

QuickBooks Online

8th Edition

David H. Ringstrom, CPA

Table of Contents

| | |
|--|---------------|
| Introduction | 1 |
| About This Book | 1 |
| Foolish Assumptions..... | 2 |
| Beyond the Book | 2 |
| Part One Getting Started with QuickBooks Online | 5 |
| Chapter 1 Welcome to QuickBooks Online | 7 |
| Learning Objectives | 7 |
| Introduction..... | 7 |
| What Is QuickBooks Online?..... | 7 |
| Checking on QuickBooks Pricing | 8 |
| QuickBooks subscription pricing..... | 9 |
| Payroll and time track pricing | 9 |
| Other add-on pricing | 10 |
| Comparing QuickBooks Features..... | 11 |
| QuickBooks Online Self-Employed..... | 11 |
| QuickBooks Simple Start | 11 |
| QuickBooks Online Essentials | 12 |
| QuickBooks Online Plus..... | 12 |
| Usage limits for QuickBooks Simple Start, Essentials, and Plus | 13 |
| QuickBooks Online Advanced..... | 13 |
| QuickBooks Online Accountant..... | 14 |
| Review Questions..... | 15 |
| Review Answers | 16 |
| Chapter 2 Creating a QuickBooks Online Company..... | 17 |
| Learning Objectives | 17 |
| Introduction..... | 17 |
| Signing Up for QuickBooks Online | 17 |
| Exploring Your New Company | 19 |
| Reviewing the QuickBooks interface | 21 |
| Updating the Chart of Accounts..... | 24 |
| Editing or inactivating accounts | 28 |
| Adding account numbers | 30 |
| Importing a chart of accounts | 31 |
| Reviewing Company Settings | 33 |
| Company preferences..... | 33 |
| Billing & Subscription preferences..... | 33 |
| Usage statistics | 34 |
| Sales preferences..... | 34 |
| Customizing sales forms | 34 |
| Expenses preferences | 37 |
| Payments preferences | 37 |
| Time preferences..... | 37 |
| Advanced preferences | 38 |
| QuickBooks Online Apps | 39 |
| QuickBooks Online Desktop app..... | 39 |
| QuickBooks Online Mobile apps..... | 40 |
| QuickBooks App Store..... | 41 |
| QuickBooks Labs..... | 41 |
| Review Questions..... | 42 |
| Review Answers | 43 |

Table of Contents

| | |
|---|-----------|
| Chapter 3 Importing from QuickBooks Desktop and Sage 50..... | 45 |
| Learning Objectives | 45 |
| Introduction..... | 45 |
| Knowing the Ins and Outs of Converting Data | 45 |
| Using an online tool to migrate QuickBooks Desktop online | 47 |
| Using an online service to migrate Sage 50 to QuickBooks Online | 47 |
| Double-Checking Your Data After Conversion..... | 48 |
| Review Questions..... | 50 |
| Review Answers | 51 |
| Part Two Managing Your Books | 53 |
| Chapter 4 Customer, Vendor, and Employee Lists | 55 |
| Learning Objectives | 55 |
| Introduction..... | 55 |
| Adding New Records to a List | 55 |
| Creating a new record..... | 55 |
| Using customer types | 59 |
| Working with Records | 60 |
| Searching lists | 60 |
| Accessing attachments | 60 |
| Switching from record to record..... | 62 |
| Sorting a list on the Customers and Vendors page | 62 |
| Working with a batch of records | 63 |
| Changing Settings for Lists | 64 |
| Accessing Other Lists | 65 |
| Importing Customers and Vendors..... | 65 |
| Downloading the sample file | 66 |
| Importing lists | 68 |
| Exporting lists to Excel or Google Sheets..... | 70 |
| Introducing Spreadsheet Sync | 71 |
| Installing the Spreadsheet Sync add-in | 71 |
| Managing list records with Spreadsheet Sync | 73 |
| Uninstalling Spreadsheet Sync..... | 75 |
| Review Questions..... | 76 |
| Review Answers | 77 |
| Chapter 5 Managing Sales Tax, Services, and Inventory..... | 79 |
| Learning Objectives | 79 |
| Introduction..... | 79 |
| Setting Up Sales Tax | 79 |
| Understanding sales tax liability | 79 |
| Enabling the Automated Sales Tax feature..... | 80 |
| Converting sales tax from QuickBooks Desktop | 81 |
| Switching from manual to automated sales tax..... | 82 |
| Exploring the Economic Nexus Feature..... | 82 |
| Custom sales tax rates | 83 |
| Auditing your customer list | 84 |
| Reporting and paying sales taxes | 85 |
| Working with Products and Services | 86 |
| Adding inventory, non-inventory, and services items | 87 |
| Reordering inventory items | 91 |
| Creating inventory adjustment transactions | 91 |
| Establishing categories | 95 |
| Changing item types | 96 |
| Simplifying your invoicing process..... | 97 |
| Using pricing rules | 97 |

