

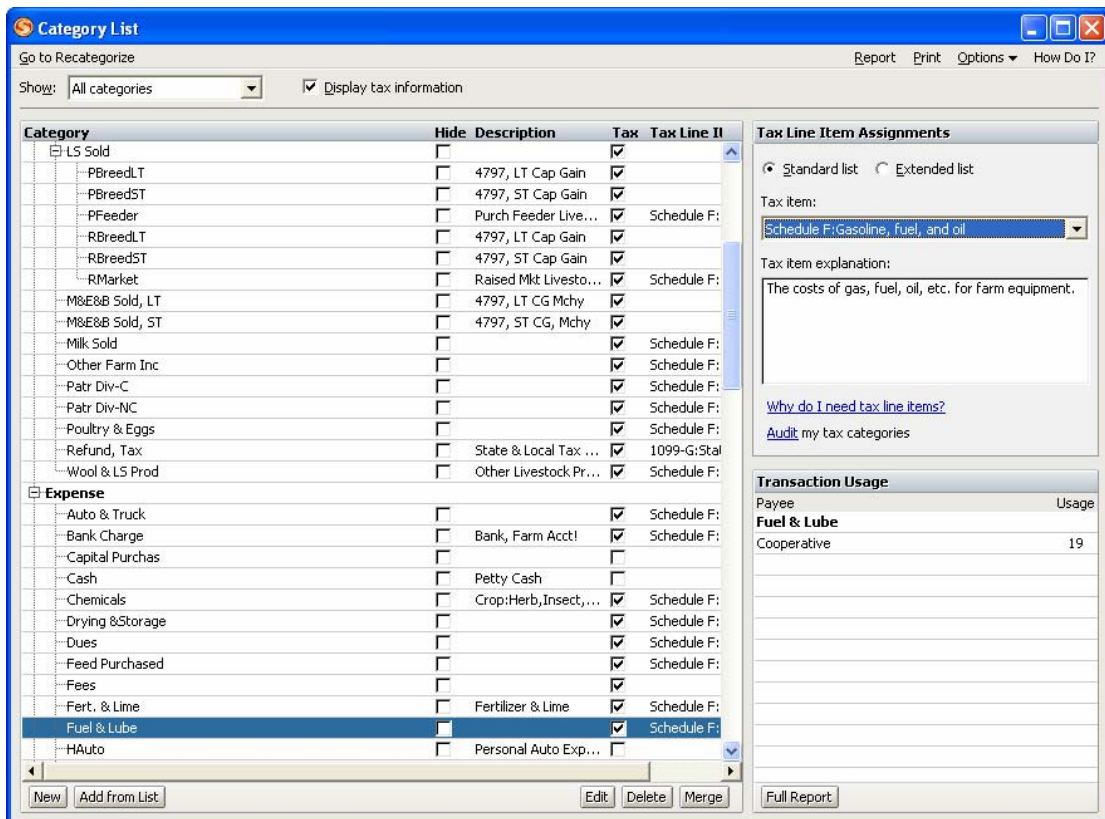
Categories & Classes

Categories are used to divide or classify transactions within Quicken. Examples are income and expense groups on Schedule F, the Ohio Commercial Farm Account Book categories, or those recommended from an accountant or tax preparer. Specific examples of categories might be Grain Sold or Feed Purchased. Each category is designated as tax or non-tax related for report and summary purposes.

Setting Up Categories

There are three different methods for adding categories to your account. First, they can be set up ahead of time. Second, they can be set up as transactions are entered into the register. And third, they can be imported into a file using a QIF file. There are detailed instructions on how to import categories at the end of this chapter in the section **Importing A Pre-Defined Set of Categories And Classes.**

From the menu bar **Click Tools** and **Click Category List.** This will open the *CATEGORY LIST* window.



The buttons on this window's top toolbar include the following:

Go to Recategorize – Recategorize transactions

Report - Create a report on the selected category

Print – Print this view

Options - Change settings for this window

How Do I? – Get help or submit feedback

The top toolbar also allows the user to select what categories they wish to show or hide from a drop-down list titled **Show:**

Users may also choose to display or hide tax information pertaining to categories by checking or unchecking the box **Display tax information.**

Buttons on this window's bottom toolbar include the following:

New, Add from List, Edit, Delete, and Merge which allows users to add or edit Categories.

You may also **Click Categories** from the Main Toolbar (if added) to open the *CATEGORY LIST* window.

