



How to Create Estimates in QuickBooks Online

July 2021

Whether you sell products or services, you may need to create estimates in QuickBooks Online. Here's how it's done.

It would be nice if you could just instantly invoice every sale. But sometimes your customers need to know what a particular purchase will cost before they make the decision to buy. So, you need to know how to create an estimate. If the sale goes through, you'll of course want to send an invoice.

QuickBooks Online automates this entire process. It even helps you track the progress of your estimates by providing a special report. Here's how it works.

Just Like An Invoice – Almost

The process of creating an estimate in QuickBooks Online is almost identical to creating an invoice. You click the **New** button in the upper left and select **Estimate**.

A screenshot of the QuickBooks Online 'Estimate #1001' form. The form is titled 'Estimate #1001' and has a 'Pending' status. The customer is 'Balak, Mike' with a billing address of 'Mike Balak, 1800 Appleseed Ct, Bayshore, CA 94326'. The estimate date is '06/07/2021' and the expiration date is '06/18/2021'. The 'Estimate status' dropdown menu is open, showing options: 'Pending', 'Accepted', 'Closed', and 'Rejected'. The 'Pending' option is highlighted. There are also fields for 'Ship via' and 'Shipping date'.

Creating an estimate in QuickBooks Online is like creating an invoice, with a few differences.

When the form opens, you'll notice one difference right away. Directly below the **Customer** field, you'll see the word **Pending** next to a small down arrow. Click it to see what your options are here. You'll be able to update its status later. Select a **Customer** to get started. If this is a new customer, click **+ Add New** and enter at least the name. If you want to build a more complete profile at this point, click **Details** and complete the fields in the window that opens. To send a carbon copy or blind copy of the estimate to someone else, click the **Cc/Bcc** link.

Next to the **Estimate date**, there's a field for **Expiration date**. Enter that and continue on to add the products and/or services that will be included, just as you would on an invoice. If you're generating an estimate for a new product or service, click **+ Add new** in the drop-down list. A panel will slide out from the right that allows you to create one.

You'll see more options for your estimate at the bottom of the page. You can add a message in the message box (or leave the default message if there is one). You can also **Customize it**, **Make recurring**, or **Print or Preview** it. When you're satisfied, **Save** it, and send it to the customer.

ADDRESS			SHIP TO		
Mike Balak 1800 Appleseed Ct Bayshore, CA 94326			Mike Balak 1800 Appleseed Ct Bayshore, CA 94326		

ESTIMATE #	DATE	EXPIRATION DATE
1001	06/07/2021	06/18/2021

SALES REP
Rick

DATE	SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
	Fountain	Rock Fountain	1	275.00	275.00T
	Fruit Trees	Fruit Tree -	4	55.00	220.00T
	Hedges & Shrubs	Hedges & Shrubs	8	30.00	240.00T
	Ornamental	Ornamental	10	36.25	362.50T
SUBTOTAL					1,097.50
TAX (0.0775)					85.06
TOTAL					\$1,182.56

You can preview your estimate to see what the customer will see before saving it.

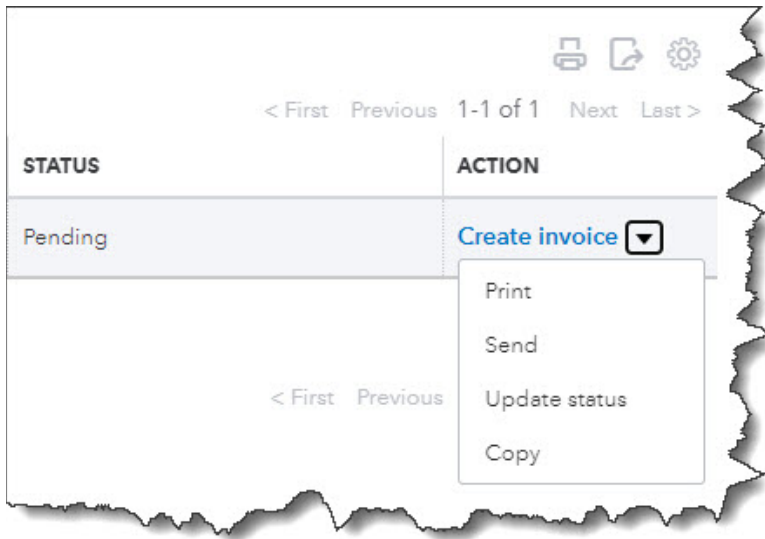
Updating the Status

Your estimate will not be considered a transaction until you accept it. To do this, click the **Sales** link in the toolbar, then **All Sales**. Find your estimate in the list by looking in the **Type** column. Click the down arrow next to **Create invoice** to see your other options there. You'll see that you can **Print** or **Send** it or save a **Copy**.

Click **Update status**. In the window that opens, click the down arrow next to **Pending**. From the list that drops down, select **Accepted**. You can also mark it **Closed** or **Rejected**. If you choose any of the last three options, another window opens that allows you to enter the name of the individual who authorized the action and the date it was done.

Click **Create invoice** if your estimate was accepted. You'll have three options here. You can invoice your customer for:

- The estimate total.
- A percentage of each line item.
- A custom amount for each line.



When you locate your estimate on the **Sales Transactions** page, you'll have several options for managing it.

After you've made your selection, click **Create invoice** to open the form with the amounts filled in based on your preference. Complete anything that's unfinished but do not change any of the product or service line items. Save it, and your invoice is ready to go. You can always check the status of your estimates by running the **Estimates by Customer** report.

Creating and tracking estimates is as easy as working with invoices. You may run into difficulties, though, if you need to do anything beyond that point with estimates, such as modifying it and re-submitting them. We're here to answer any questions you might have about this. It's important that you get your estimates and their subsequent invoices exactly right, so you don't lose money or sales. Let us know if you want to go over these concepts.

SOCIAL MEDIA POSTS

Do your customers want to know what something will cost before they order it? Create **Estimates** in QuickBooks Online.

Once you've had an **Estimate** approved by a customer using QuickBooks Online, you can turn it into an invoice.

Not sure what the status of all of your QuickBooks Online **Estimates** are? Run the **Estimates by Customer** report.

You can invoice customers for only a portion of an **Estimate** in QuickBooks Online. We can help you do this.