

LEARNING MADE EASY



7th Edition

QuickBooks® Online

for
dummies®
A Wiley Brand



Utilize the cloud to maintain
your business finances

Pay bills, create invoices, and
manage employee payroll

Customize reports and
analyze your data in Excel

David H. Ringstrom, CPA
President of Accounting Advisors, Inc.



QuickBooks[®] Online

7th Edition

by David H. Ringstrom, CPA

for
dummies[®]
A Wiley Brand

QuickBooks® Online For Dummies®, 7th Edition

Published by: **John Wiley & Sons, Inc.**, 111 River Street, Hoboken, NJ 07030-5774, www.wiley.com

Copyright © 2022 by John Wiley & Sons, Inc., Hoboken, New Jersey

Published simultaneously in Canada

No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning or otherwise, except as permitted under Sections 107 or 108 of the 1976 United States Copyright Act, without the prior written permission of the Publisher. Requests to the Publisher for permission should be addressed to the Permissions Department, John Wiley & Sons, Inc., 111 River Street, Hoboken, NJ 07030, (201) 748-6011, fax (201) 748-6008, or online at <http://www.wiley.com/go/permissions>.

Trademarks: Wiley, For Dummies, the Dummies Man logo, Dummies.com, Making Everything Easier, and related trade dress are trademarks or registered trademarks of John Wiley & Sons, Inc. and may not be used without written permission. QuickBooks is a registered trademark of Intuit, Inc. All other trademarks are the property of their respective owners. John Wiley & Sons, Inc. is not associated with any product or vendor mentioned in this book.

LIMIT OF LIABILITY/DISCLAIMER OF WARRANTY: WHILE THE PUBLISHER AND AUTHORS HAVE USED THEIR BEST EFFORTS IN PREPARING THIS WORK, THEY MAKE NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF THE CONTENTS OF THIS WORK AND SPECIFICALLY DISCLAIM ALL WARRANTIES, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. NO WARRANTY MAY BE CREATED OR EXTENDED BY SALES REPRESENTATIVES, WRITTEN SALES MATERIALS OR PROMOTIONAL STATEMENTS FOR THIS WORK. THE FACT THAT AN ORGANIZATION, WEBSITE, OR PRODUCT IS REFERRED TO IN THIS WORK AS A CITATION AND/OR POTENTIAL SOURCE OF FURTHER INFORMATION DOES NOT MEAN THAT THE PUBLISHER AND AUTHORS ENDORSE THE INFORMATION OR SERVICES THE ORGANIZATION, WEBSITE, OR PRODUCT MAY PROVIDE OR RECOMMENDATIONS IT MAY MAKE. THIS WORK IS SOLD WITH THE UNDERSTANDING THAT THE PUBLISHER IS NOT ENGAGED IN RENDERING PROFESSIONAL SERVICES. THE ADVICE AND STRATEGIES CONTAINED HEREIN MAY NOT BE SUITABLE FOR YOUR SITUATION. YOU SHOULD CONSULT WITH A SPECIALIST WHERE APPROPRIATE. FURTHER, READERS SHOULD BE AWARE THAT WEBSITES LISTED IN THIS WORK MAY HAVE CHANGED OR DISAPPEARED BETWEEN WHEN THIS WORK WAS WRITTEN AND WHEN IT IS READ. NEITHER THE PUBLISHER NOR AUTHORS SHALL BE LIABLE FOR ANY LOSS OF PROFIT OR ANY OTHER COMMERCIAL DAMAGES, INCLUDING BUT NOT LIMITED TO SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR OTHER DAMAGES.

For general information on our other products and services, please contact our Customer Care Department within the U.S. at 877-762-2974, outside the U.S. at 317-572-3993, or fax 317-572-4002. For technical support, please visit <https://hub.wiley.com/community/support/dummies>.

Wiley publishes in a variety of print and electronic formats and by print-on-demand. Some material included with standard print versions of this book may not be included in e-books or in print-on-demand. If this book refers to media such as a CD or DVD that is not included in the version you purchased, you may download this material at <http://booksupport.wiley.com>. For more information about Wiley products, visit www.wiley.com.