To set up categories ahead of time, **Click New** button on the *Category List* window toolbar within the window. This gives you the *SET UP CATEGORY* window where you will begin entering information for your new category.

Set Up Category

Name: Fertilizer

Description:

Group:

Type

Income

Expense Spending is not discretionary

Subcategory of

Tax

Tax Line Item: Schedule F: Fertilizers and lime

Tax-related Standard Line Item List

Extended Line Item List

The cost of lime, fertilizers and other materials applied to farmland to enrich, neutralize or condition it and the costs of applying these materials. Refer to IRS Pub 225 for more information on prepaid farm expenses.

OK Cancel Help

First, you must enter the name for your new category (e.g., Grain Sold). **Second**, you are asked to give a description. While this is not mandatory, it is useful to provide detailed information about the category for future reference. This information can be accessed in the *CATEGORY LIST* window. **Third**, you will be asked to enter a Group for the category. Make sure this field is blank. (Categories may be grouped for budgeting purposes. See Quicken Help for more information on Category Groups.) **Fourth**, you are asked to select the type of category you are setting up: income, expense or subcategory (more on subcategories later). **Fifth**, make sure the ***Spending is not discretionary*** box is left unchecked. **Sixth**, you need to decide if the category is tax related. If it is, you need to **Click Tax-Related**. If it isn't a tax related category, leave this box blank.

Lastly, you may want to designate the tax form and line on the tax form this category corresponds to. You can choose from two lists of tax forms and lines from the pull-down menu. The ***Standard Line Item List*** is an abbreviated list of tax forms. For farm record keeping, the ***Extended Line Item List*** should be selected as it includes Schedule F and other farm related forms. Tax related portions of setting up a category are optional and are dependent on the level of detail you wish to obtain on reports. It is recommended that you at least designate whether the category is tax related or not. **Click OK** when finished.

Categories can also be set up as you are making transaction entries into the register. Simply enter information into entry fields of a transaction as you normally would. When you arrive at the category field, enter the name of the new category. When exiting this field, Quicken will prompt you with a *NEW CATEGORY* window asking ***DO YOU WANT TO CREATE A NEW CATEGORY WITH THE NAME "NEW CATEGORY NAME"?*** **Click Yes**. This will take you to the *SET UP CATEGORY* window where you will follow the same procedures as described in the previous paragraphs.

Editing Categories

To edit a category you first need to have the *CATEGORY LIST* window opened. Point to the category you wish to edit and **Click** to highlight the category. **Click** the **Edit** button on the *CATEGORY LIST* window toolbar. This will give you the *EDIT CATEGORY* window where you can change the various different components related to a category: Name, Description, Group, Type and Tax Sections. **Click OK** when finished.

Deleting and Merging Categories

To delete a category, highlight the category to be deleted in the *CATEGORY LIST* window. **Click** the **Delete** button from the *CATEGORY LIST* window toolbar. You will be prompted with one of two *Delete Category* windows either 1) *You are about to permanently delete the category "Category." If there are subcategories associated with this category, the subcategories will be deleted as well:* (This screen will appear if the category has not been assigned to any transactions.) **Click OK.** Or 2) *You are about to permanently delete the category "Category" and all associated subcategories. Do you want to assign a new category to transactions that currently use this category?* You can then select from the "Recategorize transactions to:" pull-down menu if you wish to assign a new category to these transactions. **Click OK** when finished. This window also states that *If you do not choose a replacement category, your affected transactions will be marked 'uncategorized.'*

Subcategories

Subcategories are a further breakdown of an income or expense category designated by a colon ':' between the category and subcategory in the category field when entering a transaction. For example, the Repairs category may have two subcategories, Building and Machinery to separate transactions and their associated dollar amounts for summarizing (e.g. Repairs:Building).

Subcategories are set up in the same way as categories, except when you designate "Type" in the *SET UP CATEGORY* window, **Click Subcategory of**, **Click** the adjacent down arrow to view the pull down menu. **Click** the category that the subcategory is to be assigned to. Subcategories are edited in the same way categories are edited.

Classes

Classes are a second way of classifying your transaction data so you can summarize by enterprise, landlord, property or farm, e.g., corn, soybeans, wheat, hogs, beef.

Classes may be set up in the same three ways categories are set up: 1) ahead of time, 2) as you enter transactions, 3) imported into a file using a QIF file.

