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QuickBooks®

QuickBooks Basics

Contents

1 Welcome

Welcome

Welcome to QuickBooks. Whether you've been running your business for years or are just starting out, having an organized, efficient way to manage your business can save you time, money, and a lot of frustration. Use this *QuickBooks Basics* guide to learn key tasks and get up and running as fast as possible.

Note: *Since this guide covers multiple editions of QuickBooks, the name "QuickBooks" is used to refer to any of these editions. When information in this guide applies to a specific edition of QuickBooks, the specific edition name will be used.*

What's in this guide

2   Learning QuickBooks

Getting Around QuickBooks

The QuickBooks work area, shown in Figure 1, is designed to enable you to complete tasks quickly. QuickBooks provides several ways for you to work; choose the method that works best for you.

The **menu bar** provides easy access to all QuickBooks tasks, features, and reporting functions.

The **QuickBooks Coach** guides you through the steps in your business workflows.

Get answers and advice from users and experts from the QuickBooks **Live Community**.

Refer to the in-product **Help** for detailed instructions about how to perform tasks in QuickBooks.

The customizable **icon bar** on the toolbar provides one-click access to the QuickBooks features that you use most.

With **coach tips** on, spotlights show you the steps in your workflows, and tips display when you mouse over the spotlighted form icons.

Flow chart icons include informative tooltips to help you learn QuickBooks and pick the correct task.

The **Home page** offers quick access to tasks and information related to major QuickBooks areas.

Figure 1. The QuickBooks work area

Using the Home page to move around in QuickBooks

When you open a company file in QuickBooks, the Home page is displayed automatically. The QuickBooks Home page provides a big picture of how all your essential business tasks fit together. Tasks are organized into logical categories (Customers, Vendors, Employees, Company, and Banking) with workflow arrows to help you learn how tasks relate to each other and to help you decide what to do next.

Note: *The workflow arrows indicate a logical progression of business tasks in QuickBooks. However, these arrows do not restrict you from doing tasks in a different order, or an order that works better for your business needs.*

To start a task, simply click the icon for the task you want to do. For example, to create an invoice, click the **Invoices** icon.

To return to the Home page, click the **Home** button on the icon bar.

The Home page also provides a quick glance about the state of your business. You can see your current account balances, updated automatically as you do work in QuickBooks, in the **Account Balances** list.

The Home page you see has been customized to display only those tasks and features that you use, based on the questions you answer in the EasyStep Interview. Functions you don't need won't clutter your workspace. However, to add these functions later, you can turn them on in preferences. Go to the **Edit** menu and click **Preferences**. Click the **Desktop View** option and then click the **Company Preferences** tab.

If you're a new business owner or new to QuickBooks, the QuickBooks Coach will walk you through the business flows you see on your Home page. The QuickBooks Coach uses spotlights and tips to explain each step in your workflow. Turn coach tips on and then mouse over and click the Coach icons (🔵) to see tips and spotlights.

Getting a real-time view of your business

With the Company Snapshot, QuickBooks provides you quick access to a real-time view of your business on one page, including a trend graph of your income and expenses, your account balances, customers who owe you money, vendors you need to pay. To open the Company Snapshot go to the **Company** menu and click **Company Snapshot**.
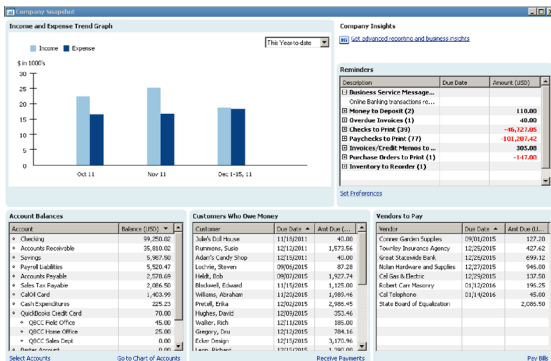

Figure 2. The Company Snapshot gives you a real-time view of your business

Finding your data in the QuickBooks Centers

QuickBooks includes Customer, Vendor, and Employee Centers where you can view and manage all of your customer, vendor, and employee information and transactions. You can go to one of the QuickBooks Centers by clicking the appropriate button in the icon bar (on the left side of the toolbar).

Customer Center   Vendor Center   Employee Center

Customer Center

The Customer Center, shown in Figure 3, is a lens into all your customer information. Without having to sift through multiple screens, you can view a list of all your customers and see pertinent information for each of them. Click on a customer's name and you'll immediately see all the activity you've had with them as well as their pertinent contact information (phone number, fax number, and payment terms).

You can use the Customer Center to find out how much money a specific customer owes you or to view a list of all your customers with open balances. You can also look at all your customer transactions (estimates, sales orders, invoices, credit memos, refunds, etc.) across all of your customer in the Transactions list rather than having to run separate reports.

Easily access your customer's contact information and any notes on that customer.

Run quick reports that pertain to this customer.

Easily add customers and jobs. Create new transactions (estimates, invoices, sales orders).

Click a customer in the Customers & Jobs list to view useful data.

Use the Transactions tab to find, sort, and filter all your transactions across all of your customers.

View all of your past trans-actions with this customer, or filter this list to display only one type of transaction, like overdue invoices.

Figure 3. View and manage customers, vendors, and employees with the QuickBooks Centers

Vendor Center

The Vendor Center gives you a complete picture of where your money is going. From one screen, you can see all your vendors and exactly what you owe them. Simply click a vendor's name to view your entire history with that vendor. You no longer need to run separate reports to see exactly how much business you're doing with each individual vendor. And, you can sort your bills by due date so you can stay on top of your finances.

If you need to talk to a vendor, click their name and you'll see all their contact information. If a vendor calls you to follow up on a late payment, you can quickly look up the bill and see when you paid it and what the check number was.

Employee Center

From the Employee Center, you can see exactly what you're paying each employee. Simply click an employee's name to view that person's payroll history. And if you need to get in touch with an employee, their contact information is right in front of you.

Payroll Center

If you subscribe to one of the QuickBooks Payroll services (additional fees apply), the Employee Center includes a Payroll Center. Use the Payroll Center to manage your payroll and payroll compliance.[1]

The Payroll Center is the hub for managing all payroll activities. The Payroll Center reminds you of important payroll dates so you pay your employees, pay your payroll liabilities, and file forms on time.

To check out the Payroll Center, click the **Employee Center** icon on the icon bar and then click the **Payroll** tab.

Displaying multiple windows or one window

QuickBooks is preset to show multiple windows at a time. By doing so, you can easily navigate between tasks as well as compare data in multiple windows. When you open a window, it opens to a preset size and location. You can resize and move each window as you see fit.

Depending on how you size or arrange the windows, some windows might not be visible. Use the **Window** menu to view a list of the open windows. Simply click the window name in the list to bring it to the front.

Alternatively, you can open the **Open Window List** to have the list of open windows always visible on the left side of the QuickBooks application window. If you prefer to view only one window at a time, go to the **View** menu and click **One Window**.

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1. Add-on services require subscription, EIN, and Internet access for certain features, including tax table updates and direct deposit.

Adding icons to the icon bar

For quick access to the areas of QuickBooks you use most, you can customize the icon bar by adding many of the features and reports that you use most frequently.

You can add, rearrange, or remove shortcuts from the icon bar in the Customize Icon Bar window.

To add a shortcut to a QuickBooks window, open the window and then go to the View menu and click the Add to Icon Bar option.
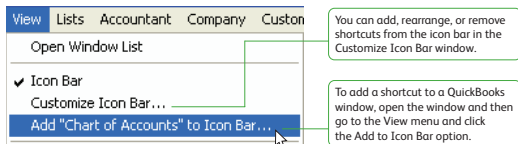
Note: Some QuickBooks windows cannot be added to the icon bar.

Key QuickBooks Concepts

To take full advantage of QuickBooks, there are some important concepts you need to understand.

How to work with QuickBooks lists

Lists are one of the important building blocks that make QuickBooks so powerful and efficient. QuickBooks uses list information to fill out most QuickBooks forms. For example, to create an invoice, you choose the customer name from your Customers & Jobs list.

QuickBooks automatically enters the customer information on the form for you. This saves you time and prevents typing errors. You can also change the information directly on the form as needed. Lists are easy to set up in QuickBooks, but do require careful planning.

Depending on the type of list you want to use, you can get to the list in one of two ways:

- **QuickBooks Centers:** Your Customers & Jobs, Vendors, and Employees lists are available in the Customer, Vendor, and Employee Center, respectively. Click the appropriate QuickBooks Center button on the icon bar to go to a QuickBooks Center.

- **List windows:** Other lists, such as the Chart of Accounts and Item List, appear in separate windows. To view one of these lists, click the **Lists** menu and then click the list you want. To enter information in these lists, use the menu button at the bottom of the list to add, edit, or delete list items. The menu also provides access to common features associated with the list.
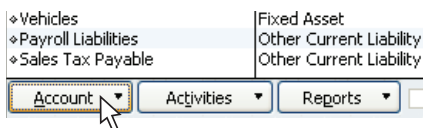
The more detail you enter for each list item, the more information QuickBooks can use to pre-populate forms, track financial data, and display useful reports about your business. Another advantage of lists is that common tasks like adding list entries, editing list information, and deleting list entries are performed the same way.

Figure 4 illustrates how QuickBooks uses list information across multiple windows and tasks to simplify data entry and to give you a complete picture of how your business is doing.

1. Use the Customer Center to view customer data. Click **New Customer & Job** to add a customer to your list.

2. Enter customer information in the **New Customer** window.

3. The information for the new customer appears in the **Customers & Jobs** list.

4. Pick a customer name from the list and choose to create an invoice from the **New Transactions** menu. The customer information is entered automatically.

5. All invoices for this customer are listed in the **Transaction Details** area.

6. To view a list of invoices for *all your customers*, use the **Transactions** tab.

Figure 4. How QuickBooks reuses list information to make your life easier

Entering list information as you work

There are two basic methods you can use to enter list information in QuickBooks. You can enter account, customer, vendor, product, and service information before you enter transactions in QuickBooks, or you can enter this information "on the fly" as you use the product.

If you prefer to enter information as you use QuickBooks to perform your daily tasks, QuickBooks prompts you to immediately set up any entry it does not know about. For example, if you try to create an invoice for a customer named John Dowden and you have not entered information about John Dowden into QuickBooks, QuickBooks will prompt you:
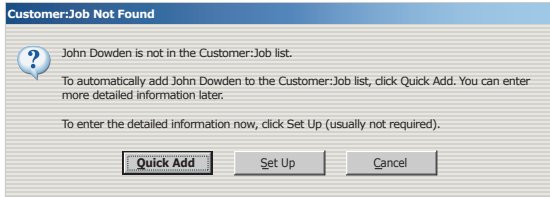
Clicking **Quick Add** creates a new customer list entry for John Dowden in the **Customers & Jobs** list and adds all the information you enter about the customer on the invoice form (billing address, payment terms, taxable status).

Clicking **Set Up** takes you to another window where you can enter information not covered by the invoice. For example, you could click **Set Up** to enter John Dowden's phone number, fax number, and credit limit.

Writing checks versus paying bills

In QuickBooks, you can manage your bills and payments in two ways:

Write checks to pay bills now. Use the **Write Checks** window and assign the amounts to appropriate expense accounts. This method is recommended when you don't receive a bill, such as when you go to the store and write a check and then you need to record that expense in QuickBooks. You can also use Write Checks to pay a bill as soon as you receive it, as long as you don't need to track the bill.

