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**David H. Ringstrom, CPA**

President of Accounting Advisors, Inc.

**Elaine Marmel**





# QuickBooks® Online

6th Edition

**by David H. Ringstrom, CPA  
and Elaine Marmel**

**for  
dummies®**  
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## QuickBooks® Online For Dummies®, 6th Edition

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# Introduction

**M**ost small business owners do something besides accounting; they sell products or services. Many small business owners address accounting only because they *have* to address it — to meet legal requirements, such as reporting earnings and paying employees.

QuickBooks helps take the pain out of the process; in fact, accounting can become downright tolerable. And QuickBooks Online (QBO) makes accounting almost easy. Because QBO is a web-based product with mobile versions, you can securely do what you need to do from anywhere at any time of day. And, because QBO is web-based, you can easily share your data with your accountant — again, anywhere and at any time.

In most cases, QuickBooks Desktop users who want to stick with something they know but now yearn for the flexibility of a web-based product won't be disappointed. QBO's functionality will feel very familiar to them, and they can migrate their QuickBooks Desktop company to QBO.

Accountants can easily support QuickBooks clients via QuickBooks Online Accountant (QBOA), the sister product of QBO that enables seamless collaboration between accountants and their clients.

Use this book to help you learn how to use QBO and QBOA.

## About This Book

Intuit's web-based accounting product is really two products: End users who want to do their accounting on the web or on mobile devices use QBO, whereas accountants use QBOA, which enables the accountant to log in to a client's books and make changes and queries as needed. Although much of QBO and QBOA look and behave alike, QBOA incorporates tools that an accountant needs while working on a client's books. And accountants need to manage multiple client companies, whereas end user clients typically do not.

QBO and QBOA are not 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.

Because these products are both similar and different, we've divided this book into three parts. In the first part of the book, we examine what QBO and QBOA

are — and what they aren't — and we describe what you need to be able to use QBO and QBOA. We explain the various editions available and the product costs at the time we wrote this book, and we describe the available features.

The second part of the book focuses on using QBO and is aimed at the end user; but, the accountant who opens a client's company via QBOA will be able to use the same tools that the end user uses to manage lists, enter transactions, and print reports.

The third part of the book is aimed at the accountant and covers using QBOA.

We don't pretend to cover every detail of every feature in QBO or QBOA. Instead, we've focused on covering the tools we think most users will need as they navigate QBO and QBOA.



REMEMBER

As we discuss in Chapter 2, there are different versions of QBO; we used QBO Plus as we wrote this book because that's the version available in the sample company. As you'll see in subsequent chapters, QBO Advanced adds even more features for those that need even more functionality. Users of other versions might find references in this book to features they don't have because they aren't using the Plus or Advanced versions.

Before diving in, we have to get a few technical convention details 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 monofont. 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 QBO and QBOA from their Android and iOS apps, from the Windows desktop app (which works on Windows desktop computers, tablets, and laptops, but not on Windows phones), or from Chrome, Firefox, Safari, or Internet Explorer. At the time we wrote this book, a variety of issues existed if you tried to use QBO and QBOA with Microsoft Edge. In my experience, QBO and QBOA function best in Chrome. For that reason, we used Chrome throughout this book and we've devoted The Part of Tens chapters in this book to Chrome so that, if you aren't familiar with Chrome, you can get up and running more quickly.



- » When we discuss a command to choose, we'll separate the elements of the sequence with a command arrow that looks like this: ⇨ . For example, when you see Chrome Menu ⇨ Settings, that means you should click the Chrome Menu button (on the right side of the Chrome screen — see Chapter 16 for a description of Chrome's screen elements) and, from the drop-down menu that appears, click Settings.

## Foolish Assumptions

We had to assume some things about you to write this book. Here are the assumptions we made:

- » You know that you need to manage the accounts for your business, and you might even have some sort of setup in place to record this information. We *don't* assume that you know how to do all that on a computer.
- » You have some interest in managing the accounts for your business using a web-based product.
- » You are probably but not necessarily a QuickBooks Desktop edition user.
- » You have a personal computer or Mac (that you know how to turn on). Your PC must be running Microsoft Windows 7, Windows 8.1, or Windows 10; we wrote this book using Windows 10. Your Mac must be running OS X 10.11 or later.
- » You might have purchased an edition of QuickBooks Online, but not necessarily.

