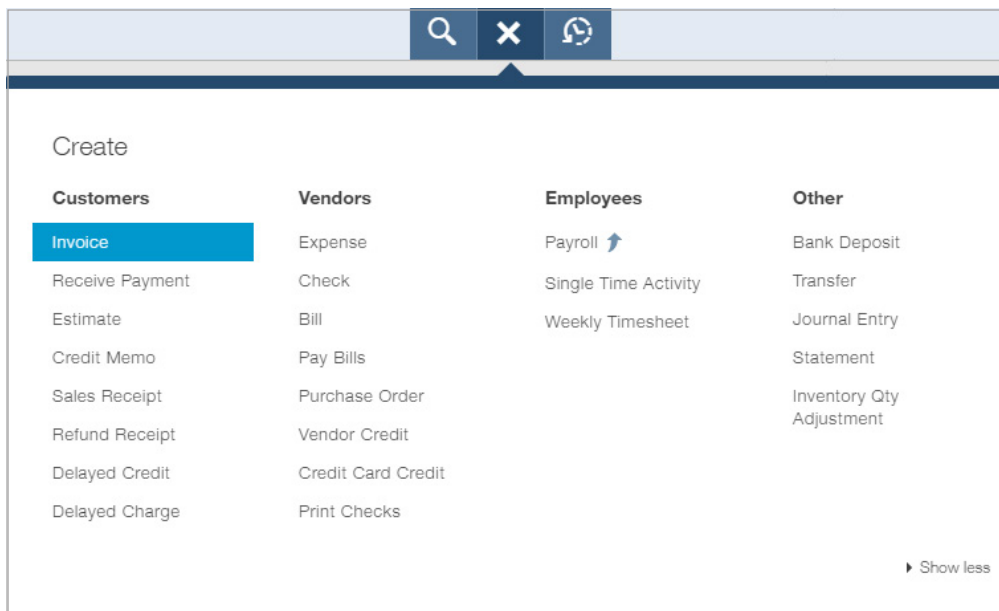


# HOW TO INVOICE AND RECEIVE A PAYMENT FROM A CUSTOMER

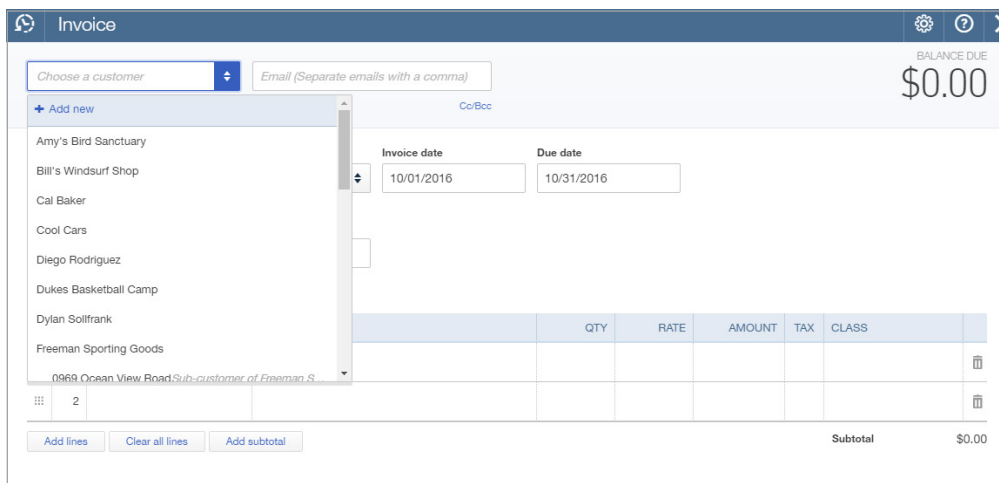
If you deliver goods or provide services before the customer pays, record the sale with an invoice. Invoices record an increase in sales income and Accounts Receivable, which tracks how much customers owe you. The invoice date reflects the sale date, and the due date tells the customer when payment is due. QuickBooks will automatically calculate the due date for you based on the terms you enter. What are terms? These tell your customer how long they have to pay.