Library of Congress Control Number: 2022930197

ISBN: 978-1-119-81727-7 (pbk); 978-1-119-81728-4 (ebk); 978-1-119-81729-1 (ebk)

Contents at a Glance

Introduction	1
Part 1: Getting Started with QBO and QBOA	7
CHAPTER 1: Presenting QuickBooks Online	9
CHAPTER 2: Embracing QuickBooks Online	17
Part 2: Managing Your Books	29
CHAPTER 3: Creating a QuickBooks Online Company	31
CHAPTER 4: Managing List Information	63
CHAPTER 5: Dealing with the Outflow of Money	103
CHAPTER 6: Managing the Inflow of Money	133
CHAPTER 7: Working in Registers	179
CHAPTER 8: Handling Bank and Credit Card Transactions	193
CHAPTER 9: Paying Employees and Contractors	233
Part 3: Reporting and Analysis	259
CHAPTER 10: Evaluating How the Business Is Doing	261
CHAPTER 11: Analyzing QuickBooks Data in Excel	277
Part 4: Working in QuickBooks Online Accountant	291
CHAPTER 12: Setting Up Shop in QuickBooks Online Accountant	293
CHAPTER 13: Adding Companies to the QB Accountant Client List	315
CHAPTER 14: Exploring a Client's Company from QB Accountant	337
CHAPTER 15: Working in a Client's Company	351
CHAPTER 16: Using Accountant Tools	363
CHAPTER 17: Automating QuickBooks Analysis with Power Query	389
Part 5: The Part of Tens	407
CHAPTER 18: Ten Ways to Use Chrome Effectively	409
Appendix: QuickBooks Online, QuickBooks Desktop, and Data Conversion	427
Index	443

Table of Contents

INTRODUCTION	1
About This Book	1
Foolish Assumptions	3
Icons Used in This Book	4
Beyond the Book	4
Where to Go from Here	5
PART 1: GETTING STARTED WITH QBO AND QBOA	7
CHAPTER 1: Presenting QuickBooks Online	9
Comparing QuickBooks and QB Accountant	9
Comparing interfaces	10
Taking a look at QuickBooks Online Mobile	13
Understanding the Cloud	13
CHAPTER 2: Embracing QuickBooks Online	17
I'll Subscribe to That	17
QuickBooks Online Self-Employed	18
QuickBooks Simple Start	19
QuickBooks Online Essentials	19
QuickBooks Online Plus	20
QuickBooks Online Advanced	21
Usage limits for QuickBooks Simple Start, Essentials, and Plus . . .	22
The Dollars and Cents of QuickBooks Subscriptions	23
Payroll Options	24
Migration from QuickBooks Desktop	25
An App for That	26
PART 2: MANAGING YOUR BOOKS	29
CHAPTER 3: Creating a QuickBooks Online Company	31
Signing Up for QuickBooks Online	32
Setting Up a New Company	34
Understanding the Dashboard	36
Updating the Chart of Accounts	40
Establishing Company Settings	44
Examining company preferences	44
Examining billing and subscription settings and use limits.	45
Setting sales preferences	46
Taking a look at expense preferences	46
Examining options to receive customer payments	47
Reviewing advanced preferences	48

Customizing Sales Forms	50
Taking Advantage of QuickBooks Labs	54
Working with Multiple Currencies	55
Seeing how the Multicurrency feature changes QBO	56
Changing your home currency	57
Setting up currencies	58
Using multiple currencies	58
CHAPTER 4: Managing List Information	63
Importing Customers and Vendors	63
Adding New Records to a List	69
Creating a new customer	69
Using customer types	71
Adding subcustomers	72
Working with Records	72
Searching lists	73
Attaching files to a record	74
Adding attachments to specific transactions	74
Switching from record to record	75
Sorting a list on the Customers or Vendors page	76
Exporting a list to Excel or Google Sheets	77
Working with a batch of records	78
Changing Settings for Lists	78
Setting Up Sales Taxes	80
Working with Products and Services Items	82
Establishing categories	83
Adding service and noninventory items	85
Creating an inventory item	88
Working with bundles	90
Changing item types	92
Using pricing rules	94
Adjusting inventory item information	96
Accessing Other Lists	101
CHAPTER 5: Dealing with the Outflow of Money	103
Getting Up and Running	103
Writing a Check	105
Assigning a check to accounts or items	105
Writing a check for an outstanding bill	109
Creating an Expense	111
Entering a Purchase Order	112
Turning on the purchase-order feature	113
Creating a purchase order	114
Receiving items against purchase orders	116

Entering and Paying Bills	120
Entering a bill	120
Managing recurring transactions	122
Recording a vendor credit	125
Handling a refund check from a vendor	127
Paying bills	130
CHAPTER 6: Managing the Inflow of Money	133
Getting Started with Sales Transactions	133
Preparing an invoice	134
Printing invoices and packing slips	139
Configuring automatic subtotals	141
Keeping tabs on invoice status	144
Recording a customer payment	145
Using the Payments to Deposit account	147
Recording bank deposits	148
Recording electronic transaction fees	149
Entering a sales receipt	151
Giving Money Back to a Customer	153
Recording a credit memo	153
Issuing a refund to a customer	155
Working with Estimates	157
Preparing an estimate	158
Managing estimate statuses	161
Copying an estimate to a purchase order	161
Converting an estimate to an invoice	162
Copying an existing estimate	165
Creating a progress invoice for an estimate	165
Creating Billable Time Entries	167
Entering a single time activity	168
Adding a billable expense to an invoice	170
Managing Projects	171
Turning on the Projects feature	172
Enabling projects in Customer lists	173
Converting subcustomers to projects	173
Setting up a project	175
Adding transactions to a project	176
Reporting on projects	177
CHAPTER 7: Working in Registers	179
Understanding Registers	179
Customizing the Register View	181
Entering and Editing Transactions	184
Entering a transaction	184
Editing a transaction	187