Enter bills when you receive them and pay them later. Use the **Enter Bills** window to enter bills when you receive them. Then use the **Pay Bills** window to pay bills when they are due. You can set up QuickBooks to remind you to pay bills when they are due. Using this method, you keep your money in your business for as long as possible. You might still use a check to pay the bill, but this method enables you to track how much money you owe. And at any time, you can run reports to analyze unpaid bills for information such as which vendors you owe money.

Note: *Do not simply write a check in the **Write Checks** window to pay bills that you entered in the **Enter Bills** window or the accounts payable registers.*

Figure 5 illustrates the difference between writing checks versus entering and paying bills.

Receive bill from vendor

BILL	Payment Due to Gallion Masonry
Customer: Your Company	Date 07/14/2004
Address: 1234 Garcia Ave. Mountain View, CA 94043	Bill Due 08/13/2004
	Amount Due 1,550.00

Write checks now

Enter bills now, pay when due

Write Checks

Enter Bills

Pay Bills

Pay Vendor

Print checks or make
an online payment

Figure 5. Writing checks versus entering and paying bills

Getting Answers to Your Questions

QuickBooks provides a variety of tools and resources to help you find answers to questions you might have when using the software Available resources include:

Free help and support

- **QuickBooks Learning Center:** The QuickBooks Learning Center provides a set of interactive tutorials you can use to learn about basic QuickBooks concepts and common tasks. Go to the **Help** menu and click **Learning Center Tutorials**.

- **In-product Help:** QuickBooks in-product Help provides context-sensitive Help as you are using the product. Keep the Help window open. As you use QuickBooks, the Relevant Topics section will automatically update to provide you with one-click access to Help on the most common questions for the QuickBooks window you are using. Go to the **Help** menu and click **QuickBooks Help**, or just click **F1**.

- **QuickBooks Live Community:** We know that you have needs and questions that are specific to your business. Now you can ask other QuickBooks users and experts for help and get answers fast, right inside QuickBooks. With Live Community, you can ask your questions without stopping the work you're doing.

  Not sure how to do something in QuickBooks? Need advice on how to set up a webstore? Need a tax question answered? Ask the Community. QuickBooks will even let you know when someone has answered your question so you don't have to keep remembering to check back. Go to the **Help** menu and click **Live Community**.

- **QuickBooks Knowledgebase:** Find the most recent information in our online QuickBooks Support Knowledgebase at www.quickbooks.com/support.

- Free support from **QuickBooks experts** is available for questions submitted online at www.quickbooks.com/contactme in certain circumstances listed below. We'll usually respond in 30 minutes or less.[2]

  - Free QuickBooks support is provided for 30 days from registration to help you get up and running quickly and smoothly. Questions must be submitted online.[3]
  - Installation, upgrade and error message assistance is available free for 12 months after initial registration for questions submitted online. For more information, visit www.quickbooks.com/customercare.[4]

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2. May vary occasionally due to system and server maintenance, company events, observed U.S. holidays, and events beyond our control.
3. 30 consecutive days of QuickBooks 2008 support included from first-time registration. Questions must be submitted online to receive free support via e-mail or phone (at Intuit's discretion). A support fee will be charged to handle requests that originate from a call rather than a web request. Internet access required. Offer valid 90 days from software purchase; U.S. only. Additional terms and conditions apply.
4. See details and terms and conditions of Installation, Upgrade, and Error Message Assistance at www.quickbooks.com/customercare. Questions must be submitted online to receive free support via e-mail or phone (at Intuit's discretion). A support fee will be charged to handle requests that originate from a call rather than a web request. Internet access required.

Paid support

- For issues not covered by free support described above, **help is available for a fee with a QuickBooks Support Plan or on a per-call basis (One-time Support)**. To learn more or to purchase a support plan or per-call support, visit www.quickbooks.com/support or call **1-888-320-7276** weekdays, 6 a.m. to 6 p.m., Pacific Time.

- Use a local Certified **QuickBooks ProAdvisor**® (see page 17 for details).

- Find the ideal training solution (fees apply) to help you learn and customize QuickBooks for your business at www.quickbooks.com/training. Terms and conditions of support, features, pricing and availability are subject to change at any time without notice.

Using in-product Help

QuickBooks in-product Help provides background information and instructions for doing QuickBooks tasks. You can access the Help content and features in several ways.

To use in-product Help, go to the **Help** menu and click **QuickBooks Help**.

When you open Help, the **Help Viewer** displays to the right of the QuickBooks window.
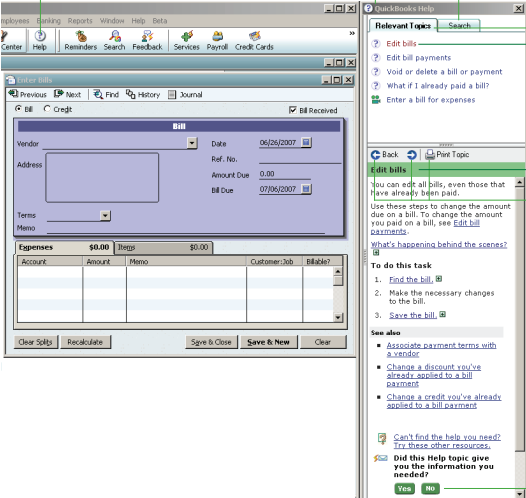
In the **Search** tab, enter a description of the help you want, and click the search arrow.

Links to topics that are relevant to the currently displayed window are listed in the **Relevant Topics** tab.

Click any relevant topic link to view the **Help topic**.

Use the **Forward** or **Back** buttons to see topics you've already viewed. Click **Print Topic** if you prefer to have a paper copy.

Let us know if the help topic answered your question and what we can do to improve Help.

### Viewing Help for a window you have open

If you are unsure how to use a particular QuickBooks window, press the F1 key on your keyboard. To get help. (You can also click the Help button in the window, if one is present.)

These Help topics provide answers to questions such as:

- What can I use this form for?
- What does this button do?
- What kind of information is displayed in this column?
- What happens when I select this option?
- How do I complete the task?

Information you'll find in the Relevant Topics tab

Each time you open a new QuickBooks window, the links in the Relevant Topics tab **change** so that they apply to the active window.
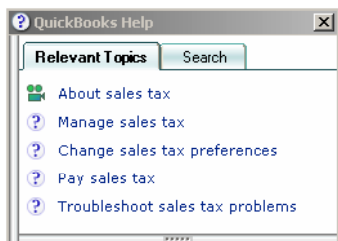
Relevant Help topics will explain how to use the window, and can include:

- Tutorials that show you how to complete tasks
- Business process overviews
- Step-by-step instructions
- Planning and best practice suggestions
- Troubleshooting information

If you don't see the information you need in the Relevant Topics tab, try using the **Search** tab to find the topic.

Using Help Search to find information

QuickBooks in-product Help is quite extensive. If you don't see your issue in the **Relevant Topics** list, you can use Search to find answers to your questions quickly:

- Click the **Search** tab.
- In the **Search** field, **type a short phrase** (containing a noun and verb) that describes the information you want. For example, "add a customer" or "How do I add a customer?"
- Click the **search arrow**. Search will return a maximum of 15 topics based on the words you entered. (If you don't see the information you want, follow the tips below for using search effectively.)

- **Be as specific as possible.**
  For example, if you want to know how to add a customer, entering just "customer" will return topics ranging from adding a customer to deleting a customer to the Customers list and more. Instead, enter "add customer" or "How do I add a new customer".

- **Enter a shorter search phrase or question.**
  For example, "How do I add customers" will return better results than "How do I add new customers and vendors".

- **Try using different words and phrases**.
  For example, if you're looking for something about installing a QuickBooks update, try entering "update QuickBooks".

- **Don't use abbreviations—use the full word instead.**

If you still can't find the answer in the topics returned by search, try the Additional Self-Help Tools.

Check out the QuickBooks Learning Center

As you begin using QuickBooks, one of the first things you'll see is the QuickBooks Learning Center. After you view the Coach Tutorial, you'll be in the Learning Center. The Learning Center provides interactive tutorials to help you learn how to use QuickBooks and complete common business tasks. After you complete a tutorial, a checkmark is displayed next to its title. After watching the video tutorials, you can follow the step-by-step instructions available in the in-product Help.

To open the QuickBooks Learning Center, go to the **Help** menu and click **Learning Center Tutorials** or click the tutorial button in the **QuickBooks Coach**.

Using Live Community

QuickBooks Live Community enables you to ask other QuickBooks users and experts for help and get answers fast, right inside QuickBooks. In Live Community, you can ask any question, from how-to questions about QuickBooks to advice on how to run and grow your business. To use Live Community, go to the **Help** menu and click **Live Community**.
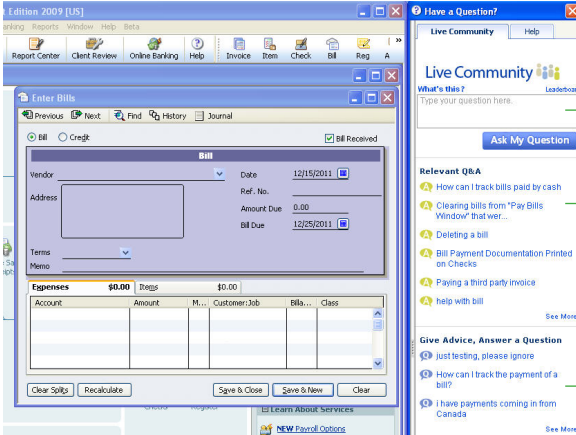
Enter your question here and click **Ask My Question**. You'll be notified in QuickBooks when someone answers your question.

Previously asked questions that have been answered by users are displayed here.

Questions that have yet to receive answers from the community appear here. Do you know the answer? If so, click the link to post an answer.

Using the QuickBooks Coach

You can explore the Home page with the QuickBooks Coach to learn more about your business workflows. In the QuickBooks Coach window, click **Start Working** to turn explore mode on. Then mouse over and click the Coach icons ( ) to see:

- Details about your workflows
- Spotlights that show you the steps in a flow, with tips to complete each step
- Bold numbers, highlighted lines, and arrows show you the order in which to do your work
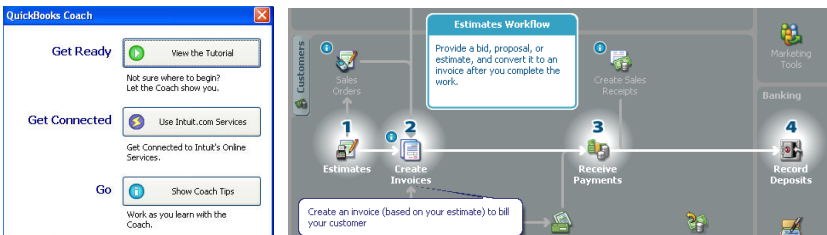
Working with a Certified QuickBooks ProAdvisor

Want hands-on help setting up or customizing QuickBooks for your business? You'll get the most out of QuickBooks by working with a Certified QuickBooks ProAdvisor who can customize the software based on your unique business needs. Certified QuickBooks ProAdvisors are typically CPAs, bookkeepers, small business advisors, QuickBooks consultants or accountants. They've been tested and certified in QuickBooks by Intuit.

- ProAdvisors can save you time and money by getting your QuickBooks set up right the first time, to avoid fixing mistakes down the road.

- ProAdvisors can set up customized reports so you can easily understand the health of your business.

- They also offer ongoing support and training to help you master QuickBooks.

