



How to convert QuickBooks Desktop data to QuickBooks Online

Confidently complete the migration process with these practical, step-by-step visual instructions.

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We're with you at every step.

Every client's business is unique, but the steps involved in moving that business online are similar. This guide will help you master each one so you can get your clients up and running—and back to business—*fast*.

To help you find the exact information you need, this guide is divided into three sections:



Pre-migration

Find out how to get your clients' QuickBooks Desktop data ready for conversion.

Skip to [page 3](#).



Migration

Learn how to import data to QuickBooks Online in a few easy steps.

Skip to [page 4](#).



Post-migration

Discover the steps to follow after completing the data import process.

Skip to [page 6](#).

Identifying QuickBooks Desktop data for conversion

Get to know which data will and will not convert to QuickBooks Online.

Which QuickBooks Desktop files **will** convert?

- ✓ All QuickBooks Desktop Pro, Premier and Premier Accountant Edition company files with up to 500,000 targets. *Targets indicate individual line items on invoices. How to check for targets: press F2 or ctrl +1.*

Which QuickBooks Desktop files **will not** convert?

- ✗ QuickBooks Desktop Pro, Premier and Premier Accountant Edition company files with more than 500,000 targets. You will get an option to import lists and balances only.
- ✗ QuickBooks Desktop Enterprise files.

Have companies that will not convert?



You can export all their lists to an Excel or Intuit Interchangeable Format file, then start a new QuickBooks Desktop file and import the lists there. Then do the “full” import as normal.

NOTE: For a comprehensive list of what does and does not convert into QuickBooks Online from QuickBooks Desktop [click on this link](#)

Help clients get familiar with QuickBooks Online.

Accountants may choose to show clients/play around with the "Sample Co" available in QuickBooks Online Accountant, click on gear, "Sample Co" and explore QuickBooks Online features, navigation, functionality and more.

Your clients may wish to try QuickBooks Online while continuing to use QuickBooks Desktop for day-to-day transactions. If a client decides that QuickBooks Online is a good fit, you can help them convert their QuickBooks Desktop data as many times as they want during a 60-day period.

Remember that you can only convert a QuickBooks Desktop company file into QuickBooks Online within 60 days of its creation.

The conversion is a complete overwrite of any information that was in the QuickBooks Online company beforehand. Previously entered or imported information will be wiped out and replaced by any subsequent conversions within the 60-day period.



Pre-migration:

Preparing QuickBooks Desktop data for conversion

Follow these steps for a smooth conversion.

1. Once you have a QuickBooks Online Accountant account, you can create the QuickBooks Online client from within that account and then proceed with importing/overwriting the data.

QuickBooks Desktop and convert your existing company file to the newest format. Run the software update described above after updating your file.
2. Sign out of QuickBooks Online.
3. Next, do some work in QuickBooks Desktop:
 - Before you start the conversion, make sure your current QuickBooks Desktop software is up-to-date.

How to update your current software:
Sign in to QuickBooks Desktop as the administrator, click the Help Menu, select Update QuickBooks Desktop from the drop-down and Update Now on the next screen. Once the update process is complete, close and reopen QuickBooks Desktop. Take note: You must be running the latest version of QuickBooks Desktop to convert your company file to QuickBooks Online. If you are using a discontinued version from 2015 or earlier, you'll first need to download the latest free trial version of

 - It's a good idea to backup your QuickBooks Desktop company file before you convert your data to QuickBooks Online. You can always restore your current experience in QuickBooks Desktop from this backup copy. Switch to single user mode (File > Switch to Single-user Mode). Then, go up to File, select Backup Company and then Create Local Backup. If you click "Backup Options," you can select the file location. Follow the steps and click Save it now to complete the process.
 - Run a verify from the Utilities menu. Rebuild data if necessary by following the onscreen instructions. (Updating the file to the latest QuickBooks Desktop version does this automatically.)
4. Run/print a Profit & Loss report and a Balance sheet report for reference purposes.



Migration: Converting QuickBooks Desktop data to QuickBooks Online

Now that you've prepared the data, it's time to convert it to QuickBooks Online. The following pages will explain each step along the way.