Other Things You Can Do in a Register	188
Sorting transactions	189
Filtering transactions	190
Printing a register	191
Exporting a register	192
CHAPTER 8: Handling Bank and Credit Card Transactions	193
Setting Up a Bank or Credit Card Account	193
Making a Bank Deposit	195
Reconciling a Bank Account	198
Connecting QuickBooks Accounts to Financial Institutions	202
Connecting . . . or not connecting	202
Directly connecting a Bank or Credit Card account	204
Troubleshooting connections to financial institutions	207
Managing Downloaded Activity	213
Excluding transactions	216
Including transactions	217
Confirming correct guesses	217
Changing incorrect guesses	217
Examining transactions QuickBooks thinks it can match	218
Establishing rules to accept transactions	219
Fixing mistakes	224
Converting Paper Receipts to Electronic Transactions	225
Controlling the Appearance of Bank Accounts	228
Tagging Transactions	229
CHAPTER 9: Paying Employees and Contractors	233
Understanding the Employee Payroll Process	234
Getting Started with QuickBooks Payroll	234
Turning on QuickBooks Payroll	234
Setting payroll preferences	240
Setting up payroll taxes	242
Preparing Payroll	244
Recording payroll information	245
Letting employees use time sheets	245
Reviewing and generating payroll checks	247
Establishing or correcting payroll exemptions	249
Printing payroll reports	252
Managing Payroll Taxes	252
Paying payroll taxes	252
Viewing payroll tax forms	253
Paying Contractors	254
Setting up 1099-eligible contractors	255
Paying contractors	256
Reporting on 1099 vendor payments	256
Preparing 1099s	258

PART 3: REPORTING AND ANALYSIS	259
CHAPTER 10: Evaluating How the Business Is Doing	261
Reviewing Income and Expenses	261
Finding the Report You Want.....	263
Examining standard reports	263
Finding customized reports.....	264
Reviewing management reports.....	264
Contemplating Multi-Co Reporting.....	266
Searching for a report.....	266
Printing a Report	267
Customizing a report	268
Saving a customized report.....	271
Exporting to Excel	274
Exporting to PDF	276
Exporting to Google Sheets.....	276
CHAPTER 11: Analyzing QuickBooks Data in Excel	277
Automatically Opening Excel Reports Exported from QuickBooks.....	278
Sifting through Excel Reports	280
Filtering data	281
Guarding against a tricky trap.....	283
Slicing your data	284
Sorting data	286
Custom Reporting with Pivot Tables.....	287
Understanding pivot table requirements	287
Adding fields.....	288
Removing fields.....	289
PART 4: WORKING IN QUICKBOOKS ONLINE ACCOUNTANT	291
CHAPTER 12: Setting Up Shop in QuickBooks Online Accountant	293
Registering for and Signing in to QuickBooks Online Accountant	294
Examining the QB Accountant Interface	296
Working with Your Practice view.....	296
Working with Your Books.....	300
Setting Up Your Team.....	300
Controlling the Appearance of the Client List.....	304
Understanding and Using the Free QB Accountant Company.....	306
Working with the Sample Company.....	307
Closing Companies in QB Accountant	308

Working with ProAdvisor Preferred Pricing.....	309
Signing up for ProAdvisor Preferred Pricing.....	309
Adding existing clients to your ProAdvisor Preferred Pricing subscription.....	310
Removing clients from your ProAdvisor Preferred Pricing subscription.....	312
Stopping consolidated billing.....	314
CHAPTER 13: Adding Companies to the QB Accountant Client List	315
Adding a Client's Company to the Client List.....	316
When a client invites you to be the accountant user.....	316
When you invite a client to your practice.....	319
Transferring primary rights to your client.....	321
Importing QuickBooks Desktop Data into QuickBooks Online.....	325
Preparing for conversion.....	326
Understanding what won't import.....	328
Updating your edition of QuickBooks Desktop.....	329
Transferring data from desktop to online.....	331
Double-checking things after conversion.....	334
Switching between Client QuickBooks Companies.....	336
CHAPTER 14: Exploring a Client's Company from QB Accountant	337
Opening a Client's Company.....	337
Reviewing a Client's QuickBooks Company.....	338
Taking a look at the Client Overview page.....	338
Examining company setup information.....	341
Taking a look at the chart of accounts.....	344
Reviewing list information.....	347
Exporting and importing bank feed rules.....	348
CHAPTER 15: Working in a Client's Company	351
Making Navigation Easy.....	351
Using keyboard shortcuts.....	351
Opening multiple windows.....	352
Working in two companies simultaneously.....	354
Examining Available Transaction Types.....	355
Searching for Transactions.....	356
Making Client Notes.....	357
Communicating with a Client.....	359

