

Comparison of the Old Chart of Accounts Setup to the New Chart of Accounts Setup

Old Setup	New Setup
<div style="border: 1px solid black; padding: 5px;"> <p>Account</p> <p>Account Type * Name</p> <p>2 4</p> <p>* Detail Type Number</p> <p>3 5</p> <p>Description</p> <p><input type="text"/></p> <p><input type="checkbox"/> Is sub-account A</p> <p style="font-size: small; color: gray;">Enter parent account</p> </div>	<div style="border: 1px solid black; padding: 5px;"> <p>New account 1 Select the high-level financial statement classification ×</p> <div style="border: 1px solid red; padding: 5px; text-align: center; margin-bottom: 10px;"> Income Expenses Banks Assets Credit cards Liabilities Equity </div> <p>Save account under *</p> <p>2 Select the account location. ▼</p> <p>Tax form section * ⓘ</p> <p>3 Select the detail type. ▼</p> <p>Account name * Account number</p> <p>4 Enter the account name. 5 Enter the account number.</p> <p>Description</p> <p style="text-align: center; border: 1px solid gray; padding: 2px;">OPTIONAL</p> <p style="text-align: right; margin-top: 10px;"> Cancel Save </p> </div>

1. Step 1 is new. Select the high-level financial statement classification that best fits your new account. NOTE: These align with the elements of the accounting equation, with special classifications for **bank accounts (assets)** and **credit card accounts (liabilities)**.
2. The **Save account under** field is similar to the **Account type** field in the old setup. The dropdown menu will include all the QBO **account types** in the classification selected in (1) above, **plus** any accounts of that **type** that already exist in the chart of accounts of your QBO company file.
3. The **Tax form section** field is the new name for the **detail type**. **Tax form section** options vary based on the **account type** selected in (2) above.
4. The **Account name** field is the same (where you enter the name for your account). NOTE: Names must be unique.
5. The **Account number** field is the same (where you enter the account number for your account). NOTE: Numbers must be unique.

A: In the new system, sub-accounts are created by selecting the parent account in the **Save account under** field. The parent account must exist before a sub-account can be created.

NOTE: You may see the old setup screen when you click **+ Add new** in the **CATEGORY** (account) field of a form (e.g bill, check, purchase order, etc.). Refer to the instructions in your textbook (Chapter 1) if you need help.