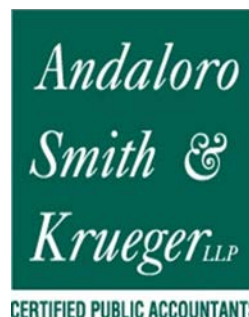




QuickBooks® Client Newsletter



Paying Bills in QuickBooks: The Basics

The time-consuming part's over once you've entered bills in QuickBooks. Here's how to pay them.

Last month, we explained that the process of paying bills in QuickBooks requires two separate sets of actions. We went over what's required to enter bills and to set up reminders, so they don't get overlooked. This month's column will walk you through the second step: paying the bills.

You'll remember you must first click **Enter Bills** on the home page (or open the **Vendors** menu and select **Enter Bills**), which opens a graphical representation of a bill. Select a **Vendor** from the drop-down list and complete the remaining fields in the top box. Make sure the **Amount Due** carries over to the lower part of the screen under either the **Expenses** or **Items** tab and that the rest of the fields there are completed correctly before you save the bill.

Once a bill is saved, it will be available to you when you click **Pay Bills** on the home page. That action will open a window similar to this one:

<input checked="" type="checkbox"/>	DATE DUE	VENDOR	Filter By	Sort By
<input type="checkbox"/>	01/01/2024	Perry Windows & Doors	Due Date	Due Date
<input type="checkbox"/>	01/01/2024	Daigle Lighting	Discount Date	Discount Date
<input type="checkbox"/>	01/03/2024	Perry Windows & Doors	Vendor	Vendor
<input type="checkbox"/>	01/05/2024	Timberloft Lumber	Amount Due	Amount Due
<input type="checkbox"/>	01/10/2024	Perry Windows & Doors	Ref Number	Ref Number
<input type="checkbox"/>	01/10/2024	Hamlin Metal	Discount Used	Discount Used
<input type="checkbox"/>	01/11/2024	Washuta & Son Painting	Credits Used	Credits Used
<input type="checkbox"/>			Amount To Pay	Amount To Pay

When you click **Pay Bills** on QuickBooks' home page, a screen containing a table like this will open.

In the upper left corner, you'll first **SELECT BILLS TO BE PAID** by either defining a date range or asking to see all bills that have been entered but not yet paid. To the right of those options is the **Filter By** field. You can open the list and click **All Vendors** or click on a specific vendor. Selecting an option in the **Sort By** field allows you to change the display order of the list of bills.

Selecting Bills

Next, you'll have to indicate which bills you want to pay, and by what method. This may take more than one pass if you're using different payment methods for different vendors. If that's the case, you'll have to select bills in batches. Click in the box in front of each bill that you want to pay (or click **Select All Bills** below the table).

There are several columns in the table you will see. Some will already be filled in for each vendor with information that was included in the actual bill, like **REF. NO.** and **AMT. DUE.** Others refer to discounts and credits. If you've already set up vendor discounts (early payment, for example) or are entitled to a credit (overpayment, returned merchandise, etc.) and have set up QuickBooks to automatically apply them to bills, they should appear in those columns.

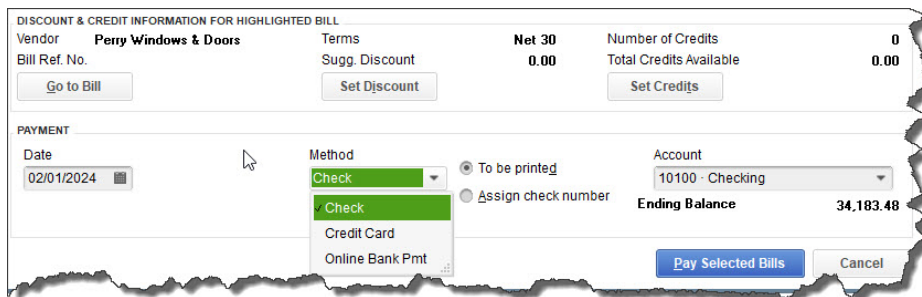
*Tip: If you are the company administrator, you can set up this option. Open the **Edit** menu and select **Preferences | Bills.** With the **Company Preferences** tab active, check the boxes in front of **Automatically Use Credits** and **Automatically Use Discounts,** and select the correct **Default Discount Account.***

Discounts and credits are rather complex concepts in QuickBooks, and we expect you might need our help with setting them up.

The final step in bill paying on this page is to enter the **AMT. TO PAY** at the end of each applicable row.

Dispatching Payments

If you've selected **All Bills** (or chosen a batch that will use the same payment method), you'll need to deal with the lower half of the bill-pay screen, which will look something like this:



The screenshot shows the 'DISCOUNT & CREDIT INFORMATION FOR HIGHLIGHTED BILL' section with the following details:

Vendor	Perry Windows & Doors	Terms	Net 30	Number of Credits	0
Bill Ref. No.		Sugg. Discount	0.00	Total Credits Available	0.00

Buttons: Go to Bill, Set Discount, Set Credits

The 'PAYMENT' section includes:

- Date: 02/01/2024
- Method: Check (dropdown menu is open showing options: Check, Credit Card, Online Bank Pmt)
- Account: 10100 - Checking
- Ending Balance: 34,183.48
- Options: To be printed (selected), Assign check number
- Buttons: Pay Selected Bills, Cancel

Whether or not you'll be dealing with credits and discounts you'll still have some work to do at the bottom of the bill-paying screen.

You can click on **Go to Bill** if you need to see the original form; also, verify the **Payment Date** and **Terms** are correct. You *can still* **Set Discount** and **Set Credits** here, but again, please don't do so until we've scheduled a session to go over these advanced tools if you plan to use them. Select a payment method for the bills you've selected; the options and account to the right of your choice will change depending on which it is.

When you're done, click **Pay Selected Bills** and do any follow-up work that's requested.

The bill-pay process in QuickBooks has a lot of moving parts, some of which may need prep work before you can actually dispatch bills. We strongly urge you to get together with us if you're planning to use this element of QuickBooks. Although beneficial, it's one of the more complicated processes in the software, and it must be done with extreme accuracy. When you're ready, we can help.

Social media posts

Once you've entered bills in QuickBooks, you'll need to go through the payment process. Although beneficial, it can be complicated. We can help you with this.

QuickBooks bill-pay tools can make your life easier but can be confusing at first. Let us walk you through the steps.

Do you need to record vendor discounts and credits as you pay bills in QuickBooks? This can be complicated. Consult with us and we can show you how.

Did you know you can set up QuickBooks to automatically apply vendor credits and discounts? Go to **Edit | Preferences | Bills** and contact us to walk you through the steps.