CHAPTER 16: Using Accountant Tools	363
Reporting and Paying Sales Taxes	363
Managing Your Practice	365
Understanding Grid view	366
Creating projects and tasks	367
Updating task status	370
Editing and deleting project information	371
Working in List view	372
Working in Calendar view	373
Communicating with team members about work	374
Facilitating Accountant Activities	375
Reviewing reports	375
Examining voided and deleted transactions	377
Closing the books	378
Month-End Review	378
Account Reconciliation	379
Final Review	380
Reclassifying transactions	380
Writing off invoices	382
Understanding the Prep for Taxes page	383
Taking a brief look at other accountant tools	387
CHAPTER 17: Automating QuickBooks Analysis with Power Query	389
Introducing Power Query	389
Connecting to QuickBooks Reports	390
Removing header rows	392
Promoting headers	393
Removing unwanted columns	394
Filtering unnecessary rows	396
Returning the data to Excel	396
Creating Self-Updating Reports	398
Setting Power Query to refresh automatically	399
Adding a total row	402
Transforming QuickBooks Data	403
Unpivoting columns	404
Refreshing reports	405
PART 5: THE PART OF TENS	407
CHAPTER 18: Ten Ways to Use Chrome Effectively	409
Setting a Home Page	409
Duplicating and Pinning Tabs	411
Using Chrome on Multiple Monitors	411

Zooming In and Out	412
Using Bookmarks in Chrome	412
Creating a bookmark	413
Displaying the Bookmarks bar	414
Importing bookmarks	415
Managing bookmarks	415
Downloading Files	416
Using Keyboard Shortcuts	418
Working with Chrome Profiles	419
Adding a Chrome profile	419
Opening a different profile	420
Editing and removing profiles	421
Managing Privacy in Chrome	421
Handling cookies	421
Enabling JavaScript	422
Working in Incognito mode	422
Deleting browsing history	422
Reviewing miscellaneous privacy settings	424
Using Google tools to manage privacy	425
Managing Security in Chrome	426

APPENDIX: QUICKBOOKS ONLINE, QUICKBOOKS DESKTOP, AND DATA CONVERSION	427
---	------------

INDEX	443
------------------------	------------

Introduction

Get it: Small-business owners have many other things they'd rather be doing with their time than accounting. We're legally mandated to maintain a set of accounting records for our businesses, so avoidance isn't an option — but working smarter is. This book will help you get there. What's more, certain tasks, such as reporting earnings and paying employees, are markedly more difficult if you don't use accounting software.

Accounting programs such as QuickBooks Online help take the pain out of accounting, and in some cases, they even make it easy. In this book, I explore QuickBooks Online, which is aimed at business users, and QuickBooks Online Accountant (QB Accountant), which is aimed at — you guessed it — accountants and bookkeepers. Both programs are web-based products that offer mobile versions, so your accounting records are at your fingertips no matter which device you have at hand. The benefit of an online accounting system such as QuickBooks is that it enables you to access your books from anywhere and share access with your accountant as well. QB Accountant helps accountants streamline various aspects of supporting multiple clients who use QuickBooks Online.

Intuit, the maker of QuickBooks Online and QB Accountant, also offers QuickBooks Desktop, which is a version of the software that you must purchase a license for and then install on individual computers. In the appendix, I discuss migrating QuickBooks Desktop to QuickBooks Online. But if you're looking for a QuickBooks Desktop reference, please get a copy of Stephen L. Nelson's *QuickBooks All-in-One For Dummies 2022* (John Wiley & Sons, Inc.).

About This Book

Everything that can be done in QuickBooks Online can be accomplished in QB Accountant as well. QB Accountant offers additional tools that are useful to accountants who manage multiple clients and/or multiple companies. As you'll see, QuickBooks Online requires a subscription fee for every set of books you want to maintain, whereas accountants get free access to QB Accountant for overseeing their clients' books.