## CREATE AND SEND AN INVOICE

1. Click the **+** sign.
2. Select **Invoice**.



3. Click the **Customer** drop-down arrow and select an existing customer, or add a new one.



4. Click the **Terms** drop down to select when the invoice is due.

The screenshot shows the QuickBooks Invoice form for 'Jeff's Jalopies'. The 'BALANCE DUE' is \$0.00. The 'Terms' dropdown menu is open, showing options: 'Net 30' (selected), '+ Add new', 'Due on receipt', 'Net 10', 'Net 15', and 'Net 60'. The 'Invoice date' is 10/01/2016 and the 'Due date' is 10/31/2016. The table below has two empty rows for products/services.

#	PRODUCT/SERVICE	QTY	RATE	AMOUNT	TAX	CLASS
1						
2						

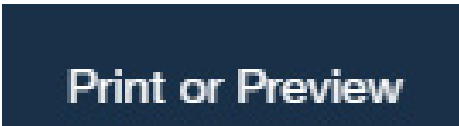
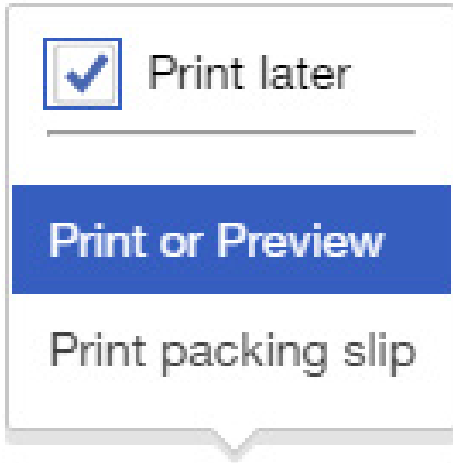
5. Click the **Product/Service** drop-down arrow to select an existing service. You can also add a new one if necessary.

The screenshot shows the QuickBooks Invoice form with the 'BALANCE DUE' updated to \$35.00. The 'Terms' dropdown is now set to 'Net 30'. The 'Product/Service' dropdown is open, showing a list of services including 'Control:Pest Control', 'Pest Control', 'Pump', 'Rock Fountain', 'Rocks', 'Services', and 'Sod'. The first row in the table is populated with 'Control:Pest Control' (1 unit at a rate of 35.00, amount 35.00). The 'Subtotal' is \$35.00.

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX	CLASS
1	Control:Pest Control	Pest Control Services	1	35	35.00		Enter Text
2	Pest Control	Pest Control Services Pest Control					
	Pump	Fountain Pump P461-17					
	Refunds & Allowances	Income due to refunds or allowances					
	Rock Fountain	Rock Fountain R154-88					
	Rocks	Garden Rocks Design					
	Services	Design					
	Sod	Sod					

NOTE: Each product or service “points” to an income account that tells QuickBooks to increase that income account each time you sell that product/service.

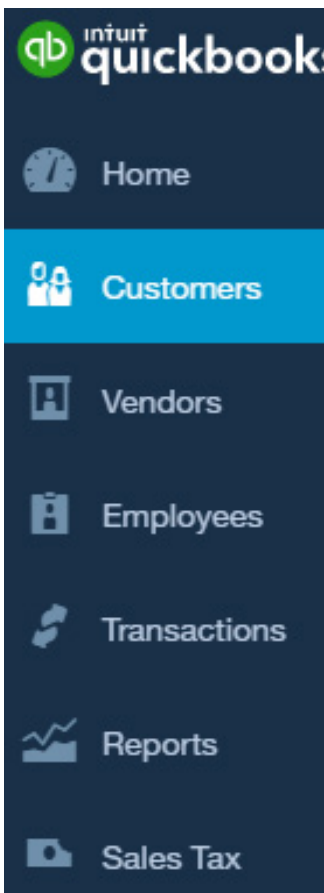
6. Click **Print or Preview** to view what the invoice you print or send will look like. You can print the invoice directly from this window.



7. Click **Print or Preview** to view what the invoice you print or send will look like. You can print the invoice directly from this window.

