Update Report for QuickBooks Online

Chapter 7

Academic Year 2025–2026

Last updated October 16, 2025

If you're an ebook user, these edits are already included there. If you're using the print book, we recommend you print this report for easy reference as you work through the course.

Edits for print version 10 9 8 7 6 5 4 3 2 1 (check your copyright page)

IMPORTANT! As you may know, Intuit has been rolling out a new QuickBooks Online interface but up to this point has been allowing users to revert to the classic user interface. **On 10/01/25, Intuit stopped supporting the classic user interface. This means any user who has opted out of the new user interface will automatically be opted back in.**

Labyrinth Learning's textbook was written using the classic user interface, but we are calling for the following edits to ensure students using our QuickBooks Online materials have the best experience possible.

If you encounter problems following a step, we recommend you use the search feature in QBO to locate the feature you are looking for.

GLOBAL CHANGES

IN ALL INSTANCES WHERE STUDENTS ARE TOLD TO CLICK THE + NEW BUTTON, WE CHANGED THE NAME TO "+ NEW *OR* + CREATE." 100125

IN ALL INSTANCES WHERE STUDENTS ARE TOLD TO RETURN TO THE HOME DASHBOARD, WE START BY SPLITTING THE INSTRUCTIONS AS FOLLOWS TO INCLUDES STEPS FOR USERS IN THE NEW EXPERIENCE: 100125

12. Return to the Home Dashboard *or* Dashboard.
    - *Classic user interface:* Choose **Dashboards→Home**.
    - *New experience:* Click **Dashboard**.

AS THE BOOK PROGRESSES, WE SHORTEN THIS AS FOLLOWS:

6. Return to the Home Dashboard *or* Dashboard.

P141 CH. 7 LEARNING OBJECTIVES—WE ADDED TEXT REFLECTING THE NEW EXPERIENCE. 100125

- Describe the first-in, first-out and moving average cost inventory valuation methods

P143 **"First In, First Out" —We added text reflecting the new experience.** 100125

First In, First Out Inventory Valuation Method

Up until the release of the new experience, QuickBooks Online only permitted users to employ the first-in, first-out (FIFO) method of inventory valuation. Because product prices fluctuate, the same product may have a different price each time you purchase it. The FIFO method helps you determine what purchase price to apply when you sell each product. FIFO assumes that the first product purchased is the first product sold and adjusts your inventory and cost of goods sold (COGS) account appropriately when a sale is made.

NEW! Moving Average Cost Inventory Valuation Method

QuickBooks Online now also allows users to use the moving average cost (MAC) inventory valuation method, which calculates the average cost after each purchase by dividing the total cost of all units in stock by the total quantity of units. When items are sold, they are valued at the most recent calculated average cost per item.

NOTE! Throughout this text, we will be using the FIFO inventory valuation method.

P143 **DYS 7-1 #1—We replaced step #1 with the following:** 100125

1. Open the Products & Services List.
   - *Classic user interface:* Choose **Sales→Products and Services** from the Navigation bar or choose **Gear→Lists→Products and Services**.
   - *New experience*: Choose **My Apps→Sales & Get Paid→Products & Services**.

P149 **DYS 7-4—We inserted the following Note! after the exercise opener text, as the app has changed:** 080725

NOTE! The QuickBooks Online test drive may not support creating purchase orders for some users. If you see an error, read through the steps and examples so you're prepared to complete this task in the Reinforce Your Skills and Apply Your Skills exercises, where the Purchase Order feature will be available.

P151 **DYS 7-5 #1, #4, and #6—We added text reflecting the new experience.** 100125

1. Open the **Reports** center *or* app, click the **Standard** tab, and then choose **Expenses and Vendors→Open Purchase Order List**. Select **All Dates**. Close any pop-ups that appear.

4. Return to the **Reports** center *or* app. On the **Standard** tab, choose **Expenses and Vendors** and then click the **Purchases by Vendor Detail** report link.

6. Return to the **Reports** center *or* app. On the **Standard** tab, choose **Expenses and Vendors** and then click the **Purchases by Product/Service Detail** report link.

P156 **DYS 7-10 #1—WE REPLACED STEP #1 WITH THE FOLLOWING:** 100125

1. Open the Sales Tax center *or* app.
   - *Classic user interface:* Choose **Taxes→Sales Tax** on the Navigation bar.
   - *New experience:* Choose **My Apps→Sales Tax**.