QuickBooks Online and QuickBooks Online Accountant aren't for everyone. Before you commit to Intuit's web-based solution, you need to explore the available editions and examine the requirements for the products. In that regard, I've divided the book into five parts:

- » Part 1, "Getting Started with QuickBooks and QuickBooks Online Accountant," helps you get oriented within the respective environments.
- » Part 2, "Managing Your Books," covers the nuts and bolts of getting started with QuickBooks, establishing your books, and carrying out common accounting transactions.
- » Part 3, "Reporting and Analysis," shows you how to run reports within QuickBooks Online, and then how to crunch your numbers in Excel.
- » Part 4, "Working in QuickBooks Online Accountant," helps accountants set up shop in QB Accountant and explore the software's accountant-specific features.
- » Part 5, "The Part of Tens," covers ten features of the Chrome browser that help you optimize your use of QuickBooks.

Appendix A offers guidance on migrating to QuickBooks Online from QuickBooks Desktop.



REMEMBER

As I discuss in Chapter 2, QuickBooks Online offers different subscription levels. I used QuickBooks Online Advanced to write this book because it is the most feature-laden offering.

Before diving in, I have to get a few technical conventions out of the way:

- » Text that you're meant to type as it appears in the book is **bold**. The exception is when you're working through a list of steps: Because each step is bold, the text to type is not bold.
- » Web addresses and programming code appear in monospace. If you're reading a digital version of this book on a device connected to the internet, note that you can tap or click a web address to visit that website, like this:
`www.dummies.com`.
- » You can use QuickBooks Online and QB Accountant in a web browser or a mobile app. Example web browsers include Microsoft Edge, Google Chrome, Mozilla Firefox, and Apple's Safari. QuickBooks and QB Accountant mobile apps are available for Android and iOS. QuickBooks Advanced subscribers and QB Accountant users also have a desktop app available.

- »» When I discuss a command to choose, I separate the elements of the sequence with a command arrow that looks like this: ⇨. When you see Chrome Menu ⇨ Settings, for example, that command means that you should click the Chrome Menu button (on the right side of the screen; see Chapter 18 for a description of Chrome's screen elements) and then click Settings in the drop-down menu that appears.
- »» You may be surprised to learn that QuickBooks Online has more than one version of its navigation bar that appears along the left-hand side. Your navigation is mostly likely set to the Business View, which consolidates commands into fewer top-level choices. In this book, I used the Accountant View, which provides more top-level choices. To change your view, click the Settings button at the top right-hand corner of the screen, and then toggle the view setting at the bottom right-hand corner of the menu that displays.

However, you don't have to change to Accountant View to follow along in this book. When necessary, I list the Accountant View commands first, and then parenthetically list the Business View commands. For instance, a reference to the Invoices screen looks like this: Sales ⇨ Invoices (Sales & Expenses ⇨ Invoices).

As this book was going to press, Intuit started rolling out yet another tweak to the Business View for users who identify as owners or partners. If you have any problems finding a command that I reference, you can briefly switch to Accountant View to carry out your task and then toggle back to Business View if that's more your speed.

Foolish Assumptions

I had to assume some things about you to write this book, so here are the educated guesses I made:

- »» You know that you need to manage a set of accounting records for one or more businesses, and you might even have some sort of setup in place already. I *did not* assume that you know how to do all those things on a computer.
- »» You may want to analyze some of your accounting data outside QuickBooks, which is why I include a couple of chapters on using Microsoft Excel, some of which translate to Google Sheets as well.

- » You have a personal computer running Windows 10 or Windows 11 (I wrote this book in Windows 10) or a Mac running macOS 10.11 or later.
- » You have a copy of Microsoft Excel or another spreadsheet program on your computer.

Icons Used in This Book

Throughout the book, I use icons to draw your attention to various concepts that I want to make sure you don't skip over in the main part of the text. Sometimes, I share information to help you save time; in other cases, the goal is to keep your accounting records safe.



TIP

This icon points out time-saving tricks or quirks that you may encounter in QuickBooks.



REMEMBER

This icon points out tricky aspects of QuickBooks that you'll want to keep in mind.



WARNING

This product can burn eyes. Oh, sorry, wrong type of warning. Don't worry, you're safe! Pay careful attention to warnings that you encounter so that you can avoid problems that could wreak havoc in your accounting records or cause you frustration.



TECHNICAL
STUFF

At some points, I may include some geeky stuff about QuickBooks, your web browser, or your computer. You can safely skip over the technical stuff if that's not your cup of tea.

Beyond the Book

In addition to the book content, this product comes with a free, access-anywhere Cheat Sheet that lists keyboard shortcuts for QBO and QBOA and handy toolbar buttons in QBO. To get this Cheat Sheet, go to www.dummies.com and search for "QuickBooks Online For Dummies Cheat Sheet."

You can keep the learning going with the most up-to-date information and tutorials from School of Bookkeeping (<https://schoolofbookkeeping.com/>). The folks there (one of which is the technical editor of this book) have broken down every version of QuickBooks Online, QuickBooks services (Payments and Payroll), and other tasks into bite-sized lessons you can watch and get back to business. Use promo code QBO4DUMMIES to save 20% on any membership.