## Icons Used in This Book



TIP

Think of these icons as the fodder of advice columns. They offer (hopefully) wise advice or a bit more information about a topic under discussion.



REMEMBER

This icon points out juicy tidbits that are likely to be repeatedly useful to you — so please don't forget them.



WARNING

Mr. Spock! Scotty! Red Alert! Well, okay, it's really not life-threatening. In this book, you see this icon when we're trying to help you avoid mistakes that can cost money.



TECHNICAL  
STUFF

When you see this icon, you've come across material that isn't critical to understand but will satisfy the curious. Think "inquiring minds want to know" when you see this icon.

## Beyond the Book

In addition to the content in this book, this product also comes with a free access-anywhere cheat sheet that gives you keyboard shortcuts for QBO and QBOA and some handy tool buttons in QBO. To get this cheat sheet, simply go to [www.dummies.com](http://www.dummies.com) and search for "QuickBooks Online For Dummies Cheat Sheet" in the Search box.

## 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 because each section stands alone and provides step-by-step instructions for common tasks. You should consider this book a reference that you use when you need it.

That said, if you're just getting started with QBO or QBOA, you might want to turn the page and follow, in order, the chapters in Part 1. Then feel free to explore any topic you want, using the table of contents or the index to help you find a topic.

# 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 Online and QuickBooks Online Accountant
- » Considering the cloud
- » Meeting requirements to use QBO and QBOA

## Chapter **1**

# Introducing QBO and QBOA

**Q**uickBooks Online (QBO) and QuickBooks Online Accountant (QBOA) are web-based products you can use to manage your business's accounting. This chapter introduces these products and discusses whether you should move into the cloud to manage your accounting. It also examines the system requirements for these products.

## QBO for the Client and QBOA for the Accountant

QuickBooks Online offers you the ability to manage your business's accounting in the cloud. The software is divided into two products: one for end users and the other for accountants. Interfaces for both products are available on multiple platforms.

QuickBooks Online (QBO) is the cloud-based product for end users who need to perform typical accounting tasks. QBO is based on the same principles as the QuickBooks Desktop product — that is, it uses lists to, for example, manage customers and vendors, and it includes transactions similar to the ones found in the

QuickBooks Desktop product. But, QBO is *not* simply a “rewrite” of the QuickBooks Desktop product for the web. It was designed and developed as a new product, optimized for web-based usage.

QuickBooks Online Accountant (QBOA) is the cloud-based portal that accountants use to access client QBO companies, work in them, and communicate with clients. QBOA also includes a QBO company in its Your Books section that accountants can use to track the accounting of their own businesses.

## Comparing interfaces

QBO and QBOA were initially written and optimized to be used in the major web browsers — Chrome, Firefox, Safari, Microsoft Edge, and Internet Explorer. Later, Intuit added QBO apps that you can use to work in QBO on iOS and Android mobile devices. Intuit also offers a desktop version of QBO referred to in this book as, cleverly, QBO Desktop; this version is *not* a mobile app (it won’t work on phones and isn’t available in the Google Play Store or the Apple App Store) but it will work on any Mac or Windows computer, including “portable” computers like laptops and tablets running Windows or MacOS, making it somewhat mobile. It also is *not* the QuickBooks Desktop product, which is not a cloud-based product.

In this section of the book, you explore what QBO and QBOA look like in a browser; the next section explores what the QBO Desktop edition looks like as well as detailing some of the things you can do in the iOS and Android mobile app versions of QBO.

In a browser, an open company in QBO looks similar to the one shown in Figure 1-1. We 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. If you’ve been a QuickBooks Desktop user and you’ve used the Left Icon Bar in that product, you might find the Navigation bar a familiar tool. The Left Icon Bar and the Navigation bar work the same way; you click a link in either of them to navigate to a portion of the program.

