
QuickBooks 2009 Student Guide

Receiving Payments & Making Deposits



Lesson Objectives

- To learn how to record customer payments in QuickBooks
- To learn how to handle customer discounts, partial payments, overpayments, or down payments
- To see how to record a deposit in QuickBooks, and learn how QuickBooks treats the deposit behind the scenes
- To learn how to enter cash back from a deposit in QuickBooks
- To learn how to process credit cards

Notes

Recording Payment in Full for a Single Job

If you're receiving payment at the time of a sale, and you fill out a sales receipt, QuickBooks records a customer payment. When you invoice a customer, and you receive payment later, you enter the payment in the QuickBooks Receive Payments window.

To record a payment in full:

1. From the Customers menu, choose **Receive Payments**.
2. In the Received From field, select **Violette, Mike: Workshop** from the drop-down list.
3. Press Tab to move to the Amount field.
4. In the Amount field, type **4735.73** and press Tab.
5. In the Payment Method field, select **Check** from the drop-down list and then press Tab.
6. In the Check # field, type **6745**.

Customer Payment

Received From: **Violette, Mike:Workshop** Customer Balance: **4,735.73**

Amount: **4,735.73** Date: **12/15/2007**

Pmt. Method: **Check** Check #: **6745**

Memo: Where does this payment go?

Process credit card payment when saving

✓	Date	Number	Orig. Amt.	Amt. Due	Payment
✓	12/05/2007	66	5,735.73	4,735.73	4,735.73
Totals			5,735.73	4,735.73	4,735.73

Amounts for Selected Invoices

Amount Due: **4,735.73**

Applied: **4,735.73**

Discount and Credits Applied: **0.00**

Buttons: **Un-Apply Payment**, **Discount & Credits...**, **Save & Close**, **Save & New**, **Clear**

7. Click **Save & New**.

Notes

Entering a Partial Payment

To enter a partial payment:

1. In the Received From field, select **Ecker Designs:Office Repairs** from the drop-down list.
2. Press Tab to move to the Amount field, and then type **1000**. Then press Tab again.

✓	Date	Number	Orig. Amt.	Amt. Due	Payment
✓	11/30/2007	62	1,168.30	1,168.30	1,000.00 ▲
	12/15/2007	73	4,757.81	4,757.81	0.00
Totals			6,226.11	6,226.11	1,000.00 ▼

Underpayment \$468.30. When you finish, do you want to:

Leave this as an underpayment

Write off the extra amount

[View Customer Contact Information](#)

Un-Apply Payment

Discount & Credits...

Amounts for Selected Invoices

Amount Due	1,468.30
Applied	1,000.00
Discount and Credits Applied	0.00

[Save & Close](#) [Save & New](#) [Clear](#)

3. Click **Un-Apply Payment**.
4. In the Payment column, type **1000** as the amount you want to apply to the second invoice, and then press Tab.
5. In the Pmt. Method field, leave **Check** selected.
6. In the Check # field, type **5678**.
7. Leave the “Leave this as an underpayment” option selected.
8. Click **Save & New** to record the partial payment and clear the window.

Notes

Applying One Payment to Multiple Jobs

To apply one payment to multiple jobs:

1. In the Receive Payments window, select **Cook, Brian** from the Received From drop-down list.
2. Press Tab to move to the Amount field.
3. In the Amount field, type **7812.63** and then press Tab.
4. In the Pmt. Method drop-down list, confirm that **Check** is selected.
5. In the Check # field, type **375**.

Customer Payment

Received From: Cook, Brian Customer Balance: 7,812.63

Amount: 7,812.63 Date: 12/15/2007

Pmt. Method: Check Check #: 375

Memo: Where does this payment go?

Process credit card payment when saving

Find a Customer/Invoice...

