Inventory (deleted)</a>				<a href="#">View</a>
May 13, 10:42 am ...	qbshooting3...	Edited Account: <a href="#">New Checking (deleted)</a>				<a href="#">View</a>
May 13, 10:42 am ...	qbshooting3...	Added <a href="#">Check</a>		05/13/2020	\$15,000.00	<a href="#">View</a>
May 13, 10:42 am ...	qbshooting3...	Uploaded a Web Connect bank file to : <a href="#">Mastercard</a>				<a href="#">View</a>
May 13, 10:42 am ...	qbshooting3...	Web Connect enabled from to : Mastercard				

# Chapter 19

# Payroll Setup

## Payroll Setup

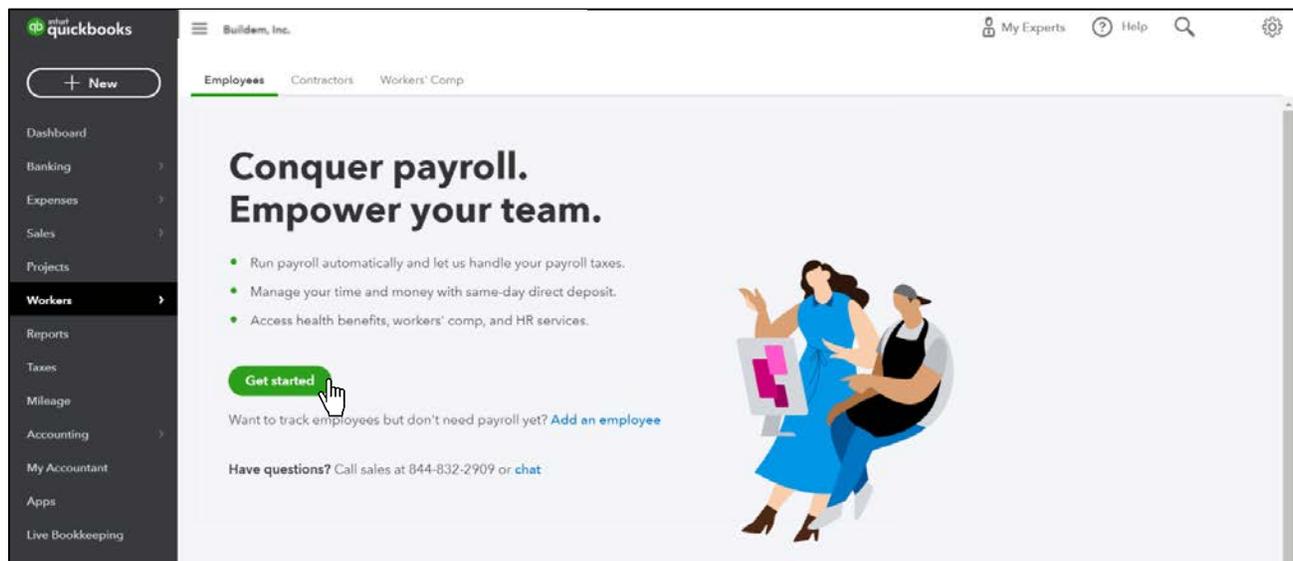
Before you get too far with Payroll setup, there are a few things you should collect to have in front of you during the setup process. This way you can complete your Payroll setup in one session instead of starting and stopping multiple times just to go find the needed paperwork.

- Federal and state IDs
- Unemployment Insurance Rate
- W4s
- Year-to-date Payroll
- Banking and Routing numbers

## Enable Payroll

Before you can use Payroll in QuickBooks, you must turn it on.

1. Click **Workers** on the navigation bar.
2. Select **Employees**.
3. Click **Get started**.
4. Select your payroll plan.



# Start Payroll Setup

The most important part of using payroll in QuickBooks is the setup. QuickBooks makes it easy to set up your employees, payment schedules, and taxes.

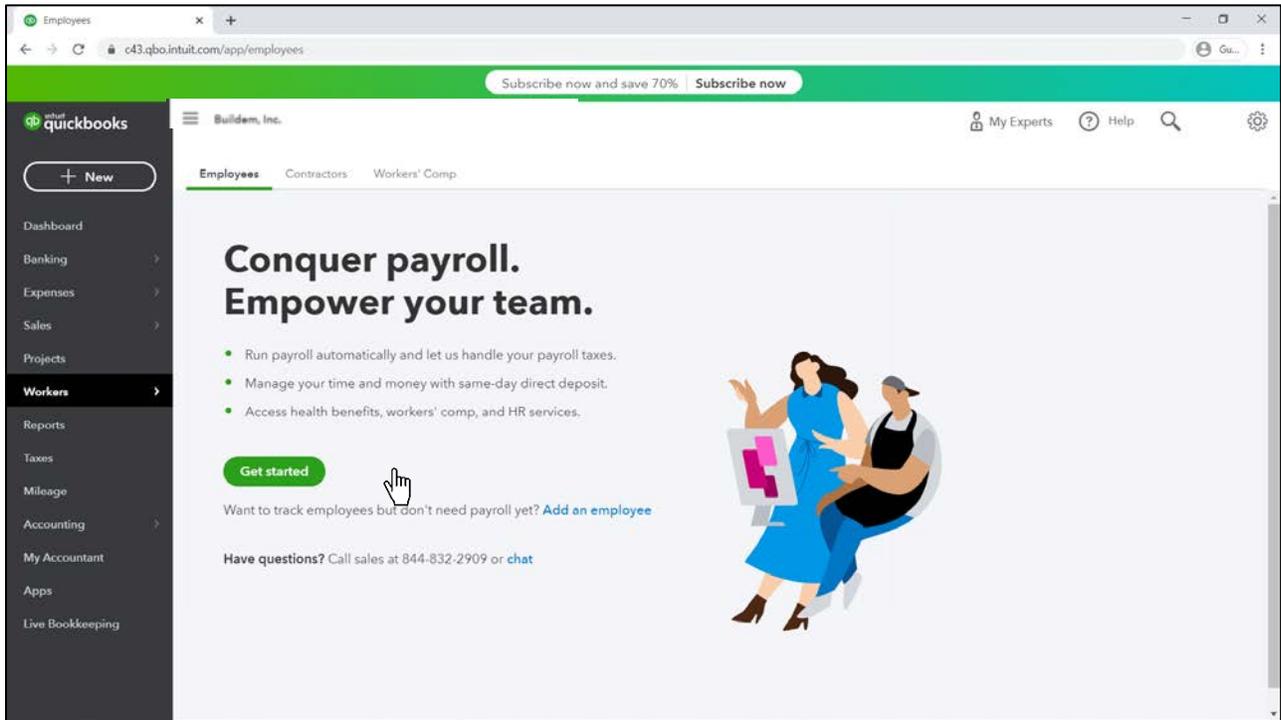
The screenshot displays the QuickBooks payroll setup interface. At the top, a green banner reads "Conquer payroll and beyond with complete confidence" and "Get payroll that fits your business with the #1 payroll provider.†". Below this, three plan options are presented in white boxes with green borders:

- Core:** "Our simplest solution for reliable, automated payroll." Features include "Auto payroll" and "Next-day direct deposit".
- Premium (Most Popular):** "Our automated payroll solution with integrated time tracking and tools that help you grow." Features include "Track time on the go", "Same-day direct deposit", and "Expert setup review".
- Elite (NEW):** "Automated payroll backed by our guarantee¹, with certified HR support to protect your business." Features include "Tax penalty protection¹", "Track time and projects on the go", "Personal HR advisor", and "24/7 expert product support".