Visit www.findaproadvisor.com/go to learn more and to find a Certified QuickBooks ProAdvisor near you.

3 Essential Tasks

QuickBooks Essential Tasks

Learning how to do essential QuickBooks tasks

The table to the right lists the essential tasks that most people use to run their company in QuickBooks. This chapter describes how to perform each of these tasks and offers important usage tips.

The tasks are written assuming that you want to set up all the information for your business (for example, customer, vendor, and account information) before you begin creating invoices, receiving payments, or paying your bills.

However, you might prefer to enter information as you need it. For example, you might create an invoice for a new customer and use Quick Add (described on page 10) to enter the customer information "on the fly." Either method works fine. You choose the method that works best for you.

Setting Up Your Business | Preferences

Preferences: Modify QuickBooks for the way you work

Set personal and company preferences for each QuickBooks area.

Click **General** to set general QuickBooks preferences.

Choose a group from the preference list to set behavior for other QuickBooks areas.

Preferences

My Preferences | Company Preferences

- Accounting
- Bills
- Checking
- Desktop View
- Finance Charge
- General
- Integrated Applications
- Items & Inventory
- Jobs & Estimates
- Payroll & Employees
- Reminders
- Reports & Graphs
- Sales & Customers
- Sales Tax
- Send Forms
- Service Connection
- Spelling
- Tax: 1099
- Time Tracking

☐ Pressing Enter moves between fields
☑ Automatically open drop-down lists when typing
☑ Beep when recording a transaction
☐ Automatically place decimal point
☑ Warn when editing a transaction

☐ Bring back all one time messages
☐ Turn off pop-up messages for products and services
☑ Show ToolTips for clipped text
☑ Warn when deleting a transaction or unused list item

Automatically recall information
☑ Automatically remember account or transaction information
　○ Automatically recall last transaction for this name
　⊙ Pre-fill accounts for vendor based on past entries

Default Date to Use for New Transactions
○ Use today's date as default   ⊙ Use the last entered date as default

Keep custom item information when changing item in transactions
⊙ Ask   ○ Always   ○ Never

OK
Cancel
Help
Default

Also See:
Reminders

2

3

Changing QuickBooks to work the way you do

You can modify QuickBooks in many ways to suit the needs of your business and your personal style of working. From the **QuickBooks Preferences** window, you can define *preferences* in over a dozen different categories.

For example, you can configure general preferences such as whether or not QuickBooks prompts you before editing or deleting a transaction, or which date QuickBooks uses for new transactions. Or, you can configure accounting-specific preferences such as how QuickBooks displays accounts and subaccounts.

To view and set preference options:

1. Go to the **Edit** menu and click **Preferences**.

2. In the **Preferences** window, change any of the general QuickBooks preferences. These preferences determine how QuickBooks behaves.

3. To display the preferences for another area of QuickBooks, click the appropriate category in the list on the left. For example, to set preferences for reporting functions, click **Reports & Graphs**.

4. On the **My Preferences** tab for the particular feature area, enter the changes and settings you want. These settings affect only your QuickBooks sessions, not those of other users.

5. Do one of the following:
   - Click **OK** to close the **Preferences** window and save your changes.
   - Click another feature area in the scroll box to enter other preferences. Click **Yes** when prompted to save your changes.

6. Click **OK**.

Setting Up Your Business | Adding an Account

Chart of Accounts

The Chart of Accounts list shows the balance of each balance sheet account for your business.

1

Rearrange your accounts by clicking and dragging the diamond, located to the left of an account, to a new position.

Click the **Account** button to create new accounts or perform tasks with existing accounts.

2

Chart of Accounts			
Name		Type	Balance Total
◇ Checking	⚡	Bank	7,178.06
◇ Savings	⚡	Bank	13,868.42
◇ Cash Expenditures		Bank	0.00
◇ Barter Account		Bank	0.00
◇ Accounts Receivable		Accounts Receivable	76,610.00
◇ Tools & Equipment		Other Current Asset	5,000.00
◇ Employee Loans		Other Current Asset	0.00
◇ Inventory Asset		Other Current Asset	23,102.54
◇ Retainage		Other Current Asset	2,461.80
◇ Undeposited Funds		Other Current Asset	36,982.34
◇ Land		Fixed Asset	90,000.00
◇ Buildings		Fixed Asset	325,000.00
◇ Trucks		Fixed Asset	78,352.91

New	Ctrl+N	Fixed Asset	28,501.00
Edit	Ctrl+E	Fixed Asset	7,325.00
Delete	Ctrl+D	Fixed Asset	-121,887.78
		Other Asset	1,041.85
Make Account Inactive		Accounts Payable	50,239.38
Show Inactive Accounts		Credit Card	70.00
✓ Hierarchical View		Credit Card	45.00
Flat View		Credit Card	25.00
Customize Columns...		Credit Card	0.00
Import from Excel...		Credit Card	5,071.02
Use	Ctrl+U	Other Current Liability	0.00
Find Transactions in...		Other Current Liability	3,302.06
		Other Current Liability	5,353.52
Print List...	Ctrl+P	Long Term Liability	19,932.65
Re-sort List		Long Term Liability	3,911.32
		Long Term Liability	3,440.83
		Long Term Liability	50,162.38
		Equity	403,590.82
		Equity	19,000.00

Account ▼ **Activities** ▼ **Reports** ▼ ☐ Include inactive

Add New Account

QuickBooks supports 16 different types of accounts.

3

Click here to make the account a subaccount of another account.

5

Click here to view and select additional accounts you can create (when available).

Click here to enter an opening balance for the account (for balance sheet accounts).

8

Set up QuickBooks to automatically remind you when to enter checks for an account.

Add New Account

Account Type `Bank`

Account Name `Checking`   Select from Examples

☐ Subaccount of `_____`

Optional

Description `_____`

Bank Acct. No. `_____`

Routing Number `_____`

Tax-Line Mapping `<Unassigned>`   How do I choose the right tax line?

Enter Opening Balance...   Should I enter an opening balance?

Remind me to order checks when I reach check number `500`
☐ Order checks I can print from QuickBooks   Learn more

Save & Close   Save & New   Cancel

Adding an Account

When you set up your company file, QuickBooks sets up certain *accounts* for you automatically. However, as your business grows or changes, you might need to add new accounts to your *chart of accounts* to better organize your finances. Or, you might need an account that was not provided during setup. For example, you might want to create expense accounts to track office supply purchases separately from advertising costs.

To add an account:

1 Go to the **Lists** menu and click **Chart of Accounts**.

2 Click the **Account** button and then click **New**.

3 In the **Add New Account: Select Account Type** window, select the type of account you want to create and then click **Continue**.

   Note: *Refer to pages 50 and 51 for a description of the different types of income, expense, and balance sheet accounts.*

4 Enter the account's name in the **Account Name** field. This name will appear on your company financial statements.

5 If you want to make this account a subaccount of another account, select the **Subaccount of** checkbox. From the drop-down list, click the account that will be the higher-level account for this subaccount.

6 (Optional) Enter a short description, note, bank account number, or credit card number, depending on the type of account you are adding.

7 **For income and expense accounts.** From the **Tax-Line Mapping** drop-down list, click the appropriate tax line or **<Not tax-related>**.

8 **For balance sheet accounts.** Enter an opening balance based on the account's balance as of your QuickBooks start date. Generally, you should enter any balance sheet balances as of the day before your start date. That way it's all exactly correct at the opening of your start date. If you're putting money into the account with a transaction, do not use the opening balance field, since this will create an additional transaction. If you're not sure of the balance, you can leave the field blank and enter the information later. Click **OK** when finished.

9 Click **Save & Close** or **Save & New** to add another account.

Why Use Subaccounts?

When you need more detail about what's going on in an account, you can divide the account into one or more subaccounts. Subaccounts let you track several related types of income or expenses independently yet keep them all under the "umbrella" of a single parent account. Subaccounts appear indented immediately below their parent account in your chart of accounts. If you create subaccounts, it's best not to post anything to the "parent" account For example, if your business has substantial advertising expenses, you might decide to divide your Advertising expense account into several subaccounts, such as Newspaper Ads, Signs, Yellow Pages Listing, and Direct Mailings.

What type of account should I use?

There are two main types of accounts in the QuickBooks chart of accounts:

- Income and expense accounts
- Balance sheet accounts

Income and Expense Accounts

Income and expense accounts track the sources of your income and the purpose of each expense. When you record transactions in one of your balance sheet accounts, you usually assign the amount of the transaction to one or more income or expense accounts. For example, not only do you record that you took money out of your checking account, but you keep track of what you spent the money on (utilities or office supplies).

Account type	Purpose
Income	Categorizes money earned from normal business operations, such as product sales, service sales, and discounts to customers.
Other income	Categorizes money your business earns that is unrelated to normal business operations, such as dividend income, interest income, and insurance reimbursements.
Expense	Categorizes money spent in the course of normal business operations, such as advertising and promotion, office supplies, insurance, legal fees, charitable contributions, and rent.
Other expense	Categorizes money your business spends that is unrelated to normal business operations, such as corporation taxes and penalties, interest, and legal settlements.
Cost of goods sold	Tracks the direct costs to purchase or produce the items that your business sells, such as cost of materials, cost of labor, subcontractors, and shipping.

*Note: QuickBooks does not display balances for income and expense accounts in the Chart of Accounts. To see these balances, go to the **Reports** menu, click **Report Center**, and then click the **Company & Financial** category. You can also select the income or expense account in the chart of accounts and click **QuickReport**.*

Balance Sheet Accounts

QuickBooks provides 10 types of balance sheet accounts to choose from as you create and add to your Chart of Accounts. Use the type of account that best describes the type of data you are tracking.

Account type	Purpose
Bank	Tracks money you have in your cash accounts. Create one for each cash account, such as petty cash, checking, savings, and money market. (When you create a new bank account, leave the opening balance at zero. Its opening balance will be created automatically when you transfer funds from another account.)
Accounts receivable (A/R)	Tracks money your customers owe you on unpaid invoices. Most businesses require only the A/R account that QuickBooks automatically creates after you create your first invoice.
Other current asset	Tracks the value of things that you can convert to cash or use up within one year, such as prepaid expenses, employee cash advances, inventory, and loans from your business.
Fixed asset	Tracks the value of significant items (consult your tax professional for a minimum dollar amount) that have a useful life of more than one year, such as buildings, land, machinery and equipment, and vehicles.
Other asset	Tracks the value of things that are neither Fixed Assets nor Other Current Assets, such as Goodwill, long-term notes receivable, security deposits paid, and land.
Accounts payable (AP)	Tracks money you owe to vendors for purchases made on credit. Most businesses require only the A/P account that QuickBooks automatically creates after you create your first invoice.
Credit card	Tracks credit card purchases, bills, and payments. Create one for each credit card your business uses.
Other current liability	Tracks money your business owes and expects to pay within one year, such as sales tax, security deposits/retainers from customers, and payroll taxes.
Long-term liability	Tracks money your business owes and expects to pay back over more than one year, such as mortgages, long-term loans, and notes payable.
Equity	Tracks money invested in, or money taken out of, the business by owners or shareholders. Payroll and reimbursable expenses should not be included.

Setting Up Your Business | Adding Customers

Customer Center

Click **New Customer & Job** to add new customers to the list.

2

View the amount of money each customer owes you in the **Balance Total** column.

Click a customer's name in the list to view the contact information and notes for that customer.

See all transactions for this customer in the transaction list, which can be sorted and filtered.

Click to view useful reports about each customer.

