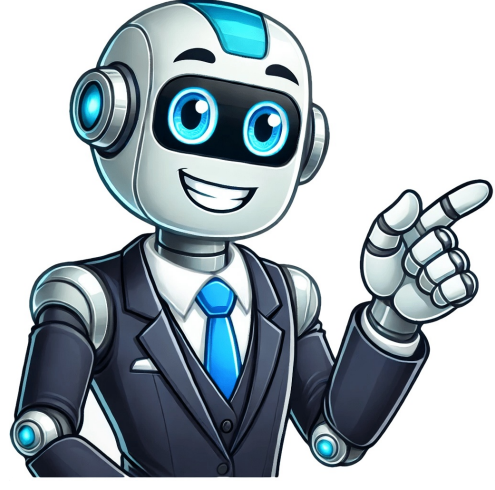


I'm not a bot

























Intuit's QuickBooks Online excels as a small business accounting application because it offers a class-leading range of flexible features and reports without sacrificing ease of use. A well-integrated payroll app and hundreds of add-ons extend its utility. Recent enhancements include an Etsy integration, expanded transaction management, useful tax tools, and an impressive shipping support tool. You pay a lot for the privilege of using it, but QuickBooks Online earns our Editors' Choice award for businesses that need the best item-tracking capabilities. If your small or medium-sized business (SMB) is service-based, however, FreshBooks, our other Editors' Choice winner, provides a competitive user experience and project management features.

**How Much Does QuickBooks Online Cost?**QuickBooks Online comes in four versions—Simple Start, Essentials, Plus, and Advanced—all of which look and work similarly. A free 30-day trial is available for each. Prices start at \$35 per month and go up to \$235 per month. I reviewed the Plus version, which costs \$99 per month (\$9 more than a year ago). Among its features are inventory and project profitability tracking, integrations with four sales channels (Amazon, eBay, Etsy, and Shopify), and support for five users. It costs more than any of the competing small business accounting applications I've reviewed. FreshBooks, for instance, can be more affordable, depending on the number of users. Its Premium version (\$60 per month) offers some of the same functionality as QuickBooks Online Plus, along with some unique features. FreshBooks does, however, charge \$11 per month for each additional team member. Wave Pro (\$16 per month) and Xero Early (\$20 per month) are the least expensive alternatives I've tested, but they lack many features and some flexibility.

**Getting Started With QuickBooks Online**Once you create an account, QuickBooks Online asks for basic information about your business. The site works in the background to change some of the core settings to accommodate your needs. After you connect your bank accounts, the service quizzes you about specific transactions, asking whether a designated category would be appropriate for a particular expense. If it is, the site categorizes similar transactions the same way going forward. New users can get help with setup by phone free of charge, which is huge. Online help seems to be better than before, with additional options for support via chat or the online community. (Credit: Intuit/PCMag)

The site's dashboard has improved since my last review. The core home page now shows customizable shortcuts, a task list, bank account balances, and more charts and graphs than in the past (including a new one for taxable profit). This is the best combination of tools and data I've seen. Two additional pages in the dashboard provide more cash flow details and a big chart that toggles between a customizable view of your cash balance and money flow.

QuickBooks Online's user interface looks attractive and professional, though I wish it didn't sprawl so much on some pages. The site gets around this by occasionally using panels that slide out from the right for data entry. I really like this UI convention. Navigating all the sections is always intuitive.

QuickBooks Online's Sales Tools Customer records are more thorough than most I've seen, and the software supports more import formats (CSV, Excel, Google Sheets, and QuickBooks Desktop) than others. Each customer's home page has contact information, along with more unusual fields, like preferred language and Price Rules. That last feature isn't available for all subscribers but can be useful for setting conditional pricing. This page also shows links to the customer's transactions, statements, projects, recurring transactions, and late fees. Only Zoho Books rivals this flexibility. (Credit: Intuit/PCMag)

The software offers a full complement of sales transaction forms, from invoices and estimates to sales receipts and credit memos. There are even sales orders, but no retainer invoices like FreshBooks offers. Invoice forms are more customizable in both design and content than what you get from competitors, and you can include limited custom fields. If you subscribe to a separate shipping service, you might be able to use the site's new ShipEngine capability. Its tools include shipping labels, discounted carrier rates, and integration with Intuit QuickBooks Online's invoicing (I wasn't able to test this).

