



QuickBooks Online Student Guide

Chapter 8

Suppliers and Expenses Part II



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In this chapter, you'll learn how QuickBooks handles additional expense related transactions. These transactions add to the transactions you learned about in Chapter 4.

▶ Lesson Objectives

In this chapter, you'll learn how to:

- Enter Credit Card transactions
- Credit card payments
- Supplier credits
- Voiding and Deleting supplier transactions
- Recurring transactions

▶ Credit Card Transactions

It is recommended that you use the bank feed to enter credit card transactions in QuickBooks Online. If you choose, you can enter credit card transactions manually.

1. Click the **+New** menu.
2. Click **Expenses**.
3. Enter the **Supplier** you're paying.
4. From the **Payment Account** field, choose the credit card.

Expense Take a tour Settings Help Close

Payee: Payment account: Balance: \$0.00 AMOUNT **\$3,150.00**

Payment date: Payment method: Ref no.: Location:

Amounts are:

▼ Category details

| # | CATEGORY | DESCRIPTION | AMOUNT | SALES TAX | BILLABLE | CUSTOMER |
|---|------------------------|---------------|----------|-----------|----------|----------|
| 1 | Rent or lease payments | Rent payments | 3,000.00 | GST | | |
| 2 | | | | | | |

► Item details

You can view the credit card account and the corresponding transactions in the account by going to the Chart of Accounts. On the chart of accounts, you can filter by typing the account name in the **Search** feature at the top of the window. QuickBooks Online filters the chart of accounts and displays the selected account.

| | | | | | | | |
|--------------------------|------------------------|---------------------------|------------------------|--|----------|-----------|-----------------------------------|
| <input type="checkbox"/> | Undeposited Funds | Current assets | Undeposited Funds | | 0.00 | | Account history ▼ |
| <input type="checkbox"/> | Accounts Payable (A/P) | Accounts payable (A/P) | Accounts Payable (A/P) | | 1,363.95 | | Account history ▼ |
| <input type="checkbox"/> | Mastercard | Credit Card | Credit Card | | 3,150.00 | | Account history ▼ |
| <input type="checkbox"/> | XXXX5386 (5386) | Credit Card | Credit Card | | 2,300.00 | -2,474.25 | Account history ▼ |
| <input type="checkbox"/> | GST/HST Payable | Other Current Liabilities | GST/HST Payable | | 1,927.72 | | Account history ▼ |
| <input type="checkbox"/> | GST/HST Suspense | Other Current Liabilities | GST/HST Suspense | | 0.00 | | Account history ▼ |

Click **Account History**. QuickBooks displays the history of the account.

Back to Chart of Accounts

Credit Card Account History

Mastercard

ENDING BALANCE

\$3,150.00

Reconcile

Go to: 1 of 1 < First Previous 1-1 of 1 Next Last >

▼ All

| DATE ▼ | REF NO. TYPE | PAYEE ACCOUNT | MEMO | CLASS LOCATION | CHARGE | PAYMENT | ✓ <div>☐</div> | TAX |
|------------------|-----------------|------------------------|------|-------------------|------------|---------|-------------------|-----|
| Add CC expense ▼ | | | | | | | | |
| 03/01/2020 | | Chuck's Sod | | | \$3,150.00 | | | GST |
| | Expense | Rent or lease payments | | | | | | |

Go to: 1 of 1 < First Previous 1-1 of 1 Next Last >

To learn how to record credit card transactions watch this video: <https://youtu.be/wp7UauKb9mc>

Pay Down Credit Card

Use this feature to record credit card payments.

1. Click the **New** menu.
2. Click **Pay down credit card**.

| CUSTOMERS | SUPPLIERS | EMPLOYEES | OTHER |
|-----------------|--------------------|----------------------|--------------------------|
| Invoice | Expense | Single time activity | Bank deposit |
| Receive payment | Cheque | Weekly timesheet | Transfer |
| Estimate | Bill | | Journal entry |
| Credit memo | Pay bills | | Statement |
| Sales receipt | Purchase order | | Inventory qty adjustment |
| Refund receipt | Supplier credit | | Pay down credit card |
| Delayed credit | Credit card credit | | |
| Delayed charge | Print cheques | | |

3. Choose **Which credit card did you pay?**

4. Enter the amount in **How much did you pay?**

5. Enter the **Date of payment**.

6. Choose the payment account in **What did you use to make this payment?**

7. Click **Save and close** to complete the payment.

Credit Card Credits

You can record credit card credits or refunds that you may receive in your day-to-day credit card activity. To record credit card credits:

1. Click the **New** menu.

2. Click **Credit card credit**.

| CUSTOMERS | SUPPLIERS | EMPLOYEES | OTHER |
|-----------------|--------------------|----------------------|--------------------------|
| Invoice | Expense | Single time activity | Bank deposit |
| Receive payment | Cheque | Weekly timesheet | Transfer |
| Estimate | Bill | | Journal entry |
| Credit memo | Pay bills | | Statement |
| Sales receipt | Purchase order | | Inventory qty adjustment |
| Refund receipt | Supplier credit | | Pay down credit card |
| Delayed credit | Credit card credit | | |
| Delayed charge | Print cheques | | |

[Show less](#)

3. Enter the credit card refund/credit information including the account and the amount of the refund. Choose the same account as was recorded on the original expense/purchase.
4. Click **Save**.

Credit Card Credit

Help

Payee
Staples

Bank/Credit account
Visa Credit Card

Balance \$2,077.60

AMOUNT
\$14.55

Payment date
03/01/2020

Ref no.

Amounts are
Exclusive of Tax

▼ Category details

| # | CATEGORY | DESCRIPTION | AMOUNT (CAD) | SALES TAX | BILLABLE | MARKUP % | CUSTOMER | CLASS |
|---|-----------------|-------------------|--------------|-----------|--------------------------|----------|------------|------------|
| 1 | Office expenses | credit for return | 12.88 | HST ON | <input type="checkbox"/> | | Enter Text | Enter Text |
| 2 | | | | | | | | |

Add lines
Clear all lines

▶ Item details

Cancel
Clear

Make recurring

Save and close

You'll see the amount of the refund/credit in the Account.

[Back to Chart of Accounts](#)

Credit Card Account History

Mastercard

ENDING BALANCE
\$2,940.00

Reconcile

Go to: 1 of 1 <First Previous 1-2 of 2 Next Last >

▼ All

| DATE | REF NO. TYPE | PAYEE ACCOUNT | MEMO | CLASS LOCATION | CHARGE | PAYMENT | ✓ | TAX |
|------------|-----------------|------------------------|------|-------------------|------------|----------|---|-----|
| 03/01/2020 | | Bobcat Unlimited | | | | \$210.00 | | GST |
| | CC-Credit | Freight and Delivery | | | | | | |
| 03/01/2020 | | Chuck's Sod | | | \$3,150.00 | | | GST |
| | Expense | Rent or lease payments | | | | | | |

Go to: 1 of 1 <First Previous 1-2 of 2 Next Last >

▶ Supplier Credits

At times your suppliers will issue you credits to apply against outstanding or future bills. There is a two-step process to create and apply supplier credits.

Enter Supplier Credit → *Apply Supplier Credit*

QuickBooks will reflect the credit in the supplier balance. However, you need to complete the process by going to the **Pay Bills** window to apply the credit against an outstanding bill.

Enter Supplier Credit


1. Click the **New** menu.
2. Click **Supplier credit**.

| CUSTOMERS | SUPPLIERS | EMPLOYEES | OTHER |
|-----------------|------------------------|----------------------|---------------------------------------|
| Invoice | Expense | Single time activity | Bank deposit |
| Receive payment | Cheque | Weekly timesheet | Transfer |
| Estimate | Bill | | Journal entry |
| Credit memo | Pay bills | | Statement |
| Sales receipt | Purchase order | | Inventory qty adjustment |
| Refund receipt | Supplier credit | | Pay down credit card NEW |
| Delayed credit | Credit card credit | | |
| Delayed Charge | Print cheques | | |

Show less

3. Complete the **Supplier Credit** in the same way as you'd complete the **Enter Bill** window.

4. Click **Save**.

 **Supplier Credit**

Supplier

Deere Snow Removal

Mailing address

Deere Snow Removal

Payment date

03/01/2020

Ref no.

Location

CREDIT AMOUNT

\$497.70

Amounts are

Exclusive of Tax

▼ Category details

| # | CATEGORY | DESCRIPTION | AMOUNT | SALES TAX | BILLABLE | CUSTOMER | |
|---|----------|----------------|--------------------------------|-----------|----------|-------------------------------------|------------|
| + | 1 | Subcontractors | credit for missed snow removal | 474.00 | GST | <input checked="" type="checkbox"/> | Enter Text |
| ⋮ | 2 | | | | | | |

Add lines

Clear all lines

► Item details

Cancel

Clear

Make recurring

Save and close



NOTE Ensure that you use the same account when creating the Supplier Credit to make sure that the credit is issued against the account used on the original transaction.

