QuickBooks®

#1 Small Business Accounting Software in Canada[1]

Upgrader's Guide 2008

IMPORTANT!

Read this guide if you are upgrading from a previous version of QuickBooks.

Welcome!

QuickBooks 2008 contains many new features and changes from previous versions. This guide contains important information to get you working with your company file as quickly as possible. The guide is organized into three sections:

- The **Installation** section tells you how to install the new version of QuickBooks and upgrade your company data.
- The **Important information** section has notes about how QuickBooks 2008 handles features from previous versions. We highly recommend that you read this section – there are lots of changes, and you may need to perform some actions before and after QuickBooks 2008 upgrades your company file.
- In **Getting around QuickBooks**, we show you what to look forward to when using QuickBooks 2008.

Installation

Installing the new version

During installation, most users can use the Standard Installation. However, if you work in a multi-user environment (that is, more than one user can access your company data at the same time from different computers), see the **Multi-user host or server installation** section.

If you need further installation assistance, you can access the QuickBooks support website at **quickbooks.ca/support**, or contact Product Support at 1 877 772-9158 (Monday to Friday, 8:00 a.m. – 8:00 p.m., EST).

Multicurrency Users

What should I do with my old version of QuickBooks?

Do not uninstall your old version of QuickBooks! You may need it to run reports on your old company file. You may also need it if you have company files that use the Multicurrency feature; for details, see **Multicurrency** in the **Important information** section.

We recommend that you let the installation program choose where to install QuickBooks 2008. You can choose a different location if you want; QuickBooks will ensure that you do not overwrite your previous version.

Standard installation

1 Insert the QuickBooks CD in your computer's CD-ROM drive.

NOTE If the installation program does not start automatically, click **Start** in the taskbar and then click **Run**. Click **Browse** and locate your CD-ROM drive. Double-click your CD-ROM drive, then double-click **SETUP** or **SETUP.EXE**.

2 In the Welcome to QuickBooks Installation window, click **Expert Install**.

3 In the Installation Options window, click **Standard** and then click **Install Now**.

4 Follow the on-screen instructions.

The installation program will prevent you from overwriting a previous version of QuickBooks – you may need it later.

Standard (single user) option

STANDARD INSTALLATION

One QuickBooks user, no network

5 To start QuickBooks, double-click the QuickBooks icon on the desktop, or click the Windows **Start** button and then click QuickBooks from the Programs group.

Multi-user host or server installation

1 Make sure your computers are properly networked. Refer to your operating system's documentation for more information.

2 On the computer that acts as the host or server for your QuickBooks company file, insert the QuickBooks CD in the CD-ROM drive.

   NOTE If the installation program does not start automatically, click **Start** in the taskbar and then click **Run**. Click **Browse** and locate your CD-ROM drive. Double-click your CD-ROM drive, then double-click **SETUP** or **SETUP.EXE**.

3 In the Welcome to QuickBooks installation window, click **Expert Install**.

4 In the Installation Options window, click **Multi-user Host** or **Server** and then click **Install Now**.

   If you're not sure which one you should choose, see the installation type diagrams at the side.

5 Follow the on-screen instructions.

   The installation program will prevent you from overwriting a previous version of QuickBooks — you may need it later.

6 On each additional computer that will access QuickBooks from the network, follow the instructions for a Standard installation.
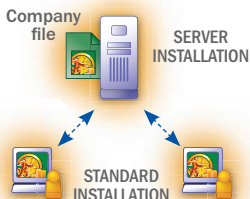
Multi-user options

STANDARD INSTALLATION — MULTI-USER HOST INSTALLATION
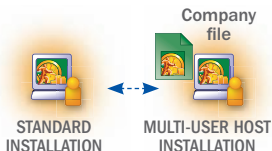
One QuickBooks user, using network hosting (home office)

MULTI-USER HOST INSTALLATION — STANDARD INSTALLATION
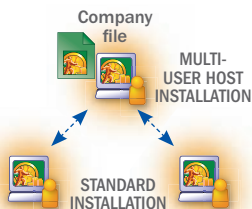
Multiple QuickBooks users, using network hosting

SERVER INSTALLATION — STANDARD INSTALLATION

Multiple QuickBooks users, using a dedicated server on a network

Upgrading your files

What company files can be upgraded?