## SEE A LIST OF OVERDUE CUSTOMERS

1. Click the **Customers** tab.



2. Click the **Overdue** filter on the top money bar to see any customers with an overdue balance.

**Customers** [Clear Filter / View All](#) New customer ▾

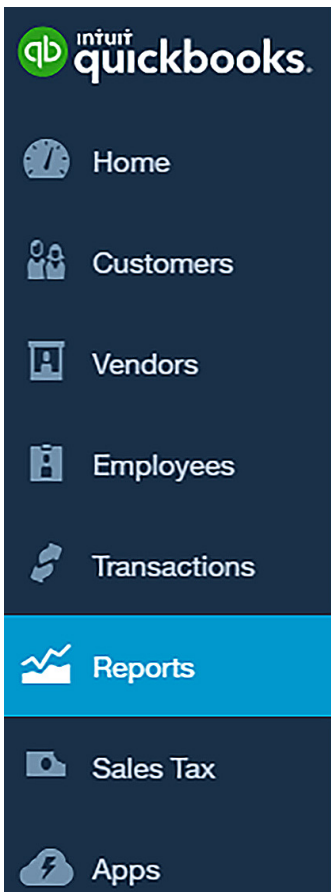
Unbilled Last 365 Days      Unpaid Last 365 Days      Paid

\$0 0 ESTIMATE	\$750 3 UNBILLED ACTIVITY	\$5,965 23 OPEN INVOICES	\$1,526 10 OVERDUE	\$3,474 13 PAID LAST 30 DAYS
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Batch actions ▾    Find a customer or company 🔍    🖨️ 📄 ⚙️

<input type="checkbox"/>	CUSTOMER ▲ / COMPANY	PHONE	PENDING INVOICES	OVERDUE BALANCE	ACTION
<input type="checkbox"/>	<b>Amy's Bird Sanctuary</b> ✉️ Amy's Bird Sanctuary	(650) 555-3311	🚫 1 Overdue invoice	\$239.00	Send reminder ▾
<input type="checkbox"/>	<b>Bill's Windsurf Shop</b> ✉️ Bill's Windsurf Shop	(415) 444-6538	🚫 1 Overdue invoice	\$85.00	Send reminder ▾
<input type="checkbox"/>	<b>55 Twin Lane</b> ✉️ Freeman Sporting Goods Sub-Customer of Freeman Sp...	(650) 555-0987	🚫 2 Overdue invoices	\$85.00	Send reminder ▾
<input type="checkbox"/>	<b>Jeff's Jalopies</b> ✉️ Jeff's Jalopies	(650) 555-8989	🚫 1 Overdue invoice	\$81.00	Send reminder ▾
<input type="checkbox"/>	<b>John Melton</b> ✉️	(650) 555-5879	🚫 1 Overdue invoice	\$450.00	Send reminder ▾
<input type="checkbox"/>	<b>Kookies by Kathy</b> ✉️ Kookies by Kathy	(650) 555-7896	🚫 1 Overdue invoice	\$75.00	Send reminder ▾

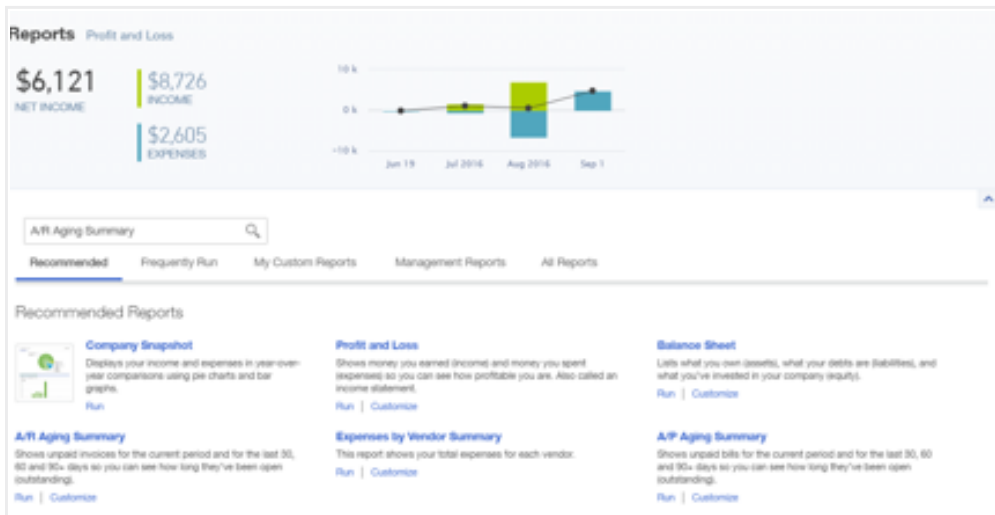
3. Click the **Reports** tab.



qb **intuit quickbooks.**

- 🕒 Home
- 👥 Customers
- 🏠 Vendors
- 👤 Employees
- 🔄 Transactions
- 📈 Reports**
- 📄 Sales Tax
- ⚡ Apps

4. Enter **A/R Aging Summary** in the search field.



5. This report displays how much of each customer's balance is current (i.e. not overdue) versus overdue.

## RECEIVE AND DEPOSIT INVOICE PAYMENTS (USING UNDEPOSITED FUNDS)

Use the Receive Payment form to record customer payments against invoices. However, to record the deposit correctly you must answer 1 question. **Does this customer payment amount match the actual deposit you made at the bank?** If you only deposited that 1 customer payment, the answer is **YES** and you can **record that the customer payment was deposited into the bank account**.