Table of Contents

| | |
|---|------------|
| Working with bundles..... | 98 |
| Importing and Exporting Products and Services | 99 |
| Downloading the sample file | 100 |
| Importing lists | 100 |
| Exporting lists to Excel or Google Sheets..... | 101 |
| Managing Products and Services with Spreadsheet Sync | 101 |
| Review Questions..... | 105 |
| Review Answers | 106 |
| Chapter 6 Invoicing Customers and Receiving Payments | 107 |
| Learning Objectives | 107 |
| Introduction..... | 107 |
| Getting Oriented with Sales Transactions..... | 107 |
| Creating Invoices | 108 |
| Configuring Automatic Subtotals | 113 |
| Creating Billable Time Entries | 114 |
| Entering time activities | 115 |
| Adding billable time and expenses to an invoice..... | 117 |
| Printing a Batch of Invoices or Packing Slips..... | 119 |
| Recording Customer Payments..... | 120 |
| Understanding the Payments to Deposit account | 120 |
| Recording invoice payments | 121 |
| Entering a sales receipt..... | 122 |
| Recording Bank Deposits..... | 123 |
| Keeping Tabs on Invoice Status and Receiving Payment..... | 124 |
| Giving Money Back to a Customer | 127 |
| Recording a credit memo | 127 |
| Issuing a refund to a customer | 129 |
| Writing Off Bad Debt..... | 130 |
| Setting up a bad debt account and item | 131 |
| Creating bad debt write-off transactions | 132 |
| Reviewing and Creating Transactions with Spreadsheet Sync..... | 132 |
| Review Questions..... | 135 |
| Review Answers | 136 |
| Chapter 7 Paying Bills and Writing Checks..... | 137 |
| Learning Objectives | 137 |
| Introduction..... | 137 |
| Looking at Expense and Bill Payment Methods | 137 |
| Understanding the Transaction Types..... | 137 |
| Entering an Expense..... | 138 |
| Writing a Check | 141 |
| Entering a Bill | 142 |
| Paying Bills | 144 |
| Paying two or more bills at once..... | 144 |
| Writing a check to pay a bill..... | 146 |
| Recording Vendor Credits and Refunds | 148 |
| Entering a vendor credit..... | 148 |
| Applying vendor credits against bills..... | 149 |
| Recording vendor refund checks and payments | 149 |
| Managing Recurring Transactions..... | 151 |
| Creating a recurring transaction on the fly | 151 |
| Making changes in recurring transactions | 153 |
| Reviewing and Creating Transactions with Spreadsheet Sync..... | 154 |
| Review Questions..... | 156 |
| Review Answers | 157 |

Table of Contents

| | |
|---|------------|
| Chapter 8 Paying Employees and Contractors | 159 |
| Learning Objectives | 159 |
| Introduction..... | 159 |
| Getting Started with QuickBooks Payroll | 159 |
| Turning on QuickBooks Payroll | 159 |
| Setting payroll preferences | 164 |
| Setting up payroll taxes..... | 165 |
| Preparing Payroll | 167 |
| Recording payroll information..... | 167 |
| Enabling employee time tracking..... | 168 |
| Reviewing and generating payroll checks..... | 169 |
| Establishing or correcting payroll exemptions | 171 |
| Printing payroll reports | 172 |
| Managing Payroll Taxes..... | 174 |
| Paying payroll taxes..... | 174 |
| Viewing payroll tax forms | 175 |
| Paying Contractors | 176 |
| Setting up 1099-eligible contractors | 176 |
| Paying contractors | 177 |
| Reporting on 1099 vendor payments..... | 178 |
| Preparing 1099s | 179 |
| Review Questions..... | 180 |
| Review Answers | 181 |
| Chapter 9 Working in Registers..... | 183 |
| Learning Objectives | 183 |
| Introduction..... | 183 |
| Understanding Registers..... | 183 |
| Customizing the Register View..... | 185 |
| Entering and Editing Transactions..... | 187 |
| Entering transactions | 189 |
| Editing a transaction | 191 |
| Performing Other Register Activities..... | 191 |
| Sorting transactions | 191 |
| Filtering transactions..... | 192 |
| Printing a register..... | 193 |
| Exporting a register..... | 194 |
| Review Questions..... | 195 |
| Review Answers | 196 |
| Chapter 10 Administering Bank and Credit Card Accounts | 197 |
| Learning Objectives | 197 |
| Introduction..... | 197 |
| Setting Up a Bank or Credit Card Account..... | 197 |
| Making a Bank Deposit | 199 |
| Making a Credit Card Payment | 201 |
| Recording a Credit Card Credit | 202 |
| Reconciling a Bank or Credit Card Account..... | 203 |
| Review Questions..... | 208 |
| Review Answers | 209 |
| Chapter 11 Synchronizing with Financial Institutions | 211 |
| Learning Objectives | 211 |
| Introduction..... | 211 |
| Connecting QuickBooks Accounts to Financial Institutions | 211 |
| Connecting . . . or not connecting..... | 211 |
| Accessing bank and credit card related pages in QuickBooks | 212 |