Each plan includes a "Free 30-Day Trial\*" button and a link for "More information about these [Plan] features". A sidebar on the left lists various business categories like Dashboard, Banking, Expenses, Sales, Properties, Workers, Reports, Taxes, Mileage, Accounts, My Account, Applications, and Live Support. A blue phone icon is visible in the top right corner of the interface.

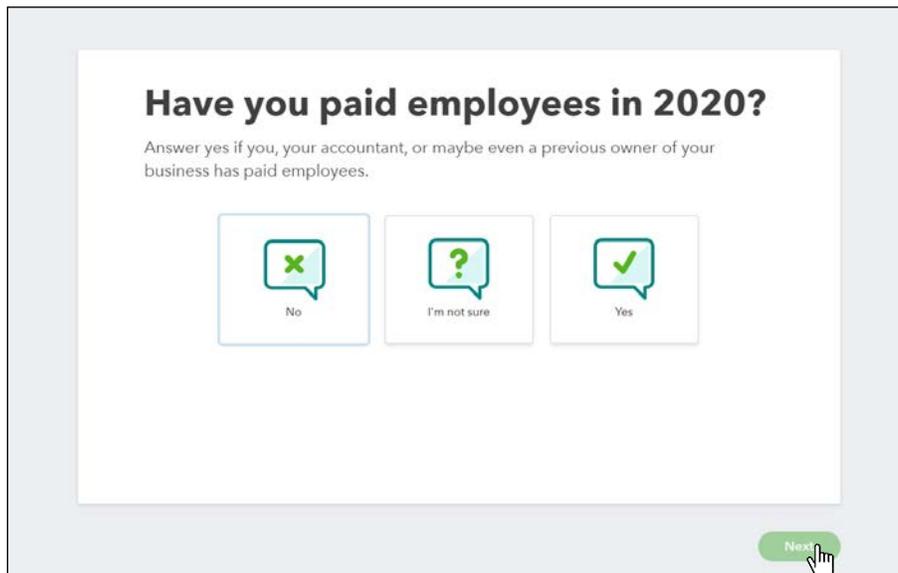
## Setup Payroll

1. Click **Workers** on the navigation bar.
2. Click **Employees**.
3. Click **Get started**.
4. Select whether you have paid any W-2 employees in the current year.
5. Click **Next**.
6. Enter the next date when you will run payroll.
7. Click **Done**.
8. Enter your business location details.
9. Click **Done**.
10. Select **Let's Go** to add your first employee.
11. Select **Add an Employee**
12. Enter the employees **Personal Info**
13. Click **Enter W-4 form**, fill in requested information, and click **Done**.
14. Click **Create pay schedule**, fill in requested information, and click **Done**.
15. Click **Add additional pay types** to add other payroll types, make appropriate selections and fill in requested information, and click **Done**.
16. Click **Add deductions to** set up deductions on step 5, make appropriate selections and fill in requested information, and click **OK**.
17. Select the desired method for paying this employee, make appropriate selections and fill in requested information.
18. Enter required employees' **birthday and hire date** in step 7.
19. Enter **prior pay details** (if any) for the employee, to let QuickBooks know how much you've paid this employee so far this year, and click **Done**.
20. Complete Steps 10-18 above for each employee until done, then click **Continue**.



## Enter Company Information

For tax purposes, QuickBooks needs to know about any prior payroll runs made to your employees during the current year. Note that you can only set this up during the setup step.



Provide the principal business address to QuickBooks.

## Where is your business located?

Enter the street address where most of your employees work. This is also called your principal business address.

Business name\*  
Buildem

Business address\*  
754 Main Street

City\*  
Dallas

State\*  
TX

ZIP code\*  
75231

Enter in the contact details for your company's payroll contact.

## Who's your payroll contact?

This helps us make sure that reminders and other important payroll info get to the right person.

First name\*  
Jason

Last name\*  
Ruvaldt

Business phone\*  
(455) 787-9887

Email address\*  
jason@buildem.com

## Add an Employee

1. Click **Workers** on the navigation bar.
2. Click **Employees**.
3. Click **Add an Employee**.
4. Complete the forms and pages with appropriate information until done.
5. Click **Done**.

Get started with payroll

1 EMPLOYEES 2 TAXES

Tell us about your employees

Add each employee you've paid in 2020 (including terminated employees).

NAME	PAY RATE	PAY SCHEDULE	PAY METHOD	YTD NET PAY
------	----------	--------------	------------	-------------

Add an employee Let's add your first employee

## Employee Personal Information

If you would like your employees to view their paystubs and W-2s through Intuit Workforce online, be sure to select the checkbox. You may also have the option to allow your employee to track and record their hours in "TSheets Online" from this screen.

1 Personal info

First name\* Jason M.I. M Last name\* Ruveltdt

Hire date:  
Why do we need this?  
01/01/2020

Email  
jason@noreply.com

Invite this employee to view their pay stubs and W-2s online. [Learn more](#)

# Employee W-4 Information

1. Select **+ Enter W-4 form**.
2. Enter W-4 withholdings.
3. Click **Done**

## 5 What are Jason's withholdings?

You can find this info on this employee's W-4. [What is a W-4?](#)

 **+ Enter W-4 form** 

**Payroll Taxes Setup and Compliance**

What are Jason's withholdings?

[Need blank W-4 forms?](#)

**Important Form W-4 changes for 2020**  
The IRS has made significant changes to Form W-4. Beginning January 1, 2020, all new employees plus current employees making changes must use the new form. [Learn more](#)

W-4		Employee's Withholding Allowance Certificate	2020
1a. First name* Jason		M.I. Last name* M Ruvaldt	1b. Social Security number* 789-98-8998
Home address* 745 West Lake		1c. Federal filing status* <input type="radio"/> Single or Married Filing Separately <input type="radio"/> Married Filing Jointly (or Qualifying Widow(er)) <input type="radio"/> Head of Household <input type="radio"/> Exempt	
City or town* Dallas		State* TX	ZIP code* 75241
2c. If employee marked box 2c, check here <input type="checkbox"/>		4a. Other income \$ 0.00	
3. Dependents claimed, in dollars \$ 0.00		4b. Deductions \$ 0.00	
		4c. Extra withholding \$ 0.00	

# Employee Payroll Schedules

What's Jason's pay schedule? 

How often do you pay Jason?

When's the next payday?

When's the last day of work (pay period) for that payday?

What do you want to name this pay schedule?