Clicking the three-striped button beside the QuickBooks logo above the Navigation bar enables you to collapse the Navigation bar to view just the icons (and clicking it again expands the Navigation bar back to the view in Figure 1-1). When you collapse the Navigation bar (you see an example of it collapsed in Chapter 3), you have more screen real estate to view the right side of the QBO interface.

At the top of the screen, you see tools that help QBO users create transactions, search for existing transactions, and view settings for the QBO company.

**FIGURE 1-1:**  
An open  
company in QBO.

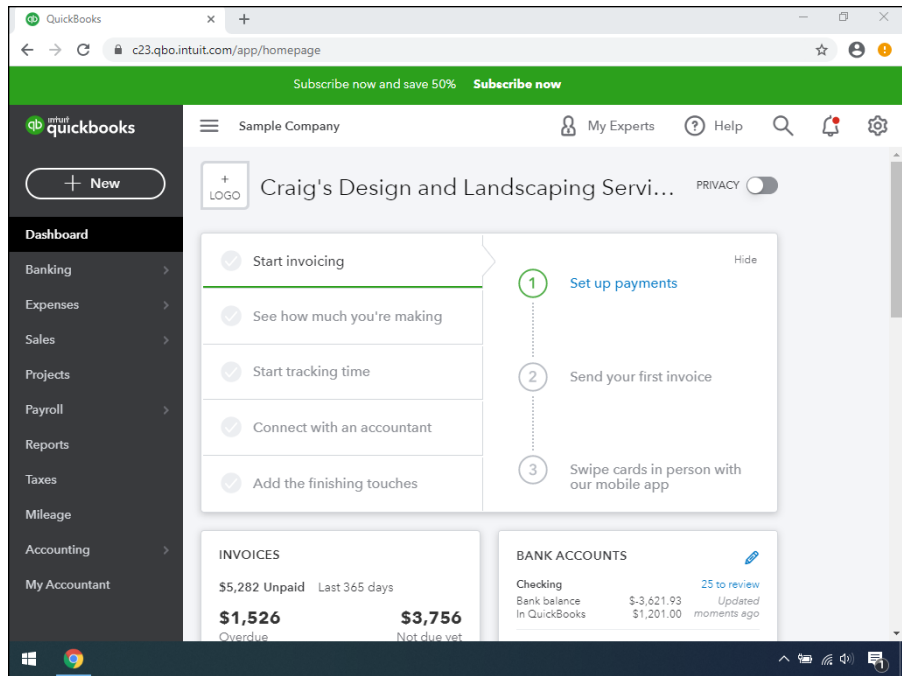


Figure 1-2 shows what an accountant sees immediately upon logging into QBOA. The Navigation bar changes to support an accountant's needs; you can read more about the QBOA interface in Chapter 11.

When an accountant opens a client's company from within QBOA (see Figure 1-3), the interface resembles what a client sees, with some minor differences. Compare Figure 1-1 with Figure 1-3. First, you know you're using QBOA because the top of the Navigation pane shows QB Accountant. Second, the Accountant Tools menu (the briefcase icon) displays tools not found in QBO that help accountants manage client companies.