Where to Go from Here

Simply turn the page. Seriously. You can dive in anywhere you want and come back as often as you like. You don't have to read through this book cover to cover, as you would a Lee Child thriller, because each chapter stands alone and provides step-by-step instructions for common tasks. You should consider this book to be a reference that you can use when you need it.

That said, if you're getting started with QBO or QBOA, you may want read the chapters in Part 1 in order. Then feel free to explore any chapter you want, using the table of contents or the index to find topics that interest you.

1

Getting Started with QBO and QBOA

IN THIS PART . . .

Examine what QBO is and what it isn't.

Learn the requirements to use QBO.

Meet the QBO interface.

- » Taking a first look at QuickBooks and QuickBooks Online Accountant
- » Considering the cloud
- » Understanding operating requirements

Chapter **1**

Presenting QuickBooks Online

QuickBooks Online is a web-based platform you can use to manage accounting records for a business. Business owners and employees will use QuickBooks Online, whereas accounting professionals will use QuickBooks Online Accountant. In this book, I often refer to QuickBooks Online as simply QuickBooks, and QuickBooks Online Accountant as QB Accountant. In this chapter, I introduce these products and discuss whether you should move your accounting tasks to the cloud.



REMEMBER

When I mention *the cloud*, I mean that you'll access your accounting records remotely from an internet server instead of from your local hard drive. I also explain the system requirements for cloud-based products.

Comparing QuickBooks and QB Accountant

If you own or work for a business that is looking to maintain accounting records more effectively, QuickBooks Online may be just the ticket; you can use it to manage customers, vendors, employees, and contractors, as well as the panoply of

related accounting transactions. Any experience you have in QuickBooks Desktop will help you understand accounting software as a whole, but keep in mind that QuickBooks Online is a separate, distinct product written specifically for the internet. This version of QuickBooks was written from scratch, so you're not going to see any screens that mirror QuickBooks Desktop. Also, QuickBooks Desktop certainly does some things better than its online counterpart, such as inventory tracking. But QuickBooks Desktop allows you to access your books only from certain computers, whereas you can access QuickBooks Online from any device that's connected to the internet.

QuickBooks Online Accountant (QB Accountant) is a free cloud-based portal that accounting professionals use to access clients' QuickBooks Online companies and communicate with clients. QB Accountant includes a QuickBooks Online company that accountants can use to account for their own businesses, but the standard subscription fees apply for any additional QuickBooks Online companies that accountants establish for themselves or their clients.

Comparing interfaces

QuickBooks Online was initially written and optimized to be used only in web browsers such as Google Chrome, Mozilla Firefox, Apple's Safari, and Microsoft Edge. Now you can use QuickBooks apps on iOS and Android mobile devices as well. A short-lived QuickBooks Online app for Mac and Windows computers has been discontinued. If you previously installed the desktop app, you can continue to use it, but it's no longer available to install due to low use and the product will no longer be updated.

QuickBooks ONLINE ADVANCED APP

QB Accountant users can download the QuickBooks Online Advanced App for Windows by using the following steps:

1. Log into QuickBooks Online Accountant.
2. Click the Settings button.
3. Click Get the Desktop App.
4. Click Download for Windows.
5. Follow the onscreen instructions once you launch the installation file.

In a browser, an open QuickBooks company looks similar to the one shown in Figure 1-1. I cover the interface in more detail in Chapter 3, but for the time being, the most important thing to notice is the navigation bar that runs down the left side of the screen. QuickBooks Desktop offers a similar navigation aid, so this bar may feel familiar. Click any link to navigate to that portion of the program.