You can upgrade company files from all earlier versions of QuickBooks. If your file is from QuickBooks 2003 or earlier, visit **quickbooks.ca/conversionkit** for information on upgrading it to QuickBooks 2008.

Your company file must **not have any transactions that use the Multicurrency feature**. Company files with multicurrency transactions cannot be upgraded to this edition of QuickBooks 2008. For details, see **Multicurrency** in the **Important information** section.

Before you upgrade your company file

In your previous version of QuickBooks, print trial balance reports for each of these dates:

- Today
- The end date of the last sales tax period for which you sent a GST/HST/ QST return (if any)
- The end date of the last sales tax period for which you sent a PST return (if any)

Verify your company file: In your previous version of QuickBooks, go to the File menu, click Utilities, then click Verify Data.

Find your last sales tax return(s): Locate the paper copy of the last GST/ HST/QST and PST sales tax returns that you filed and have them with you when you start the upgrade process. You will need information from these returns to upgrade your company data.

Make a backup of your old company files: QuickBooks prevents you from overwriting your original company file during the upgrade process. However, for added safety, make a backup before you start.

Starting the upgrade process

1 In **QuickBooks 2008**, open your old company file.
2 When prompted to upgrade your file, enter YES and click **OK**.
3 Follow the on-screen instructions.

- When prompted to back up your data, click **OK**.
- When asked, enter the end dates of the periods for the last GST/HST and PST or QST sales tax returns that you sent to the government, if any.
- When asked where you want to save your new company file, we recommend that you allow QuickBooks to choose the location. This puts your company file in a standard location for newer operating systems.

4 When the conversion is complete, QuickBooks creates a report about what happened during the conversion. Read this information and take any actions that are necessary.

To see the report, go to the **Help** menu and choose **Learning Centre**, click **Key Upgrader Tasks**, then click the link next to **Results of your company file conversion**.

TIP The Key Upgrader Tasks tab in the Learning Centre contains more information that you may find useful.

5 If you file sales tax (GST, HST, PST, or QST), there are some additional steps you must perform. It is **VERY IMPORTANT** that you perform these steps! If you do not, the amounts on your next sales tax return will be incorrect. For details, see **Sales Tax** in the **Important information** section.

What should I do with my old company file?

Do not delete your original company file! You need it to create sales tax reports for transactions that took place before you upgraded your company file, as well as for audit or tax inspection purposes.

During the upgrade process, QuickBooks knows the location of your old company file and will prevent you from overwriting it.

Important information

Sales tax (GST, HST, PST, QST)

The way sales tax is managed in QuickBooks 2008 has been improved from earlier versions. Most of these changes occur behind the scenes, so you won't have to change the way you work. However, there are some important differences that you need to know about.

Sales Tax Users

Follow these **very important** additional steps before and after you upgrade your company file. If you do not, the amounts on your next sales tax return will be incorrect!

Before you upgrade your company file

1 Locate your paper copy of the last federal (GST/HST or GST/HST/QST) sales tax return you sent to the government. If you also file a provincial sales tax return, locate your paper copy of that as well. Have these with you when you start the upgrade process. You will be asked for dates on these returns during the upgrade process.

Important information CONTINUED

2 In your previous version of QuickBooks, print trial balance reports for **today**, the **end date of the last sales tax period for which you sent a GST/HST or GST/HST/QST return**, and the **end date of the last sales tax period for which you sent a PST return** (if any).

3 If you haven't already done so, in your previous version of QuickBooks, update the sales tax rate for your GST sales tax codes. For more details, go to the **How do I update my company file to use the new GST rate for January 1, 2008?** FAQ on the QuickBooks knowledgebase (**quickbooks.ca/support**).

After you upgrade your company file

1 Create a trial balance for today and compare it to the trial balance for today from the previous version of QuickBooks. They should be the same.

2 Create a Tax Agency Report for the current sales tax period and check whether you have an uncategorized tax amount. (You likely will.)