Setting Up Classes

From the menu bar **Click Tools** and **Click Class List** to open the *CLASS LIST* window. The *CLASS LIST* window toolbar buttons are as follows:

New - Create a new class

Edit - Change the selected class

Delete - Delete the selected class

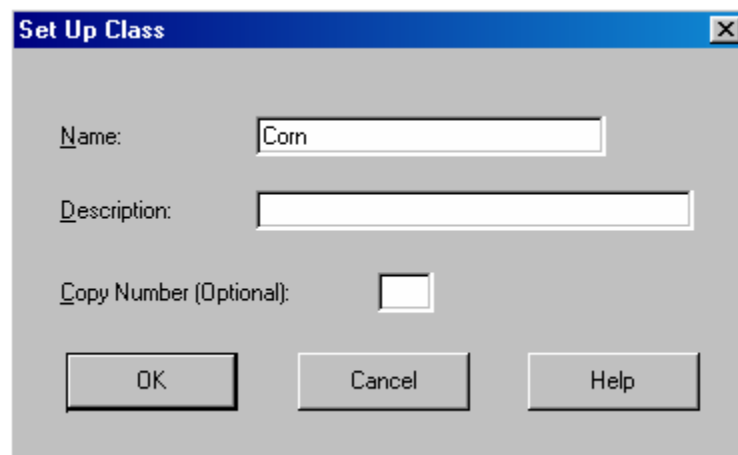
Report - Create a report on the selected category

Print – Print this view

How Do I? – Get help or submit feedback

You may also **Click Class** from the Main Toolbar (if added) to open the *CLASS LIST* window.

To set up classes ahead of time **Click** the **New** button from the *CLASS LIST* window toolbar. The *SET UP CLASS* window will then appear allowing you to enter Name and Description for the class. **Click OK** when done.



The image shows a screenshot of a dialog box titled "Set Up Class". The dialog box has a blue title bar with a close button (X) on the right. The main area is light gray and contains three input fields. The first field is labeled "Name:" and contains the text "Corn". The second field is labeled "Description:" and is empty. The third field is labeled "Copy Number (Optional):" and is empty. At the bottom of the dialog box, there are three buttons: "OK", "Cancel", and "Help".

When entering category and class information in the category/class field of a transaction the category name is followed by a backslash '/' to separate it from the class which is typed in following the '/' (e.g. Fertilizer/Corn).

To set up classes as you enter transactions, enter your transaction information as you normally would. When you get to the **Category** field enter your category followed by '/' Next, enter the new class name. **Click Enter**. You will then be prompted with the *SET UP CLASS* window. Proceed from here as you did when setting up classes ahead of time.

Using A Pre-Defined Set Of Categories And Classes

One of the advantages of Quicken is the ability to create your own categories and classes for your farm record system. However, some record keepers prefer to use a pre-defined set of categories and classes rather than creating their own. The following Category Lists were created by OSU Farm Management Specialists. The first list, contained in the FARM&HOME.QIF file, is fairly detailed and contains farm, home and personal categories, classes and suggestions for accounts. The second Category List is contained in the FARM.QIF file and contains the same farm categories and classes, but fewer family living and personal categories than FARM&HOME.QIF.

Both lists are available from the authors, your local OSU Extension office or can be downloaded from the OSU Extension website at <http://www.ag.ohio-state.edu/~agnatres/software>, Click Farm Management. These downloaded files are ZIP files and will need to be converted to QIF files using the WinZip program. If you do not have WinZip on your computer, it can be downloaded at www.winzip.com.

FARM&HOME CATEGORY LIST - the following categories are in the FARM&HOME.QIF file. Home/personal categories start with an "H", other categories are farm business categories.