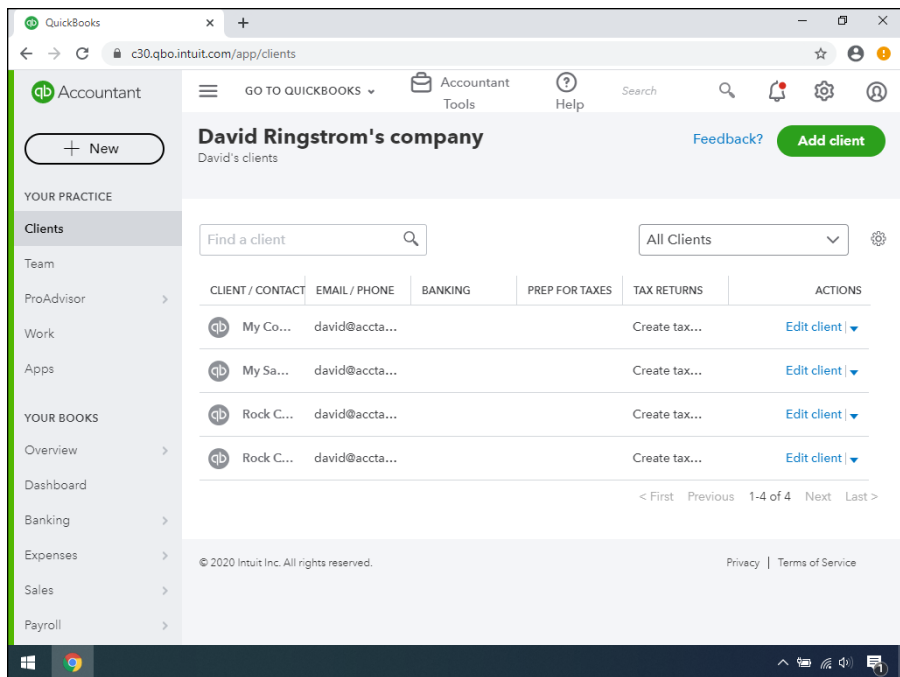
Even though an open company looks a bit different depending on whether you open it using QBO or QBOA, the basic functionality doesn't really change, other than accountants have more options than end users have.



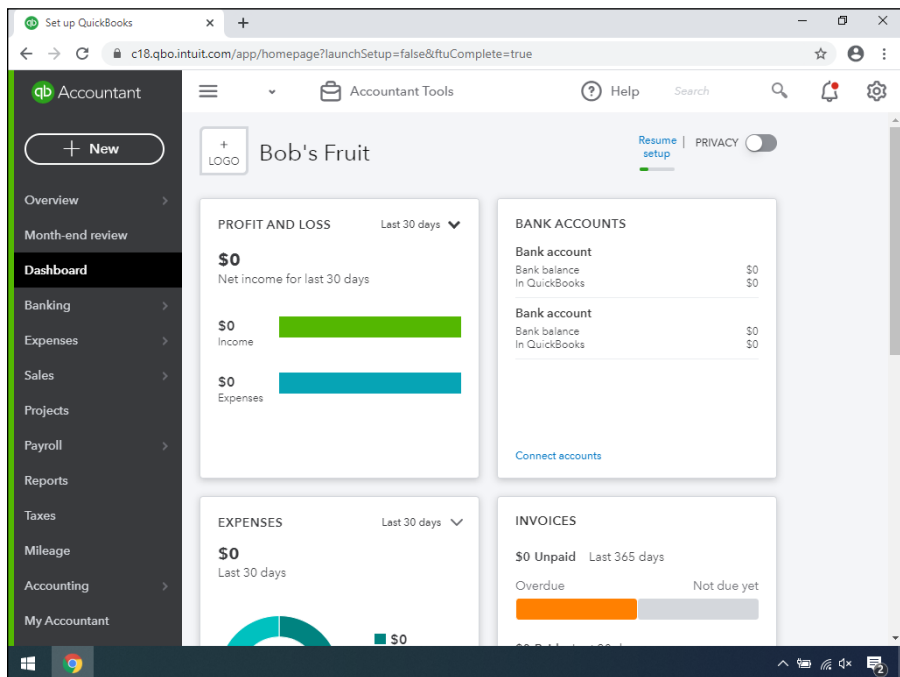
**REMEMBER**

Because QBOA contains functionality that QBO doesn't have, we've organized this book so that QBO users can focus on Part 2 when using the product, and QBOA users can use the information in both Parts 2 and 3 to work in a company online.

**FIGURE 1-2:**  
The first view an accountant has when he opens QBOA.



**FIGURE 1-3:**  
An open company in QBOA.





# Taking a look at QBO Desktop and QBO Mobile

You can work with QBO and QBOA without using a browser; you can use QBO Desktop or you can use the iOS or Android apps.

