

# Items



Explanation of Items

Item Type	Used For	Effect if Sold	Effect if Purchased
Service	Use for services you charge for or purchase, like specialized labor, consulting hours, or professional fees.	On Sale: Increases income	Increases expense
Inventory Part	Products purchased, tracked as inventory, and then resold. Ex: T-Shirts, shoes	Increases income, increases cost of goods sold, and decreases inventory assets	Increases inventory assets
Inventory Assembly	Allows the combination of inventory parts into a single item Ex: A couch is made up of wood, springs, leather or fabric, etc. but on the invoice appears as “couch”, not “wood, springs, leather...” (Appears on invoice as 1 item; total price can be greater than the cost of sub-items)	Increases income, increases cost of goods sold, and decreases inventory assets	
Non-Inventory Part	Use for goods you buy but don't track, like office supplies, or materials for a specific job that you charge back to the customer. Could also be products sold but not necessarily purchased, like a pizza.	Increases income, increases cost of goods sold, and decreases inventory assets	Increases expense
Other Charge	Use for miscellaneous labor, material or part charges, such as delivery charges, setup fees, and service charges.	Increases income	Increases expense
Subtotal	Use to total all items above it on a form up to the last subtotal. Useful for applying a percentage discount or a surcharge to many items.	No effect	No effect
Group	Used to quickly enter a group of individual items on an invoice. Each component will appear on invoice. (Price of group is the total of all sub-items) Ex: Contractor details charges for building something, or a painter details price of paint, labor, brushes, etc.	Each item in the group affects the same account as when used by itself	Each item in the group affects the same account as when used by itself.
Discount	Calculating an amount to be subtracted from a total or subtotal. Ex: A 10% discount is give to nonprofit groups. (Do not use this item type for an early payment discount.)	Either decreases income or increases expense (depending on item setup.)	Either decreases income or increases expense (depending on item setup.)
Payment	Use to record a partial payment at the time of the sale. It reduces the amount owed on an invoice.	Decreases the balance due on an invoice; increases the balance of a specified checking account or the Undeposited Funds account (depending on the setup of the item)	Decreases the balance due on an invoice; increases the balance of a specified checking account or the Undeposited Funds account (depending on the setup of the item)
Sales Tax Item	Calculates a single tax (only if sales tax feature is turned on)	Increases the balance in the Sales Tax Payable Account	Increases the balance in the Sales Tax Payable Account
Sales Tax Group	Calculates two or more sales taxes grouped together and applied to the same sale.	Increases the balance in the Sales Tax Payable Account	Increases the balance in the Sales Tax Payable Account