✓	Date	Job	Number	Orig. Amt.	Amt. Due	Payment
✓	10/15/2007	Kitchen	42	3,100.00	700.00	700.00
✓	11/25/2007	Kitchen	57	1,636.69	466.69	466.69
✓	11/25/2007	2nd story addition	58	5,418.00	5,003.30	5,003.30
✓	12/11/2007	Kitchen	FC 6	5.95	5.95	5.95
✓	12/15/2007	Kitchen	76	1,636.69	1,636.69	1,636.69
Totals				11,797.33	7,812.63	7,812.63

Amounts for Selected Invoices

Amount Due: 7,812.63

Applied: 7,812.63

Discount and Credits Applied: 0.00

Un-Apply Payment

Discount & Credits...

Save & Close Save & New Clear

6. Click **Save & New**.

Notes

Entering Overpayments

If a customer sends you an overpayment, you simply enter the amount in the Receive Payments window, and QuickBooks keeps track of the additional payment. When the customer has future invoices, you can apply the overpayment to those amounts—you can even apply the credit directly to the invoice.

To enter the payment:

1. In the Received From field of the Receive Payments window, select **Pretell Real Estate:75 Sunset Rd.** from the drop-down list.
2. Press Tab and type **12500** in the Amount field.
3. Press Tab again.
4. Select the **Refund the amount to the customer** option.
5. Click **Save & New**.

Issue a Refund

A refund is due to Pretell Real Estate:75 Sunset Rd. Issue this refund via Check

Refund Amount \$ 87.82 Account Checking

Date 12/15/2007 Ref/Check No. To Print Ending Balance 46,423.98

Address
Pretell Real Estate
222 Middlefield Ave
Middlefield CA 94482

Memo

To be printed

OK **Cancel**

6. In the Issue a Refund window, click **OK**.

Notes

Handling Down Payments & Prepayments

If a customer makes a payment before you've invoiced him for services (for example, he may be making a down payment or paying a retainer fee), you can still record the payment at the Receive Payments window. However, because you don't have any invoices to which to apply the payment, QuickBooks records the payment as an unused payment (just like an overpayment).

QuickBooks holds the unapplied amount with the customer's name. The next time you enter that customer in the Receive Payments window, QuickBooks displays the credit amount in the Unused Credits area. The customer's balance also reflects the credit amount.

To enter the down payment you've received:

1. In the Received From field, select **Abercrombie, Kristy:Kitchen** from the drop-down list and then press Tab.
2. Type **1000** in the Amount field and then press Tab.
3. Leave the **Leave the credit to be used later** option selected.
4. In the Pmt. Method field, make sure **Check** is selected.
5. In the Check # field, type **4321**.
6. Click **Save & Close**.
7. Click **OK** in the message that displays.

Notes

Handling Down Payments & Prepayments

To create an invoice for a customer who made a down payment:

1. From the Customers menu, choose **Create Invoices**.
2. In the Customer:Job field, select **Abercrombie, Kristy: Kitchen** from the drop-down list.
3. QuickBooks displays the Available Estimates window. You don't want to create the invoice from the estimate listed, so click **Cancel**.
4. From the Template drop-down list, choose **Custom Invoice**.
5. Click in the Item column, select **Removal** from the Item drop-down list, and then press Tab.

Notes

Handling Down Payments & Prepayments

6. In the Quantity column, type **40** and press Tab.

Create Invoices

Customer: Job
Abercrombie, Kristy:Kitchen

Template: Custom Invoice

DATE: 12/15/2007 INVOICE #: 93

Invoice

BILL TO
Kristy Abercrombie
5647 Cypress Hill Rd
Bayshore CA 94326

P.O. NO. TERMS DUE DATE CONTRACT #
Net 30 01/14/2008

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT	Tax
Removal	40	Removal labor	35.00	1,400.00	Non

Customer Message
Tax: San Tomas (7.75%) 0.00
Total: 1,400.00

To be printed
 To be e-mailed

Payments Applied: 0.00
Balance Due: 1,400.00

Customer Tax Code: Tax

Memo

[Learn about our payment processing and online invoicing solutions.](#)

Buttons: Add Time/Costs..., Apply Credits..., Save & Close, Save & New, Clear

7. Click **Apply Credits** to apply the down payment amount made earlier towards this invoice.
8. Click **Yes** at the message that displays.
9. This is the credit that you want to apply to the invoice, so click **Done**.
10. Click **Save & Close** to record the transaction.