This can be caused by:

- **manually filed or unfiled transactions in past sales tax periods**. In previous versions of QuickBooks, if transactions were manually filed or unfiled, it was possible for sales tax reports to show a slightly different balance owing than the actual amount due in your sales tax liability account. In the upgrade process, these small discrepancies are brought forward to the current period as an uncategorized amount.

- **a balance owing or refund due carried forward from a previous sales tax period**. If you have not yet paid the amount due from your last sales tax period or did not pay the full amount, the amount still owing will be carried forward to the current period as an uncategorized amount.

- **transactions entered incorrectly in the current sales tax period**. If you have recently entered a transaction in a non-standard way, such as recording a sale with a sales tax amount directly in the Make Deposits window instead of using a sales receipt, the sales tax amount from the transaction appears in the report as uncategorized.

3 If you have uncategorized tax amounts, do this:

- **If the amount is positive,** you owe it to the government. Make a sales tax adjustment to assign the amount to the "GST on sales" sales tax item of your GST/HST return, the "QST on sales" item of your QST return, or the "PST on sales" item of your PST return. The amount owing will be paid when you file for the current sales tax period. For details, search the in-product help for "How do I handle uncategorized sales tax amounts".

- **If the amount is negative,** the government owes it to you. Make a sales tax adjustment to assign the amount to the "GST on purchases" sales tax item of your GST/HST return, the "QST on purchases" item of your QST return, or the "PST on sales" item of your PST return (for PST, also select "Decrease Sales Tax Line"). The amount will reduce the tax you owe when you file a return for the current sales tax period. For details, search the in-product help for "How do I handle uncategorized sales tax amounts".

If the amount of uncategorized tax is very large, we highly recommend that you talk to an accountant.

4 If you have memorized transactions with items that use sales tax, do the following with **each** memorized transaction:

- Open the memorized transaction. You can access them from the Memorized Transaction List (go to the **Lists** menu and click **Memorized Transaction List**, then double-click the desired memorized transaction).

- In the body of the transaction, for each item that uses sales tax, select a different sales tax code than the one currently selected. Remember the original sales tax code!

- Re-select the original sales tax code for the transaction.
- Go to the **Edit** menu and click **Memorize (transaction type)**. You will be asked if you want to replace the existing memorized transaction; click **Replace**.

  This tells QuickBooks to update the Memorized Transaction List with the new sales tax functionality. If you do not update a memorized transaction as described, QuickBooks will assume that the sales tax for that memorized transaction is 0.0%.

5 If you are a Québec customer, there are additional steps you need to take before you file your next GST/HST/QST return. For details, go to the knowledge base at **knowledgebase.quickbooks.ca** and search for the article titled "How do I upgrade a company file if I track Québec sales tax?"

- The way QuickBooks handles GST and QST in Québec has been significantly improved and now includes support for the consolidated GST/HST/QST return. Moving from the former two-return system to the new system requires some additional steps.

Sales tax reports for previous sales tax periods

Due to changes in how sales tax is tracked, reports are not available for sales tax periods that were completed in your previous version of QuickBooks.

If you want to view sales tax reports for past sales tax periods, open your original company file in your previous version of QuickBooks.

Piggyback sales taxes

"Piggyback" sales taxes are sales taxes that are applied to the base cost of an item or service plus the GST. Piggyback taxes are typically used only in Québec and Prince Edward Island.

When QuickBooks upgrades your company file, it looks at your company's home province as specified in the Company Information window. If you have custom sales tax codes that have the "piggyback" checkbox set incorrectly for your province, QuickBooks does this:

- If the company is in Québec or PEI, all custom sales tax codes are changed to piggyback taxes.
- If the company is not in Québec or PEI, all custom sales tax codes are changed to non-piggyback taxes.
- In both cases, the percentage rate of the tax code is adjusted so that the effective tax rate is the same. Assuming that your previous tax rate was correct (that is, that your old tax rate took piggyback taxes into account), you can use the same sales tax codes as before.

Tax Agencies

In QuickBooks 2008, tax agencies (such as the Canada Revenue Agency) are treated as vendors and specific information about taxes paid to them is stored in their vendor records. When you edit a tax agency vendor, you can find the sales tax information on a new tab called **Tax Agency Info**. For example, this tab is where you specify your sales tax reporting period.