<u>CATEGORY</u>	<u>TYPE</u>	<u>TAX</u>	<u>DESCRIPTION</u>
CCC Loan	Inc		IF NOT USING LIABILITY ACCOUNT
CCC Loan as Inc	Inc	Tax	CCC Loan Inc or Redeemed
Custom Work	Inc	Tax	
Gas Tax Refunds	Inc	Tax	
Gifts Received	Inc		
Govt Payments	Inc	Tax	Government Payments
Grain Sold	Inc	Tax	Crop Sales
HDiv&Int	Inc	Tax	Nonfarm Interest & Dividends
HOtherInc	Inc	Tax	Other Nonfarm Income
HWages	Inc	Tax	Nonfarm Wage Income
Inc, Int	Inc	Tax	Interest Income
Inc, Invest	Inc	Tax	Investment Income
Inc, Rents	Inc	Tax	
Loans Receipts	Inc		IF NOT USING LIABILITY ACCOUNT
LS Sold	Inc	Tax	Livestock Sales
PBreedLT	Sub	Tax	Form 4797, Long Term Capital Gains
PBreedST	Sub	Tax	Form 4797, Short Term Capital Gains
PFeeder	Sub	Tax	Purchased Feeder Livestock Sold
RBreedLT	Sub	Tax	Form 4797, Long Term Capital Gains
RBreedST	Sub	Tax	Form 4797, Short Term Capital Gains
RMarket	Sub	Tax	Raised Market Livestock Sold

M&E&B Sold	Inc	Tax	Mach & Equip & Other Cap Assets Sold
LT	Sub	Tax	Form 4797, Long Term Capital Gains
ST	Sub	Tax	Form 4797, Short Term Capital Gains
Milk Sold	Inc	Tax	
Other Farm Inc	Inc	Tax	
Patr Div-C	Inc	Tax	Cash Portion Qualified Patronage Dividend
Patr Div-NC	Inc	Tax	NonCash Portion Qualified Patronage Div
Poultry & Eggs	Inc	Tax	
Refund, Tax	Inc	Tax	State & Local Tax Refunds
Wool & LS Prod	Inc	Tax	Other Livestock Products
Auto & Truck	Exp	Tax	
Bank Charge	Exp	Tax	Bank Charges for Farm Account
Capital Purch	Exp		IF NOT USING ASSET ACCOUNT
CCCGrCost	Exp	Tax	Expense of Grain with CCC Loan as Income
Chemicals	Exp	Tax	Crop Herbicides, Insecticides, Supplies
Drying&Storage	Exp	Tax	
Dues	Exp	Tax	
Feed Purchased	Exp	Tax	
Feeder LS	Exp	Tax	Feeder Livestock Purchased for Resale
Cost	Sub	Tax	Purchase Cost Deducted at Time of Sale
Purch	Sub		IF NOT USING ASSET ACCOUNT
Fees	Exp	Tax	
Fert & Lime	Exp	Tax	Fertilizer & Lime
Fuel & Lube	Exp	Tax	
HAuto	Exp		Personal Auto Expense
HCharity	Exp	Tax	Charitable Contributions
HClothing	Exp		
HFamily Draw	Exp		IF NOT USING A CASH ACCOUNT
HFood	Exp		Groceries & Restaurants
HGifts	Exp		
HHouseImpr	Exp		Furniture, Appliances, Repairs
HInsurance	Exp		Auto, Life, Personal
HInterest	Exp		Personal Interest
HIntMort	Exp	Tax	Deductible Home Mortgage Interest
HMedical	Exp	Tax	Health Insurance, Doctors, Prescription
HMisc	Exp		Miscellaneous Home & Personal Expenses
Insurance	Exp	Tax	Farm Insurance
Interest Exp	Exp	Tax	Interest Expense
Interest, Mort	Exp	Tax	Mortgage Interest Expense
Lease	Exp	Tax	Lease Payments
Loan Principal	Exp		IF NOT USING LIABILITY ACCOUNT
Mach Hire, Truck	Exp	Tax	Machine Hire & Trucking
Marketing	Exp	Tax	Marketing Charges
Brdg&Cap	Sub	Tax	For Breeding LS & Capital Asset Sales
Crops	Sub	Tax	For Crop Sales
Mkt LS	Sub	Tax	For Market Livestock Sales
Other	Sub	Tax	For Other Farm Related Sales
Misc	Exp	Tax	Miscellaneous Farm Expense
Payroll	Exp	Tax	Payroll Expenses
Comp FICA	Sub	Tax	Employer Paid FICA
Comp MCARE	Sub	Tax	Employer Paid Medicare
Gross	Sub	Tax	Gross Wages Paid

