

Changing the Tax Status of a Service Item


Chapter 6 Homework

Once the sales tax feature is activated in Chapter 6, a new **Sales tax** field will be added to all products and services. The field automatically defaults to **Taxable – standard rate** for all items, including **service** items.


In your Chapter 6 homework, you'll need to change the tax status for all **service** items.


Click **Edit** in the **ACTION** column dropdown menu for each **service** item to open the item record.

Product/Service information ×

 **Service** [Change type](#)

Name*

Design 



SKU

Description
☒ I sell this product/service to my customers.


Custom Design

Sales price/rate


75

Income account

Design income ▼

Sales tax 

Taxable - standard rate
We'll apply sales tax based on location only.

 **Edit sales tax**

Click **Edit sales tax**.

Product/Service information ×

[< Back](#)

What kind of product or service is this?
Tell us what it is, and we'll make sure it's taxed correctly.

Browse all

> Automotive repair

> Construction

> Information technology

> Personal services

> Still don't see what you're looking for?

Click **Still don't see what you're looking for?**.

✓ **Still don't see what you're looking for?**

Select 'Taxable - standard rate' if you can't find a category that fits, and we will apply a standard sales tax rate based on location only.

☐ Taxable - standard rate

☒ **Nontaxable**

Done

Toggle **Nontaxable** and click **Done**.