Use this schedule for employees you add after Jason

Next four pay periods (based on dates you entered)

PAY PERIODS	PAYDAY
04/16/2020 - 04/22/2020	04/24/2020
04/23/2020 - 04/29/2020	05/01/2020
04/30/2020 - 05/06/2020	05/08/2020
05/07/2020 - 05/13/2020	05/15/2020



3 How much do you pay Jason?

If your company offers additional pay types, add them here. These pay types show up when you run payroll. [Learn more about pay types](#)

/ hour

Default hours:  hours per day and  days per week. (optional) [What are default hours?](#)

[+ Add additional pay types \(like overtime, sick, and vacation pay\)](#)

 If your employees or their families are affected by COVID-19, you can pay them sick leave and apply a credit to your payroll taxes. [Learn more](#)

# Adding Additional Pay Types per Employee

How much do you pay Jason?

You pay Jason:  
  / hour

Default hours:  hours per day and  days per week. (optional)

Set default hours if this employee will work the same number of hours every pay period. This saves you time and may make you eligible for Auto Payroll. You can always update hours when running payroll. [Learn about Auto Payroll](#)

Hourly 2

[Add an hourly rate](#)

You can also pay Jason:

- Overtime Pay
- Double Overtime Pay
- Paid time off
- Unpaid time off
- Sick Pay
- Vacation Pay

Add a Vacation pay policy

Hours are accrued	Jason earns	Maximum allowed (Optional)
on anniversary date <input type="text" value=""/>	<input type="text" value="80"/> hours per year	<input type="text" value="80"/> hours

- Holiday Pay
- Bonus
- Commission



## Deductions

### 4 Does Jason have any deductions? (Examples: retirement, health care)

Deductions may include healthcare or retirement plans. Garnishments and loan repayments can be added here too. [Learn more about deductions](#)

No deductions (most common).

[+ Add deductions](#)



## Deductions / Contributions and Garnishments

What deductions or contributions does Jason have?

Deduction/contribution or garnishment  
Deduction/contribution

Deduction/contribution type  
Health Insurance

Type  
Medical Insurance

Provider (appears on paycheck)  
Good Health Insurance

---

Employee deduction	Company-paid contribution
Amount per pay period \$ amount \$ 50.00	Amount per pay period None
Annual maximum (Optional) \$	

## How to Pay Your Employee

### 6 How do you want to pay Jason?

In a rush? Choose paper check for now and come back to change this later. [Learn about ways to pay](#)

Paper check

Direct deposit

Direct deposit to two accounts

Direct deposit with balance as a check

Paper check

paycheck that you can print and hand to

### 7 Just a few more details...

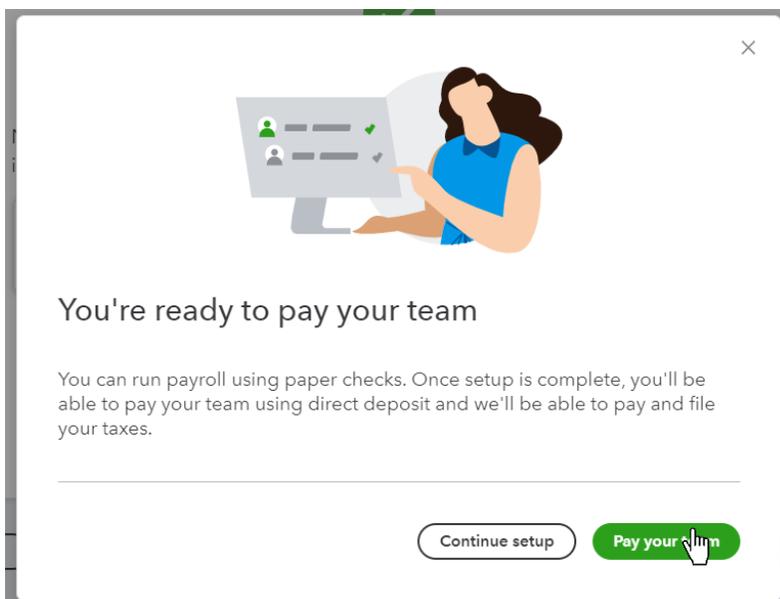
Add employee's personal details.

## Enter Prior Payroll Details

Before completing your payroll setup for each employee, QuickBooks will ask you to provide details about any prior payroll payments that have been made for this employee during the year. This step is crucial, because without the data in these fields, you will not be able to create a proper W2 next year that includes all of the employees pay for the year.

It's also important that you enter this information now during the payroll setup steps, because there is no way to backtrack and get back to this screen. This information has to be entered now, or you will not be able to enter it without contacting QuickBooks Payroll Support.

## Payroll Employee Setup Complete



# Set Up Payroll Taxes

When you're ready to set up your payroll taxes, you need to gather any state and federal tax notices, and your employee's W-4 forms. If you have any questions during this process, ask your accountant for assistance.

## Set Up Taxes

1. Click **Taxes** on the navigation bar.
2. Click **Payroll Tax**.
3. Click **Finish payroll setup**.
4. Click **Let's Go** on step 4, Fill in your tax info.
5. Enter appropriate **Business Details**, and click **Continue**.
6. Enter your **Federal tax details** and click **Continue**.
7. Enter your **State tax details** and click **Done**.

## Payroll Taxes Setup- Business Details

The screenshot shows a web form titled "Payroll Taxes Setup and Compliance" with a "Business details" section. The form includes the following fields and options:

- Business details**  
We use this info to fill out your payroll taxes and forms.
- What business name do you use when filing tax forms (filing name)?**  
Text input field containing "Craig Design and Landscaping".
- What address do you use when filing tax forms (filing address)?**  
 Same as business address: 5510 LBJ Fwy, Dallas, TX, 75231
- Did you hire your first employee within the last six months?**  
 Yes  
 No
- Did you buy your business from a previous owner?**  
 Yes  
 No
- What is your company type?**  
Dropdown menu with "Corporation" selected.
- What is your Principal Officer Title?**  
Dropdown menu with "President" selected.
- Protect your team with workers' comp.**  
Our partner AP Intego can find a policy that integrates with your payroll. You'll pay only what's needed, whenever you run payroll. [Learn more](#)
- Would you like a quote?**  
 Yes, give me a quote  
 No, I don't want a quote

At the bottom right of the form is a green "Continue" button. A vertical sidebar on the right edge of the form contains a "Questions? Chat now" button.

## Payroll Taxes Setup - Federal Taxes

Payroll Taxes Setup and Compliance

Federal tax details

Do you know your federal Employer Identification Number (EIN)?

Yes, it is

No, I haven't received it yet, or I don't have it handy

I agree to share my information with Intuit partners for workers comp offers.

Which payroll tax form do you file with the IRS?

How often does the IRS require you to pay federal taxes (your deposit schedule)?

## Payroll Taxes Setup - State Taxes

Payroll Taxes Setup and Compliance

State tax details

Do you know your Texas Account Number?

Yes, it is

No, I haven't received it yet, or I don't have it handy

Do you know what SUI (State Unemployment insurance) rate Texas assigned to your business?

Yes, it is  %

No, please use 6.31% for now

What Employment & Training Investment Assessment rate did Texas assign to your business?

What Obligation Assessment rate did Texas assign to your business?