New Customer

Enter the customer's name, address, and contact information on the Address Info tab.

3

Use the Additional Info and Payment Info tabs to set up customer payment terms and sales tax information.

4

Click **Define Fields** to create any custom fields that you need for your customers.

5

Adding Customers

Customers are the lifeline of your business. By entering detailed information in QuickBooks about the people and companies to whom you sell your products and services, you can personalize their bills, send invoices easily, and quickly view the status of their accounts. You can add new customers at any time.

> **Tip** Typing in customer data for hundreds of customers can be a tedious task. If you use Microsoft Outlook, you can import your existing customer information into QuickBooks instead of entering it manually. Refer to the QuickBooks in-product Help for instructions on how to prepare your customer data file for importing into QuickBooks. When you are ready to synchronize your customers, refer to the instructions on page 24.

To add a customer:

1. Click the **Customer Center** icon at the top of the **QuickBooks** window.

2. Click **New Customer & Job** and then click **New Customer**.

3. On the **Address Info** tab, enter all the data that you have about the customer, including their name, Bill to and Ship to addresses, and additional contact information.

4. Complete the Additional Info and Payment Info tabs, as appropriate.

5. If you want to add additional fields to the form, click **Define Fields** to customize the form.

6. Click **OK** or **Next** (if you want to enter another customer).

> **Tip** You can also add customers as you perform your everyday tasks. For example, if you enter the name of a new customer when filling out an invoice, QuickBooks will prompt you to enter information about this customer. You can choose from two quick setup options:
>
> - **Quick Add**—Adds just the name to the list. You must add the details later.
>
> - **Set Up**—Enables you to enter additional information (such as a phone number, fax number, and alternate contact) to the list you choose.

Setting Up Your Business | Adding Vendors

Vendor Center

Click **New Vendor** to add new vendors to the list.

2

Click a vendor's name in the list to view the contact information and notes for that vendor.

View the amount of money you owe each vendor in the **Balance Total** column.

See all transactions for this vendor in the transaction list, which can be sorted and filtered.

Click to view useful reports about each vendor.

New Vendor: Additional Info

Enter the vendor's name, address, and contact information on the Address Info tab.

3

Use the Additional Info tab to enter vendor-specific information, including the vendor type.

5

Click **Define Fields** to create any custom fields that you need for your vendors.

6

Adding Vendors

QuickBooks uses the *vendor* list to hold information about the people and companies you buy goods and services from to run your business; for example, this list could include the phone company, your office supplies vendor, and your tax board. You can add new vendors at any time.

> **Tip** Typing in vendor data for hundreds of vendors can be a tedious task. If you use Microsoft Outlook, you can import your existing vendor information into QuickBooks instead of entering it manually. Refer to the QuickBooks in-product Help for instructions on how to prepare your vendor data file for importing into QuickBooks. When you are ready to synchronize your vendors, refer to the instructions on page 24.

To add a vendor:

1. Click the **Vendor Center** icon at the top of the **QuickBooks** window.

2. Click **New Vendor**.

3. On the **Address Info** tab, enter all the data that you have about the vendor, including their name, address, and additional contact information.

4. If you owe this vendor money as of your company's start date, enter the amount in the **Opening Balance** field.

5. Click the **Additional Info** tab and complete the form.

6. If you want to add additional fields to the form, click **Define Fields** to customize the form.

7. Click **OK** or **Next** (if you want to enter another vendor).

> **Tip** You can also add vendors as you perform your everyday tasks. For example, if you enter the name of a new vendor when paying a bill, QuickBooks will prompt you to enter information about this vendor. You can choose from two quick setup options.
>
> - **Quick Add**—Adds just the name to the list. You must add the details later.
>
> - **Set Up**—Enables you to enter additional information (such as a phone number, fax number, and alternate contact) to the list you choose.

Vendors
Vendors are any businesses or people from whom you buy or rent goods or services for your business—office supplies, phone or computer services, or products that you sell. The tax agencies that you pay are also your vendors. Nearly everyone you pay other than employees are vendors.

Did You Know?

Importing vendors
If you need to add several vendors to your QuickBooks company file, consider importing all your vendors at the same time. Refer to the in-product Help for instructions on how to Import lists.

Setting Up Your Business | Adding Items

Item List

Subitems are indented under the parent item.

For inventory parts, the On Hand column shows how many of each item you have in stock.

Click the **Item** button to add new items or perform activities on existing items.

2

New Item

Choose the type of item you want to create from the Type drop-down list.

3

Click the **Custom Fields** button to set up and fill in custom fields that you need for your items.

Enter the amount you want to charge for the item here.

6

Associate the item with an account here.

7

Choose the appropriate tax code here.

8

Adding Items

In QuickBooks, an *item* is anything that your company buys, sells, or resells to run your business. Items are your products, services, and things such as shipping and handling charges, discounts, and sales tax.

When you choose an item from the Item list, QuickBooks fills in a description of the line item and calculates its amount for you.

QuickBooks provides 12 different types of items, described in the table on page 34. Some items, such as service or inventory part items, help you record the services and products your business sells. Other items, such as the subtotal or discount item, are used to perform calculations on the amounts in a sale.

To add an item:

1. Go to the **Lists** menu and click **Item List**.

2. Click **Item** at the bottom of the list and then click **New**.

3. Click the **Type** drop-down arrow and choose the type of item you want to create (see table on page 34).

4. Enter an item name as you want it to appear on purchase and sales forms.

5. Enter the description that you want to appear on sales forms when you use the payment item.

6. In the **Rate** field, enter the amount you want to charge for the item or leave as zero, if the rate varies.

7. In the **Account** field, choose the account that is associated with this item. (In most cases, you will assign the item to an income account.)

8. In the Tax Code list, select the appropriate sales tax code or create a new one. If you do not see the Tax Code list, you must turn the tax preference on in the Sales Tax area under **Edit | Preferences**.

9. Click **OK** or **Next** (if you want to enter another item).

Key Term

Items

An item is anything that might appear as a line item on an invoice, including subtotals, discounts, and sales tax, as well as the products and/or services that you sell. You enter items on your invoices and sales receipts. For example, a writing consultant might set up one item for editing services with an hourly rate, and another item for writing services with a different hourly rate. On an invoice, the items would be entered with the number of hours worked as the quantity.

While providing a quick means of data entry, items also handle the behind-the-scenes accounting. When you create an item you link it to an account. When the item is used on a form it posts an entry to that account and another to the appropriate accounts receivable, accounts payable, checking, or other account.

Which Item Type Should I Choose?

QuickBooks provides 12 different types of items to help you fill out sales and purchase forms quickly.

Item Type	Purpose
Service	Use for services you either charge for or purchase, like specialized labor, consulting hours, and professional fees.
Inventory part	Use for goods you purchase, track as inventory, and resell.
Inventory assembly (Premier only)	Use for assembled goods you build or purchase, track as inventory, and resell.
Non-inventory part	Use for goods you buy but don't track, like office supplies or materials you buy for a specific job that you charge back to your customer.
Fixed asset	Use for an asset you do not expect to convert to cash during one year of normal operations. A fixed asset is usually something that is necessary for the operation of your business—like a truck, cash register, or computer.
Other charge	Use for miscellaneous labor, material, or part charges, such as delivery charges, setup fees, and service charges.
Subtotal	Use to total all items above it on a form, up to the last subtotal. Useful for applying a percentage discount or surcharge to several items.
Group	Use to quickly enter a group of individual items on an invoice.
Discount	Use to subtract a percentage or fixed amount from a total or subtotal. Do not use this item type for an early payment discount; for an early payment discount, use the **Set Discount** feature in the **Receive Payments** window.
Payment	Use to record a partial payment you received at the time of the sale. It reduces the amount owed on an invoice.
Sales tax item	Use to calculate a single sales tax at a specific rate that you pay to a single tax agency.
Sales tax group	Use to calculate and individually track two or more sales tax items that apply to the same sale. The customer sees only the total sales tax.

Why item types are important

Although you can use items as a quick means of entering data, items fulfill a much more important QuickBooks role: to handle the behind-the-scenes accounting.

When you create an item, you link it to an account; when the item is used on a form, it posts an entry to that account and another entry to the appropriate accounts receivable, accounts payable, checking, fixed asset, or other account.

While items are easy to set up, you should spend some time deciding how they can best work for you before you start setting them up and using them. Use your current list of services and products as a starting point. Consider how much detail you want on your invoices or statements and set up your items with that level of detail in mind. For example, if you are a seamstress who creates and sells home accessories, you can set up a single item and charge a flat rate for a certain size of couch pillow, or you can break that pillow down further into labor and materials.

Furthermore, QuickBooks provides many useful reports that break information down by the goods or services you purchase and sell. That way, you can quickly find out:

- How much income your items bring in
- What you are spending to purchase items
- How well you estimate the cost of items
- How much time you spent on each type of job or item

Setting Up Your Business | Setting up Sales Tax

Depending on where you do business, you might be required to collect sales tax for the products or services you sell. If you collect sales tax, you must pay it to a tax agency on a regular schedule. QuickBooks helps automate your sales tax tracking so you can keep accurate records about the sales tax you collect and pay.

Important: *You must follow the rules and regulations for collecting and paying sales tax in your tax district (city, county, state).*

Understanding how sales tax works

QuickBooks uses **sales tax codes** to track the taxable or non-taxable status of both the items you sell (products and services) and your customers. If your tax agency requires you to report the reasons why particular sales are taxable or non-taxable, the sales tax codes that you assign to your items and customers enable you to run reports that provide this information for your sales tax return.

QuickBooks uses **sales tax items** to calculate and add sales tax charges when you make a taxable sale. When you set up a sales tax item, you assign a **sales tax rate** to it and associate it with the **tax agency** to which you pay the sales tax. All of the sales tax items you set up are in your Item list. Once you've set up sales tax, QuickBooks automatically applies the appropriate sales tax rate to the sale of your taxable items.

Before you start setting up sales tax

To set up sales tax in QuickBooks, you need to know the following sales tax requirements for the locations where you sell your products and services:

- **Sales tax rates** for each tax district (a city, county, or state that has a sales tax) in which you sell. You may have multiple sales tax rates that you need to charge, for example, sales tax for both a county and a state.
- **Tax agencies** to which you pay the collected sales tax for each of those district taxes.

> **Tip** You can find your sales tax requirements (rates, payment schedules, etc.) online at your state sales tax Web site. We have provided access to these Web sites from the in-product Help. Go to the Help menu and click QuickBooks Help. In the Search field, enter Finding the sales tax rates and requirements for your business. Select that topic and then click the link for your state.

Term	How it relates to sales tax setup
Sales tax rate	The percentage charged for sales tax by the tax district. For each different district/rate combination, you need to set up a new sales tax item. For example, you might sell in three counties that all charge the same sales tax rate, but you need a separate sales tax item for each county, even though the sales tax rate is the same. This enables you to track the amounts of sales tax you collect for each tax district.
Sales tax item	A QuickBooks item that is used to calculate the appropriate sales tax for a sale. A sales tax item includes a sales tax rate and a tax agency. When you sell taxable items, you charge the appropriate sales tax rate by assigning a sales tax item to each sale.
Sales tax group item	A QuickBooks item that groups multiple sales tax items so you can charge only one rate on your sales. For example, the location where you sell might require you to charge both a county and a state sales tax. However, customers are used to seeing one sales tax rate on sales. You would set up a sales tax group item that combines those two sales tax rates, say 1 % for the county and 7 % for the state, to create a single, sales tax group item with a rate of 8 %. You would apply this sales tax group item to your taxable sales for that county.
Sales tax code	The identifier that QuickBooks uses to track the taxable and non-taxable status of both the products and services you sell, and the customers to whom you sell these items. For example, a customer that is a non-profit organization might have a non-taxable status. You would not charge sales tax for anything you sell to this particular customer.
Tax district	A town, city, county, or state that charges sales tax. A tax district might also include a municipal or special jurisdiction, such as a Mass Transit tax or a parish in Louisiana.
Tax agency	The government office that determines the requirements for sales tax collection or payment. You might need to pay your collected sales tax to one or more tax agencies, depending on the requirements for the locations (tax districts) where you do business. Tax agencies are set up as vendors, because you make payments to them. A tax agency is sometimes called a tax authority.

