

Setting up a company in QuickBooks is the first and most important step to start managing your business finances. It begins by opening QuickBooks and selecting the option to create a new company. QuickBooks will then guide you through a step-by-step setup process using the "EasyStep Interview." You'll be asked to enter basic information such as your company name, business type (sole proprietorship, partnership, corporation, etc.), industry, address, and contact details. After that, you'll choose your fiscal year start date and how you want your accounts to be managed—this helps QuickBooks customize settings to suit your business.

Next, you'll set up your chart of accounts, which is a list of categories to track your income, expenses, assets, and liabilities. QuickBooks can generate a chart of accounts automatically based on your industry, or you can customize it. You also need to set up customers, vendors, products or services you sell, and starting balances (if you're moving from a manual or another system). Finally, you can connect your bank accounts to QuickBooks so transactions are imported automatically.

Once the setup is complete, QuickBooks is ready to help you create invoices, manage bills, track sales, generate financial reports, and monitor your business performance—all from one place. The process is user-friendly and doesn't require deep accounting knowledge, making it easy for business owners to manage their books efficiently.

Below are the **step-by-step instructions** to set up a company in QuickBooks (especially for QuickBooks Desktop or QuickBooks Online), explained simply and clearly:

Company Setup

A. Company File Setup

- Create a new company
- Select Advanced Setup
- Company Name , tax id , address, email, website
- Select Industry
- Company Organization
- Fiscal Year
- Password
- Create your company

B. Customizing For Business

- **Sale:** Product, Service or Both
 - Sale Tax
 - Create Estimate
 - Progress Invoice
 - Manage bill
 - Tracking inventory
 - Tracking Time
 - Employees
 - Chart of Accounts
 - Date Tracking your finance
 - Tick unticked Chart of Accounts
-

A. Company File Setup

No Company Open

Select a company that you've previously opened and click Open

COMPANY NAME	LAST MODIFIED	FILE SIZE
K2 Construction and Building Material.QBW	08/11/2018, 04:34 PM	11.94 MB

Open
Edit List

LOCATION: C:\Users\Public\Documents\Intuit\QuickBooks\Company Files\

Create a new company

Open or restore an existing company

Open a sample file

Answer some basic questions and we'll do the rest.
You can always make changes later.

Start Setup

Other Options ▾

Open or convert existing files from QuickBooks or other software or set this file up on behalf of someone else.

- Open Existing File
- Convert QuickBooks Data
- Convert Other Accounting Software Data
- Set Up on Behalf of Someone Else
- Advanced Setup

Select an industry from the list

INDUSTRY

Accounting or Bookkeeping
Advertising or Public Relations
Agriculture, Ranching, or Farming
Art, Writing, or Photography
Automotive Sales or Repair
Church or Religious Organization
Construction General Contractor
Construction Trades (Plumber, Electrician, HVAC, etc.)
Design, Architecture, or Engineering

[How does QuickBooks use my industry selection?](#)

EasyStep Interview

 [Get answers](#)

Enter your company information

QuickBooks uses this information on your tax forms and forms you use to communicate with your customers and vendors.

* Company name

Legal name

The name you use on your tax and legal forms. Unless you use a DBA name, this will probably be the same as the company name. [Explain](#)

Tax ID

Your Federal Employer Identification Number (EIN) or Social Security Number. Used only on tax forms.

Street address

City

State

Zip

Country

U.S.

Phone

Fax

Use the format you would like displayed on your forms, e.g. (555) 555-1212

E-mail address

Web site

* required field

[What if I have more than one business?](#)

[Leave...](#)

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How is your company organized?

Your selection will help QuickBooks create the correct accounts for your business and assign tax form lines to those accounts.

- ☒ **Sole Proprietorship**
An unincorporated business with one owner (FORM 1040)
- ☐ **Partnership or LLP**
An unincorporated business owned by two or more partners (FORM 1065)
- ☐ **LLC**
A formal business entity that provides limited liability to its owners

Single-member LLC (Form 1040) ▼
- ☐ **Corporation (also known as Regular or C Corporation)**
A formal business entity with one or more shareholders. (FORM 1120)
- ☐ **S Corporation**
A corporation that has elected to pass tax liability to its shareholder(s) (FORM 1120-S)
- ☐ **Non-Profit**
A not-for-profit organization exempt from paying taxes (FORM 990)
- ☐ **Other/None**

[Which business entity should I choose?](#)

Your fiscal year is typically the same as your income tax year. [Explain](#)

My fiscal year starts in

January ▼

Set up your administrator password

(optional)

We recommend you set up a password to protect your company file. You will be prompted for this password whenever you open this file. It is optional to set up a password.