Pay Bills

To apply the supplier credit against outstanding bills, go to the **Pay Bills** window.

1. On the **Pay Bills** window, select the bills to be paid in the left-hand column. When you select the bills to be paid, QuickBooks will display any available credits in the Credits column.

Pay Bills

Payment account: Chequing Balance \$8,388.45 Payment date: 03/01/2020 Starting cheque no.: 3 ☐ Print later

TOTAL PAYMENT AMOUNT: **\$6,116.25**

Filter > Last 365 Days 2 open bills, 2 overdue 1

| <input type="checkbox"/> | PAYEE | REF NO. | DUE DATE ▲ | OPEN BALANCE | CREDIT APPLIED | PAYMENT | TOTAL AMOUNT |
|-------------------------------------|--------------------|---------|--------------|--------------|----------------|------------|--------------|
| <input checked="" type="checkbox"/> | Bobcat Unlimited | | 01/11/2019 1 | \$1,363.95 | Not available | 1,363.95 | \$1,363.95 |
| <input checked="" type="checkbox"/> | Deere Snow Removal | 48839 | 06/12/2019 1 | \$5,250.00 | 497.70 | 4,752.30 | \$5,250.00 |
| 2 bills selected | | | | \$6,613.95 | \$497.70 | \$6,116.25 | \$6,613.95 |

Total payment (CAD) 6,116.25

< First Previous 1-2 of 2 Next Last >

Current account balance \$8,388.45
Total payment -\$6,116.25
New account balance \$2,272.20

Cancel Save and print

2. QuickBooks applies the credit and displays the amount in the **Credit Applied** column.
3. QuickBooks enters the difference to be paid in the **Payment** column.
4. Click Save to apply the credit and pay the bill(s).



NOTE If you wanted to just apply the credit against an outstanding bill you can do so without creating a payment against the bill.

To learn how to create and apply a supplier credit watch this video: <https://youtu.be/Q4RpI0vpHLs>

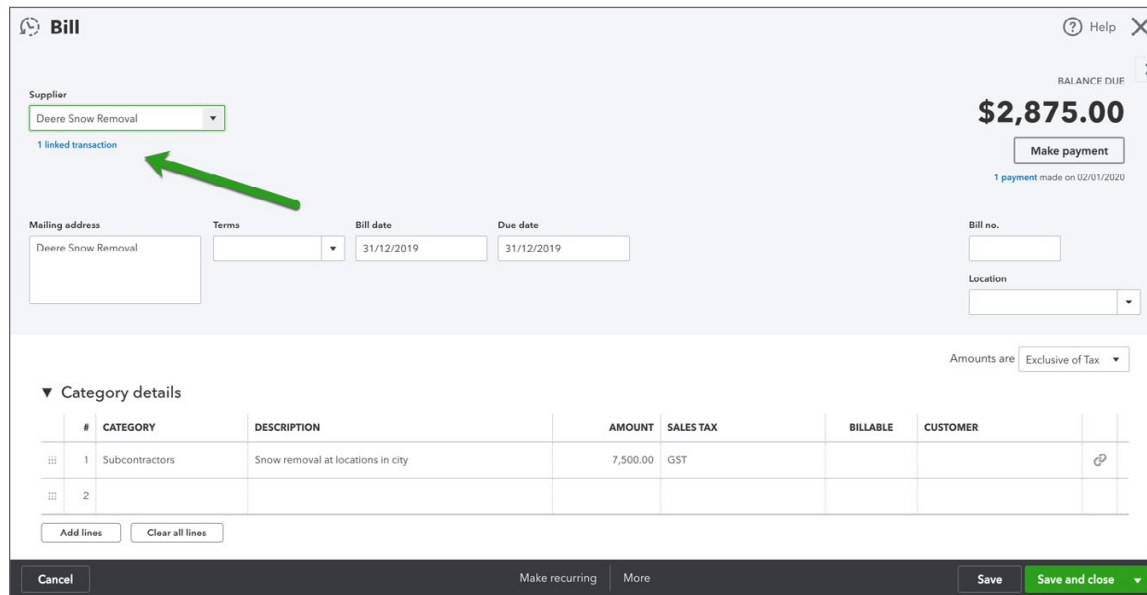
Working with Supplier Transactions

The same options available on sales transactions are available on expense transactions including bills, expenses, and cheques. On any saved expense transaction, you'll see the **More** menu.