Table of Contents

| | |
|--|------------|
| Being Direct: Connecting a Bank or Credit Card Account | 215 |
| Managing uploaded or downloaded activity | 217 |
| Reviewing transactions | 219 |
| Automating downloaded activity with rules | 222 |
| Fixing mistakes in uploaded or downloaded transactions..... | 227 |
| Using Indirect Connections to Financial Institutions | 228 |
| Downloading Web Connect and text files | 228 |
| Opening text files in Microsoft Excel or Google Sheets..... | 229 |
| Editing text files | 230 |
| Saving CSV files..... | 231 |
| Uploading Web Connect and CSV files | 231 |
| Connecting to Online Providers Through App Transactions | 234 |
| Converting Paper Receipts to Electronic Transactions | 234 |
| Review Questions..... | 239 |
| Review Answers | 240 |
| Chapter 12 Working with Purchase Orders, Estimates, Projects, and Tags..... | 241 |
| Learning Objectives | 241 |
| Introduction..... | 241 |
| Working with Purchase Orders..... | 242 |
| Enabling the purchase order feature | 242 |
| Creating purchase orders..... | 243 |
| Copying an existing purchase order | 245 |
| Receiving items against purchase orders | 246 |
| Closing purchase orders | 248 |
| Tracking open purchase orders..... | 249 |
| Working with Estimates..... | 249 |
| Preparing an estimate..... | 250 |
| Copying an estimate to a purchase order | 252 |
| Converting an estimate to an invoice..... | 254 |
| Copying an existing estimate | 255 |
| Creating a progress invoice for an estimate..... | 257 |
| Managing Projects | 258 |
| Turning on the Project feature | 258 |
| Contrasting projects with sub-customers | 259 |
| Creating a new project | 260 |
| Adding transactions to a project | 263 |
| Reporting on projects..... | 264 |
| Updating project status | 264 |
| Deleting projects | 265 |
| Tagging Transactions | 266 |
| Creating Tag Groups and Tags | 267 |
| Tagging existing transactions..... | 269 |
| Tagging new transactions | 270 |
| Disabling the Tags feature | 270 |
| Review Questions..... | 271 |
| Review Answers | 272 |
| Part Three Budgeting, Reporting, and Analysis..... | 273 |
| Chapter 13 Creating Budgets in QuickBooks..... | 275 |
| Learning Objectives | 275 |
| Introduction..... | 275 |
| Creating a Budget..... | 275 |
| Importing Budgets..... | 277 |
| Basing Spreadsheet Budgets on Actuals..... | 279 |
| Deleting Budgets | 280 |

Table of Contents

| | |
|--|------------|
| Review Questions..... | 281 |
| Review Answers | 282 |
| Chapter 14 Utilizing QuickBooks Reports..... | 283 |
| Learning Objectives | 283 |
| Introduction..... | 283 |
| Looking at the Reports Page..... | 283 |
| Finding the Report You Want..... | 284 |
| Examining standard reports | 284 |
| Finding customized reports | 285 |
| Reviewing management reports..... | 285 |
| Contemplating Multi-Co reporting..... | 287 |
| Searching for a report | 287 |
| Printing a Report..... | 288 |
| Customizing Reports..... | 289 |
| Saving a customized report..... | 293 |
| Taking actions with custom reports | 294 |
| Exporting Reports from QuickBooks..... | 295 |
| Exporting to Excel..... | 296 |
| Exporting to PDF | 297 |
| Exporting to Google Sheets | 297 |
| Custom Reporting with Spreadsheet Sync | 298 |
| Review Questions..... | 302 |
| Review Answers | 303 |
| Chapter 15 Analyzing QuickBooks Data in Excel..... | 305 |
| Learning Objectives | 305 |
| Introduction..... | 305 |
| Automatically Opening Excel Reports Exported from QuickBooks | 305 |
| Sifting through Excel Reports..... | 307 |
| Filtering data..... | 309 |
| Guarding against a tricky trap | 310 |
| Slicing your data | 311 |
| Sorting data | 313 |
| Creating Custom Reporting with Pivot Tables..... | 314 |
| Understanding pivot table requirements | 314 |
| Adding fields | 315 |
| Removing fields | 316 |
| Spreadsheet Sync | 316 |
| Review Questions..... | 317 |
| Review Answers | 318 |
| Part Four Features for Accountants | 319 |
| Chapter 16 Introducing QB Accountant | 321 |
| Learning Objectives | 321 |
| Introduction..... | 321 |
| Getting Started with QuickBooks Online Accountant | 321 |
| Setting Up Your Team | 321 |
| Assigning lead accountants..... | 325 |
| Examining the QB Accountant Interface | 326 |
| Using Your Practice commands | 326 |
| Toolbar commands | 327 |
| Adding Companies to the Client List..... | 328 |
| Inviting you to be the accountant user..... | 329 |
| Adding a client to your practice | 330 |
| Accepting primary admin rights from your client | 332 |
| Transferring primary admin rights to your client..... | 332 |