Administrator password

Retype password

Your password is case-sensitive.

What is an "administrator"? Entering a password here sets up the administrator user, who has full access to all activities and information in QuickBooks. When you are ready, you can set up other users with more limited privileges.

Note: You can also set up or change your administrator password later.

Create your company file

Your QuickBooks information is stored in a file called the **company file**.

Click **Next** to choose a file name and location to save your company file.

Where should I save my company file?

B. Customizing For Business

What do you sell?

- ☒ **Services only**
Such as consulting, rentals, gym memberships, hair styling services, event services, construction and labor.
- ☐ **Products only**
Such as lamps, fertilizer, books, hardware, tickets, insurance policies. Manufacturers and distributors should also select this option.
- ☐ **Both services and products**
Such as a bicycle repair shop that sells bikes, a carpet installation company that sells carpet.

Do you charge sales tax?

☒ Yes

☐ No

EasyStep Interview

Do you want to create estimates in QuickBooks?

Some businesses refer to estimates as **quotes, bids, or proposals**.

☒ Yes (recommended for your business)

☐ No

Why should I use QuickBooks to create my estimates?

Using progress invoicing

Use **progress invoicing** in QuickBooks if you invoice your customers based on the progress of a project.

Some examples:

- A flooring contractor bills for **partial payment** before a job begins, when materials are delivered when the job is completed.
- A consultant bills at **major milestones** in a project.

Do you want to use progress invoicing?

☒ Yes (recommended for your business)

☐ No

 [Get answers](#)


Managing bills you owe

Knowing what money you owe—your “accounts payable”—is an important part of managing your cash flow. QuickBooks can help you manage your cash flow by:

- Knowing **which vendors** you owe money to
- Tracking **how much** money you owe
- Reminding you when bills are due

Do you want to keep track of bills you owe?

- ☒ **Yes** (recommended for your business)
- ☐ No

 [Get answers](#)

Tracking inventory in QuickBooks

Use inventory in QuickBooks to keep track of items in stock, items on order from vendors, or items to be built for customers.

Some examples:

- An importer **stocks and resells** products, and tracks items on order from vendors.
- An electronics manufacturer keeps inventory for both raw **materials and finished products**, and tracks products to be built for customer orders.
- A construction contractor purchases materials as they are needed. Because no items are kept in stock, there is **no need to track inventory** in QuickBooks.

QuickBooks uses average costing to determine the value of your inventory.

Do you want to track inventory in QuickBooks?

- ☒ **Yes**
- ☐ No

Tracking time in QuickBooks

QuickBooks can help you track time spent by you, your partners, your employees, or your contractors, so you can:

- **Bill customers** for time spent on a project.
- **Analyze time** spent on the project for **planning and job costing**.
- **Pay hourly employees** and contractors.

Do you want to track time in QuickBooks?

- ☒ **Yes** (recommended for your business)
- ☐ **No**
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Do you have employees?