The site provides more options for working with completed invoices than all the other sites I tested. You can see four views of the form: Edit, Email, Payor, and PDF. Numerous options for managing the invoice appear in the right vertical pane (like Customization and Scheduling) and from a link at the bottom (including Transaction Journal and Print Packing Slip). (Credit: Intuit/PCMag)

**Managing Bills and Expenses With QuickBooks Online**QuickBooks Online, like its competitors, can accept payments from customers via credit or debit card or bank payment. It also supports electronic bill payment through QuickBooks Bill Pay, something no other competitor offers. Both services require extra fees. You have the option to upload bills from your computer or enter them manually. There are five ways to get expenses into QuickBooks Online. You can upload them from your computer, upload them from Google Drive, forward them from email, and enter them manually on a form. You can also snap photos of receipts with your smartphone and let the site use OCR to transfer the details to an official form. The site lets you create and send purchase orders, too, which isn't common in this group of applications. Does QuickBooks Online Track Inventory?QuickBooks Online has powerful and flexible inventory tracking tools. Alternatives I tested either don't offer a full complement of tools (FreshBooks) or require an add-on to access them (Xero). The site warns you if you try to sell something you don't have in stock, and its inventory reports help you avoid running low or having too much money tied up in products that aren't selling well. The site tracks non-inventory parts, too. It allows you to build multi-item assemblies, as well as supports service-based sales. It provides strong internal time-tracking tools but also includes an integrated subscription to QuickBooks Time, a top-notch app for managing individual time entries and time sheets. (Credit: Intuit/PCMag)

**Does QuickBooks Online Offer Project Tracking?**QuickBooks Online's project tracking capabilities are excellent and comparable with those of FreshBooks. You simply assign transactions (invoices, payments, expenses, estimates, time, purchase orders, and bills) to specific projects. The site creates a page for each project, which shows you its current income and expenses by category at a glance. Besides this overview, you can see lists of related transactions and time activities, as well as project reports. Your current project profit always appears, too.

**The Best Reports in the Business**No other accounting service can match QuickBooks Online's reports in terms of design, customizability, and content. Most are standard reports that correspond to the site's core functions, such as sales and customers, expenses and vendors, accounts receivable and payable, and sales tax. Accountant reports (including standard financial reports like Statement of Cash Flows and Balance Sheet) are also available. You can save modified reports and export them as a CSV, Excel, or PDF file. (Credit: Intuit/PCMag)

**New Tax Readiness**QuickBooks Online moves a big step closer toward using your accounting data to prepare your taxes. It assigns your categorized transactions to the correct lines on Schedule C and estimates what you might owe at any given point. It also suggests additional areas where you could claim expenses. QuickBooks Live Tax is a new service that moves your Intuit QuickBooks Online data into Intuit TurboTax. This requires a subscription to one of the TurboTax Live options, which offers unlimited live help from one of Intuit's tax experts and costs more than the DIY version (pricing is not available as of this writing).

**Is QuickBooks Online Safe to Use?**Intuit's fraud prevention technology constantly scans the company's systems and blocks individuals who are up to no good. Employees proactively search for scams and frauds that might impact customers. Multi-factor authentication is a requirement, and the company safeguards your data using the AES-256 standard, which ensures the highest level of cryptographic security. Excellent Mobile AppsThe Android and iOS apps for QuickBooks Online are attractive and intuitive. They provide many of the tools and data from the browser interface—but you may have to search for some of them. I hoped Intuit would have brought them out of hiding by now (they're under the More/All icon). The apps support most of the features you need to get your accounting work done remotely, however. Charts and lists quickly update you about financial status. The dashboard and transaction management are great, but the customer and vendor records are a bit slim. Transaction forms, like invoices and expenses, are as detailed as they are on the web.

Overall, Patriot Software Accounting does the best job of replicating its site on mobile platforms; you can access its full site via a mobile browser. (Credit: Intuit/PCMag)

**Verdict:** The Clear Leader for SMB AccountingGiven Intuit QuickBooks Online's high price, you need to be committed to using it conscientiously and comprehensively. If you are, you'll find that it's a tremendous small business accounting application that can simplify and accelerate your financial management tasks while giving you the feedback you need to move your company forward. In particular, its inventory and reporting tools are in a class above others. QuickBooks Online is an Editors' Choice winner alongside FreshBooks, which isn't quite as thorough or flexible but better caters to service-based businesses.