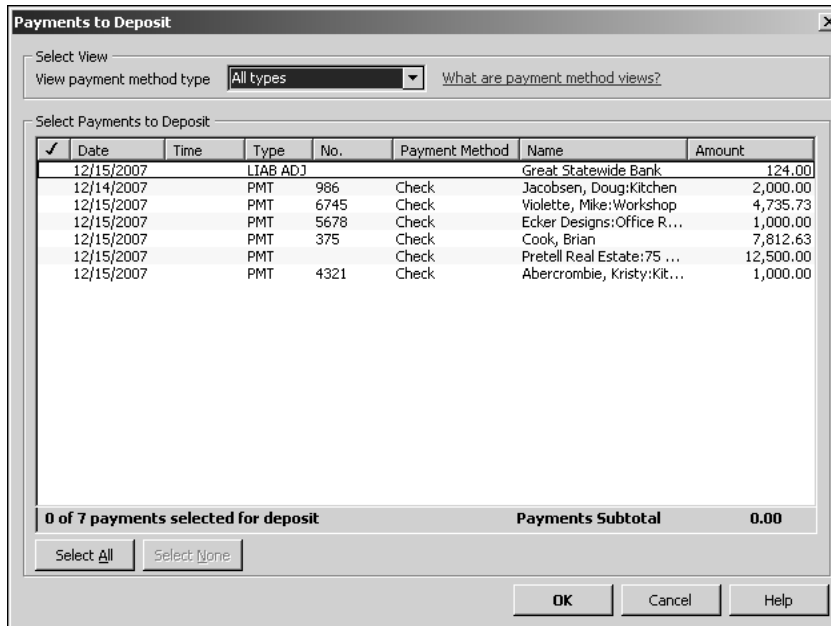
Notes

Making Deposits

When you use the Enter Sales Receipt window (for a sales receipt where you receive payment on the spot), the Receive Payments window (for payments on invoices), or a payment item on an invoice, QuickBooks keeps track of the money you've received until you deposit it in the bank. When you receive payments from customers, you can either deposit each payment directly into a QuickBooks bank account or you can group payments together to be moved to that account at a later time. QuickBooks allows you to choose the method you prefer for depositing payments.

To select payments to deposit:

1. From the Banking menu, choose **Make Deposits**.



2. Click to select the payments you want to bring to the bank.
3. Click **OK**.
4. In the Deposit To field, make sure that **Checking** is selected.

If you have money to deposit that is not the result of a payment you received for a sale, you can enter it in the detail area of the window. For example, if you received a premium refund from your insurance vendor, you would enter it here.

5. Click **Save & Close** to record the deposit.

Notes

How QuickBooks Handles the Deposit

To view the Undeposited Funds account:

1. From the Lists menu, choose **Chart of Accounts**.
2. In the chart of accounts, double-click the **Undeposited Funds** account.

Date	Ref	Payee	Decrease	Increase	Balance
	Type	Account			
12/15/2007	4321	Abercrombie, Kristy:Kitchen	1,000.00		2,000.00
	DEP	Checking [split]			
12/15/2007	5678	Ecker Designs:Office Repairs		1,000.00	3,000.00
	PMT	Accounts Receivable			
12/15/2007	5678	Ecker Designs:Office Repairs	1,000.00		2,000.00
	DEP	Checking [split]			
12/15/2007	6745	Violette, Mike:Workshop		4,735.73	6,735.73
	PMT	Accounts Receivable			
12/15/2007	6745	Violette, Mike:Workshop	4,735.73		2,000.00
	DEP	Checking [split]			
Ending balance					2,124.00

1-Line
 Sort by: Date, Type, Number/...