## Connecting your Bank

Now that you've completed your Payroll setup, it's time to connect your bank. Because all QuickBooks Online Payroll options now automate the payment of taxes, every Payroll subscription needs to have an active Bank connection. Additionally, if you want to utilize Direct Deposit, you'll need your bank account for that, too.

Connect your bank to send money with QuickBooks

To use direct deposit to pay your workforce as well as e-file and e-pay for your taxes, you need to connect your bank account. For your security, we need information that your principal officer will have.

[Get started](#)

Connect your bank to

-   
Send money with QuickBooks
-   
Pay your workforce with direct deposit
-   
E-file and e-pay your taxes

## Direct Deposit Setup

Get set up to pay with direct deposit

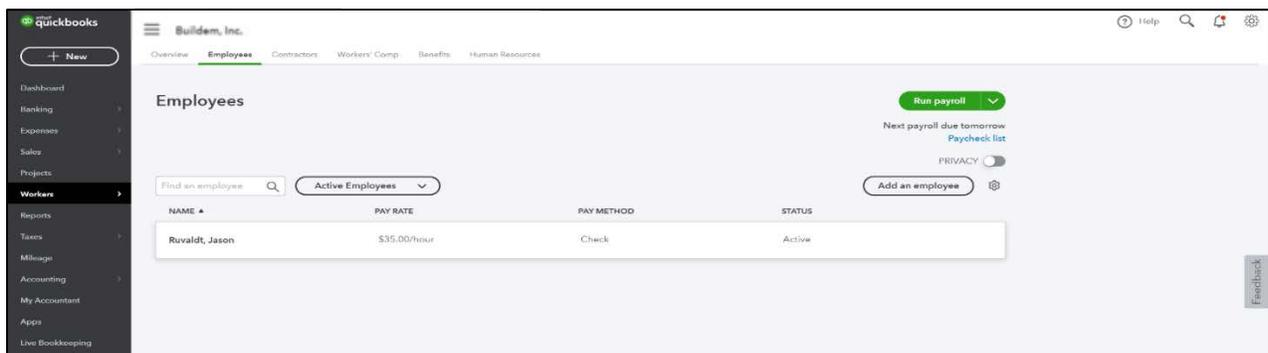
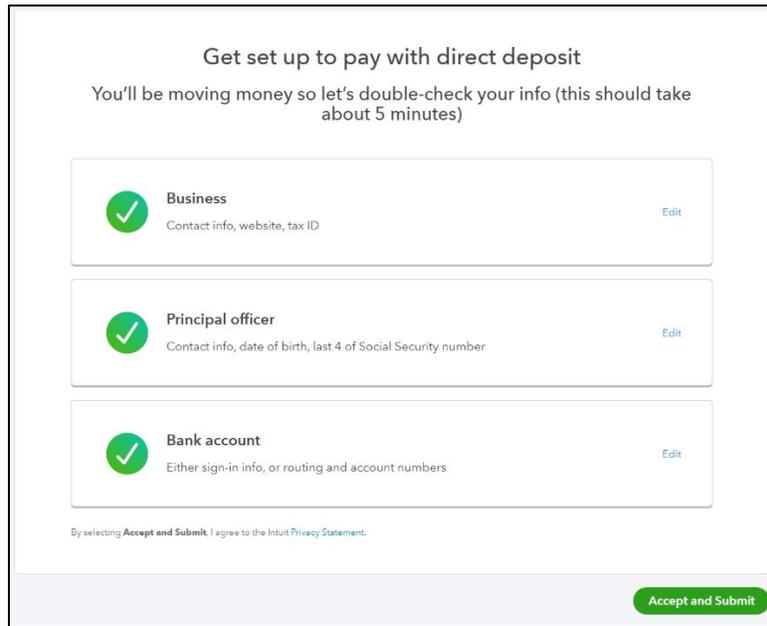
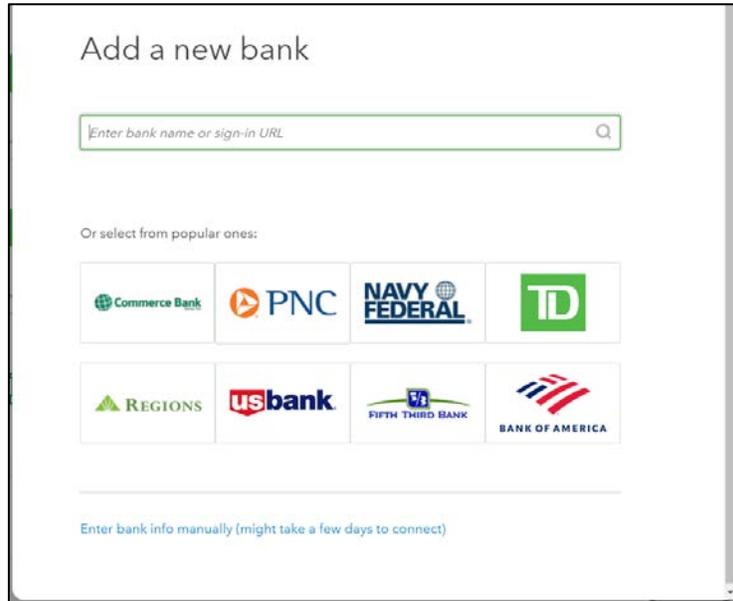
You'll be moving money so let's double-check your info (this should take about 5 minutes)

-  **Business** [Review](#)  
Contact info, website, tax ID
-  **Principal officer** [Review](#)  
Contact info, date of birth, last 4 of Social Security number
-  **Bank account** [Review](#)  
Either sign-in info, or routing and account numbers

By selecting **Accept and Submit**, I agree to the Intuit [Privacy Statement](#).

[Accept and Submit](#)

# Bank Connection

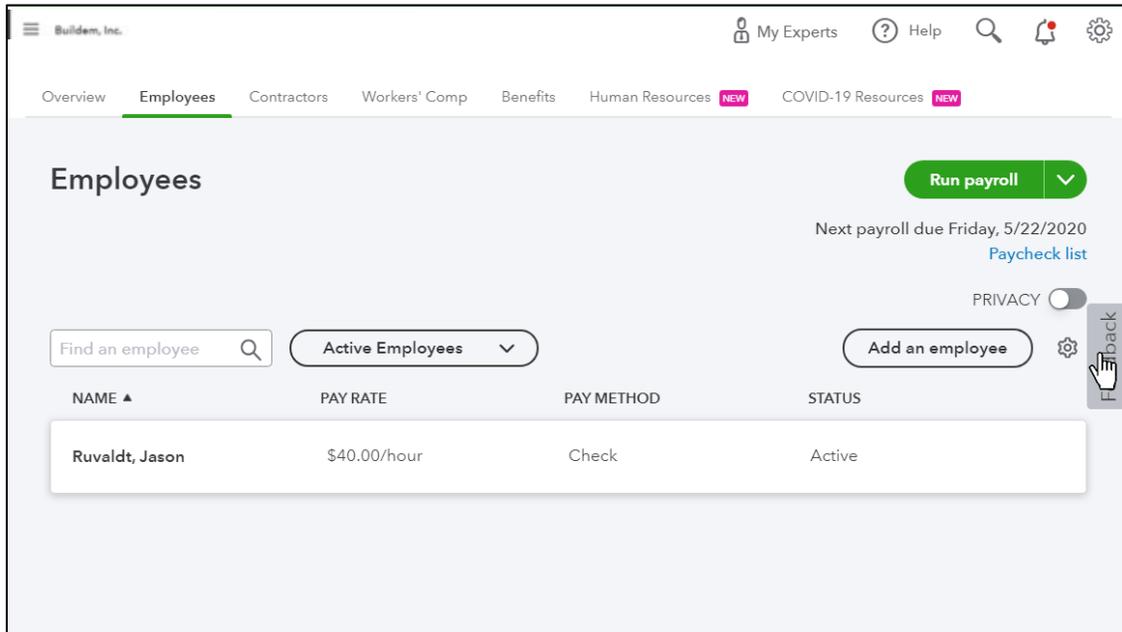


You are now ready to pay your employees by running payroll.