Table of Contents

| | |
|--|------------|
| Working with the Client List..... | 333 |
| Customizing the Client List..... | 334 |
| Removing Clients from Your Client List | 335 |
| ProAdvisor Preferred Pricing versus ProAdvisor Revenue Share..... | 336 |
| Signing Up for ProAdvisor Preferred Pricing | 336 |
| Adding existing clients to your consolidated billing..... | 337 |
| Removing clients from your consolidated billing | 338 |
| Stopping consolidated billing | 338 |
| Signing up for ProAdvisor Revenue Share | 339 |
| Using Your Free QuickBooks Online Advanced Subscription..... | 340 |
| Review Questions..... | 341 |
| Review Answers | 342 |
| Chapter 17 Managing Your Clients Books..... | 343 |
| Learning Objectives | 343 |
| Introduction..... | 343 |
| Opening a Client s Company..... | 343 |
| Utilizing the Client Overview page..... | 346 |
| Examining company setup information..... | 348 |
| Taking a look at the chart of accounts | 351 |
| Reviewing list information | 352 |
| Discovering QuickBooks Online Accountant Tools | 353 |
| Reviewing reports | 353 |
| Examining voided and deleted transactions..... | 355 |
| Looking at Books Review..... | 358 |
| Reclassifying transactions..... | 361 |
| Writing off invoices..... | 363 |
| Closing the books | 363 |
| Understanding the Prep for Taxes page | 367 |
| Taking a brief look at other accountant tools | 371 |
| Review Questions..... | 373 |
| Review Answers | 374 |
| Chapter 18 Practice Management..... | 375 |
| Learning Objectives | 375 |
| Introduction..... | 375 |
| Introducing the Work Page..... | 375 |
| Creating templates..... | 378 |
| Creating client requests | 380 |
| Managing projects and tasks..... | 382 |
| Looking at Work page views | 383 |
| Communicating with Team Members about Work..... | 385 |
| Review Questions..... | 387 |
| Review Answers | 388 |
| Chapter 19 Automating QuickBooks Analysis with Power Query..... | 389 |
| Learning Objectives | 389 |
| Introduction..... | 389 |
| Introducing Power Query | 389 |
| Connecting to QuickBooks Reports..... | 389 |
| Removing header rows | 390 |
| Promoting headers | 392 |
| Removing unwanted columns | 393 |
| Filtering unnecessary rows..... | 394 |
| Returning the data to Excel | 395 |
| Creating Self-Updating Reports..... | 396 |
| Setting Power Query to refresh automatically | 397 |

Table of Contents

| | |
|--|------------|
| Adding a total row | 400 |
| Transforming QuickBooks data | 400 |
| Unpivoting columns | 401 |
| Refreshing reports | 402 |
| Review Questions | 403 |
| Review Answers | 404 |
| Part Five The Part of Tens..... | 405 |
| Chapter 20 Ten Cool Chrome Shortcuts Plus Ten Bonus Excel Shortcuts | 407 |
| Learning Objectives | 407 |
| Introduction..... | 407 |
| Chrome Keyboard Shortcuts | 407 |
| Opening and activating a new tab | 407 |
| Closing the current tab..... | 407 |
| Navigating to websites faster | 408 |
| Saving open tabs as a bookmark group | 408 |
| Toggling full-screen mode | 408 |
| Opening your home page in the current tab..... | 408 |
| Activating a specific tab..... | 408 |
| Displaying the Downloads page | 408 |
| Displaying the History page..... | 408 |
| Creating a tab in a new profile..... | 408 |
| Microsoft Excel Keyboard Shortcuts..... | 409 |
| Switching between open documents | 409 |
| Switching between worksheet tabs..... | 409 |
| Closing an open workbook..... | 409 |
| Moving to cell A1 of a worksheet..... | 409 |
| Saving your work | 409 |
| Undoing your work | 410 |
| Toggling absolute or mixed references..... | 410 |
| Toggling Enter versus Edit mode | 410 |
| Calculating a portion of a formula..... | 410 |
| Summing a range of cells..... | 410 |
| Review Questions..... | 411 |
| Review Answers | 412 |
| Glossary..... | 413 |
| Index | 415 |