Importing data using Windows

1 Open QuickBooks Desktop.

2 Click **Company > Export Company File to QuickBooks Online**.

If you still don't see this option after updating to the latest version of QuickBooks Desktop, check the following:

- ensure you are logged in as Admin
- ensure you are logged in under single user mode
- ensure your company file is stored locally

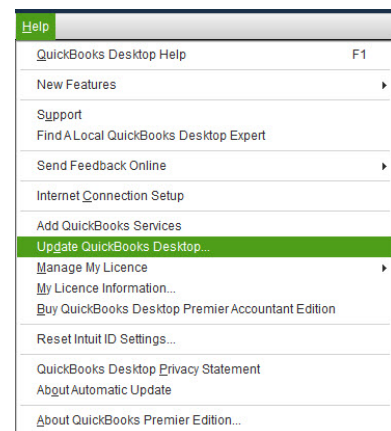
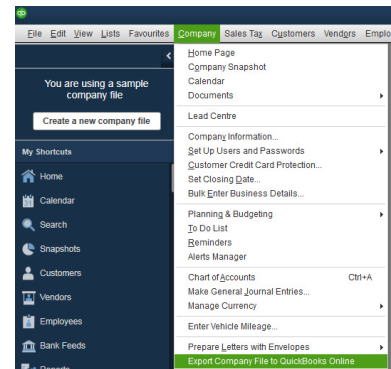
After completing these steps, there are two other things you can do if you still do not see this option:

i) Download the latest trial version of QuickBooks Desktop [here](#).

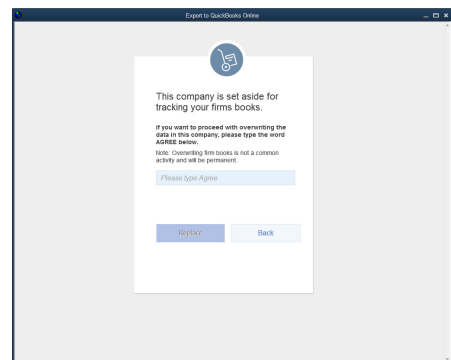
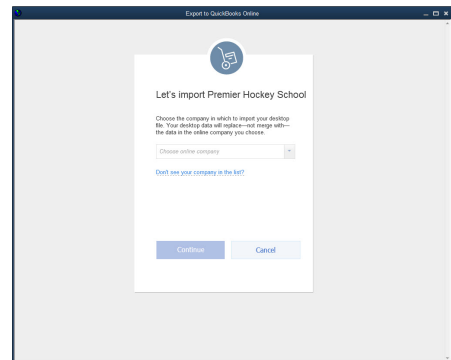
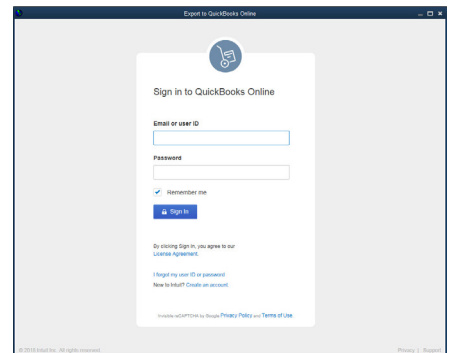
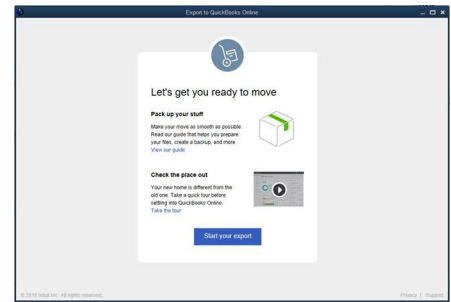
OR

ii) Use the following steps to update QuickBooks Desktop:

- Click **Help > Update QuickBooks**.
- Select all updates in the **Update Now** window.
- Click **Get Updates**.
(If not all updates are downloaded, the export company link may not appear.)
- Click **Close**.
- Click **File > Exit**.
- Reopen QuickBooks Desktop and finish installing the updates when prompted. These updates may take 15+ minutes to install, depending on how long it's been since your last update.