Preferences: Set sales tax preferences

Verify that you have sales tax turned on.

Choose the sales tax item you want to use as the preset sales tax rate on all your sales forms (invoices, sales receipts, etc.).

Choose when you owe sales tax to your tax agency.

Choose when you pay sales tax to your tax agency.

Setting up sales tax

Setting up sales tax is a multi-step process, divided into three main parts:

- Part 1: Sales tax payment schedule
- Part 2: Sales tax codes to track taxable status of items and customers
- Part 3: Sales tax items, rates, and tax agencies

Part 1: Sales tax payment schedule

In this procedure, you'll turn on sales tax and then set up information about when you need to pay your tax agency.

To set up your sales tax payment schedule:

1 Go to the **Edit** menu and click **Preferences**.

2 Click **Sales Tax** in the list on the left.

3 Click the **Company Preferences** tab.

4 For the question **Do You Charge Sales Tax?**, click **Yes**.

5 Select when you owe sales tax to the tax agency, as specified by your tax agency.

- Select **As of invoice date** if your tax agency stipulates that you owe sales tax from the moment you write an invoice or make a sale.
- Select **Upon receipt of payment** if your tax agency stipulates that you owe sales tax when you receive the payment from a customer.

  Note: *This preference overrides the accounting basis you've set for your company and for your report preferences (i.e., if your report preference is set to "cash" but you select "accrual" here, your sales tax reports will be accrual-based).*

6 Select how often you pay sales tax to the tax agency, as specified by your tax agency. If you don't know which time period to choose, check your sales tax license. It should indicate the payment schedule that you need to use.

Tip If you collect sales tax for multiple tax agencies that require payment at different intervals, use the payment interval you use most frequently. When you run your sales tax reports and make your payments, you'll be able to see which amounts are due on which dates.

Preferences: Set up sales tax codes

Add sales tax codes by clicking the drop-down list for the type of sales tax code you want to set up and click **<Add New>**.

1

Enter the sales tax code and a short description.

2

Part 2: Sales tax codes to track taxable status of items and customers

Now you'll set up the sales tax codes that you'll use to track the taxable and non-taxable sales status of your items and customers. Later, you'll assign these sales tax codes to your customers and the items you sell.

QuickBooks creates two sales tax codes for you:

- The taxable code (TAX) is assigned to items and customers that are taxed.
- The non-taxable code (NON) is assigned to items and customers that are not taxed, such as non-profit organizations or items that the customer plans to resell.

Depending on your tax agency requirements, these two preset sales tax codes might be all you'll need. You won't need to set up any additional codes or change this preference.

If your tax agency requires you to specify additional sales tax codes to track taxable and non-taxable sales, such as specific tracking for out-of-state sales, you can set them up now. (You can also set them up later when you need to use them.)

To set up additional sales tax codes:

1 Click the drop-down list for the type of sales tax code you want to set up (**Taxable** or **Non-taxable**) and click **<Add New>**.

2 In the **New Sales Tax Code** window, enter a sales tax code you want to use and a description for it.

Each sales tax code you add must be unique. For example, you might want to set up a non-taxable sales code for labor costs. You might enter `LBR` as the sales tax code and "Labor, non-taxable" as the description. Many businesses also use a non-taxable out-of-state sales tax code (OOS).

3 Click **OK**.

4 Repeat steps 1 through 3 for each sales tax code you want to add.

Part 3: Sales tax items, rates, and tax agencies

You need to set up a sales tax item for each tax district (city, county, state) in which you sell. A sales tax item includes the sales tax rate you need to charge for that tax district and the tax agency to which you remit the sales tax you collect. Even if you sell in three different counties that all have the same sales tax rate, you need to set up a separate sales tax item for each county/rate combination so that you can properly track your sales tax collection and payments.

To set up your sales tax items, rates, and tax agencies:

1 Click **Add sales tax item**.

2 In the **New Item** window, click the **Type** drop-down arrow and then click **Sales Tax Item**.

3 Enter the sales tax name. (Use a name that describes the location for the Tax, such as `San Mateo County`. This name will appear as one of the choices in the **Tax** field on your sales forms.)

④ Enter a description for the way this sales tax item will appear as a line item on your sales forms (for example, `San Mateo County sales tax`). You can't edit it on the forms themselves. Users frequently use the name of the sales tax item as the description.

⑤ Enter the sales tax rate (as a percentage) you charge when a sale is taxable. For example, your sales tax rate for San Mateo County might be 1.25% (or 1.25 cents per dollar purchased).

⑥ In the Tax Agency drop-down list, click **<Add New>** to open the **New Vendor** window, where you'll set up the tax agency (a vendor) to which you pay this sales tax.

⑦ Enter a vendor name and contact information. For example, in California, sales tax is paid to the Board of Equalization.

⑧ Click **OK** to close the **New Vendor** window.

⑨ Click **OK** to close the **New Item** window.

⑩ Repeat steps 1 through 9 for each local, county, or state sales tax item and rate you need to set up.

   Important: *Depending on your sales tax requirements, you might need to combine multiple sales tax items to create a* **sales tax group item**. *For example, a county sales tax rate of 1.25% and a state sales tax rate of 7.0% would combine for a sales tax group item with a sales tax rate of 8.25%. Then, you can use this single sales tax rate on your sales forms.*

⑪ When you're finished setting up all your sales tax items, choose your **Most common sales tax**, which is the one you charge most often. Remember, the most common sales tax that you charge your customers might be a sales tax group item.

⑫ In the **Sales Tax preferences** window, decide whether or not you want to mark your taxable items when your sales forms are printed. If not, clear this checkbox.

⑬ Click **OK** to apply your sales tax preferences.

⑭ If you've already set up your items and customers, you'll be prompted to assign a taxable sales tax code to all of them. Click **OK** if most of your items and customers are taxable. If not, clear the checkboxes and click **OK**.

Entering an opening balance for sales tax liability (what you owe)

You need to enter an opening balance for your Sales Tax Liability account (what you owe as of your QuickBooks start date). After your start date, your sales tax is included on your sales forms and entered into this account.

Caution Do not use this procedure if you entered historical invoices or sales receipts dated before your QuickBooks start date. Your sales tax will already be included on them and posted to this account. You can also skip this procedure if you entered an opening balance for each tax agency as you set it up.

To enter your sales tax liability for a tax agency:

1 Go to the **Lists** menu and click **Chart of Accounts**.

2 Double-click the **Sales Tax Payable** account.

3 In the register, find a blank transaction and fill in the details for the tax agency owed:

- In the **Date** field, enter your QuickBooks start date.

- In the **Vendor** field, enter the tax agency.

- In the **Billed** field, enter the amount you owed as of your start date.

- From the **Account** drop-down list, choose **Opening Bal Equity**.

4 Click **Record**.

5 Repeat steps 3 and 4 for each tax agency to which you owed sales tax as of your QuickBooks start date.

Did You Know?

Sales tax group items
In many states where you charge a state sales tax rate, you also need to charge for a city or county sales tax along with it. However, your customers are used to just seeing one sales tax item on their invoices or sales receipts. You can resolve this issue by creating sales tax group items. Once you've set up all of your sales tax items for your city, county, and state sales tax rates, you'll be ready to combine the rates to create a sales tax group item.

Refer to the in-product Help for information on setting up a sales tax group item.

Setting Up Your Business | Setting up your Payroll

Payroll Setup

Click **Company Setup** to enter information about the types of compensation and benefits you provide.

Click **Employee Setup** to enter employee personal, pay, and tax withholding information.

Click **Taxes** to enter employer-specific tax rates and any local taxes.

QuickBooks
Payroll Setup

- 1 Introduction
- 2 Company Setup
- 3 Employee Setup
- 4 Taxes
- 5 Payroll History
- 6 Finishing Up

Welcome to QuickBooks Payroll Setup

We'll help you set up your payroll information and get you ready to run your first QuickBooks payroll.

If you're **new to QuickBooks payroll**, we'll help you set up:

- Compensation for your employees
- Benefits you offer and deductions you take
- Your employees
- Federal, state, and local taxes

If you've **already paid employees** using QuickBooks, we'll prefill:

- Your employee list
- Your payroll item list
- Your payroll transactions
- Help you fill in any additional data

What information do I need to gather before I start?

Do I have to complete this entire interview all at once?

UPS1.1020

Finish Later   Continue

Click **Payroll History** to enter year-to-date payroll history.

Setting up your Payroll

As an employer, you have specific payroll responsibilities that are required by government agencies. These agencies can be federal, state, or local. Some of these responsibilities include, but are not limited to, withholding amounts from your employees' compensation to cover income tax, social security, Medicare, and other payments.

Choosing a payroll service

To use QuickBooks to manage your payroll, you first need to subscribe to a QuickBooks payroll service. QuickBooks' flexible options ensure that you get the payroll service that is right for you. QuickBooks also includes payroll features that don't require a payroll service subscription. Refer to the in-product Help for more information about using payroll without a payroll service.

To learn about and sign up for a Payroll Service:

1 Go to the **Employees** menu and click **Payroll**.

2 Click **Learn About Payroll Options**.

Or, if you are not sure which payroll service is right for you, contact one of our payroll experts at **1-866-820-6382** to learn more and help you choose.

Note: *If you choose to sign up for a payroll service, you will be prompted to complete the activation process for your service. After you complete your activation, you can set up payroll for your business as described in the next section.*

Setting up payroll

QuickBooks Payroll includes an easy-to-use Payroll Setup interview that guides you through setting up payroll for your business. Payroll Setup helps you set up your employees, set up compensation and benefit information, as well as enter any year-to-date payroll data. The Payroll Setup interview also guides you through setting up scheduled payments for your payroll tax and non-tax liabilities (such as health insurance and 401(k)). Scheduled payments help you manage your payroll more efficiently.

Before you begin setting up payroll, we recommend you gather all of the information in the Payroll Setup Checklist on page 71. (A PDF version of the Payroll Setup Checklist is available online at www.payroll.com/support/PDFs/Misc/Payroll_Setup_Checklist.pdf.) You can find this information in your own records, from your accountant or QuickBooks Professional Advisor, or from federal and/or state agencies.

To set up payroll for your business:

1 Go to the **Employees** menu and click **Payroll Setup**.

2 Follow the onscreen instructions.

> **Tip** If at any time you need to leave the Payroll Setup interview before completing all of your payroll setup tasks, click the **Finish Later** button. When you reopen the Payroll Setup interview, you can continue. To ensure accurate payroll calculations, complete your setup before using Payroll.