3. Close the account register window.
4. In the chart of accounts, double-click the checking account.

Date	Number	Payee	Payment	Deposit	Balance
	Type	Account			
12/15/2007		Lew Plumbing - C		45.00	46,985.26
	PMT	Accounts Receivable See Bill #20001			
12/15/2007		-split- Deposit		27,048.36	74,033.62
	DEP				
12/15/2007		Natiello, Ernesto:Kitchen		13,560.39	87,594.01
	PMT	Accounts Receivable			
12/15/2007	294	Sloan Roofing	5,700.00		81,894.01
	BILLPMT	Accounts Payable			
Ending balance					73,384.52

1-Line
 Sort by: Date, Type, Number/...

5. Close the checking account register and the chart of accounts.

Notes

Getting Cash Back from a Deposit

To record getting cash back from a deposit:

1. On the Home page, click **Record Deposits**.
2. In the Payments to Deposit window, select the payment from Doug Jacobsen.

✓	Date	Time	Type	No.	Payment Method	Name	Amount
	12/15/2007		LIAB ADJ			Great Statewide Bank	124.00
✓	12/14/2007		PMT	986	Check	Jacobsen, Doug:Kitchen	2,000.00

3. Click **OK**.
4. In the Make Deposits window, type **Petty Cash** in the “Cash back goes to” field and press Tab.
5. When QuickBooks displays a message telling you that Petty Cash is not on the account list, click **Set Up**.

Account Type: Bank

Account Name: Petty Cash

Subaccount of

Optional

Description

Bank Acct. No.

Routing Number

Tax-Line Mapping: <Unassigned> [How do I choose the right tax line?](#)

[Should I enter an opening balance?](#)

Remind me to order checks when I reach check number

Order checks I can print from QuickBooks [Learn more](#)

Getting Cash Back from a Deposit

6. Make sure **Bank** is selected in the Type drop-down list, and then click **Save & Close** to return to the Make Deposits window.
7. In the “Cash back amount” field, type **200** and press Tab.
8. Click **Save & Close**.
9. To see the effect on these accounts, choose **Chart of Accounts** from the Lists menu.

Name	Type	Balance Total
◆ Petty Cash	Bank	200.00
◆ Checking	Bank	75,184.52
◆ Savings	Bank	13,868.42
◆ Accounts Receivable	Accounts Receivable	36,481.40
◆ Tools & Equipment	Other Current Asset	5,000.00
◆ Employee Loans	Other Current Asset	0.00
◆ Inventory Asset	Other Current Asset	26,926.43
◆ Retainage	Other Current Asset	2,461.80
◆ Undeposited Funds	Other Current Asset	124.00
◆ Trucks	Fixed Asset	24,852.91
◆ Original Cost	Fixed Asset	33,852.91
◆ Depreciation	Fixed Asset	-9,000.00
◆ Pre-paid Insurance	Other Asset	1,041.85
◆ Accounts Payable	Accounts Payable	30,739.38

Account Activities Reports Include inactive

10. Close the chart of accounts.

Notes

Processing Credit Card Payments

To process credit card payments from your customers, you must have a merchant account. A merchant account is an account with a merchant account processor (or a financial institution acting as a processor) that enables you to enter and process credit and debit card transactions.

There are two ways to obtain a merchant account.

- Use the QuickBooks Merchant Service.
You apply for this service online from within QuickBooks or over the phone. Once your account is activated, you can enter and process your customers' credit card payments directly from QuickBooks.
- Use a non-QuickBooks merchant account (a merchant service that is not integrated within QuickBooks).
You can use a non-QuickBooks merchant account that you've signed up for through a financial institution. These services usually require the use of a credit card swipe terminal to process your customers' credit card payments. You can enter the information into QuickBooks manually as you would enter other QuickBooks transactions.

Notes