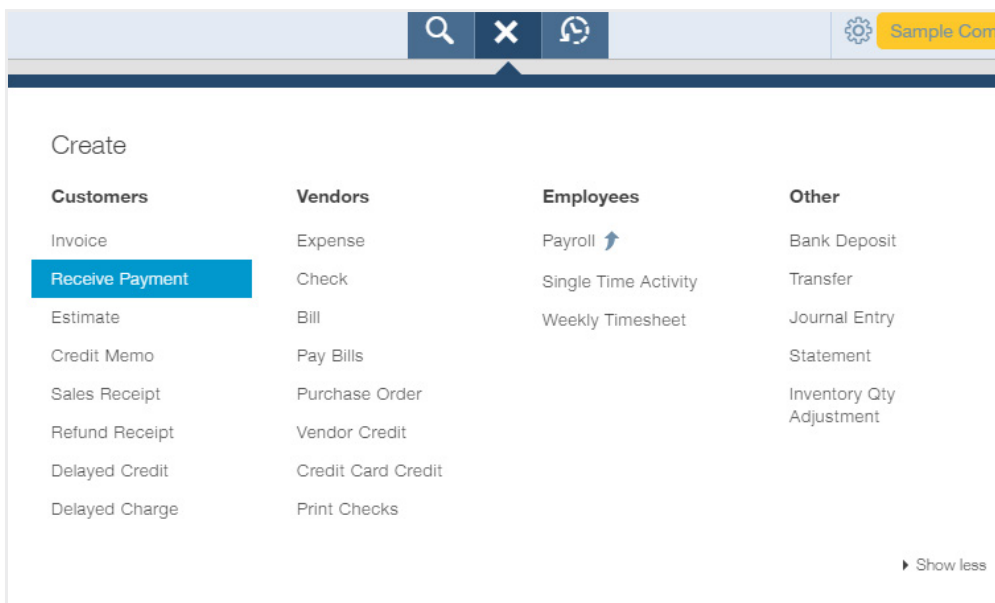
However, in many cases the answer is **NO**. Why? Because most businesses deposit multiple customer payments together. That customer payment is part of a bigger deposit that includes other customer payments. For example, if you receive 3 checks for \$100

each, and make one deposit at the end of the day for \$300, you should **NOT record that each customer payment was deposited into the bank account**. If you do, your QuickBooks records will show 3 deposits of \$100 each, and the bank will show 1 deposit for \$300. You won't be able to reconcile your bank account, and when the bank downloads the deposit of \$300, it won't "match" the 3 deposits of \$100 each.

To solve this issue, deposit each payment to "Undeposited Funds" first, and then deposit the combined amount from Undeposited Funds into the bank account. You learn how in the next steps.

## RECEIVE INVOICE PAYMENT

1. Click the **+** sign.
2. Select **Receive Payment**.



3. Select the **customer**.

The screenshot shows the 'Receive Payment' window with the following details:

- Customer: Mark Cho
- Payment date: 10/01/2016
- Payment method: Enter Text
- Reference no.: (empty)
- Deposit to: Undeposited Funds
- Amount received: 0.00
- Outstanding Transactions table:

DESCRIPTION	DUE DATE	ORIGINAL AMOUNT	OPEN BALANCE	PAYMENT
Invoice # 1035 (09/14/2016)	10/14/2016	314.28	314.28	(empty)

Amount to Apply: \$0.00  
Amount to Credit: \$0.00

Buttons: Cancel, Clear, Save and new

## RECEIVE AND DEPOSIT INVOICE PAYMENTS (Using Undeposited Funds)

4. Enter the remaining information. Receive the payment ten days later. Deposit it to Undeposited Funds.

The screenshot shows the 'Receive Payment' window with the following details:

- Customer: Mark Cho
- Payment date: 10/10/2016
- Payment method: Visa
- Reference no.: (empty)
- Deposit to: Undeposited Funds
- Amount received: 0.00
- Outstanding Transactions table:

DESCRIPTION	DUE DATE	ORIGINAL AMOUNT	OPEN BALANCE	PAYMENT
Invoice # 1035 (09/14/2016)	10/14/2016	314.28	314.28	(empty)

Amount to Apply: \$0.00  
Amount to Credit: \$0.00

Buttons: Cancel, Clear, Save and new

5. Select the Outstanding Transaction(s)

Receive Payment
AMOUNT RECEIVED  
**\$314.28**

**Payment date**  
10/10/2016

**Payment method**  **Reference no.**  **Deposit to**  **Amount received**

**Outstanding Transactions**

All

	DESCRIPTION	DUE DATE	ORIGINAL AMOUNT	OPEN BALANCE	PAYMENT
<input checked="" type="checkbox"/>	Invoice # 1035 (09/14/2016)	10/14/2016	314.28	314.28	<input type="text" value="314.28"/>

1-1 of 1

**Amount to Apply** \$314.28  
**Amount to Credit** \$0.00

6. Enter a Memo. (Optional)

7. Click the **Save and close**. You can see the Undeposited Funds account on the Chart of Accounts. In this case, the balance is \$701.28 which represents 2 payments. The \$314.28 payment we just received, and a payment of \$387 that we received earlier.

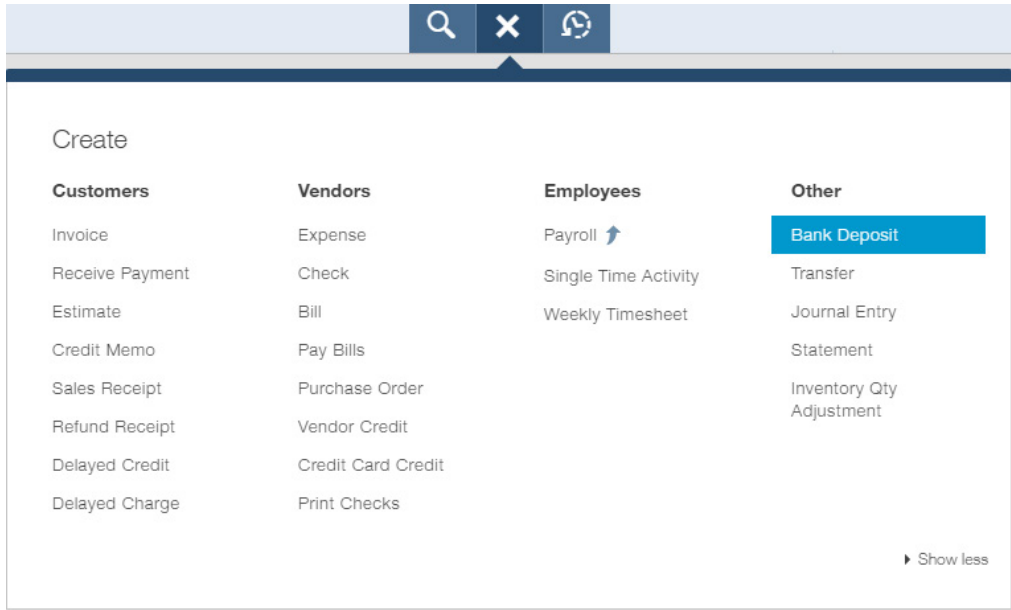
**Chart of Accounts**

NAME	TYPE	DETAIL TYPE	QUICKBOOKS BALANCE	BANK BALANCE	ACTION
Checking	Bank	Checking	3,614.02	-3,621.93	<a href="#">View register</a>
Savings	Bank	Savings	800.00	200.00	<a href="#">View register</a>
Accounts Receivable (A/R)	Accounts receivable...	Accounts Receivable...	5,650.24		<a href="#">View register</a>
Inventory Asset	Other Current Assets	Inventory	596.25		<a href="#">View register</a>
Prepaid Expenses	Other Current Assets	Prepaid Expenses	0.00		<a href="#">View register</a>
Uncategorized Asset	Other Current Assets	Other Current Assets	0.00		<a href="#">View register</a>
Undeposited Funds	Other Current Assets	Undeposited Funds	701.28		<a href="#">View register</a>