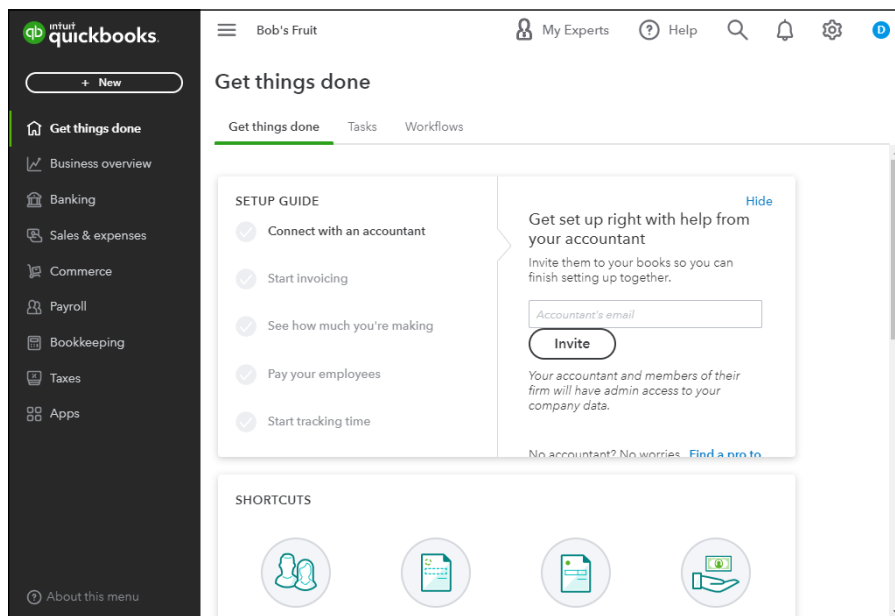


FIGURE 1-1: The setup window for a newly created QuickBooks company.



Clicking the collapse/expand (three stripes) button next to the QuickBooks logo at the top of the screen enables you to collapse the navigation bar to view just the icons. Click the button again to expand the navigation bar. Collapsing the navigation bar gives you more screen space to view the main area of the QuickBooks interface. Additional commands at the top of the screen allow you to create transactions, search for existing transactions, and view settings for the QuickBooks company.

Figure 1-2 shows what an accountant sees immediately upon logging into QB Accountant.

As you can see in Figure 1-3, when an accountant opens a client's company, the QB Accountant interface resembles what a client sees in QuickBooks Online, apart from some minor differences that are mostly additional tools for accountants. In short, the functionality is the same; QB Accountant users simply have more options than QuickBooks users do. In Chapter 12, I tell you more about how the navigation bar changes to support an accountant's needs.

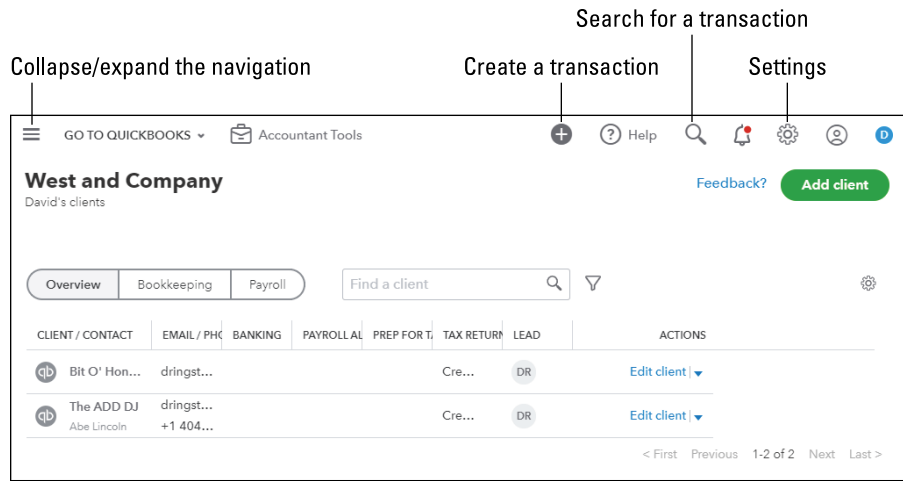


FIGURE 1-2: The first view an accountant has when opening QB Accountant.

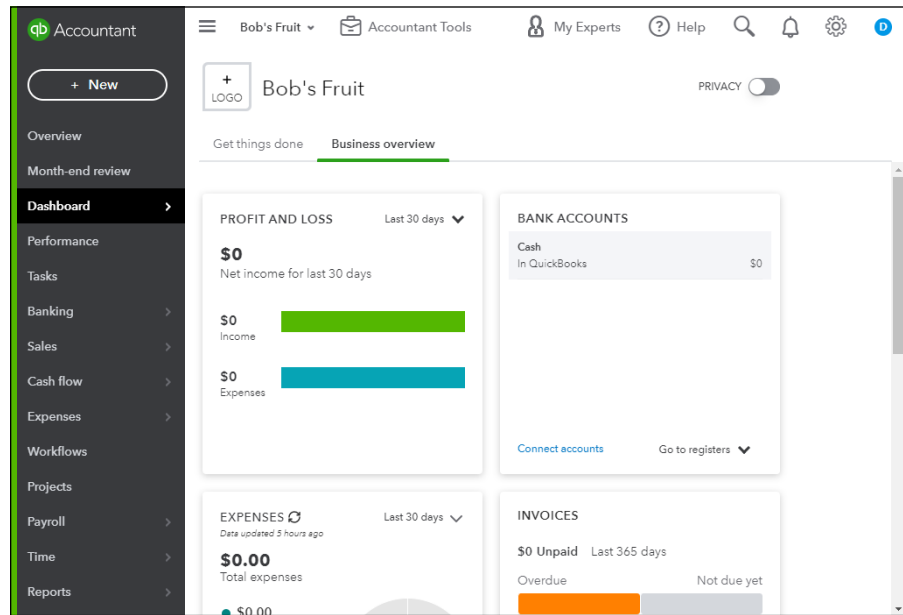


FIGURE 1-3: An open company in QuickBooks Online Accountant (QB Accountant).