P156 **DYS 7-10 #8—WE INSERTED THE FOLLOWING NOTE AFTER THE COMMENT:** 100125

NOTE! Sales tax in the new experience is covered in Reinforce Your Skills exercise 7-2 later in this chapter.

P157 **DYS 7-10 #13—WE REPLACED STEP #13 WITH THE FOLLOWING:** 100125

13. Click the **Back to Sales Tax Center** *or* **Back to Sales Tax** link at the upper-left corner.

P163 **CH. 7 SELF-ASSESSMENT** 100125

#14B and 14D ("It's often necessary to make adjustments…")—We changed "+ New" to "+ New *or* + Create."

#15B ("Your company just started selling…")—We replaced the answer option with "Select Taxes from the Navigation bar (classic user interface) *or* select My Apps→Sales Tax (new experience)."

#15C ("Your company just started selling…")—We changed "+ New" to "+ New *or* + Create."

P164 **CH. 7 REINFORCE YOUR SKILLS—WE ADDED THE FOLLOWING COMMENT TO REFLECT THE NEW EXPERIENCE:** 100125

NEW! The new QuickBooks Online experience allows users to choose between ¶ using the FIFO or MAC inventory valuation methods.

Sadie has chosen to use the FIFO method to value her inventory.

P164 **RYS 7-1 #2—WE REPLACED STEP #2 WITH THE FOLLOWING:** 101625

2. Edit the Product and Services section to enable the **Track Inventory Quantity on Hand** option and choose the valuation method to be used.
   - *Classic user interface:* Choose **Yes** when prompted to confirm the FIFO costing method.
   - *New experience:* Users may or may not have the option to choose the valuation method. If given the option, select **First In, First Out (FIFO)**.

P164 **RYS 7-2 #1—We replaced step #1 with the following:** 100125

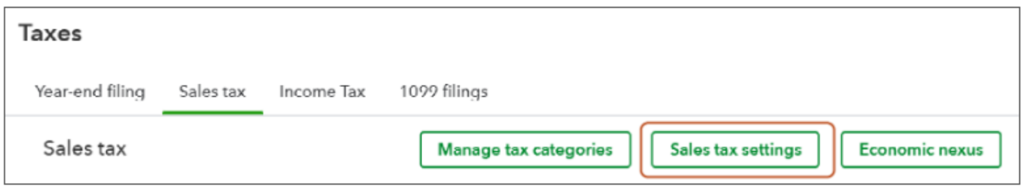
1. Go to the Sales Tax screen, closing any pop-ups that appear.
   - *Classic user interface:* On the Navigation bar, choose **Taxes→Sales Tax**.
   - *New experience:* Choose **My Apps→Taxes→Sales Tax**.

P165 **RYS 7-2 #6—We added the following text to reflect the new experience:** 100125

6. Click **Finish and Turn on Sales Tax** on the screen indicating the tax agencies being set up for you.

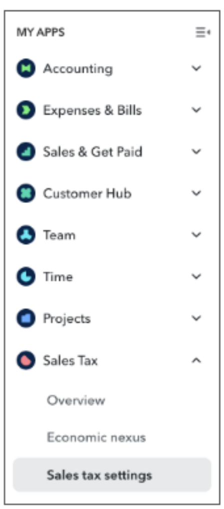
P165 **RYS 7-2 #8—We replaced step #8 with the following and added an image for the new experience:** 100125

8. Access the Sales Tax Settings screen.
   - *Classic user interface:* Click **Sales Tax Settings** in the upper-right corner.



Classic user interface

   - *New experience:* Select **Sales Tax Settings** from the drop-down menu on the My Apps navigation bar.



New experience

P166 **RYS 7-3 #1—WE REPLACED STEP #1 WITH THE FOLLOWING:** 100125

1. Open the Products and Services List.
    - *Classic user interface:* Choose **Sales→Products and Services.**
    - *New experience:* Choose **My Apps→Sales & Get Paid→Products & Services.**

P168 **RYS 7-5 #7—WE INSERTED THE FOLLOWING BULLET POINT AT THE END OF THE BULLETED LIST:** 080725

- Expense Account: **Pooch Supplies**

P170 **AYS 7-1—WE REPLACED THE CH07 INVENTORY IMPORT.XLSX STUDENT FILE WITH A CORRECTED VERSION SHOWING THE 2029 DATES. IF YOU DOWNLOADED YOUR STUDENT FILES BEFORE 10/1/25, PLEASE REDOWNLOAD THEM FROM ELAB OR FROM** lablearning.com/lrc**.** 100125