QuickBooks creates different sales tax agencies depending on your province or the province your business is located in. For example, "Receiver General" is the federal sales tax agency you use when paying and filing GST/HST outside of Québec.

Unit of Measure

The Unit of Measure feature has been improved from previous versions:

- QuickBooks 2008 no longer has a separate measure for "stocking" items (that is, storing items on hand for later sale). Instead, it uses the smallest base unit that can be used for purchases or sales.
- Unit of Measure is now available only in QuickBooks Premier. It is not available in QuickBooks Pro.

Sales Orders

Sales Orders are now available only in QuickBooks Premier. If you have QuickBooks Pro, you can work with existing sales orders, but cannot create new ones.

Inventory Assembly items

Inventory Assembly items are now available only in QuickBooks Premier. If you have QuickBooks Pro, you can work with existing assembly items, but cannot edit them or create new ones.

TIP To upgrade to QuickBooks Premier for Unit of Measure, Sales Orders, and Inventory Assembly Items functionality, please contact QuickBooks Sales at 1 888 333-8580 or quickbooks.ca

For more details, search the in-product help.

Multicurrency

The Multicurrency feature is **not** supported in this version of QuickBooks. If a company file has transactions in it that use the multicurrency feature, this version of QuickBooks will not be able to upgrade it. You can instead upgrade to the QuickBooks Multicurrency Edition.

Company files with no foreign-currency transactions are not affected. If you did not enable the Multicurrency feature in a company file (or if you enabled Multicurrency, but did not create any foreign-currency transactions), you should be able to upgrade that company file.

• If you work with a multicurrency file and you want to use QuickBooks Multicurrency Edition, see **quickbooks.ca/multicurrency**

How can I tell whether my company file used the Multicurrency feature?

To see if your company file has the multicurrency feature turned on:

1 Open your company file in your previous version of QuickBooks.

2 Go to the **Edit** menu and click **Preferences**.

3 Go to the list on the left of the window and click **Accounting**.

4 Click the **Company Preferences** tab.

5 Look in the Multicurrency area on the right of the window. If the **Use multicurrency** checkbox is clear, you can upgrade this company file to QuickBooks 2008.

If the checkbox is selected, then Multicurrency feature was turned on in your company file. However, if none of your transactions used foreign currencies, you may still be able to upgrade your company file. See the **Does my company file use Multicurrency?** FAQ on the QuickBooks knowledgebase (go to the QuickBooks Support knowledgebase at **quickbooks.ca/support** and search for "does my company file use Multicurrency"). This article will help you determine if you can upgrade to QuickBooks 2008.

Memorized reports

Memorized reports will not carry forward to QuickBooks 2008. After you upgrade your company file, recreate and memorize the reports in QuickBooks 2008.

For more details, search the in-product help for "Memorizing a report for reuse".

Customized business forms

Form customization has been greatly improved. Because of this, however, the form templates have changed.

If you customized the way your business forms print, review them after you upgrade your company file. Some customization does not carry forward into QuickBooks 2008, so you may need to reformat your forms using the Layout Designer.

The default forms included with QuickBooks do not need to be changed. They will work with pre-printed form paper from both QuickBooks 2008 and previous versions of QuickBooks.

For more details on using the Layout Designer, search the in-product help for "customize your forms".

Accountant's Copy

(QuickBooks Premier only) Accountant's Copy files created in earlier versions of QuickBooks cannot be opened as an Accountant's Copy in QuickBooks 2008. You have two options for working with Accountant's Copy from older versions:

• Open the file in your previous version of QuickBooks.

• Convert the Accountant's Copy to a regular company file. You won't be able to work on the company file at the same time as your client, and he or she will not be able to import your changes automatically.

For more details, search the in-product help for "convert accountant's copy" and open the topic named "Convert an Accountant's Copy to a regular company file".

Third-party applications

This version of QuickBooks 2008 is now compatible with thousands of applications created for the US version of QuickBooks. You can find up-to-date plug-in applications on the web at **marketplace.intuit.com**

However, third-party applications that were created for previous versions of QuickBooks may not work with QuickBooks 2008. Contact the application's vendor for an upgraded version.