REMEMBER

Because QB Accountant contains functionality that QuickBooks doesn't have, I've organized this book so that QuickBooks users can focus on Part 2 when using the product, whereas QB Accountant users can use the information in both Parts 3 and 4.

Taking a look at QuickBooks Online Mobile

Your QuickBooks subscription includes mobile apps that are also available for iOS/iPadOS and Android devices. These apps are optimized for touch interaction and on-the-go workflows such as customer management, invoicing, estimates, and signatures. You can also use the mobile apps to track the status of invoices, take payments, reconcile bank accounts, capture expenses, and check reports. Pinch and zoom functionality works in both the apps and browsers on mobile devices.

You can get the mobile apps from the app store for your device or request a link at <https://quickbooks.intuit.com/accounting/mobile>. Alternatively, you can use your mobile device to log into your books at <https://qbo.intuit.com> without installing anything. Keep in mind that the mobile apps offer a subset of the functionality, so you may still need to use a web browser to carry out certain tasks, such as customizing templates.

Understanding the Cloud

Just to make sure we're on the same page here, I'm defining *the cloud* as software and data housed securely in remote data centers (not on your office premises) and accessed securely over the internet. Working in the cloud can increase your efficiency by offering you the opportunity to work anywhere, communicate easily with others, and collaborate in real time. Further, your data is backed up automatically, which can help you avoid disasters such as fire or flood, which can take out not only your workspace, but also your accounting records.



REMEMBER

Regardless of whether you use QuickBooks in a browser or in an app, both the software and the data are housed on servers controlled by Intuit and accessible via the internet.

Historically, we bought software and installed it on our computers, or we bought the software and installed it on a vendor's server. However, QuickBooks Online and QB Accountant fall into the category of Software as a Service (SaaS). You don't buy SaaS software; instead, you rent it by purchasing a subscription.

You typically access SaaS software such as QuickBooks over the internet by using a browser. A *browser* is software installed on your local computer or the mobile device that you use to . . . well, browse the internet, looking up cool stuff like what the stock market is doing today, what kind of weather you can expect on Friday (when your vacation starts), how to get to your boss's house for the party they're having, and — yes — how to work with web-based software such as QuickBooks Online.

SHOULD YOU MOVE TO THE CLOUD?

Before you decide to move your accounting records to the cloud, you should consider the needs of your business in the following areas:

- Invoicing, point of sale, electronic payment, and customer relationship management
- Financial and tax reporting
- Budgeting
- Time tracking and payroll
- Inventory, job costing, and job scheduling
- Management of company expenses and vendor bills

Beyond the advantages described in this section, the needs of your business may dictate whether you can use QuickBooks Online. The platform won't work for you if your business has industry-specific needs or is midsize, for example. In addition, QuickBooks Online won't work for you if you need to do any of the following things:

- Track your balance sheet by class.
- Track labor costs.
- Manage a robust inventory that supports making and selling finished goods.

In any of these cases, you'd probably be better off with Intuit's desktop-based QuickBooks Enterprise or perhaps QuickBooks Premier.

Using web-based software can be attractive for several reasons. For one thing, when you use web-based software, you have access to that software's information anywhere, at any time, from any device — stationary or mobile.



REMEMBER

Some folks see the “anywhere, anytime” feature as a potential disadvantage because it makes information too readily available — and therefore a target for hackers. Rest assured that Intuit stores your data on servers that use bank-level security and encryption, and it backs up your data for you automatically.

In addition, web-based software like QuickBooks promotes collaboration and can help you save time. Accountants, bookkeepers, and clients can communicate about issues that arise, as described in Chapter 16.

Web-based software also eliminates the issue of keeping software up to date. The desktop version of QuickBooks typically receives a major update once each year, along with periodic software patches that must be installed manually. Conversely, QuickBooks is updated automatically every two to four weeks, so there's never a new version to install or a patch to deal with. Most modern computers should exceed the minimum requirements, but you can get the nitty-gritty computer specification details here: <https://intuit.me/3yEaSjL>.



REMEMBER

Because updates occur so frequently in QuickBooks, by the time this book is published, some features (and screens) may have changed. Make that *will* have changed.



TIP

My technical editor extraordinaire Dan DeLong has created a free QuickBooks Chooser chatbot that will help you choose the right version of QuickBooks Online based upon your specific business needs. Check it out at <https://sob.drift.click/QBChooser>.