## Introducing QBO Desktop

If you prefer, you can work with QBO using QBO Desktop; it's purported to run faster than QBO in your browser, but we'll let you judge for yourself. To download QBO Desktop, use your browser to navigate to the QBO sign-in page: <https://quickbooks.intuit.com/online/apps/>. On the page that appears, you'll see a Free Download button; click it and follow the onscreen instructions to download and install QBO Desktop.



TIP

Both Windows and Mac users can use the same QBO Desktop app; what you download from the QBO sign-in page works on both platforms. Ingenious, don't you think?



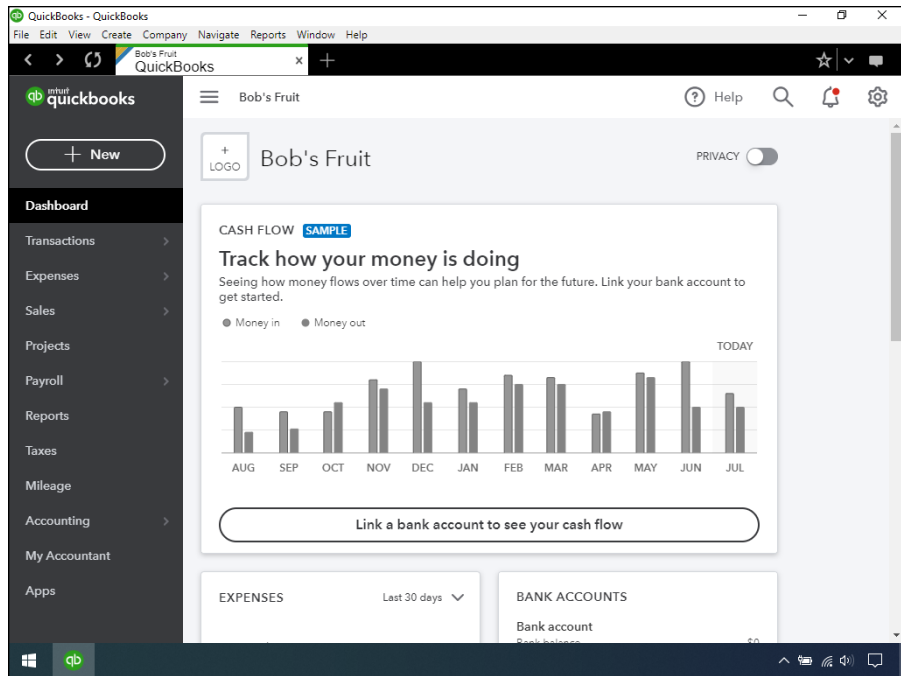
WARNING

The word “app” has become a buzzword and is often used when it probably shouldn't be. In this chapter, we're using the word “app” *only* when we refer to the mobile versions of QBO and QBOA that are available for download from the Google Play Store or the Apple App Store. In many places online, you'll find references to a QBO Windows app — and, at the time we wrote this, there is no Windows app per se. There is QBO Desktop, which allows Windows users (except Windows Phone users) to use QBO while being mobile — on, for example, laptops and tablets — but QBO Desktop *is not* available from any of the “mobile device” stores (Google Play or Apple App) and therefore, we're not calling it an app.