Click **More** to display the following menu options:

- **Copy**—Copy the transaction when you click **Copy**.
- **Delete**—Delete the transaction when you click **Delete**.
- **Transaction Journal**—View the journal entry behind the transactions.
- **Audit History**—View the history of the transaction.

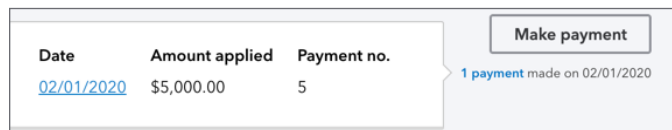
To view the “**linked**” transaction click the top-left corner. QuickBooks displays the linked transaction such as a purchase order.



The screenshot shows the 'Bill' form in QuickBooks. At the top left, the 'Supplier' dropdown is set to 'Deere Snow Removal'. Below it, a link labeled '1 linked transaction' is highlighted with a green arrow. The 'Mailing address' field also shows 'Deere Snow Removal'. The 'Bill date' and 'Due date' are both set to 31/12/2019. The 'Balance due' is \$2,875.00. The 'Category details' table shows two lines: Line 1 is 'Subcontractors' with a description 'Snow removal at locations in city', an amount of 7,500.00, and sales tax of GST. Line 2 is empty. The bottom of the form has buttons for 'Cancel', 'Make recurring', 'More', 'Save', and 'Save and close'.

| # | CATEGORY | DESCRIPTION | AMOUNT | SALES TAX | BILLABLE | CUSTOMER |
|---|----------------|-----------------------------------|----------|-----------|----------|----------|
| 1 | Subcontractors | Snow removal at locations in city | 7,500.00 | GST | | |
| 2 | | | | | | |

To view a **Bill Payment** that is linked to a bill click the top-right link labeled **Payment**.



The screenshot shows the 'Bill Payment' form in QuickBooks. The 'Date' is 02/01/2020, the 'Amount applied' is \$5,000.00, and the 'Payment no.' is 5. A link labeled '1 payment made on 02/01/2020' is visible. The 'Make payment' button is at the top right.

| Date | Amount applied | Payment no. |
|------------|----------------|-------------|
| 02/01/2020 | \$5,000.00 | 5 |

Recurring Transactions

In QuickBooks Online, you can create templates for recurring transactions, like recurring expenses. You can do this for any transaction except bill payments, customer payments, and time activities.

For example, if you have a recurring direct withdrawal for a monthly rent payment you can set up a **Scheduled Recurring Transaction** to automatically enter in QuickBooks. This saves you time for frequently entered transactions.

In this article, we'll show you how to set up and make the most of recurring templates.

To create a recurring expense transaction, go to the expense window.

1. Create the expense as usual.

- Click **Make Recurring** at the bottom of the transaction window.

Expense

Payee: Brookshire Properties | Payment account: Mastercard | Balance \$2,940.00 | AMOUNT: **\$5,250.00**

Payment date: 31/12/2019 | Payment method: What did you pay with?

Ref no.: | Location: | Amounts are: Exclusive of Tax

| # | CATEGORY | DESCRIPTION | AMOUNT | SALES TAX | BILLABLE | CUSTOMER |
|---|------------------------|----------------------|----------|-----------|-------------------------------------|------------|
| 1 | Rent or lease payment: | Monthly rent payment | 5,000.00 | GST | <input checked="" type="checkbox"/> | Enter Text |
| 2 | | | | | | |

Buttons: Add lines, Clear all lines, Item details, Cancel, Clear, Print, **Make recurring**, Save, Save and close

- Enter a **Template Name**.
- Choose the **Type**. You can choose the following:
 - Scheduled**—The entry will be entered according to a schedule.
 - Reminder**—QuickBooks will remind you to make the entry.
 - Unscheduled**—The entry will be on the Recurring Transactions list if you need it but will not remind you or automatically enter according to a schedule.



NOTE You can have QuickBooks enter the transaction in advance to the actual date. Enter the number of days in advance in the appropriate field.