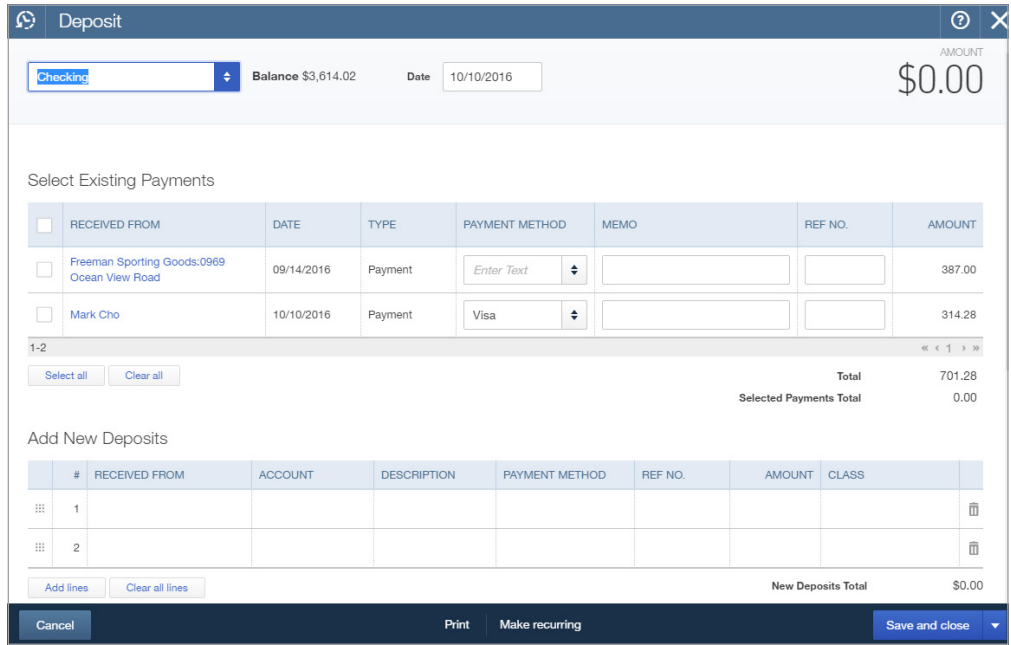
Now we'll deposit this amount to the checking account which currently has a balance of \$3,876.52.

# RECORD DEPOSIT

1. Click the **+** sign. Say you received other checks as well today, and you need to deposit these at the bank.
2. Select **Bank Deposit**.



3. Click the **Account** drop-down arrow and select the account to deposit to.





4. Select the payments to deposit.

Deposit
X

**Balance** \$3,614.02

**Date** 10/10/2016

**AMOUNT**  
\$701.28

Select Existing Payments

<input checked="" type="checkbox"/>	RECEIVED FROM	DATE	TYPE	PAYMENT METHOD	MEMO	REF NO.	AMOUNT
<input checked="" type="checkbox"/>	Freeman Sporting Goods:0969 Ocean View Road	09/14/2016	Payment	Enter Text			387.00
<input checked="" type="checkbox"/>	Mark Cho	10/10/2016	Payment	Visa			314.28

**Total** 701.28  
**Selected Payments Total** 701.28

Add New Deposits

#	RECEIVED FROM	ACCOUNT	DESCRIPTION	PAYMENT METHOD	REF NO.	AMOUNT	CLASS
1							
2							

**New Deposits Total** \$0.00

Cancel
Clear
Print
Make recurring
Save and close

5. Enter a Memo. (Optional)

6. Click **Save and close**. Now Undeposited Funds is zero and the checking account reflects the deposit. When you reconcile your bank account, your QuickBooks records will match the bank's records exactly.

Chart of Accounts
Run Report
New

Filter by name

NAME	TYPE	DETAIL TYPE	QUICKBOOKS BALANCE	BANK BALANCE	ACTION
Checking	Bank	Checking	4,315.30	-3,621.93	View register
Savings	Bank	Savings	800.00	200.00	View register
Accounts Receivable (A/R)	Accounts receivable...	Accounts Receivable...	5,650.24		View register
Inventory Asset	Other Current Assets	Inventory	596.25		View register
Prepaid Expenses	Other Current Assets	Prepaid Expenses	0.00		View register
Uncategorized Asset	Other Current Assets	Other Current Assets	0.00		View register
Undeposited Funds	Other Current Assets	Undeposited Funds	0.00		View register