



Giving Away Gift Certificates in QuickBooks® POS

Gift Certificates are usually paid for when purchased, which credits a Liability account on your QuickBooks® Balance Sheet and debits your Cash/Checking. If you give away Gift Certificates, you'll still want to have your Liability account increased, but because you haven't received any cash, you'll want to show the offset value as an expense (i.e., a Donation expense or a Marketing/Promotional expense). To do this, you'll need to track that give away to a specific customer in POS, so the system can create a Receivable (you'll see more as we proceed) that we can Discount.

IF YOU USE QUICKBOOKS® FINANCIAL SOFTWARE:

1. Open a blank sales receipt in POS, enter the recipient in the customer field and go directly to the **Take Payment** screen.
2. Enter the amount being donated in the **Gift Certificate** field of the **Sell** column.
3. Enter the same amount in the **Account** field under **Charge to**. Press **Enter** and then click **Save Only**. When you process the End of Day, this will create a Receivable in your financial system for that customer.
4. After the End of Day process, open QuickBooks®. Select the **Customers** menu and select **Receive Payments**.
5. Enter the recipient in the **Customer/Job** window and the Invoice for the Gift Certificate will appear.
6. Do NOT enter a received dollar amount. Instead, select the invoice and click the **Set Discount** button.
7. Enter the amount of the Gift Certificate in the Amount of Discount field and select the appropriate expense account for the Discount account (i.e., **Donation expense** or **Marketing/Promotional expense**).
8. Click **Done** and then click **Save and Close**.

IF YOU DO NOT USE QUICKBOOKS® FINANCIAL SOFTWARE:

1. In POS, create a **Non-Inventory** item with a description of **Promotional Gift Certificate** and set the **Tax Code** to **Non**.
2. Enter the item on a black return receipt and change the **Price** to the amount of the Gift Certificate.
3. Proceed to the **Take Payment** screen and move the amount in the **Change** column to the **Gift Certificate** line under **Sell**.
4. Press **Enter** and then click **Save Only**.