## Add Employees After Setup

After setting up payroll, you can add additional employees using the steps below. Make sure you have their completed W-4 forms on file.

1. Click **Workers** on the navigation bar.
2. Select **Employees**.
3. Click **Add an employee**.



The screenshot shows the 'Employees' page in the Buildium, Inc. system. The navigation bar includes 'Overview', 'Employees' (selected), 'Contractors', 'Workers' Comp', 'Benefits', 'Human Resources', and 'COVID-19 Resources'. The main content area features a 'Run payroll' button, a 'Next payroll due Friday, 5/22/2020' notification with a 'Paycheck list' link, a search bar for employees, a filter for 'Active Employees', and an 'Add an employee' button. A table lists one employee: Ruvaldt, Jason, with a pay rate of \$40.00/hour, a check payment method, and an active status. A 'PRIVACY' toggle is also visible.

NAME ▲	PAY RATE	PAY METHOD	STATUS
Ruvaldt, Jason	\$40.00/hour	Check	Active

# Chapter 20

# Payroll Cycle

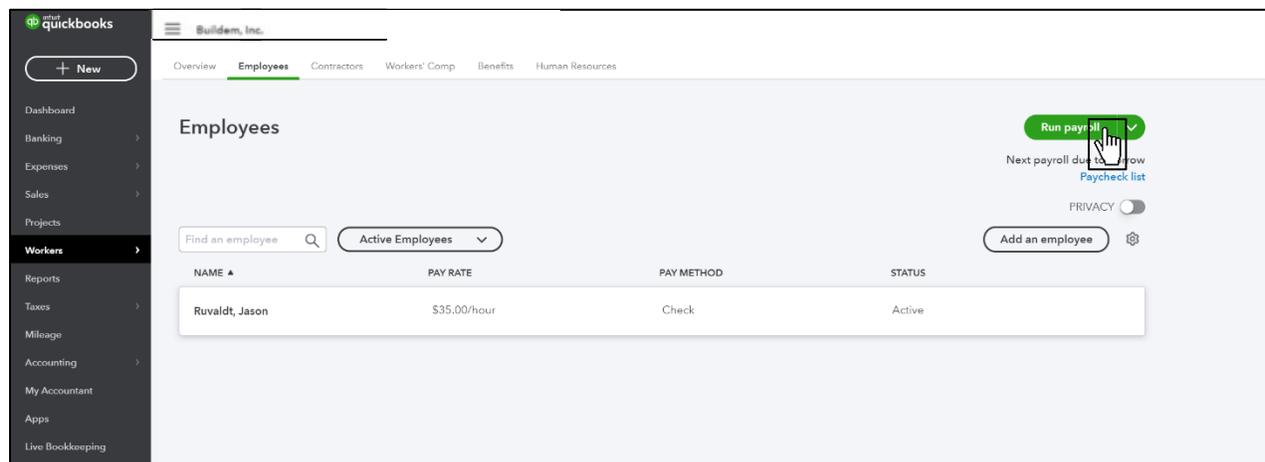
# Payroll Setup

QuickBooks Online Payroll automates much of your payroll, but you'll still have to track your employees time, run payroll, print paychecks, and send direct deposits. In this chapter you'll track your employees time, enter it into a payroll run and generate paychecks. QuickBooks Online figures out the taxes and other liabilities for you and helps you print, write or direct deposit paychecks for your employees. QuickBooks also creates your tax forms digitally and sends them to the government along with your payments. You are responsible for manually paying any non-tax liabilities.

## Pay Employees

1. Click **Workers** on the navigation bar.
2. Click **Run payroll**.
3. Enter hours for each hourly employee.
4. Click **Preview payroll**.
5. Review the payroll amounts for each employee.
6. Click **Submit payroll**.
7. Enter remaining information and click **Finish Payroll**.

## Run Payroll



# Enter Employee Pay Details

Run Payroll: Every Friday

Bank account:  Pay period: 04/16/2020 to 04/22/2020 Pay date: 05/01/2020 TOTAL PAY: \$1,400.00

**We've filled in some regular pay hours**  
 To save you time, we've filled in the default hours you've set up for your employees. Be sure to make any needed updates before you continue.

EMPLOYEE	PAY METHOD	REGULAR PAY HR...	OT HRS	DOUBLE OT HRS	MEMO	TOTAL HRS	TOTAL PAY
<input checked="" type="checkbox"/> Ruvaldt, Jason M \$35.00 / hour	Paper check	40.00				40	\$1,400.00
<b>TOTAL</b>		<b>40.00</b>	<b>0.00</b>	<b>0.00</b>		<b>40.00</b>	<b>\$1,400.00</b>

[Add an employee](#)

# Submit Payroll

Run Payroll: Every Friday

Review and Submit

**\$2,086.81**  
TOTAL PAYROLL COST

**\$1,313.79**  
NET PAY

**\$506.21**  
EMPLOYEE

**\$266.81**  
EMPLOYER



**1** Paper check for \$1,313.79  
 Deliver these paychecks by 05/01/2020

Pay period: 04/16/2020 to 04/22/2020 Pay date: 05/01/2020

EMPLOYEE	PAY METHOD	TOTAL HOURS	TOTAL PAY	EMPLOYEE TAXES AND DEDUCTIONS	NET PAY	COMPARE TO LAST
Ruvaldt, Jason M	Paper check	48.00	\$1,820.00	\$506.21	\$1,313.79	
<b>TOTAL</b>		<b>48.00</b>	<b>\$1,820.00</b>	<b>\$506.21</b>	<b>\$1,313.79</b>	

## Finish Payroll

Run Payroll: Every Friday ? X



### Payroll is run and done

Your team's paychecks are on the way.

