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

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.
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 class
- **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.

![Set Up Class Window](image)

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.

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>TYPE</th>
<th>TAX</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCC Loan</td>
<td>Inc</td>
<td></td>
<td>IF NOT USING LIABILITY ACCOUNT</td>
</tr>
<tr>
<td>CCC Loan as Inc</td>
<td>Inc</td>
<td>Tax</td>
<td>CCC Loan Inc or Redeemed</td>
</tr>
<tr>
<td>Custom Work</td>
<td>Inc</td>
<td>Tax</td>
<td></td>
</tr>
<tr>
<td>Gas Tax Refunds</td>
<td>Inc</td>
<td>Tax</td>
<td></td>
</tr>
<tr>
<td>Gifts Received</td>
<td>Inc</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Govt Payments</td>
<td>Inc</td>
<td>Tax</td>
<td>Government Payments</td>
</tr>
<tr>
<td>Grain Sold</td>
<td>Inc</td>
<td>Tax</td>
<td>Crop Sales</td>
</tr>
<tr>
<td>HDiv&amp;Int</td>
<td>Inc</td>
<td>Tax</td>
<td>Nonfarm Interest &amp; Dividends</td>
</tr>
<tr>
<td>HOtherInc</td>
<td>Inc</td>
<td>Tax</td>
<td>Other Nonfarm Income</td>
</tr>
<tr>
<td>HWages</td>
<td>Inc</td>
<td>Tax</td>
<td>Nonfarm Wage Income</td>
</tr>
<tr>
<td>Inc, Int</td>
<td>Inc</td>
<td>Tax</td>
<td>Interest Income</td>
</tr>
<tr>
<td>Inc, Invest</td>
<td>Inc</td>
<td>Tax</td>
<td>Investment Income</td>
</tr>
<tr>
<td>Inc, Rents</td>
<td>Inc</td>
<td>Tax</td>
<td></td>
</tr>
<tr>
<td>Loans Receipts</td>
<td>Inc</td>
<td></td>
<td>IF NOT USING LIABILITY ACCOUNT</td>
</tr>
<tr>
<td>LS Sold</td>
<td>Inc</td>
<td>Tax</td>
<td>Livestock Sales</td>
</tr>
<tr>
<td>PBreedLT</td>
<td>Sub</td>
<td>Tax</td>
<td>Form 4797, Long Term Capital Gains</td>
</tr>
<tr>
<td>PBreedST</td>
<td>Sub</td>
<td>Tax</td>
<td>Form 4797, Short Term Capital Gains</td>
</tr>
<tr>
<td>PFeeder</td>
<td>Sub</td>
<td>Tax</td>
<td>Purchased Feeder Livestock Sold</td>
</tr>
<tr>
<td>RBreedLT</td>
<td>Sub</td>
<td>Tax</td>
<td>Form 4797, Long Term Capital Gains</td>
</tr>
<tr>
<td>RBreedST</td>
<td>Sub</td>
<td>Tax</td>
<td>Form 4797, Short Term Capital Gains</td>
</tr>
<tr>
<td>RMarket</td>
<td>Sub</td>
<td>Tax</td>
<td>Raised Market Livestock Sold</td>
</tr>
</tbody>
</table>
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 Tax IF NOT USING ASSET ACCOUNT
CCGrCost 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 Tax IF NOT USING ASSET ACCOUNT
Fees Exp Tax
Fert & Lime Exp Tax Fertilizer & Lime
Fuel & Lube Exp Tax
HAuto Exp Tax Personal Auto Expense
HCharity Exp Tax Charitable Contributions
HClothing Exp Tax
HFamily Draw Exp Tax IF NOT USING A CASH ACCOUNT
HFood Exp Tax Groceries & Restaurants
HGifts Exp Tax
HHouseImpr Exp Tax Furniture, Appliances, Repairs
HInsurance Exp Tax Auto, Life, Personal
HIinterest Exp Tax Personal Interest
HIntMort Exp Tax Deductible Home Mortgage Interest
HMedical Exp Tax Health Insurance, Doctors, Prescription
HMisc Exp Tax 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 Tax IF NOT USING LIABILITY ACCOUNT
Mach Hire, Truck Exp Tax Machine Hire & Trucking
Marketing Exp Tax Marketing Charges
Brpd&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 Tax 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 Sub Soc Sec Tax – Farm & Non-Farm Earnings
  FICA Sub Tax Home Property Tax
  Hprop Sub Tax Farm Property Tax
  Other Sub Tax
  Property Sub Tax State Tax
  State Sub Tax State Tax
Utilities Exp Tax
  Electric Sub Tax Farm Share
  Heating Sub Tax Farm Share
  Hutilities Sub Tax 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.

<table>
<thead>
<tr>
<th>Account</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>[CASH]</td>
<td>Cash account for recording taxable &amp; non-taxable cash transactions</td>
</tr>
<tr>
<td>[LOAN]</td>
<td>Liability account(s) for recording loan disbursements &amp; loan principal payments</td>
</tr>
<tr>
<td>[RESALE INV]</td>
<td>Asset account(s) for recording feeder livestock purchased for resale</td>
</tr>
<tr>
<td>[CAP PURCH]</td>
<td>Asset account(s) for recording capital purchases</td>
</tr>
</tbody>
</table>

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.