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ALL-IN-ONE DESK REFERENCE
FOR
DUMMIES®

by Gail A. Perry, CPA



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About the Author

Gail A. Perry is a licensed CPA, financial journalist, author, speaker, and instructor. Gail prides herself on her ability to present technical subjects in plain English and often with a touch of humor. Gail is a contributing editor at *Accounting Today* magazine, the premiere business newspaper for the tax and accounting community. Gail is a former senior tax accountant with the Big Four accounting firm, Deloitte, where she provided tax planning services and financial advice to individuals and small businesses. She continues to maintain a tax and financial consulting practice for about 50 clients.

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Dedication

This book is dedicated to Katherine and Georgia, with all my love.

Author's Acknowledgments

I'm the lucky person whose name goes on the cover of this book, but that doesn't begin to tell the real story. Behind the scenes, many, many people worked as a team to put the *Quicken All-in-One Desk Reference For Dummies* together. Some of the key players, who deserve special recognition, include Bob Woerner, who rode herd over all of us, Linda Morris, for her intelligent and sensitive editing, David Ringstrom, who made sure that everything I describe in this book works as I describe it, and the clever and hardworking people in Composition Services, Graphics, and Indexing who are responsible for designing the finished product.

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Introduction

I have a few paragraphs here to tell you what makes this book different from other Quicken books and to encourage you to add this book to your library. I've been a devoted Quicken user since the 1980s. Sometimes I wonder how I managed to keep track of my finances at all before Quicken came along. I can't think of a better way to remain totally aware of all aspects of my personal finances than by using this program.

Not only does Quicken provide you with an electronic storage area for all of your bank account transactions — and trust me, saving more than 10 years worth of financial data in one place, with easy access to comparative reports and charts is not something you can re-create out of the boxes of cancelled checks gathering dust in your closet — but the program is so much more than that.

Quicken is an investment tracker, a retirement planner, a home budget minder, a bill payer, a monitor for credit cards, a business organizer, a tax saver, and, oh yeah, a bank account supervisor — all rolled into one neat little package. And using Quicken, you feel like you have a firm grip on all of the numbers that flow through your accounts.

But there's another side to Quicken: financial savvy. Not only do you want to know how much money you have in the bank and in your investment accounts, but you also want to know how you're going to plan for the use of that money 10, 20, or 30 years from now. Maybe you want to send your kids to college, save for your retirement, buy a house, or experiment with the stock market. Or you want to raise your credit rating, take a trip every now and then, keep your bills under control, and still pay your taxes.

With the help of this book, you can look at the big picture. You can stop tracking results of past financial activities and start planning for the results you want to see in your financial future. "A personal finance manifesto" is how my editor and I described this book when we first discussed the vision we had: a book that would transcend the "how-to" and delve into the "why" of financial record-keeping.

I hope you find that this book has lived up to that vision. And I hope you decide to add this book to your library.

About This Book

The *Quicken All-in-One Desk Reference For Dummies* is a reference book, not meant to be read in any particular order. Just as you would pick up a gardening book and look to the Table of Contents and the Index for the particular flowers or shrubs about which you want to know more, I envision you picking up this book and seeking a path to the financial topics you want to study.

You'll notice that, unlike many other Quicken books on the market, this book does not refer to a specific version of the Quicken program. Although I've used the most up-to-date version of the program for my illustrations and examples, I've tried to make the book all-encompassing and useful to owners of any version of Quicken. After all, the rules for basic data entry in Quicken programs over the years have changed very little. I've tried to encompass that continuity and produce a book that can be read by more than the small group who happened to purchase the current model.

When it comes to finding your way around, I hope you'll refer to the Table of Contents and the Index extensively, as they have been constructed with logic and significance in mind. They should lead you directly to the parts of the book that provide you with the information you need.

I strived to avoid redundancy in this book, and yet there are certainly times when one topic requires material from another topic to make an explanation understandable. In these cases, I included cross-references to other parts of the book where you can flip to if you want related or, in some cases, more in-depth information.

Foolish Assumptions

I made only a handful of assumptions about the readers of this book (that means you). I don't make any assumptions at all about the state of your personal finances. And I don't expect you to be financial experts, CPAs, CFOs, AARPs, PETAs, Republicans, Army veterans, or members of any other group. I *do* expect the following:

- ◆ You have some finances. Maybe you have a checking account, a savings account, and a retirement plan at work. Maybe you are thinking about buying some stock. Maybe you're worried about being able to afford college or wondering how you'll ever survive when you want to retire. It doesn't matter what kind of financial scenario you have; it only matters that you have some money that you want to keep track of.

- ◆ You have a PC with enough memory to run Quicken. An Internet connection is handy but not an absolute necessity.
- ◆ You own or are about to acquire a version, any version, of Quicken, and you plan to use that program to keep track of your finances.

That's it.