1 paycheck to write  
Deliver checks to your employees by 05/01/2020

[Print pay stubs](#)

	EMPLOYEE	NET PAY	CHECK NUMBER
✓	Ruvaldt, Jason	\$1,313.79	

[Questions? Chat now](#)

## Employee Paystub

<p><b>EMPLOYER</b> Craigs Design and Landscaping 5510 LBJ Fwy Dallas TX 75231</p>	<p><b>PAY PERIOD</b> Period Beginning: 04/16/2020 Period Ending: 04/22/2020 Pay Date: 05/01/2020 Total Hours: 48.00</p>																								
<p><b>EMPLOYEE</b> Jason M. Ruvaldt 745 West Lake Dallas TX 75241</p>																									
<p><b>NET PAY:</b> <span style="float: right;"><b>\$1,313.79</b></span></p>																									
<p><b>MEMO:</b></p>																									
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">PAY</th> <th style="text-align: right;">Hours</th> <th style="text-align: right;">Rate</th> <th style="text-align: right;">Current</th> <th style="text-align: right;">YTD</th> <th style="text-align: left;">DEDUCTIONS</th> <th style="text-align: right;">Current</th> <th style="text-align: right;">YTD</th> </tr> </thead> <tbody> <tr> <td>Regular Pay</td> <td style="text-align: right;">40.00</td> <td style="text-align: right;">35.00</td> <td style="text-align: right;">1,400.00</td> <td style="text-align: right;">1,400.00</td> <td>Good Health Insurance</td> <td style="text-align: right;">50.00</td> <td style="text-align: right;">50.00</td> </tr> <tr> <td>Overtime Pay</td> <td style="text-align: right;">8.00</td> <td style="text-align: right;">52.50</td> <td style="text-align: right;">420.00</td> <td style="text-align: right;">420.00</td> <td>Ticket</td> <td style="text-align: right;">50.00</td> <td style="text-align: right;">50.00</td> </tr> </tbody> </table>		PAY	Hours	Rate	Current	YTD	DEDUCTIONS	Current	YTD	Regular Pay	40.00	35.00	1,400.00	1,400.00	Good Health Insurance	50.00	50.00	Overtime Pay	8.00	52.50	420.00	420.00	Ticket	50.00	50.00
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Deductions	\$100.00	\$100.00																							
<b>Net Pay</b>	<b>\$1,313.79</b>																								

## View Taxes and Payments

Intuit takes money out of your real bank account and sends it to the government for you. As well, all your payroll tax forms are automatically filled out and set on time.

1. Click **Taxes** on the navigation bar.
2. Click **Payroll Tax**.
3. Here you can see when the next tax payment will be made, how much will be paid and a list of your past payments.

# Payroll Tax Center

The screenshot shows the QuickBooks interface for 'Buildem, Inc.' with the 'Payroll Tax' tab selected. The 'Payroll Tax Center' page has two tabs: 'Tax Payments' (active) and 'Forms'. Below the tabs is a table with columns: 'WITHDRAWAL DATE', 'TAX TYPE', 'PERIOD', and 'AMOUNT TO DATE'. The table lists one entry: '05/04/2020', 'Federal Taxes (941/944)', '4/29 - 5/01', and '\$ 545.44'. A message below the table states: 'There were no payments in the last 30 days.'

WITHDRAWAL DATE	TAX TYPE	PERIOD	AMOUNT TO DATE
05/04/2020	Federal Taxes (941/944)	4/29 - 5/01	\$ 545.44

The screenshot shows the QuickBooks interface for 'Buildem, Inc.' with the 'Payroll Tax' tab selected. The 'Payroll Tax Center' page has two tabs: 'Tax Payments' and 'Forms' (active). Below the tabs is a section titled 'Download the tax forms we've filed for you'. Under this section, there is a dropdown menu for 'Jan - Mar 2020 (Q1)' and a bullet point: '• Filed forms for this quarter will be available by May 15.'

# View Your Tax Liability Report

1. Click **Reports** on the Navigation Bar.
2. Click **Payroll Tax Liability** under Payroll to run the report.
3. Select the desired Date Range.
4. Click **Run Report**.

The screenshot shows a web interface for a 'Tax Liability Report'. At the top, there is a title 'Tax Liability Report' and a 'Share' button. Below the title is a 'Date Range' section with a dropdown menu set to 'Last pay date' and a green 'Run Report' button. The main content is a table with three columns: 'TAX AMOUNT', 'TAX PAID', and 'TAX OWED'. The table is organized into sections with blue headers. The first section is 'Federal Taxes (941/944)' with a total tax amount of \$545.44. The second section is 'Federal Unemployment (940)' with a total tax amount of \$10.92. The third section is 'TX Unemployment Tax' with a total tax amount of \$116.66. Each row in the table shows the specific tax type, its amount, the amount paid, and the amount owed.

	TAX AMOUNT	TAX PAID	TAX OWED
<b>Federal Taxes (941/944)</b>	<b>\$545.44</b>	<b>\$0.00</b>	<b>\$545.44</b>
Federal Income Tax	\$266.98	\$0.00	\$266.98
Social Security	\$112.84	\$0.00	\$112.84
Social Security Employer	\$112.84	\$0.00	\$112.84
Medicare	\$26.39	\$0.00	\$26.39
Medicare Employer	\$26.39	\$0.00	\$26.39
<b>Federal Unemployment (940)</b>	<b>\$10.92</b>	<b>\$0.00</b>	<b>\$10.92</b>
FUTA Employer	\$10.92	\$0.00	\$10.92
<b>TX Unemployment Tax</b>	<b>\$116.66</b>	<b>\$0.00</b>	<b>\$116.66</b>
TX SUTA Employer	\$116.66	\$0.00	\$116.66

## Pay Non-Tax Liabilities

Before you pay your payroll deductions and contributions, review the Payroll Deductions/Contributions report. This will show you the breakdown of employee deductions and company contributions for each payroll item.

## Chart of Accounts-Payroll Liabilities

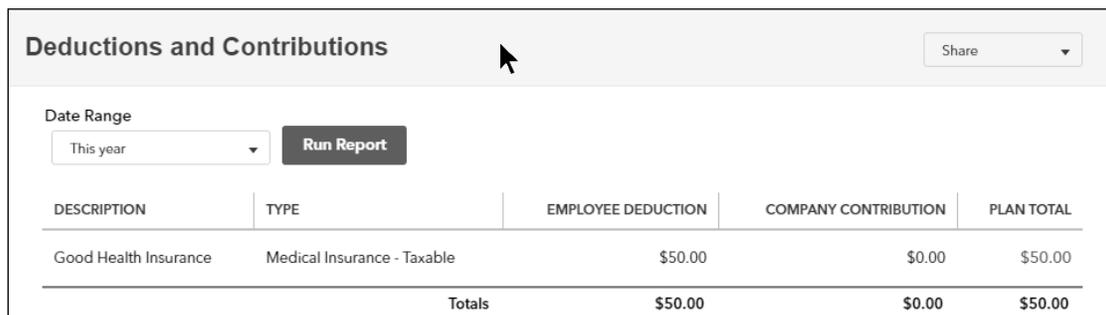
QuickBooks Online displays accounts for both tax and non-tax liabilities. QuickBooks sets these accounts up based on the deductions and contributions created in the setup process. Balances for these accounts are increased anytime the company contributes toward the benefit or anytime money is withheld from an employees' paycheck during the payroll process. To make the payment to the provider, you're going to use either an expense, a check or a bill.