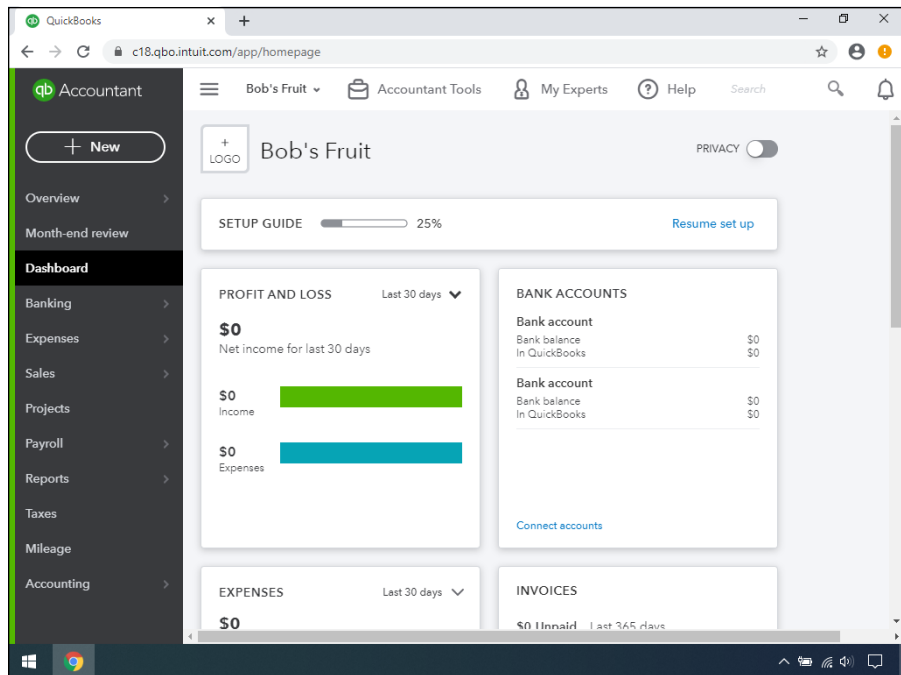
Figure 1-4 shows QBO Desktop with a QBO company open, and Figure 1-5 shows QBOA just after opening it in QBO Desktop (but before opening any client company).

If you compare Figure 1-5 to Figure 1-1, you'll notice that, once again, QBOA users have the same additional options in QBO Desktop that they have in a browser. The menus at the top of the screen are the biggest visual difference between QBO and QBOA in QBO Desktop and QBO and QBOA in a browser. If you've been a QuickBooks Desktop product user, you know that you can use the menus to navigate. Under the hood, QBO Desktop offers some options that you won't find readily available in a browser, such as the ability to work in multiple windows.

**FIGURE 1-4:**  
QBO while  
working in QBO  
Desktop.



**FIGURE 1-5:**  
QBOA while  
working in QBO  
Desktop.



## Understanding QBO mobile apps

At no additional cost to you, mobile apps are also available for iPhones, iPads, and Android devices. The iOS and Android apps are optimized for touch interaction and on-the-go workflows like customer management, invoicing, estimates, and signatures. You also can use the mobile apps to track the status of invoices, take payments, reconcile bank accounts, capture expenses, and check reports. And, you'll find Pinch and Zoom functionality in the mobile apps and in browsers on mobile devices.

You can get the mobile apps here: <https://quickbooks.intuit.com/accounting/mobile/>. In addition to using the QBO mobile apps for iOS and Android, you also can access the QBO sign-in page and your QBO account from your mobile device's browser at [qbo.intuit.com](http://qbo.intuit.com).

New features are added often to the mobile apps. For example, you can customize invoice templates from the browser-based QBO and from QBO Desktop. You can customize templates from mobile devices but not using mobile apps; instead, use the browser-based QBO on your mobile device.



REMEMBER

Be aware that the browser-based version of QBO and QBOA has additional functionality and keyboard shortcuts geared towards more in-depth business accounting tasks.

So, take your choice; you're not limited: Work in a browser, work in QBO Desktop, or work in a mobile app, depending on your needs at the moment.

## Understanding the Cloud

Just to make sure we're on the same page here, we're defining the *cloud* as software and data housed securely in remote data centers (not on your office premises) and accessed securely using 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.



REMEMBER

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

In the traditional model of software use, you buy software and install it on your computer. Or you might buy the software and install it on a vendor's server. QBO and QBOA fall into the category of Software as a Service (SaaS). You typically don't buy SaaS software; instead, you rent it (that is, you purchase a subscription).

Because SaaS software is typically web-based software, you (also typically) access SaaS software over the Internet using a browser. A *browser* is software installed on your local computer or 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 can you expect on Friday when your vacation starts, how to get to your boss's house for the party he's having, and — oh, yes — to work with web-based software such as QBO and QBOA. In the case of QBO and QBOA, you can work with these web-based SaaS products using a browser, QBO Desktop, or an app you download to your mobile device.