Getting around QuickBooks

The **menu bar** provides easy access to all QuickBooks tasks, features and reporting functions.

The customizable **icon bar** of the toolbar provides one-click access to the QuickBooks features that you use most.
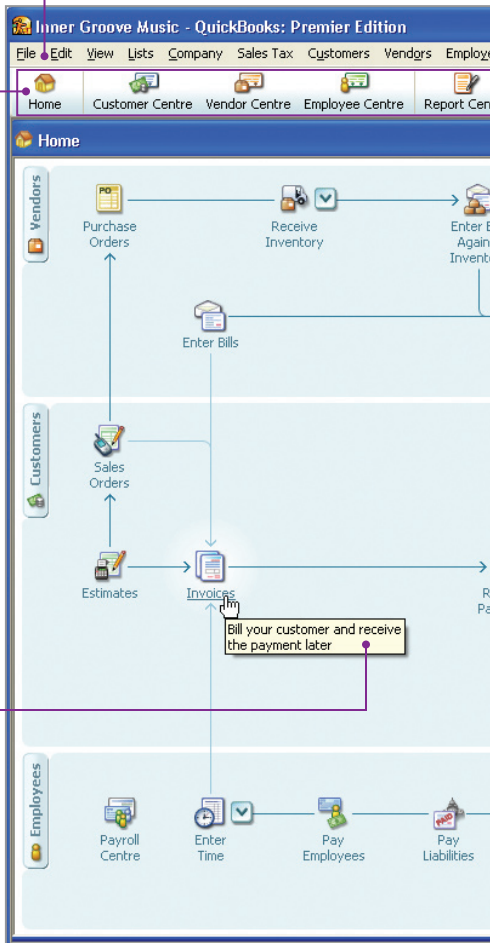
The **navigation bar** on the toolbar provides one-click access to the Home Page and the QuickBooks Centres. This includes the Customer Centre, Vendor Centre and Employee Centre.

The **Home Page** offers quick access to tasks and information related to major QuickBooks areas. The Home Page provides a clickable flow chart, account balances and customization options.

Flow chart icons include informative tooltips to help you learn QuickBooks and pick the correct task.

Inner Groove Music - QuickBooks: Premier Edition

File   Edit   View   Lists   Company   Sales Tax   Customers   Vendors   Employ

Home   Customer Centre   Vendor Centre   Employee Centre   Report Cen

Home

Vendors
Purchase Orders   Receive Inventory   Enter B Again Invent

Enter Bills

Customers
Sales Orders

Estimates   Invoices
Bill your customer and receive the payment later

R Pa

Employees
Payroll Centre   Enter Time   Pay Employees   Pay Liabilities

ees Banking Reports Window Help

| Reminders | Search | Feedback | Services | Payroll |

Type a help question [Ask]   ▼ How Do I?

Company

Bills
st
ory

Manage
Sales
Tax

Chart of
Accounts

Build
Assemblies

Pay Bills

Items &
Services

Adjust
Quantity
On Hand

Create Sales
Receipts

Marketing
Tools

Banking

eceive
ayments

Record
Deposits

Reconcile

Refunds
& Credits

Write
Cheques

Current Account
Register

Process
Payroll
Forms

Print
Cheques

Account Balances

Name ▼	Balance
Petty Cash	875.00
Banking	10,576.00
Savings	37,097.00

Get Started

QuickBooks First Steps

Customize QuickBooks

Learn About Services

Pay your employees

Order cheques and supplies

Other services...

For further assistance, visit the QuickBooks support website at quickbooks.ca/support

- For help with QuickBooks and technical issues, contact Product Support at 1 877 772-9158 (Monday to Friday, 8:00 a.m. – 8:00 p.m., EST); fees may apply.
- For help with orders, returns and exchanges, contact Customer Service at 1 888 333-8580 (Monday to Friday, 9:30 a.m. – 6:00 p.m., EST).

Intuit
C A N A D A

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Mixed Sources
Product group from well-managed
forests and other controlled sources
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FSC

1 Based on aggregate retail QuickBooks sales, as sourced by NPD for periods January – December 2005 and 2006, and January – July 2007.