Expense Take a tour Help X

Recurring Expense

Template name: Monthly Rent Paymer Type: Scheduled Create days in advance

Payee: Brookshire Properties Account: Chequing

Interval: Monthly on day 1st of every 1 month(s) Start date: 01/01/2020 End: None

Payment method: Direct Payment Location:

Amounts are: Exclusive of Tax

▼ Category details

| # | CATEGORY | DESCRIPTION | AMOUNT | SALES TAX | BILLABLE | CUSTOMER |
|---|------------------------|----------------------|----------|-----------|----------|----------|
| 1 | Rent or lease payments | Monthly rent payment | 5,000.00 | GST | | |
| 2 | | | | | | |

Cancel Clear Save template

5. Choose the interval (frequency) that the transaction will be entered.

6. Enter the **Start Date** and **End** dates (if required).

To view a list of all the Recurring Transactions in QuickBooks click the **Gear** icon and then click **Recurring Transactions**. QuickBooks displays the list. You can perform several actions from this page.

| YOUR COMPANY | LISTS | TOOLS | PROFILE |
|----------------------|-------------------------------|---------------------|----------|
| Account and settings | All lists | Order cheques | Feedback |
| Manage users | Products and services | Import data | Privacy |
| Custom form styles | Recurring transactions | Import desktop data | |
| Chart of accounts | Attachments | Export data | |
| QuickBooks labs | Currencies | Reconcile | |
| | | Budgeting | |
| | | Audit log | |
| | | SmartLook | |

You can view the **Reminder List** when you click the **Reminder List** button.

Reminder List ▼ New

QuickBooks displays a list of all the recurring transactions set to remind you. To use the transactions on the recurring transactions list, click the drop-down arrow next to any transaction. You can take the following actions:

- **Use**—This means that you'll use the transaction immediately.
- **Duplicate**—Choose duplicate to create another entry.

The screenshot shows the 'Expense' form in QuickBooks. At the top, there's a header with 'Expense' and navigation links like 'Take a tour', 'Help', and a close button. Below this, the 'Recurring Expense' section is visible. It includes fields for 'Template name' (Monthly Rent Paymer), 'Type' (Scheduled), and 'Create' (days in advance). There are also fields for 'Payee' (Brookshire Properties) and 'Account' (Chequing). The 'Interval' section shows 'Monthly' on 'day' '1st' of every '1' month(s), with 'Start date' (01/02/2020) and 'End' (None). A message box states 'This is a copy' and 'This is a copy of an expense. Revise as needed and save the expense.' Below this, there's a 'Payment method' (Direct Payment) and a 'Location' field. At the bottom right, 'Amounts are' is set to 'Exclusive of Tax'. The footer has 'Cancel', 'Clear', and 'Save template' buttons.

- **Pause**—Click pause to pause the automation on the selected entry.

The screenshot shows a dialog box titled 'Pause Recurring Transaction'. It asks 'Are you sure you want to pause this recurring transaction?'. There are two buttons: 'Cancel' and 'Pause'.

Click **Resume** to start the transaction again.

The screenshot shows a dialog box titled 'Resume Recurring Transaction'. It asks 'Are you sure you want to resume this recurring transaction?'. There are two buttons: 'Cancel' and 'Resume'.

- **Skip Next Date**—Choose this option to skip the next date setup on the recurring entry.

Skip Next Date

Are you sure you want to skip the next occurrence on 10/10/2020 for this recurring transaction?

Cancel
Skip next date

- **Delete**—Choose delete to remove the recurring transaction.

Create New Recurring Transactions

You can create new recurring transactions directly from the list.

1. Click **New**.

Select Transaction Type

Select the type of template to create

Transaction Type

Bill

Cancel
OK

2. Select the type of transaction to create, and click **OK**.

3. Enter a **Template Name**.

4. Select a **Type**.

Bill

Recurring Bill

Template name Type **Scheduled** Create days in advance

Supplier

Choose a supplier

Interval

Monthly on day 1st of every 1 month(s)

Start date End None

5. To create a recurring template with a schedule associated with it, select the interval for how often the transaction will be created. For example:

| To repeat... | |
|------------------|--|
| Every other week | Select Weekly and enter "every 2 weeks" |
| Twice a month | Create two scheduled Monthly transactions: one for the first transaction per month, and one for the second |
| Quarterly | Select Monthly and enter "every 3 months" |
| Semiannually | Select Monthly and enter "every 6 months" |

6. (Optional) To create a scheduled transaction in advance, enter the number of days in advance you want.
7. Click **Save template**.



To learn how to create a recurring transaction watch this video: <https://youtu.be/zk6122yE6iE>