Pre-Tax	Exp	Tax	Pre-tax Deductions
Dent Ins	Sub	Tax	Pre-tax Dental Insurance
Life Ins	Sub	Tax	Pre-tax Life Insurance
Med Ins	Sub	Tax	Pre-tax Medical Insurance
Pre-Tax, Spouse	Exp	Tax	Pre-tax Deductions, Spouse
Dent Ins	Sub	Tax	Pre-tax Dental Insurance
Life Ins	Sub	Tax	Pre-tax Life Insurance
Med Ins	Sub	Tax	Pre-tax Medical Insurance
Prof Services	Exp	Tax	Accounting, Legal, Consultants
Rent	Exp	Tax	Cash Rent Paid
Repairs	Exp	Tax	Repairs & Maintenance
Building	Sub	Tax	Building & Fence Repairs
Mchy	Sub	Tax	Machinery Repairs
Resale Items	Exp	Tax	Other Items Purchased For Resale
Cost	Sub	Tax	Cost of Items Deducted At Time Of Sale
Purch	Sub		IF NOT USING ASSET ACCOUNT
Seeds & Plants	Exp	Tax	Seeds & Plants Purchased
Subscriptions	Exp	Tax	Farm Publications
Supplies	Exp	Tax	General Farm Supplies
Supplies LS	Exp	Tax	Livestock Supplies
Tax	Exp	Tax	Taxes Paid
Federal	Sub		
FICA	Sub		Soc Sec Tax – Farm & Non-Farm Earnings
Hprop	Sub	Tax	Home Property Tax
Other	Sub	Tax	
Property	Sub	Tax	Farm Property Tax
State	Sub	Tax	State Tax
Utilities	Exp	Tax	
Electric	Sub	Tax	Farm Share
Heating	Sub	Tax	Farm Share
Hutilities	Sub		Home & Personal Utilities
Telephone	Sub	Tax	Farm Share
Vet & Med	Exp	Tax	
Workers Comp	Exp	Tax	Workers Compensation

Classes are another way of classifying (in addition to categories) farm record data by enterprise, landlord, farm, etc. The following classes would be possibilities for a crop/livestock farm and are included in the FARM&HOME.QIF file and the FARM.QIF file.

Beef
Corn
Dairy
Gen Farm
Hogs
Home
Soybeans
Wheat

The following accounts are types of suggested accounts to be set up and used in lieu of several of the categories identified in the above list. These are not part of the FARM&HOME.QIF file or the FARM.QIF file, but would need to be created by each record keeper. See the **Accounts** chapter for information on creating accounts.

[CASH]	Cash	Cash account for recording taxable & non-taxable cash transactions
[LOAN]	Liability	Liability account(s) for recording loan disbursements & loan principal payments
[RESALE INV]	Asset	Asset account(s) for recording feeder livestock purchased for resale
[CAP PURCH]	Asset	Asset account(s) for recording capital purchases

The FARM.QIF category & transfer list contains the same farm business categories, classes and accounts as listed above, but significantly fewer home/personal categories.

Importing a QIF File

Be aware that if you are importing a QIF file, the categories in the QIF file will be added into your data file that may contain a number of categories already. If you only want to use the categories contained in the QIF file, you need to delete all the categories in your data file before importing the QIF file. If you want to keep some of the categories included in your file when it was created by Quicken, delete only those that you do not want before importing. See **Deleting and Merging Categories** earlier in this chapter for the procedure to delete categories.

The steps for importing a QIF file are:

1. If your **FARM&HOME.QIF** (or **FARM.QIF**) file is on a disk, insert the disk into the **A:** drive. If you downloaded the file, go to the next step.
2. From the menu bar, **Click File, Click Import** and **Click QIF File** to open the *QIF Import* window.
3. Under location of *QIF File*:, **Click** the **Browse** button to open the *Import from QIF File* window.

4. From within the *Import from QIF File* window, **Click** the down arrow adjacent to **Look in:** to view the pull down menu. If on disk, **Click (A:)**, **Click FARM&HOME.QIF** and **Click OK**. If you downloaded the file, **Click (C:)**, **Double Click** the folder where your **FARM&HOME.QIF** file is located, **Click FARM&HOME.QIF** and **Click OK**.
5. Under *Quicken Account to Import into:* **Click** the down arrow to view the pull down menu. **Click <All Accounts>** to import the **FARM&HOME.QIF** file into the destination file.
6. Under *Include in Import*, **Click Category List**. Remove all other check marks and **Click OK**.
7. After the importing is finished, from the menu bar **Click Tools**, **Click Category List** to view the list of categories. **Click Tools** and **Click Class List** to check the list of classes imported.
8. To print a list of categories and classes, refer to the section **Printing the Category List** and **Printing the Class List** earlier in this chapter.