☒ Yes

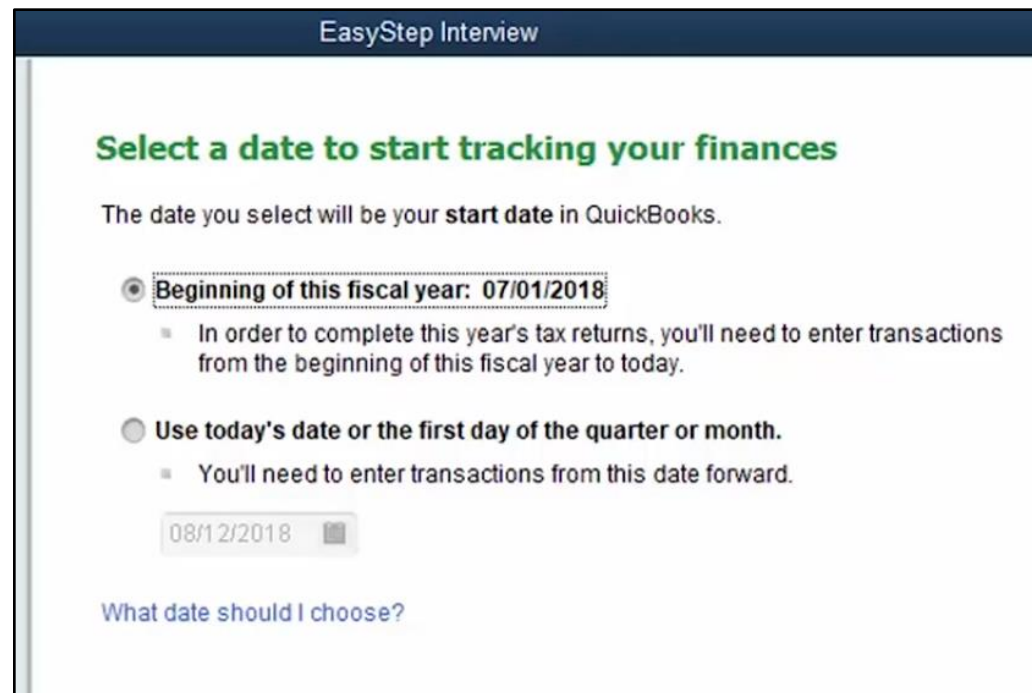
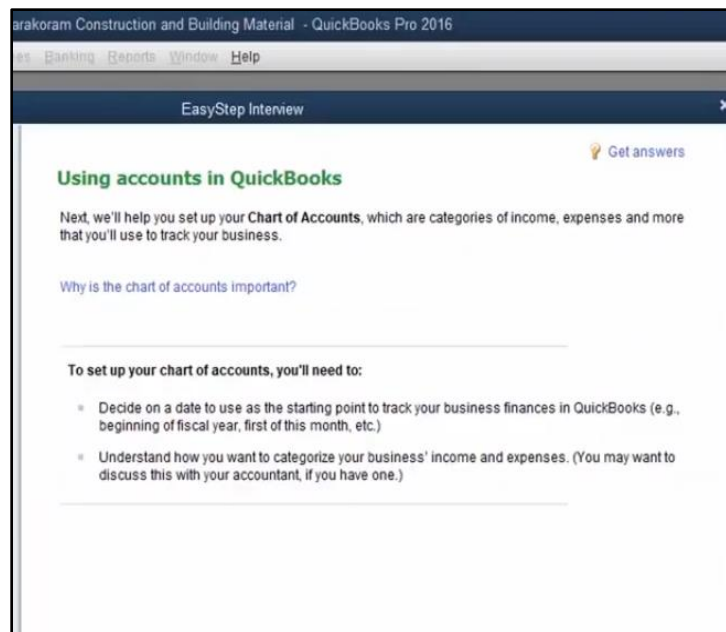
☒ We have W-2 employees.

☐ We have 1099 contractors.

☐ No



QuickBooks Payroll makes your payroll hassle-free. Quickly generate paychecks and download the latest tax tables. Do payroll calculations and fill out forms automatically. (Subscription required.)



Review income and expense accounts

Income and expense accounts categorize money your business earns from, or spends on, normal business operations.

- ✓ **Recommended accounts** for your industry are typically **all you need** for income tax purposes. [Explain](#)

✓	ACCOUNT NAME	TYPE
✓	Construction Income	Income
	Rental Income	Income
✓	Blueprints and Reproduction	Cost of Goods Sold
✓	Bond Expense	Cost of Goods Sold
✓	Construction Materials Costs	Cost of Goods Sold
✓	Equipment Rental for Jobs	Cost of Goods Sold
✓	Other Construction Costs	Cost of Goods Sold
✓	Subcontractors Expense	Cost of Goods Sold
✓	Tools and Small Equipment	Cost of Goods Sold

Congratulations!

You've completed the EasyStep Interview.

You now have a company file with customized settings for your business.

Next we'll help you enter your critical business info using **QuickBooks Setup**.