Payroll Setup has been grouped into the following categories:

- **Company Setup** – Enter information about the types of compensation and benefits you provide.
- **Employee Setup** – Enter employee personal information (name, hire data, Social Security number, etc.), pay information (pay rate, payments and deductions, paid time off balances, etc.), and tax withholding information (from W-4 and state forms).
- **Taxes** – QuickBooks Payroll automatically sets up your state and federal taxes. However, you must still enter employer-specific tax rates (state unemployment insurance) as well as any local taxes that may apply.
- **Payroll History** – If you have issued paychecks during this calendar year prior to using QuickBooks Payroll, you must provide year-to-date payroll history to accurately generate tax payments and filings.

Note: After your initial payroll setup, you might need to add new employees or edit employee payroll information. You do not need to use the Payroll Setup wizard for these quick tasks. Instead, follow the instructions for adding and editing employee information listed on page 73.

Payroll Setup Checklist

Item	Examples
Company Information	• Pay period frequency or frequencies (i.e., weekly, every other week, twice a month, monthly, quarterly) • Date you started or will start using payroll in QuickBooks
Compensation, Benefits, and Miscellaneous Additions and Deductions	• Compensation you give employees and officers: hourly wages, salaries, commissions, etc. • Insurance benefits offered, such as health, dental, vision • Retirement benefits offered, such as 401(k) • Additional deductions from net pay that you withhold, such as union dues, repayments of employee advances or loans, and life insurance • Additions you add to a paycheck, such as bonuses, travel reimbursements, employee advances, or loans and tips
Tax Information	• State or states for which you file payroll taxes • Your state employer tax ID number or numbers and Federal EIN • State unemployment tax (SUI) rate(s) for employer and/or employee • State disability (SDI) tax rate or rates • Other state tax rates for your company (if applicable) • Local income taxes that you withhold or pay on behalf of your employees (if applicable) • Whether you qualify for the Federal Unemployment Tax (FUTA) credit
Employees	• Employee names, addresses and Social Security numbers from your employees' Social Security cards or W-4s • Employee withholdings or allowances, which can also be found on the W-4 form • Current employee wages/salaries, additions, deductions, and company contributions • Sick and vacation time policies and hours accrued
Year-to-Date History	• Quarterly and pay period summaries of employee payroll amounts from the beginning of this calendar year to the beginning of the current quarter • Paycheck information from the beginning of the current quarter to today **Note:** You need to enter year-to-date amounts **only** if you start using QuickBooks Payroll after January 1 of the calendar year.
Liability Payment Information	• Quarterly and pay period summaries of payroll liability payments from the beginning of this year to your start date • Copies of payroll liability checks from the first day of the current quarter until today
Direct Deposit Information	• (Optional) For each employee you want to pay using Direct Deposit, you need bank account and routing numbers. You'll get this information from your employees when you ask them to fill out a Direct Deposit form.

Setting Up Your Business | Setting up Employees

New Employee: Personal Tab

Enter the employee's personal information, including the employee's Social Security number and the name to be printed on paychecks.

3

Enter the employee's address and contact information in the **Address and Contact** tab.

4

Edit Employee: Payroll Info

Enter additional payroll data like wages, taxes, bonuses, mileage reinbursements, health insurance deductions, and 401(k) contributions in the **Payroll Info** tab.

4

If you're using payroll schedules, click the drop-down arrow and select a payroll schedule to assign to the employee. The **Pay Period** field updates and becomes grayed out.

Enter tax information, sick time, and vacation time.

If you are using the Direct Deposit service of QuickBooks Payroll or Assisted Payroll, click **Direct Deposit** to enter this information.

Setting up Employees

To process paychecks and prepare tax documents for your *employees*, you need to enter specific information about each of your employees in QuickBooks.

Note: *If you are a QuickBooks Payroll subscriber, you will be prompted to add all of your employee information during payroll setup (described on page 45). Use the following procedure to edit employee information or to add additional employees at a later date.*

Refer to the Payroll Setup Checklist on page 47 for a list of employee information to gather. (A PDF version of the Payroll Setup Checklist is available online at www.payroll.com/support/PDFs/Misc/Payroll_Setup_Checklist.pdf.)

To set up an employee's personal information:

1. Click the **Employee Center** icon at the top of the **QuickBooks** window.
2. Click **New Employee**.
3. On the **Personal** tab, fill in the form.
4. Click the **Address and Contact** tab, fill in the form, and then click **OK**.
5. When prompted to set up the employee's payroll information, click **Leave As Is**.

To set up an employee's payroll information:

1. Click the **Employee Center** icon at the top of the **QuickBooks** window.
2. Click the **Employees** tab and then double-click the employee's name.
3. From the **Change tabs** drop-down list, click **Payroll and Compensation Info**.
4. Fill in the **Payroll Info** form.
5. Click the **Taxes** button.
6. Click the **Federal** tab and fill in the form, based on the employee's W-4 information.
7. Click the **State** tab and fill in the form.
8. Click **OK**.

Once you've set up your employees, refer to "Paying Employees" on page 67 to learn about paying them.

Money In | Creating an Estimate

Create Estimates

Print and mail or e-mail estimates to your customer.

6

When you're ready to bill the customer, click here to convert this estimate to an invoice.

Choose items to add to the estimate or create new items.

5

4

Choose the Estimate template you want to use, or create your own.

Creating an Estimate

You can use the *estimate* form to prepare estimates, bids, quotes, or proposals for your customers. You can change the title "Estimate" to anything that suits your business.

Filling in the estimate is similar to creating an invoice. And when it's time to bill your customer, you can create the invoice directly from the estimate by clicking Create Invoice on the estimate's toolbar. QuickBooks then creates the invoice, with all the information from the estimate filled in. Later, you can create reports that compare your estimated costs and revenue against your actual costs and revenue to see how accurate your estimates are.

To create an estimate:

1. If necessary, turn on Estimates (described below), if you didn't do this during the EasyStep Interview.

2. Go to the **Customers** menu and click **Create Estimates**.

3. Enter the name of the customer or job.

4. Select an estimate template from the **Template** drop-down list.

5. Fill in the estimate form.

6. Click **Print**.

7. Save the estimate.

To turn on the estimates feature:

1. Go to the **Edit** menu and click **Preferences**.

2. Click **Jobs & Estimates** in the list on the left and then click the **Company Preferences** tab.

3. Click **Yes** to the question, "Do You Create Estimates?"

4. To have QuickBooks warn you when you try to record an estimate with the same number as the existing estimate, select the **Warn about duplicate estimates numbers** checkbox.

5. If you do progress invoicing:

   • Make sure Yes is selected in response to the question, "Do You Do Progress Invoicing?"

   • Specify whether you want line items that have zero amounts to print on your progress invoice

6. Click **OK**.

Money In | Creating an Invoice

Create Invoices

Print and mail or e-mail invoices to your customer. **6**

Choose items to add to the invoice or create new items. **5**

Choose the Invoice template you want to use or create your own. **3**

Create Custom Invoices

Print your company logo on your invoice.

Choose different fonts to use for different parts of the invoice.

Control what type of information gets printed on your invoices.

Click here to access more advanced customization options.

Creating an Invoice

When your customers don't pay you in full at the time you provide your service or product, or when they pay in advance, you need to track how much they owe you. You can use an *invoice* to help you keep track of what your customers owe you (or your "accounts receivable").

Invoices list all the details about the sale, including the services you're providing or the products you're selling (your "items"). Invoices also show the quantity and price or rate of each item. If you need to make automatic adjustments to prices (for example, discounts or markups), invoices will work for you.

Note: *If your customers pay in full at the time of purchase, do not create an invoice. Instead, create a sales receipt, described on page 55.*

To create an invoice:

1. Go to the **Customers** menu and click **Create Invoices**.

2. In the **Customer:Job** drop-down list, enter a name or click the name of the customer or job.

3. Click the **Template** drop-down arrow and then click the invoice template you want to use.

4. Click the **Terms** drop-down arrow and then click the sales terms that apply to this customer.

5. In the lower part of the form, enter each of the items (including the proper quantity) that the customer has purchased.

6. Click **Print** on the toolbar to print the invoice now. Optionally, you can select the **To be printed** checkbox to print the form later or the **To be e-mailed** checkbox to e-mail the form later.

7. Save the invoice.

> **Tip** You can customize your invoices (or any other sales form) for your business. Click **Customize** to open the **Basic Customization** window, where you can add your company logo, change fonts and colors, and access more advanced options.

Money In | Entering Sales Receipts

Sales Reciept

Choose the Sales Receipts template you want to use or create your own.

Choose items to add to the Sales Receipt or create new items.

Entering Sales Receipts

When your customers pay in full at the time they receive your service or product, you don't need to track how much they owe you. However, you might want to record the sale, calculate its sales tax, or print a receipt for the sale. In these cases, you can create a *sales receipt*.

Examples of businesses that commonly use sales receipts include beauty salons, pet groomers, dry cleaners, and restaurants.

Note: *If you need to track how much a customer owes you or you do not receive full payment at the time of the transaction, do not use a sales receipt. Instead, create an invoice, described on page 53.*

To enter a sales receipt:

1. Go to the **Customers** menu and click **Enter Sales Receipts**.
2. Fill in the top part of the form, including the Customer:Job, Date, and Payment Method.
3. Click the **Template** drop-down arrow and then click the sales receipt template you want to use.
4. In the bottom part of the form, select or enter the items purchased.
5. Save the transaction.

Key Term

Sales Receipt
A sales receipt is the form you use when you make a sale for which you receive full payment at the time of the sale. Sales receipts can include payments by cash, check, or credit card.

Did You Know?

You can also use a sales receipt to create a summary of sales income and sales tax owed. You can summarize daily or weekly sales on a sales receipt.

Money In | Receiving a Payment

Receive Payments

Choose a customer from the drop-down list.

②

The checkmark next to the invoice tells QuickBooks to apply the payment to this invoice.

③

Receive Payments

Previous | Next | History ▼ | Journal | Get Online Pmts

Customer Payment

Received From	Baker, Chris	▼	Customer Balance:	**1,040.00**
Amount	1,040.00		Date	07/14/2004
Pmt. Method	Check	▼	Check #	2112
Memo				

Find a Customer/Invoice...

✓	Date	Number	Orig. Amt.	Amt. Due	Payment
✓	12/15/2007	74	1,040.00	1,040.00	1,040.00
	12/30/2007	77	2,000.00	2,000.00	
		Totals	3,040.00	3,040.00	1,040.00

Amounts for Selected Invoices

Un-Apply Payment	Amount Due	**1,040.00**
	Applied	**1,040.00**
Discount & Credits...	Discount and Credits Applied	**0.00**

Save & Close | **Save & New** | Clear

Receiving a Payment

When you receive money from a customer, you must receive the payment in QuickBooks so QuickBooks can record the transaction and mark the invoice as being paid. When you receive a payment, the accounts receivable records are updated, and the payment is ready to be deposited into an account.

To receive a payment:

1 Go to the **Customers** menu and click **Receive Payments**.

2 Fill in the top portion of the form, including the customer's name, the payment amount, payment method, and the date on which the payment was received.

3 Check the column to the left of the invoice to which you want to apply the payment. You might be asked to decide how to apply the payment for one of the following scenarios:

- Overpayment can become a credit or refund
- Underpayment can be left as is or written off
- Customer has unused credit to be applied
- Customer has available discounts

4 Choose the appropriate selection and you should see your choices reflected in total amounts for selected invoices.

If the customer has a discount or available credits, you can choose how to apply them.

5 Save the payment.

Money In | Making a Deposit

Payments to Deposit

The checkmark indicates which payments to deposit.

2

QuickBooks sorts received payments by payment method type.