NAME	TYPE	DETAIL TYPE	QUICKBOOKS BALANCE	BANK BALANCE	ACTION
Payroll Liabilities	Other Current Liabilities	Payroll Tax Payable	773.02		<a href="#">View register</a> ▼
Federal Taxes (941/944)	Other Current Liabilities	Payroll Tax Payable	545.44		<a href="#">View register</a> ▼
Federal Unemployment (940)	Other Current Liabilities	Payroll Tax Payable	10.92		<a href="#">View register</a> ▼
Good Health Insurance	Other Current Liabilities	Payroll Tax Payable	50.00		<a href="#">View register</a> ▼
Ticket	Other Current Liabilities	Payroll Tax Payable	50.00		<a href="#">View register</a> ▼
TX Unemployment Tax	Other Current Liabilities	Payroll Tax Payable	116.66		<a href="#">View register</a> ▼

## Run Payroll Deductions/Contributions Report

1. Click **Reports** on the navigation bar.
2. Click **Payroll Deductions/Contributions** under Payroll to run the report.



DESCRIPTION	TYPE	EMPLOYEE DEDUCTION	COMPANY CONTRIBUTION	PLAN TOTAL
Good Health Insurance	Medical Insurance - Taxable	\$50.00	\$0.00	\$50.00
<b>Totals</b>		<b>\$50.00</b>	<b>\$0.00</b>	<b>\$50.00</b>

# Pay Deductions and Contributions

1. Click the **New (+)** button and select **Check**.
2. Click the **Choose a payee** drop-down list and select the payee.
3. Click the **Account** drop-down list and select the liability account for the deduction.
4. Enter the amount of the payment.
5. Click the **Save** and new drop-down arrow and make the appropriate selection.

**Check #1**
Help ✕

Payee: Choose a payee

Bank Account: Checking

Balance \$-755.37

AMOUNT  
**\$100.00**

Mailing address:

Payment date: 04/15/2020

Check no.: 1

Print later

Tags ? Manage tags

Tags are custom labels that track money how you want. Start typing to add a tag.

	#	CATEGORY	DESCRIPTION	AMOUNT	
	1	Payroll Liabilities:Good Health Insurance	Employee-paid portion	50.00	🗑
	2	Insurance Expense	Company-paid portion	50.00	🗑
	3				🗑

Add lines Clear all lines

**Total**     **\$100.00**

Memo:

# Chapter 21

# Inventory

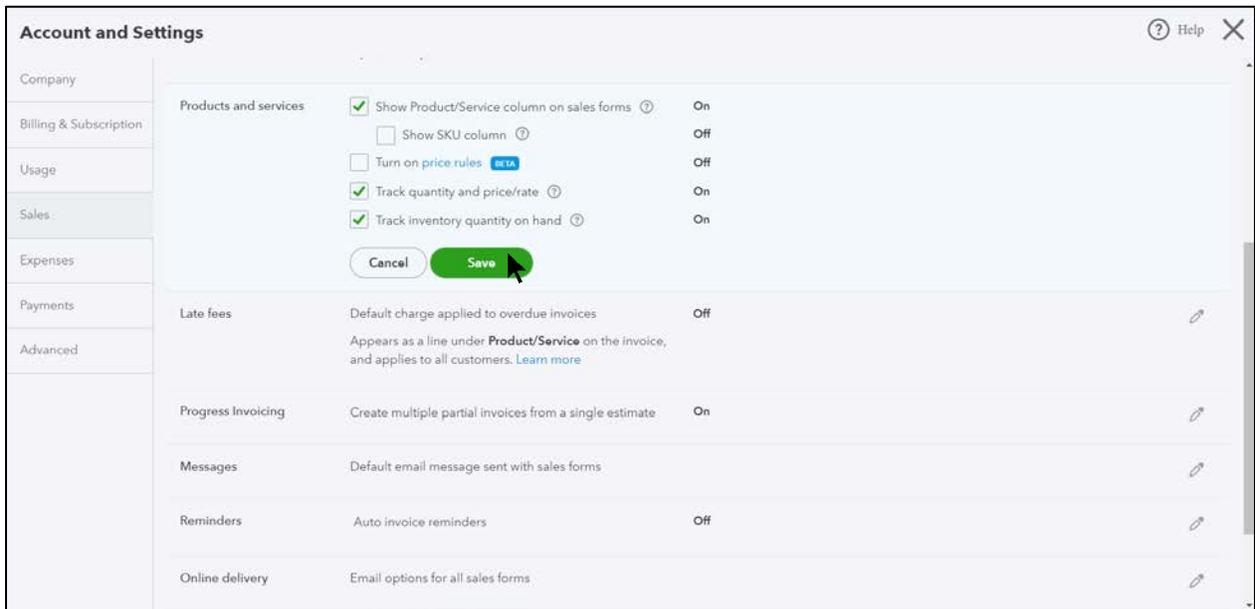
## Track Inventory

If you want to track the quantity on hand for a specific product in QuickBooks, you should set it up as an inventory item. For example, a building supply company buys doors and doorknobs, and sells them. Those products would be tracked as inventory.

Inventory tracking is not for tracking products that you manufacture. For example, a bakery that buys flour and sugar, and produces cakes and cookies would not track inventory for those products.

## Enable Inventory

1. Click the **Gear** menu and select Account and Settings.
2. Click **Sales** on the list to the left.
3. Click in the **Products and services** section.
4. Click the box next to **Track inventory quantity on hand**.
5. Click **Save**.



The screenshot shows the 'Account and Settings' window in QuickBooks. The left sidebar has 'Sales' selected. The main area is titled 'Products and services' and contains several settings:

- Show Product/Service column on sales forms [?](#) **On**
- Show SKU column [?](#) **Off**
- Turn on price rules **BETA** **Off**
- Track quantity and price/rate [?](#) **On**
- Track inventory quantity on hand [?](#) **On**

Below these settings are 'Cancel' and 'Save' buttons. The 'Save' button is highlighted with a mouse cursor. Further down, there are sections for 'Late fees', 'Progress Invoicing', 'Messages', 'Reminders', and 'Online delivery', each with a description and a status (On or Off) and an edit icon.

# Add Inventory Item

1. Click the **Gear** menu and select **Products and Services**.
2. Click the **New** button.
3. Select **Inventory Item** as the Type.
4. Enter the appropriate information for the inventory item.
5. Click Save and close.

The screenshot shows a web form titled "Product/Service information" for an "Inventory" item. The form is divided into several sections:

- Product/Service information:** Includes a "Change type" link and a "Name\*" field containing "Lawn Mower". There is also an image upload area with a trash icon.
- SKU:** An empty text field.
- Category:** A dropdown menu set to "Lawn Care".
- Inventory details:** Includes "Initial quantity on hand\*" (0), "As of date\*" (05/01/2020), and "Reorder point" (5). Each has a "What's the...?" link.
- Inventory asset account:** A dropdown menu set to "Inventory Asset".
- Description:** A text area containing "Deluxe Lawn Mower".
- Sales price/rate:** A text field with "1,000".
- Income account:** A dropdown menu set to "Sales of Product Income".
- Purchasing information:** A text area containing "Standard Lawn Mower".
- Cost:** A text field with "250".
- Expense account:** A dropdown menu set to "Cost of Goods Sold".

