

I Hate January

It's simple, I don't like January. I have many reasons for this. First off, I'm still playing catch up from all the Christmas chaos doing laundry and taking down decorations. Next, I have over a foot of snow at my house and I'm really more of a warm weather person. Also, the year is over so now I have to start doing all the year-end reports for 2019. Like I said, I hate January.

I haven't found a way to fix my struggle with laundry or wishing away the snow, but I do have a few ways that I simplify my year-end madness. I prepare the 1099s for our ranch and other clients. Whether you do your own or you create a list for your accountant, you can really simplify your life by creating and then memorizing a report out of QuickBooks to make this process a little quicker each year. First you are going to ask why am I creating a report for my 1099s? There is a 1099 report already built in QuickBooks. Your right, there is. However, every time you set up a vendor that you may need to send a 1099 to did you click the button that says they are a 1099 eligible vendor? How about every time you created a new expense account that could potentially have 1099 eligible expenses categorized to it, did you select the setting that says it's a 1099 eligible account? If you didn't do both of these things then the 1099 report already set up in QuickBooks won't work accurately. This is why I like to build my own.

I start with running the Profit and Loss Standard report that is listed under the Company and Financial Category. I then set the dates to last fiscal year and double click on "Total Expenses" so that I then see a report showing every expense transaction that happened during 2019. Now, I don't need all those so I am going to filter what shows on this report. Start with clicking on "Customize Report" in the top left of the report screen. I will then click on the "Filters" tab and select "Account" on the filter list. To the right of that I will use the drop-down list and select "Multiple Accounts". From here I will scroll through the list of accounts I have set up in my QuickBooks company. I will select any expense account that may have a 1099 eligible expense categorized in it. Click "Ok". Then back under the "Display" tab I will select the different columns of information I want on my report. I typically choose, date, name, address, SSN or EIN number in addition to what is already selected. My goal is that my report will include any information I need to prepare my 1099s. Then click "Ok" one more time to get back to your report. Now I am looking at a report with a whole bunch of information, but not sorted in a workable manner. Look at the top of the report, select the drop-down list next to "Total By" and select "Vendor". Instantly you have a list of every person or business you spent money with in 2019 that was potentially for a service requiring us to issue them a 1099. Now we need to save all your hard work, at the top of the report click "Memorize". Save it as any name you want so that next year, you will simply pull up this report under memorized reports and change the date. Now I will typically export this report to excel so that I can play with it and sort through all the vendors listed and pull out only the ones I want to actually create a 1099 for.

Creating this custom report not only makes us more efficient in pulling the information we need out of our records, but helps us to become more efficient with time as we will not have to go to this extensive amount of work next year. Every group I have ever worked with or taught I tell them that I don't use QuickBooks to make my accountant happy or to do my taxes. I use QuickBooks to make me more efficient in my accounting so that I can quickly get the information I need out of my records and I can use it to make better decisions about my operation. Don't get me wrong, I still hate January. However, I can work through some of my struggles quicker and with a little less pain.

Always feel free to shoot me an email if you have questions, need some financing, or looking for a QuickBooks Class.

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