



The **QuickBooks®** Online Newsletter

FROM THE OFFICE OF



**ACCOUNTING ADVANTAGE**

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July 2017

## Receiving Payments in QuickBooks Online

*It's perhaps one of your favorite activities in QuickBooks Online: recording money that comes in. Are you doing it right?*

Your days of matching paper checks to paper invoices are over. QuickBooks Online excels at keeping your accounts receivable organized. No more digging through piles of forms and hand-stamping **PAID** on your customer bills and statements. No more trying to write small enough in your register so you can identify the origins of deposits.

You do, though, need to know how to get to payment screens—there are multiple ways—and which form to complete for each remittance. Here are the three types you'll deal with most often.

### Receive payment on an invoice

When payment comes in on an invoice, you can get to the right screens in any of several ways.

Click the **+** (plus) sign in the upper right corner. Under **Customers**, select **Receive Payment**. In the upper left of the window that opens, select the correct customer by clicking the down arrow at the end of that field to open the list

Make sure the **Payment date** is correct. Open the **Payment method** list and select from **Cash**, **Check**, **Credit card**, etc. If there's a **Reference no.**, like a check number, enter it in that field. The default value for **Deposit to** is **Undeposited Funds**. Leave that active, and enter the **Amount received** in that field.

Outstanding Transactions				
<input type="text" value="Find Invoice No."/>		<input type="button" value="Filter ▼"/>	06/01/2017 - 07/01/2017 X <a href="#">Clear filter / View All</a>	
<input type="checkbox"/>	DESCRIPTION	DUE DATE	ORIGINAL AMOUNT	OPEN BALANCE
<input checked="" type="checkbox"/>	<a href="#">Invoice # 1123</a> (06/01/2017)	07/01/2017	1,649.01	1,649.01

When you select a customer's name in the **Receive Payment** window, a list of unpaid invoices will appear at the bottom.

If the customer has multiple outstanding invoices, QuickBooks Online will put a check mark in front of the oldest one(s). You can change this if you need to by clicking to uncheck the box and clicking in the box in front of the correct one.

*Tip: If you want to isolate invoices from a specific date range, click the arrow next to **Filter**.*

When you've specified where the payment(s) will go, add a memo and/or attachment if you'd like and select either **Save and close** or **Save and new** in the lower right corner.

You can also record payments on invoices from other screens in QuickBooks Online. For example, click **Transactions** in the left vertical navigation bar and select **Sales** to open the list of sales transactions. At the far right end of every line that contains an unpaid invoice, you'll see a link to **Receive payment**. Click it, and the payment screen will open with the name and amount already filled in. Another option: With an invoice open, click **Receive payment** in the upper right corner.

### Receive payment at the time of the sale

When a customer pays you immediately for products and/or services, there's no need to create an invoice. You'd instead use a **sales receipt**. Click the **+** sign in the upper right and select **Sales Receipt** under **Customers**.

*Tip: If you click the small diagonal arrow when it appears next to an option, the site will open the screen in a separate window.*

Fill in the fields at the top like you did on the **Receive Payments** screen.

**Sales Receipt**

Payment method:  Reference no.:  Deposit to:

[Accept payments in QuickBooks](#)

#	SERVICE DATE	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
1	06/05/2017	Social Media Consulting	Social Media Consulting	4	65	260.00

Use a **sales receipt** in QuickBooks Online if you receive payment at the same time you provide a product or service.

Complete the lower half of the sales receipt by selecting the products and/or services sold from the drop-down lists. Then click the links at the bottom of the screen to print or email the receipt.

### Receive a down payment or retainer

If a customer gives you money as part of a down payment or a retainer for work to be done or products to be delivered, you can enter it on the **Receive Payment** screen without connecting it to an invoice. If you're prepared to create a record of the specific charges, though, you can use an invoice form and categorize the payment as a deposit.

There are other ways to receive payments from customers in QuickBooks Online, like creating credit memos or using a mobile payment device. However you do it, your bookkeeping needs to be precise, or you'll run into problems down the road. If this is a topic that creates some uncertainty, we can go over the whole concept with you and outline your options. You work too hard for your money to risk applying it incorrectly –or worse, losing it to an accounting error.