# Purchase Orders

Use Purchase Orders to order inventory from your vendors. Purchase Orders are non-posting entries. This means they don't affect any accounts when they are entered. When you receive items from the purchase order, your accounts and quantities on hand will be updated.

## Create Purchase Order

1. Click the **New (+)** button and select **Purchase Order**.
2. Click the Choose a vendor drop-down arrow and select the vendor.
3. Enter the appropriate information in the **Item details** area of the Purchase Order.
4. Click the **Save and send** drop-down arrow and make the appropriate selection.

**Purchase Order**

Vendor: Ellis Equipment Rental | Email: rental@intuit.com | Amount: **\$3,000.00**

Shipping address: Ellis Equipment Rental | Ship to: Select customer for address | Purchase Order date: 04/30/2020

Shipping address: Buildem US | Ship via: [ ]

Tags: [ ]

**Category details**

**Item details**

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	
1	Lawn Care:Lawn Mower	Standard Lawn Mower	12	250	3,000.00	[ ]
2						[ ]

Subtotal: \$3,000.00  
Total: \$3,000.00

Buttons: Cancel, Clear, Print, Make recurring, Save, **Save and close** (highlighted)

## Review Open Purchase Order List

1. Click **Reports** on the navigation bar.
2. Select **Open Purchase Order List** under **Expenses and Vendors**.

Sort ▼ Add notes [ ] [ ] [ ] [ ]

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**OPEN PURCHASE ORDER LIST BY VENDOR**  
All Dates

DATE	NUM	MEMO/DESCRIPTION	SHIP VIA	AMOUNT	OPEN BALANCE
▼ Ellis Equipment Rental					
05/02/2020	1001			3,000.00	3,000.00
Total for Ellis Equipment Rental				\$3,000.00	\$3,000.00
TOTAL				\$3,000.00	\$3,000.00

# Receive Items

When it's time to receive the inventory into QuickBooks, you can use a Bill, Check, or Expense form. Use the form that works best for your business.

1. Click the **New (+)** menu and select the appropriate form.
2. Click the **Choose a vendor** drop-down arrow and select the vendor.
3. Click the **Add** button to the right for the products received.
4. Change any information necessary on the form.
5. Click the **Save and new** drop-down arrow and make the appropriate selection.

**Bill** Help X

Vendor: Ellis Equipment Rental

**BALANCE DUE**  
**\$2,500.00**  
Make payment

Pay bills directly from QuickBooks  
1 linked transaction

Mailing address: Ellis Equipment Rental

Terms: Net 10 | Bill date: 04/30/2020 | Due date: 05/10/2020 | Bill no.:

► Category details

▼ Item details

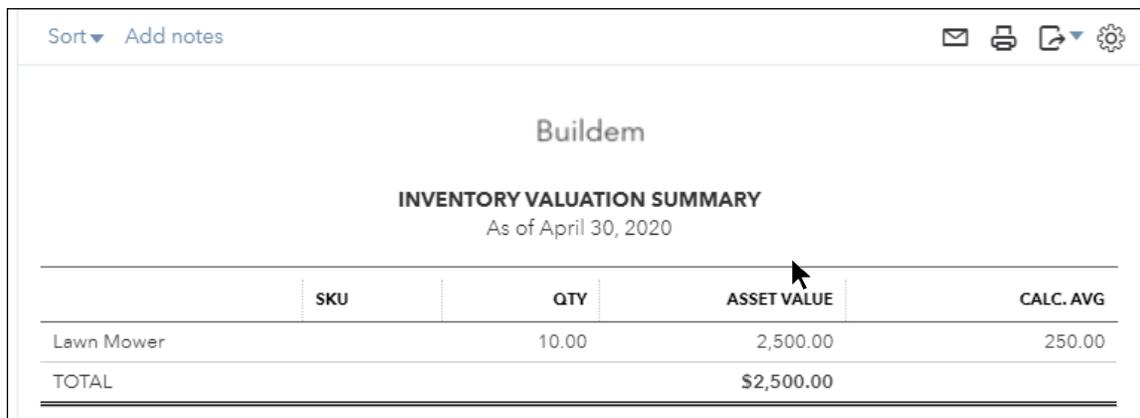
#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	BILLABLE	MARKUP %	SALES AMT	TAX	CUSTOMER
1	Lawn Mower	Standard Lawn Mower	10	250	2,500.00					
2										

Add lines | Clear all lines

# Inventory Reports

## Inventory Valuation Summary

1. Click **Reports** on the navigation bar.
2. Select **Inventory Valuation Summary** under **Sales and Customers**.



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**INVENTORY VALUATION SUMMARY**  
As of April 30, 2020

	SKU	QTY	ASSET VALUE	CALC. AVG
Lawn Mower		10.00	2,500.00	250.00
<b>TOTAL</b>			<b>\$2,500.00</b>	

## Inventory Valuation Detail

1. Click **Reports** on the navigation bar.
2. Select **Inventory Valuation Detail** under **Sales and Customers**.



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**INVENTORY VALUATION DETAIL**  
April 2020

DATE	TRANSACTION TYPE	NUM	NAME	QTY	RATE	FIFO COST	QTY ON HAND	ASSET VALUE
▼ Lawn Mower								
04/30/2020	Inventory Starting Value	START		0.00	250.00	0.00	0.00	0.00
04/30/2020	Bill		Ellis Equipment Rental	10.00	250.00	2,500.00	10.00	2,500.00
04/30/2020	Inventory Qty Adjust	2		-1.00	250.00	-250.00	9.00	2,250.00
<b>Total for Lawn Mower</b>				<b>9.00</b>		<b>\$2,250.00</b>	<b>9.00</b>	<b>\$2,250.00</b>

# Adjust Inventory

For a business with inventory, the quantity on-hand is critical information. When you receive inventory, you add to the on-hand quantity. Selling to a customer reduces the quantity. If the actual quantity you have on hand differs from the quantity in QuickBooks, you need to adjust the inventory.

1. Click Sales from the **Navigation Menu**
2. Select **Products and Services**.
3. Select the item to adjust and click the **Edit** button.
4. Select **Quantity** on the Quantity on Hand.

**Product/Service information**

Inventory

Name\*  
Lawn Mower

SKU

Is sub-product/service

Enter parent product/service

Quantity on hand 10  
Adjust: [Quantity | Starting value](#)

Reorder point 5  
[What's the reorder point?](#)

Quantity on PO 2

5. Enter the **New Qty**.
6. Click **Save and close**.

**Inventory Quantity Adjustment #2**

Adjustment date: 04/30/2020 Reference no.: 2

Inventory adjustment account: Enter Text

#	PRODUCT	DESCRIPTION	QTY ON HAND	NEW QTY	CHANGE IN QTY
1	Lawn Mower	Deluxe Lawn Mower	10	9	-1
2					

Memo

Cancel Clear Save **Save and close**

# Notes

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# Notes

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