- 3 Review the migration guide for more information on the conversion process, tips on preparing your company data for the move, updating QuickBooks Desktop and maintaining a backup. Watch the video for a glimpse of the new experience!
- 4 Enter your QuickBooks Online login info, agree to the Terms of Service, and click **Sign in**.
- 5 Follow the moving-day checklist to ensure you are ready for the conversion process. The list also covers changes and differences in the QuickBooks Online experience.
- 6 Select the QuickBooks Online company you want to convert the data into. If you've already created a company file, select it here. Don't create a new file, as it will generate an additional subscription.
- 7 Click **OK, got it**. We'll email you when we're done.



If you encounter an error during conversion

Because every QuickBooks Desktop company file is different, as is the computer environment, errors may occur.

If you encounter an error during the conversion, you'll receive an email notification. We can help you overcome and correct these errors so that the import to QuickBooks Online is successful. The most common errors seen during conversion from QuickBooks Desktop to QuickBooks Online and their solutions can be found [in this article](#).



Post-migration:

Completing and testing the data conversion

Follow these steps to ensure that QuickBooks Online is up and running, and that reports are accurate.

Check inventory data (QuickBooks Online Plus only).

Read this if you chose “yes” to Import Inventory.

If you chose to import inventory into QuickBooks Online and QuickBooks Online identifies any errors with inventory, the import will fail and the user will receive an email with instructions on how to fix the items causing the problem.

If you are importing inventory, due to recalculations to FIFO, your Accrual Basis reports and Cash Basis reports will not match.

Run reports to compare QuickBooks Desktop with QuickBooks Online.

Although your Accrual Basis reports will match in both products, your Cash Basis reports may not. This is because cash basis calculations are somewhat subjective, and there are several differences in how the two products calculate what is considered paid.

Consult the list of reports on the right. Run these reports on an **accrual basis for all dates** in both QuickBooks Desktop and QuickBooks Online for comparison purposes to ensure that the conversion is accurate. Even if you generally use cash basis for your accounting, it's necessary that you use accrual basis when comparing these reports. Only the master administrator accountant will receive the post migration report summary.

NOTE: *The first three reports in the list below will not match if you are importing inventory due to recalculations to FIFO.*

- Profit & Loss (Profit & Loss Standard in QuickBooks Desktop) for all dates, accrual basis
- Balance sheet (Balance Sheet Standard in QuickBooks Desktop) for all dates, accrual basis. Any discrepancies in the Profit & loss report and Balance sheet report can be found in the unmatched account balances section in the post migration report.
- Inventory valuation summary (if applicable) for all dates
- Last bank reconciliation report
- Open invoices
- Unpaid bills
- Transaction detail for payments into undeposited funds
- Sales tax liability
- Payroll tax liabilities

You can find more information on things to check after converting the files [here](#).

After files are migrated, make sure to make the sales tax codes imported from QuickBooks Desktop inactive, then turn on the QuickBooks Online sales tax codes applicable to your province. Exception: sales tax codes from QC. [View video here.](#)

Get your clients up and running fast.

Ensure that your clients are getting the most from QuickBooks Online by setting up these key features.

✔ Users and permissions

Permissions in QuickBooks Online are similar to those in QuickBooks Desktop, but they don't allow you to control activity at the level of transactions. Accountant users can be invited from QuickBooks Online. You can manage your own firm's users through QuickBooks Online Accountant.

✔ Company Settings

Turn on account numbers, custom transaction numbers on sales transactions, etc.

✔ Templates

Create new sales templates in QuickBooks Online.

✔ Non-posting transactions

Recreate purchase orders as required (QuickBooks Online Plus only).

✔ Reconcile accounts

The reconciliation status of all transactions in such accounts as Banks and Credit Cards will come over into QuickBooks Online (signified by an "R" beside each reconciled transaction). However, the related reconciliation reports will not come over. If it's important to you to have these reports in QuickBooks Online, you may re-reconcile any accounts as necessary.