Using web-based software can be attractive for a number of reasons. For example, using web-based software, you have access to that software's information anywhere, anytime, 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. Intuit stores your data on servers that use bank-level security and encryption, and Intuit automatically backs up your data for you. Other folks see the “anywhere, anytime” feature as a disadvantage for exactly the reason that they have access to the software's information anywhere, anytime, and from any device, offering the opportunity to work more than they'd like. You are in charge of your life, so . . . no comment on this “disadvantage.”

In addition, web-based software like QBO and QBOA promotes collaboration and can help you save time. Using QBO and QBOA, accountants, bookkeepers, and clients can communicate about issues that arise, as described in Chapter 14.

Then there's the issue of keeping software up to date. Desktop software such as traditional QuickBooks typically receives a major update once each year, along with periodic software patches that must also be installed. Unlike their desktop cousin, QBO and QBOA are automatically updated every two to four weeks — meaning there's never a new version to install or patches to deal with.



REMEMBER

Because updating occurs so frequently to QBO and QBOA, by the time this book is published, things (and screens) might have changed. Actually, make that “probably have changed.”

## Should You Move to the Cloud?

Before you make the move 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
- » Managing company expenses and vendor bills

Beyond the advantages described in the preceding section, the particular needs of a business might dictate whether you can use QBO. For example, QBO *won't* work for you if your business has industry-specific needs or is mid-sized and needs to use ODBC-compliant applications. In addition, QBO won't work for you if you need to

- » Track your balance sheet by class.
- » Process more than 350,000 transactions annually.
- » Track labor costs.
- » Manage a robust inventory that supports making and selling finished goods.

In any of these cases, you would probably be better off with one of Intuit's "designed for desktop use" products like traditional QuickBooks Pro, Premier, or Enterprise.



TIP

When QBO and QBOA were first released, the U.S. version didn't support multiple currencies. That feature has been added to both products. And, you can set a "home currency" without enabling multicurrency support. See Chapter 3 for more information.

## System Requirements

Using a web-based software product typically doesn't require a lot of hardware and software; in fact, the demands of QBO and QBOA aren't extensive. In particular, you need a Windows or Intel-based Mac computer using Windows 7, 8.1, or 10, or OS X 10.11 or later. You also need

- » An Internet connection — Intuit recommends a high-speed connection of 3 Mbps or higher

- » One of the four supported Internet browsers:
  - Google Chrome
  - Mozilla Firefox
  - Microsoft Edge
  - Safari, if your operating system is iOS 11.1 or higher
- » Adobe Reader 11.0 or higher to print forms

Although QBO and QBOA work in all the major browsers, they work best, in my experience, in Chrome, with Firefox coming in a close second. Therefore, we use Chrome throughout this book, and the Part of Tens chapters cover using Chrome so that you can get comfortable with that browser. If you're a Firefox user, give QBO and QBOA a try in Firefox.

The requirements for QBO Desktop and the mobile apps are basically the same as those outlined here, except that you won't really need a browser on your device (although you'll probably have one). You'll still need an Internet connection, and be aware that, although new features are added to the mobile apps all the time, the mobile apps do not support all features of QBO and QBOA.

Whether you work on a desktop computer or on a mobile device, the computer or device needs to meet the basic requirements of the operating system you use on that computer or device — and then some. For example, if you're using a Windows desktop computer, you need the amount of RAM (random access memory) specified by Microsoft to load the version of Windows on the computer before you ever launch your browser. If you don't have sufficient RAM to run the operating system, you certainly won't be happy with the behavior of QBO and QBOA. You won't be happy with the behavior of the computer, either.

Basic requirements (and we stress the word *basic*) for a Windows 7, 8.1, and 10 computer, as specified by Microsoft, are

- » 1-gigahertz (GHz) or faster 32-bit (x86) or 64-bit (x64) processor
- » 1 gigabyte (GB) of RAM (32 bit) or 2GB of RAM (64 bit)
- » 16GB of available hard disk space for the 32-bit version of the operating system or 32GB for the 64-bit versions of the operating system
- » A display that supports at least 800 x 600 dpi
- » DirectX 9 graphics device with WDDM 1.0 or higher driver
- » An Internet connection for both installation and operating system updates