Payments to Deposit

Select View

View payment method type: All types   What are payment method views?

Select Payments to Deposit

✓	Date	Time	Type	No.	Payment Method	Name	Amount
✓	07/14/2004		PMT	2112	Check	Baker, Chris	1,040.00
	04/11/2007		PMT	3402	Check	Fisher, Jennifer	5,164.00
	09/10/2007		PMT	5668	Check	Luke, Noelani:Kitchen	2,481.80
	09/23/2007		PMT	2957	Check	Dunn, Eric C. W.:Utility...	2,400.00
	09/26/2007		PMT	1556	Check	Johnson, Gordon:Utility...	2,400.00
	10/30/2007		PMT	41022	Check	Memeo, Jeanette	16,537.54
	11/25/2007		PMT	15785	Check	Pretell Real Estate:155...	5,435.00
	12/14/2007		PMT	986	Check	Jacobsen, Doug:Kitchen	2,000.00
	12/15/2007		LIAB ADJ			Great Statewide Bank	124.00
	12/15/2007		PMT		Cash	Roche, Diarmuid:Garag...	440.00

0 of 10 payments selected for deposit   **Payments Subtotal**   **0.00**

Select All   Select None   Get Funding Status

OK   Cancel   Help

Make Deposits

Click **Payments** to see other payments you can deposit.

3

Indicates the account to which you want to deposit the funds.

5

Record cash back from a deposit by specifying the account and amount here.

Make Deposits

Previous   Next   Print   Payments   Journal

Deposit To: Checking   Date 07/14/2004   Memo Deposit

Click Payments to select customer payments that you have received. List any other amounts to deposit below.

Received From	From Account	Memo	Chk No.	Pmt Meth.	Amount
Baker, Chris	Undeposited Funds		2112	Check	1,040.00

Deposit Subtotal   1,040.00

To get cash back from this deposit, enter the amount below. Indicate the account where you want this money to go, such as your Petty Cash account.

Cash back goes to	Cash back memo	Cash back amount

Deposit Total   1,040.00

Save & Close   Save & New   Clear

Making a Deposit

When you receive a payment from a customer, you can either deposit the payment into a bank account immediately, or you can wait until a later time to make the deposit.

To make a deposit:

1. Go to the **Banking** menu and click **Make Deposits**.

2. In the **Payments to Deposit** window, select the payments that you want to deposit and click **OK**.

3. In the **Make Deposits** window, click the **Deposit To** drop-down arrow and then click the account to which you want to deposit the funds.

4. Verify the date and the list of payments to deposit, making updates as necessary.

5. If you want to receive cash back from this deposit, fill in the **Cash Back** fields at the bottom of the form.

6. If you want to print a deposit slip or deposit summary, click **Print**.

7. Save the deposit.

Note: *Just because you've recorded the deposit in QuickBooks doesn't mean that you've actually made the deposit and that the money is available.* ***You still need to physically deposit the money at the bank or send an online transfer.***

Money Out | Paying Bills

Enter Bills

Choose or enter the name of the vendor who sent you the bill.

Enter the amount due here.

Select the payment terms here and QuickBooks will autofill the Bill Due date for you.

Assign the bill to one or more expense accounts.

Pay Bills

Click here to display all unpaid bills or all bills that are due before a specific date.

The checkmark indicates the bills you've chosen to pay.

Click **Go to Bill** to view the bill that corresponds to the selected bill.

Paying Bills

As you purchase equipment, supplies, products, or services to run your business, you will also receive bills that need to be paid. Entering these bills in QuickBooks enables you to not only track information about your purchases, but also to pay these bills. QuickBooks remembers all of your unpaid bills, enabling you to easily choose the bills you want to pay. QuickBooks then writes and saves the checks or credit card charges or sends the online banking payment instructions, depending on the payment method you choose.

Note: *Before paying a bill, be sure you read the section "Writing checks versus paying bills" on page 11 to make sure you are using the correct payment method.*

To enter a bill:

1 Go to the **Vendors** menu and click **Enter Bills**.

2 In the **Vendor** field, choose or enter a new vendor.

> **Note:** *If an open purchase order exists for this vendor, you are prompted to receive against it. Click **Yes** to receive against one or more purchase orders; then, in the **Open Purchase Orders** window, click each purchase order that contains items you've received and are being billed for.*

3 Specify the **Payment Method**, **Payment Account**, and **Payment Date**.

4 In the **Amount Due** field, enter the amount of the bill.

5 Fill in the **Date**, **Ref. No.**, **Terms**, and **Memo** fields as necessary.

6 **For expenses** (money you spend to run your business, such as utilities), assign the bill to one or more expense accounts on the **Expenses** tab.
For items (products or services your business buys), edit items that were entered from your purchase order or enter new items on the **Items** tab.

7 Click **Save & Close** or **Save & New** to enter the transaction.

To pay a bill:

1 Go to the **Vendors** menu and click **Pay Bills**.

2 All outstanding bills are displayed. To limit the number of bills displayed, click **Due on or before** and then click the due date for the bills you want to display.

3 Click **Pay Selected Bills** to complete the transaction.

Did You Know?

Do not use the **Write Checks** window to write a paycheck, pay your payroll liabilities, pay sales tax, or pay bills you've already entered in the **Enter Bills** window.

Refer to the in-product Help for more information on how to make these types of payments.

Paying employees
Refer to page 91 for instructions on paying employees.

Paying bills
You don't need to use the **Pay Bills** window to pay your bills. You can enter checks, credit card payments, and cash expenditures directly in the appropriate account register. However, if you enter bills using either the **Enter Bills** window or the Accounts Payable register, you must use the **Pay Bills** window for your bill payment. Do not use the **Write Checks** window to pay a bill that you've entered with either of these methods.

Money Out | Writing Checks

Write Checks

Indicates the account from which the funds will be taken for this check.

2

Fill out the check just like you would a paper check.

3

Use the Expenses tab to itemize purchases you make to run your business, such as job materials or utility costs.

4

Use the Items tab to itemize the products and services you've bought with or without a purchase order.

5

Write Checks - Checking

Previous Next Print ▾ Find Journal

Bank Account Checking Ending Balance 7,178.06

Pay to the Order of Gallion Masonry
No. 302
Date 07/14/2004
$ 1,550.00

One thousand five hundred fifty and 00/100* Dollars

Address
Gallion Masonry
189 Old Bayshore Rd
Bayshore CA 94326

Memo

Expenses $1,550.00 Items $0.00 ☐ Online Payment ☐ To be printed

Account	Amount	Memo	Customer:Job
Job Expenses: Job Materials	1,550.00		Baker, Chris

Clear Splits Recalculate Save & Close **Save & New** Clear

Select Checks to Print

Make sure that the checks in your printer correspond to the check number entered here.

Click here to choose the checks you want to print.

4

Select Checks to Print

Bank Account Checking First Check Number 196

Select Checks to print, then click OK,
There are 3 Checks to print for $8,251.67.

✓	Date	Set to	Payee	Amount
✓	12/15/2007		Daigle Lighting	640.92
✓	12/15/2007		Perry Windows & Doors	6,935.75
✓	12/15/2007		Sergeant Insurance	675.00

OK
Cancel
Help
Select All
Select None

Writing Checks

You can write a check for any kind of expense that you track with QuickBooks expense accounts and for non-inventory part, service, and other charge items. If you are using inventory or purchase orders (Premier only), you can write checks for inventory part items too.

Note: *Before writing a check, be sure you read the section "Writing checks versus paying bills" on page 11 to make sure you are using the correct payment method.*

To write a check:

1 Go to the **Banking** menu and click **Write Checks**.

2 Click the **Bank Account** drop-down arrow and then click the account from which you want to write the check.

3 Fill in the onscreen check as you would a paper check.

4 Itemize your expenses (shipping charges, taxes, or other expenses not associated with any one item) on the **Expenses** tab.

5 If you are purchasing items for your inventory, enter the items on the **Items** tab.

6 Save the transaction.

To find and print a single check:

1 Load the blank check form into the printer.

2 Go to the **Banking** menu and click **Write Checks**.

3 Click the **Find** button and search for the check you want to print.

4 Double-click to view the check you want to print.

5 Click **Print**.

6 In the **Print Checks** window, choose the options you want and click **Print**.

Note: *To learn how to print multiple checks at the same time, refer to the in-product Help.*

Money Out | Issuing Credits or Refunds

Credit Memo

Select the template you want to use, or create your own. **③**

Enter the name of the returned item here. **②**

Describe the reason for the return. **⑤**

Select to print and/or e-mail a copy to the customer. **⑦**

Create Credit Memos/Refunds

Previous | Next | ... | S e i | Histor | our | Use Credit To

Customer o | Tem te | Customi e

a er C ris | Custom Credit Memo

Credit Memo

D T 12/15/2007   S L NO. 92

SOLD TO
er C ris
15 . Desert oom
s ore C 2

P.O NO.

IT	D S IPTION	NTIT	T	O NT	T x
Labor	Job took 5 fewer hours than billed	5	70.00	350.00	Non

Customer Messa e   The listed amount will be credited to your account

T x San Tomas   7.75   0.00

Tota   350.00

☑ To be rinted   ☑ To be e mai ed   Customer Tax Code T x

Remaining Credit 350.00

☐ Pro ess redit rd me t e s vi

Memo

S ve   C ose   a e e   Ce r

Issuing Credits or Refunds

Use a *credit memo* to record a credit when a customer returns items and you've already recorded an invoice, customer payment, or sales receipt. You can also use a credit memo for an overpayment.

To enter a credit memo or record a return:

① Go to the **Customers** menu and click **Create Credit Memos/Refunds**.

② In the **Customer:Job** field, click the customer and job for which you are creating the credit memo or refund check.

   Note: *If you have created more than one job for the customer, be sure to assign the credit memo to the correct job. You can apply the credit memo only to the same job for which it was created.*

③ Click the **Template** drop-down arrow and then click a template.

④ Enter the items being returned in the line item area.

⑤ Describe the reason for the credit and enter the quality and rate, if applicable.

⑥ (Optional) Enter a memo for this transaction.

   Note: *The memo does not print on the credit memo, but it does appear in the Accounts Receivable register and in the customer register.*

⑦ Indicate whether you want to print or e-mail the credit memo to the customer. (You can choose to do both.)

⑧ Save the credit memo.

⑨ In the **Available Credit** window, choose how to use the credit. You can:

   • Retain as an available credit

   • Give a refund

   • Apply it to an invoice

   Note: *QuickBooks enters a negative amount in your Accounts Receivable register for the credit memo.*

Money Out | Paying Employees

Enter Hours and Select Employees to Pay

QuickBooks records the checks in this bank account.

Specify a check, date, and pay period for the paychecks you create.

QuickBooks creates a paycheck for each employee marked with a checkmark.

Review paychecks and enter hours worked, sick or vacation time, commissions, or other variations from pay period to pay period by clicking the employee's name.

Review and Create Paychecks

If an employee is set up for direct deposit, select the **Direct Dep.** checkbox for that employee.

Choose whether paychecks should be printed from QuickBooks or written later by hand.

Review paychecks and enter hours worked, sick or vacation time, commissions, or other variations from pay period to pay period by clicking the employee's name.

Paying Employees

Paying employees is a big responsibility. You have to keep track of hours, salaries and wages, Social Security numbers and dependents, tax rates and forms, vacation and sick time, bonuses and advances, as well as company payments to government and private pension plans. QuickBooks provides several features and services to help you manage your own payroll quickly and easily.