If you want at least one reconciliation report to exist in QuickBooks Online from prior periods, and if you don't need or want to create separate reconciliation reports for each month from these periods (or if there are too many months to reconcile quickly), refer to the last Reconciliation Detail Report for each account from QuickBooks Desktop and create one huge reconciliation period up to that statement's end date. Leave the same items that are uncleared in QuickBooks Desktop uncleared in QuickBooks Online.

✔ Attachments

Attach any documents to transactions; documents cannot be attached to list names.

✔ Memorized Reports

Customize the reports you want in QuickBooks Online and save the customizations in My Custom Reports.

✔ QuickBooks Online Payments

Accept credit card payments from clients with QuickBooks Online Payments. Learn more about this [here](#).

Take a look at the powerful third-party apps that integrate with QuickBooks Online and help merchants, such as [Square](#).

✔ Set up payroll.

To set up payroll for Windows and Mac:

1. In the navigation bar, click **Employees**.
2. In the **Paid in [Year]** column, be sure each employee who received a paycheck this year is switched to **Yes**. (Employees who have not been paid in the current year will automatically be listed as **No**.)
3. Click **Complete payroll setup** to enter and/or verify your year-to-date payroll totals, and employee information.
4. Continue through the prompted flow to complete your setup, then use **Run Payroll** when you're ready to pay your employees.

☑ Closing Date Password

If a closing date and password were set in QuickBooks Desktop, the closing date does get converted in QuickBooks Online; however, you will need to recreate the password. Review and change the date and password as necessary.

☑ Automatically Download Online Bank Transactions

If you wish to use Online Banking in QuickBooks Online, select **Banking** from the left navigation bar. There, you can select **Add account** and proceed with linking up various QuickBooks Online bank and credit card accounts with their real-life counterparts using Bank Feeds.

☑ Integrated Applications

Once the conversion to QuickBooks Online is complete, you may want to expand the power and usefulness of QuickBooks Online by taking advantage of one or more cloud-based apps that integrate with it seamlessly. These apps are available from the Apps tab on the left navigation bar in QuickBooks Online. Here, you can peruse the apps, see other users' ratings, get more details, and even try them out for free.

☑ Sales Tax

After the conversion, all payments will need to be made from the Sales tax screen in QuickBooks Online using "Record Tax Payment." If you record sales tax payments as a paid bill or cheque instead, they won't appear in the Recent Payments list.

☑ Merging Customers

Merging customers is helpful if you've been using two similar customers and want to see those customers represented by a single line in your reports. The process of merging deletes one customer and reassigns all of its data to another customer. If you want to merge (and delete) a customer, you must delete the customer's statements first.

Important: The merging process is not reversible. Merging is permanent and cannot be undone at a later point.

Here's how to merge customers:

1. Choose **Customers** on the left navigation bar.
2. Make sure that the customers you want to merge are at the same sublevel. If they're not, edit one of the customers to make it be at the same level.
3. Select the customer whose name you don't want to use. Note: If you have customer information entered, it will disappear from the name you don't want used. Make sure you either copy the information over to the customer's name you're keeping or keep the customer with the important information.
4. Click **Edit** next to the customer's name above the list of transactions.
5. Change the customer's display name so that it is the same as the customer you're merging with.
6. Click **Save**.
7. Click **Yes** to confirm that you want to merge the two customers.

Deepen your understanding of QuickBooks Online:

Desktop to Online translation	
QuickBooks Desktop	QuickBooks Online
Payroll Summary Report	Payroll Details Report
File Manager	QBOA Dashboard (all invited staff can work)
Reports > Filter	Reports > Lists
Statement Writer	Management Reports (not as robust but able to build a report)
Items List	Products & Services List
Preferences	Company Settings
Memorized Transactions	Recurring Transactions
Memorized Reports	My Custom Reports
Audit Trail Report	Audit Log Report (also tracks when users log in and out)
Credit Card Charge	Credit Card Expense (use the Expense Form to create this entry)
Class Tracking	Class AND Location Tracking (QuickBooks Online Plus only)

Now you have the knowledge you need to skillfully convert clients' QuickBooks Desktop files to QuickBooks Online. Don't forget to take your QuickBooks Online certification.