

# Invoicing with QuickBooks Online

Please use the following guide to invoice with QuickBooks Online correctly.

## Create Customers

You can enter your customers in a couple of different ways.

Adding a customer for the first time

When you first go to Customers, you can add your customers by just entering their name, phone number and email.

1. From the left menu, select **Sales**.
2. Select the **Customers** tab.

### Customer information



|                                                                                                        |                      |                                             |                      |                                                                                                  |                                                                                                    |                                             |                      |
|--------------------------------------------------------------------------------------------------------|----------------------|---------------------------------------------|----------------------|--------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|---------------------------------------------|----------------------|
| Title                                                                                                  | First name           | Middle name                                 | Last name            | Suffix                                                                                           | Email                                                                                              |                                             |                      |
| <input type="text"/>                                                                                   | <input type="text"/> | <input type="text"/>                        | <input type="text"/> | <input type="text"/>                                                                             | <input type="text" value="Separate multiple emails with commas"/>                                  |                                             |                      |
| Company                                                                                                |                      |                                             |                      |                                                                                                  | Phone                                                                                              | Mobile                                      | Fax                  |
| <input type="text"/>                                                                                   |                      |                                             |                      |                                                                                                  | <input type="text"/>                                                                               | <input type="text"/>                        | <input type="text"/> |
| * Display name as                                                                                      |                      |                                             |                      |                                                                                                  | Other                                                                                              | Website                                     |                      |
| <input type="text"/>                                                                                   |                      |                                             |                      |                                                                                                  | <input type="text"/>                                                                               | <input type="text"/>                        |                      |
| Print on check as <input checked="" type="checkbox"/> Use display name                                 |                      |                                             |                      |                                                                                                  | <input type="checkbox"/> Is sub-customer                                                           |                                             |                      |
| <input type="text"/>                                                                                   |                      |                                             |                      |                                                                                                  | <input type="text" value="Enter parent customer"/> <input type="button" value="Bill with parent"/> |                                             |                      |
| <div>Address   Notes   Tax info   Payment and billing   Language   Attachments   Additional Info</div> |                      |                                             |                      |                                                                                                  |                                                                                                    |                                             |                      |
| Billing address <a href="#">map</a>                                                                    |                      |                                             |                      | Shipping address <a href="#">map</a> <input checked="" type="checkbox"/> Same as billing address |                                                                                                    |                                             |                      |
| <input type="text" value="Street"/>                                                                    |                      |                                             |                      | <input type="text" value="Street"/>                                                              |                                                                                                    |                                             |                      |
| <input type="text" value="City/Town"/>                                                                 |                      | <input type="text" value="State/Province"/> |                      | <input type="text" value="City/Town"/>                                                           |                                                                                                    | <input type="text" value="State/Province"/> |                      |
| <input type="text" value="ZIP code"/>                                                                  |                      | <input type="text" value="Country"/>        |                      | <input type="text" value="ZIP code"/>                                                            |                                                                                                    | <input type="text" value="Country"/>        |                      |

Cancel

[Privacy](#)

Save

You can go back to the customer record later to enter more details about this customer.

Add subsequent customers

To add more customers,

1. Go to **Sales > Customers**.
2. Click **New Customer**.
3. Fill in the fields in the **Customer Information** window. Enter additional information on the **Other details**, **Tax info**, and **Payment and billing** tabs, if necessary.
4. Click **Save**. The customer name appears in the list.

## Create Invoices

Learn how to create and send invoices in QuickBooks Online.

If you plan to get paid in the future for products and services you sell, send your customers an invoice. Simply add what you sell to an invoice and email it to them.

Customers can pay their invoices online through QuickBooks payments or ACH transfer, or you can use an external payment processing platform.

1. Select **+ New**.
2. Then select **Invoice** or **Send Invoice**.
3. From the **Customer ▼** dropdown, select a customer. Make sure all of their info is correct, especially their email address.
4. Review the **Invoice date**. If you need to, change the due date in the **Terms ▼** dropdown. **Tip:** Net refers to the number of days until the payment is due. The default is 30 days, but you can change the due date if needed.
5. From the **Product/Service** column, select a product or service. You can also select **+Add new** to create a new product or service right from the invoice.
6. Enter a quantity, rate and change amount if needed. **Note:** If you see the **Flat rate**, **By hour**, or **By item** options, this means you're in Business view. Your experience is slightly different.
7. Select the **Tax** checkbox if you need to charge sales tax.
8. When you're ready to send the invoice, select **Save and send**. Or, if you're using QuickBooks Simple Start, select **Send**.

If you want to send the invoice later, select **Save and close** or **Record** if you're using QuickBooks Simple Start.

## Receive Payments

Once you have received the money from a customer for one or more outstanding invoices, apply the money to the open invoice(s). This closes the invoice(s) in QuickBooks Online.

If you don't enter a Receive Payment transaction against an invoice but record a Deposit or Sales Receipt transaction instead, accounts receivable is overstated on the balance sheet. Revenue is too high on your income statement. You may pay more in income taxes!

Once you populate the **Customer** field on a Receive Payment transaction, a list of all open invoices appears on the Receive Payment screen. To complete the Receive Payment transaction:

1. Enter the amount of payment received into the **Amount Received** field.
2. Make sure the correct date is pre-filled in the **Payment Date** field.
3. In the Deposit to field, select **Undeposited Funds** if this payment, along with other payments received, is deposited to the bank in a batch. Select the appropriate bank account if this payment is the only payment going to the bank and this singular amount will appear as your deposit on your bank statement. (This is a "sticky" field. Be sure to check it each time if changing where the money is deposited.)
4. Click on the invoice(s) the payment is paying.
5. Click **Save and new** or **Save and close**.

## Deposits

When you send sales receipts and/or receive payment transactions to Undeposited Funds, they sit in this account until you create a deposit transaction. To create a deposit transaction, from **+New** select **Bank deposit**.

When creating a deposit, be certain you select the correct bank account at the top of the Bank Deposit transaction screen. Then complete the deposit transaction:

1. Populate the **Date** field with the date you make the deposit.
2. Checkmark the **Payments** being included in the deposit from the list provided.
3. Add any other deposit items on the **Add New Deposits** lines below the list of payments.  
Be careful when entering deposit items on the Add New Deposits line. Do not enter sales transactions here. You will diminish the quality of the reports that use Products/Services. In addition, transactions entered here won't reflect in the Sales Tax Center.
4. Confirm the total amount of the deposit equals the amount you took/plan to take to the bank, then **Save** the deposit.