



QB-Learner

Level 1

posted 12-10-2018 05:20 PM

• last updated December 10, 2018 5:20 PM

How to deposit money to owners equity?

I skimmed through some info from the forums but am still confused.

I have a business account (Bank Type) this is where all payments/deposits go.

Now, from time to time there is not enough funds in my business account and I have to pull out of personal money to be able to make a transaction.

How do I deposit or put my personal money into Owners Equity? that will in turn be able to deposit into my Business account? And can QB track how much you have put into the business from personal funds?

Thanks in advance.

Solved

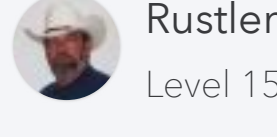
QuickBooks Desktop

Cheer

Reply

Best answer 12-10-2018

Solved



Rustler

Level 15

I recommend you have the following for owner equity accounts
owner equity
owner equity drawing - you record value you take from the business here
owner equity investment - record value you put into the business here

So you make a deposit in the bank account and use owner equity investment as the source account for the deposit.

I have a step by step targeted tutorial on equity, see this posting if you are interested

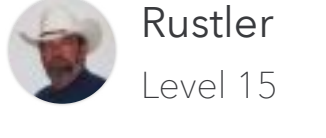
<http://onsale-apparel.com/Rustler/my/tutorials>

[View solution in original post](#)

Cheer4 Cheers

Reply

8 Comments



Rustler

Level 15

12-10-2018 05:20 PM

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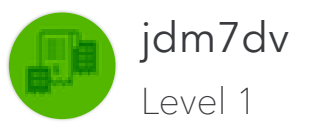
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[View solution in original post](#)

Cheer4 Cheers

Reply



jdm7dv

Level 1

12-10-2018 05:20 PM

Is this answer legal?

Is this answer legal?

Cheer

Reply



qbteachmt

Level 15

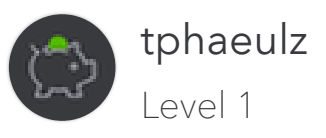
12-10-2018 05:20 PM

@jdm7dv Sure, it is legal to make a deposit as Equity, fo...

@[jdm7dv](#) Sure, it is legal to make a deposit as Equity, for the sole proprietorship that is Owner, who funds their business bank account from personal funds. It is not how to track Funds provided to an LLC or Corporation. For those entity types, you might have a Loan scenario; it is Not Right in the tax regulations for a Single-member LLC or Sole Proprietorship to consider your business is in debt to/from yourself.

Cheer

Reply



tphaeulz

Level 1

02-07-2019 06:40 AM

Re: I recommend you have the following for owner equity accou...

What if the cash wasn't deposited? How do I show that the cash spent (money from client) was owner payment?

Cheer

Reply



qbteachmt

Level 15

02-07-2019 08:01 AM

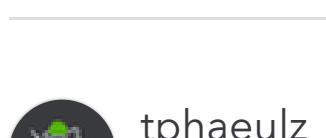
Re: I recommend you have the following for owner equity accou...

When the owner keeps funds from customer payments, you still need to process it as Sales. Then, in the Banking deposit window, you can can show "cash went to Owner Equity" and that would be a Negative (for QBO) or, for QB Desktop, it's a provided entry at the bottom of the Make Deposit screen. Please see my attachment.

 [Deposit multiple accounts.JPG](#) 

Cheer1 Cheer

Reply



tphaeulz

Level 1

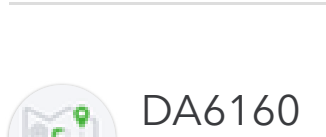
02-08-2019 03:59 AM

Re: I recommend you have the following for owner equity accou...

Thanks

Cheer

Reply



DA6160

Level 2

05-09-2019 04:41 PM

Re: Is this answer legal?

Very legal, you are just categorizing the transaction to select funds in our out, and how. Everything else the CPA determines. Good luck.

Cheer

Reply



quinn1

Level 3

2 weeks ago

Re: I recommend you have the following for owner equity accou...

I categorized a cash deposit from my bank feed as owners equity investment. It shows in that account in my chart of accounts, however, when I reconcile for that statement period it shows a discrepancy of that amount. Is this amount to be posted to another account or something?

Cheer

Reply

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