Note: *For information about your payroll options in QuickBooks, go to the **Employees** menu, click **Payroll Service Options**, and then click **Learn About Payroll Options**.*

To print paychecks:

1. Go to the **Employees** menu, click **Pay Employees,** and then specify if you want to pay employees using Unscheduled Payroll (generally used to pay bonuses and off-cycle checks) or set up Payroll Schedules.

2. Update the **Pay Period Ends** date and the **Check Date** values, as needed.

3. Click the **Bank Account** drop-down arrow to choose the account that QuickBooks uses to record this transaction.

4. Select the employees you want to pay by clicking in the column to the left of the employee's name.

5. Review the paycheck information in the **Enter Payroll information** window.

6. To preview or modify a paycheck, click the employee's name to open the **Preview Paycheck** window. Make any necessary changes and click **Done**.

7. Click **Continue**.

8. Review and verify the paycheck information in the **Review and Create Paychecks** window.

9. In the **Paycheck Options** section, click whether the paychecks should be printed or handwritten.

10. Click **Create Paychecks**.

11. In the **Confirmation and Next Steps** window that appears, click **Print Paychecks**. Click **Send Payroll to Intuit** if you're sending your payroll to Intuit for processing.

Did You Know

Intuit Payroll Services
Intuit offers a variety of payroll services to meet your needs. QuickBooks Basic Payroll includes tools and tax tables to help you efficiently run your payroll and pay your payroll taxes. (Basic Payroll does **not** include payroll tax forms.)

QuickBooks Enhanced Payroll adds state tax forms, tools for tracking workers compensation costs, and tools for easily calculating bonuses. Both Standard and Enhanced Payroll enable you to process payroll for up to three business entities (EINs).

QuickBooks Enhanced Payroll for Accountants includes all of this, plus after-the-fact payroll, client-ready reports and the ability to process payroll for up to 50 specific businesses.

With **QuickBooks Assisted Payroll**, Intuit handles your tax payment and filings for you. All QuickBooks payroll services offer direct deposit of employee paychecks for a small additional fee. For more information about payroll services, go to the **Employees** menu and click **Add Payroll Service**.

Managing Your Business | Using Reports

Report Center

Report choices displayed in the window are based on the category you choose.

Click the thumbnail report icon to view a sample of a report.

Click **More...** for details about content, dates, and customization.

View detailed Help topics to learn how to use and modify reports.

Using Reports to see how your business is doing

One of QuickBooks' most robust features is its ability to generate data-rich reports about your business. Everything you enter in QuickBooks can be found and generated into a report.

QuickBooks comes with dozens of prepared reports that you can run. You can use the Report Center to learn about QuickBooks reports and locate the ones that contain the information you need. Once you've found a report, you can change its date range, customize the way it looks, print a copy of it, export it to Microsoft Excel, or display it on your screen.

To find and display the right report:

1 Click the **Report Center** icon at the top of the **QuickBooks** window.

2 Click a report category from the list on the left. Reports for the selected category are displayed on the right.

3 From the report list, you can view a thumbnail picture of the report by moving your mouse over the thumbnail icon ▣. To learn more about a specific report, click the **More...** link to learn about the data and specific ways to customize the report.

> **Tip** In addition to the powerful reports available in the Report Center, you can also use the QuickBooks Centers to get a quick snapshot of how your business is doing and the status of your relationships with your customers, vendors, and employees. For example, from the Centers you can easily see all of your unpaid bills, all of the invoices that your customers haven't paid, and the detailed history of each of your customers and vendors. For more information about the QuickBooks Centers, refer to "QuickBooks Centers" on page 5 or the in-product Help.

How to Use Reports to Find the Information You Want

The QuickBooks Report Center describes all the available reports. Here are 10 common questions that people ask and the QuickBooks report you can use to find the answer.

To answer this question...	Use this report
How much money did my company make or lose over a specific period of time?	**Profit & Loss Standard** (In Company & Financial)
Which invoices or statement charges haven't been paid and when are they due?	**A/R Aging Detail** (In Customers & Receivables)
How much does my company owe each vendor and are any payments overdue?	**A/P Aging Detail** (In Vendors & Payables)
What is the value of my company (its assets, liabilities, and equity), and where can I see the total balance for each type of account?	**Balance Sheet** Summary (In Company & Financial)
What is the recent activity in all my company's accounts, with beginning and ending balances for each account?	**General Ledger** (In Accountant & Taxes)
What are the total sales for each customer and job?	**Sales by Customer Summary** (In Sales)
Which items and/or services bring in the most/least income?	**Sales by Item Summary** (In Sales)
What are my company's total expenses for each vendor?	**Expenses by Vendor Summary** (In Company & Financial)
Where is the information I need for my federal income tax forms?	**Income Tax Summary** **Income Tax Detail** (In Accountant & Taxes)
For my company's total sales, how much is taxable, at what rate, and how much sales tax is currently due to be paid?	**Sales Tax Liability** (In Vendors & Payables)

Memorizing a report for reuse

Whenever you change the settings for a report (modify it), you can memorize the report with the new settings and save it in the Memorized Report List. Then, when you want to create a similar report, you can click the Memorized Report List to find it.

Note: *QuickBooks memorizes the report settings, not the data in the report. When you display a memorized report, it applies the settings you memorized, but displays the latest data. For example, if the report date is set for the period Last Month and you memorize the report in September but recall it in December, the recalled report will have data for November, not August.*

To memorize a report:

1. Click the **Report Center** icon at the top of the **QuickBooks** window.

2. Open the report you want to modify and save.

3. After you have customized a report, click **Memorize** at the top of the report.

4. If you have changed an existing memorized report, indicate whether you want QuickBooks to replace the earlier report (under the same name) or create a new memorized report (under a new name).

5. In the **Memorize Report** window, enter a title for the report.

6. If you want to assign the report to a memorized report group, choose Save in Memorized Report Group and choose the group from the drop-down list. (You must already have the group set up on your Memorized Report List. You cannot create a new group here.)

7. Click **OK**.

> **Tip** When you create a report, you can change the way it looks (reformat it). You can change the fonts, change the header and footer, and resize the columns.
>
> You can also move and sort the data that the report contains. For example, you can add or delete columns, sort by columns, move columns, change how numbers display, change how transactions sort, and change the subtotal groupings.
>
> For more information about how to modify the look and content for a report, refer to the in-product Help.

Other QuickBooks Services to help you manage your business

QuickBooks Business Services enable you to streamline management of your business and automate essential business activities. QuickBooks Business Services offer easy-to-use, tightly integrated solutions that will enable you to manage your business efficiently and with confidence.

Intuit Business Services and software include:

- QuickBooks Online Banking
- QuickBooks Bill Pay Service
- QuickBooks Deluxe Online Billing Service
- QuickBooks Remote Access
- QuickBooks Online Backup Service
- QuickBooks Merchant Account Service
- QuickBooks Technical Support Plan
- QuickBooks Checks and Supplies
- QuickBooks Shipping Manager
- QuickBooks Employee Organizer
- QuickBooks Basic Payroll
- QuickBooks Enhanced Payroll
- QuickBooks Assisted Payroll Service
- QuickBooks Point of Sale software or hardware
- QuickBooks Platinum Plus Business Mastercard
- QuickBooks Customer Manager software
- QuickBooks Client Manager software
- Enhanced Payroll for Accountants

To learn more about these business solutions, go to the **Help** menu and click **Add QuickBooks Services**.

Intuit Marketplace

Intuit Marketplace can help you run your business more efficiently by providing quick access to over 350 industry-specific solutions that work with your QuickBooks.

Created by independent developers with first-hand knowledge of your industry, these solutions help eliminate double data entry, streamlines business operations, increases productivity and helps save you time. Work anytime, anywhere using web-based solutions that allow you to securely access your data. View online demos and use free trials to determine if the solution is right for you.

To easily find a solution that will meet your business needs, visit www.marketplace.intuit.com.

A sampling of business solutions found within Intuit Marketplace includes:

- Construction. Improve how you manage your contracting jobs and learn how you can earn more money from each job. Solutions are available to help solve your estimating, job tracking needs and more.

- Manufacturing Need to improve your inventory tracking capability? Want better control over your shop floor? Find solutions that address key tasks, including planning and tracking, customer management, and EDI.

- Wholesale and Distribution. Learn how you can better control your inventory tracking capability. Need to improve your order management process? Find software that meets your special needs including EDI, route delivery automation, and pricing.

- Service Industry. Increase the efficiency of your business and spend more time with your customers with solutions for field service management, CRM, and billing and invoicing

- Nonprofit. Gain greater control over your organization with solutions for fund accounting, donor and fundraising management, HR/Employee needs and more

- Professional Services. Strengthen management of your firm, including better control over your client information and time tracking capability.

Keyboard Shortcuts

General	Key
To start QuickBooks without a company file	Ctrl (while opening)
To suppress the desktop windows (at **Open Company** window)	Alt (while opening)
Display product information about your QuickBooks version	F2
Close active window	Esc or Ctrl+F4
Record (when black border is around OK, Save and Close, Save and New, or Record)	↵
Record (always)	Ctrl + ↵

Dates	Key
Next day	+ (plus key)
Previous day	- (minus key)
Today	T
First day of the Week	W
Last day of the weeK	K
First day of the montH	M
Last day of the Month	H
First day of the Year	Y
Last day of the yeaR	R
Date calendar	Alt + ↓ (down arrow)

Editing	Key
Edit transaction selected in register or lift	Ctrl + E
Delete character to right of insertion point	Del
Delete character to left of insertion point	Backspace
Delete line from detail area	Ctrl + Del
Insert line in detail area	Ctrl + Ins
Cut selected characters	Ctrl + X
Copy selected characters	Ctrl + C
Paste cut or copied characters	Ctrl + V
Increase check or other form number by one	+ (plus key)
Decrease check or other form number by	- (minus key)
Undo changes made in field	Ctrl + Z

Help Window	Key
Display Help in context	F1
Go to next Help topic	Tab
Go to previous Help topic	Shift + Tab
Display selected topic	↵

Activity	Key
Copy check transaction in register	Ctrl + O
Create invoice	Ctrl + I
Delete check, invoice, transaction, or item from list	Ctrl + D
Find transaction	Ctrl + F
Go to register of transfer account	Ctrl + G
History of A/R or A/P transaction	Ctrl + H
Memorize transaction or report	Ctrl + M
New invoice, bill, check or list item in context	Ctrl + N
Open account list	Ctrl + A
Open Customer Center (Customers & Job list)	Ctrl + J
Open Help for active window	F1
Open list (for current drop-down menu)	Ctrl + L
Open memorized transaction list	Ctrl + T
Open split transaction window in register	Ctrl + R
Open transaction journal	Ctrl + Y
Paste copied transaction in register	Ctrl + V
Print	Ctrl + P
QuickReport on transaction or list item	Ctrl + Q
QuickZoom on report	↵
Show list	Ctrl + S
Use list item	Ctrl + U
Write new check	Ctrl + W

Moving around a window	Key
Next field	Tab
Previous field	Shift + Tab
Beginning of current field	Home
End of current field	End
Line below in detail area or on report	Down arrow (↓)
Line above in detail area or on report	Up arrow (↑)
Down one screen	Page Down
Up one screen	Page Up
Next word in field	Ctrl + →
Previous word in field	Ctrl + ←
First item on list or previous month in register	Ctrl + Page Up
Last item on list or next month in register	Ctrl + Page Down
Close active window	Esc or Ctrl + F4