How This Book Is Organized

The *Quicken All-in-One Desk Reference For Dummies* is a compendium of eight separate books, each covering a completely different aspect of Quicken and personal finances. The minibooks all get along together and freely talk about each other behind their respective backs, but you might find that some books are more to your liking than others, and nobody's going to mind if that happens. Here's a rundown of what you can expect in each of the books.

Book I: Personal Finance Basics

I take back everything I said about your needing to have Quicken. You don't even need Quicken for Book I: This is all about finances and nothing about computers. The idea behind Book I is to get you up to speed on a variety of basic areas of personal finance — areas that can then be translated into Quicken in later books. This personal finance minibook provides you with essential information about earning and spending your money, borrowing money, improving your credit score, budgeting, shopping for insurance, and saving for college and retirement.

Book II: Quicken Basics

It doesn't matter if you've never used Quicken before. Book II provides all the basic how-to information necessary for setting up your finances in Quicken and learning the ropes. You discover how to install Quicken, set up your bank accounts, enter transactions, and reconcile your bank account. You also find out about the world of online banking and how to get your own accounts set up for online services, if that interests you.

Book III: Investments

One of the main reasons people purchase Quicken software is to track their investments. In Book III, you see how to do just this. You can enter all of your investment holdings in Quicken, monitor the performance of your investments, and even use Quicken to keep an eye on investments you're considering for future purchases.

Book IV: Household Finances

Discover how you can use Quicken to help keep your debt to a minimum, stay on top of your credit card spending, reconcile your credit card accounts, save money on your mortgage, and keep track of your personal belongings for insurance purposes. Find out about Quicken's online bill payment services, and see how you can create a budget that really works.

Book V: Taxes

You're going to love owning Quicken when it comes time to prepare your tax return. Book V shows you how to enter information in Quicken that can be readily transferable to your tax return. No more burning the midnight oil in mid-April. Your tax return can be completed in January if you take advantage of the tax features offered in Quicken. See how to produce reports that provide the information you need for your tax return, and, if you like, find out how you can transfer your Quicken data right over to TurboTax to produce your tax return right on your own computer. Tax-planning tips round out this book that is all about individual income taxes.

Book VI: Retirement Planning and Other Saving

In Book VI, you see how to monitor your retirement saving in Quicken and receive some basic planning tools to help determine how much money you need for retirement, and how long it's going to take you to acquire that money. You also get familiar with the rules for withdrawing money from your tax-deferred retirement accounts and find out about receiving Social Security benefits and other joys of retirement. Book VI also presents information about saving for college, including 529 plans and other long-term savings opportunities.

Book VII: Quicken Reports

One of the primary reasons for using Quicken is to assemble all of your financial information in such a way that it can be easily accessed. When you produce reports in Quicken, you provide the tools for real financial planning and analysis. Find out about the standard reports that come with Quicken and how those reports can be useful to you. Then discover how you can customize Quicken's reports so that you get the exact information you need to make informed decisions about your finances.

Book VIII: Small Business Finances

Quicken is the first choice of many small businesses when it comes to tracking business finances. You can create customer invoices in Quicken, prepare estimates and track individual job performance, record and track accounts receivable and accounts payable, generate a payroll for your employees,

record fixed assets, and produce reports that show you how your business is doing.

Appendixes

These tips and tools really relate to all of your Quicken use, so I decided to create a series of appendixes on the Web for this information. The Web site for *Quicken All-in-One Desk Reference For Dummies*, which is located at www.dummies.com/go/quickenaid, includes the following appendixes:

- ◆ **Backing Up Data:** Find out how to back up data on-site and off-site, and about online storage of your backed-up data files.
- ◆ **Aggravating Things About Quicken:** I love the program, but that doesn't mean Quicken is perfect. Here are a few of my pet peeves, and an opportunity for you to submit your own.
- ◆ **Resources for Personal Finance:** The Internet is full of outstanding resources for personal financial information. Here are a few noteworthy and useful sites.
- ◆ **Getting Help with Quicken:** If you're looking for answers to sticky questions, and can't find them here, try the variety of support sources offered by Intuit, the folks who brought you Quicken.

Icons Used in This Book

Watch for these little pictures; they point the way to important information as you go along.



Tips can help you work smarter and faster. Look for the Tip icon to tell you short cuts and easy ways to make your Quicken experience more fun and more productive.



This icon saves you the trouble of digging out your yellow highlighter. The Remember points are important little tidbits that I want to make sure you don't overlook.



If you neglect to pay attention to these bits of important information, I get to say, "I told you so!" when things go wrong!



These technical points tell you why Quicken is doing what it's doing, or why certain rules exist. There's not a lot of nerdy technical information in this book, but where it exists, I've tried to set it aside with this icon.

Where to Go from Here

Well, try turning the page. Dig into the Table of Contents and see what looks interesting. But wait! First head back to the very first page and put your name inside the front cover. Take ownership of your book! Feel free to dog-ear pages, scribble in margins, and highlight the daylights out of the points you feel are important. Most of all, enjoy using this book, enjoy using Quicken, and good luck with your future of excellent financial planning!