

Buying Shares in Quicken

Aim

The aim of this paper is to show straight forward purchases of Shares in Quicken.

Versions

This paper was written using Quicken Home and Business 2008. The same procedures apply to Quicken Personal Plus 2008, and the same principals apply to earlier versions.

Buying Shares - Non GST Registered Entity

On 7/7/06, I buy 2,500 Telstra Shares and pay \$3.75 per share. Brokerage is \$30.25 plus \$3.03 GST (which is non-claimable as I am not GST Registered).

To enter the transaction, go to the Account List (Ctrl - A), then double-click on the Investment Account (in this example, E*Trade Investments). Select "Enter Transactions" at the top of the register, then "Buy - Shares Bought" from the list.

The screenshot shows the 'Buy - Shares Bought' dialog box with the following fields and values:

- Enter transaction: Buy - Shares Bought
- Transaction date: 7/07/2006
- Account: E*Trade Investments
- Memo: TLS Buy 2500@\$3.75
- Security name: TLS - Telstra Corp Ltd
- Number of shares: 2,500
- Price paid: 3.75 per share
- Commission: 30.25
- GST on Commission: 3.03
- Non-claimable: 3.03
- Claimable: 0.00
- Stamp Duty: 0.00
- Total cost: 9,408.28
- Currency exchange rate: Exchange rate on 7/07/2006=1.00000
- Use cash for this transaction: From E*Trade ANZ Online Acct

In the above screen, ensure that the correct source of funds is chosen in the "Use cash for this transaction" box:

Use cash for this transaction

From this account's cash balance

From E*Trade ANZ Online Acct

... and that the GST is shown as Non-claimable:

GST on Commission:

Non-claimable:

Claimable:

The transaction looks like this in the Investment Register:

Transaction List							
Date ▲	Action	Security	Description	Inv Amt	Cash Amt	Cash Bal	
7/07/2006	BoughtX	TLS - Telstra ...	2,500 shares of TLS - Telstra Corp Ltd @ AU\$3.75	+9,408.28	Transfer	0.00	

Note the zero Cash Balance. If the Cash Balance shows the value of the transaction, then you probably haven't selected the correct source of funds in the "Use cash for this transaction"

... and this in the cheque account.

Date ▲	Num	Payee	Payment	Clr	Deposit	Balance
		Category	Exp			
7/07/2006		TLS - Telstra Corp Ltd	9,408.28			40,591.72
		[E*Trade Investments]				
		TLS Buy 2500@\$3.75				

... and this in the Security List (Investing > Security List > Double-click on security)

Holdings	
Shares Held	2,500
Market Value	9,375.00
Cost Basis	9,408.28
Gain	-33.28
% Gain	-0.35%

... and this in Reports > Investing > Portfolio Value and Cost Basis

Portfolio Value and Cost Basis - As of 7/07/2007:2			
Date range:	Custom dates ▼	Interval:	None ▼
As of 7/07/2007 (in Australian Dollars)			
Security	7/07/2007 Cost Basis	7/07/2007 Balance	
TLS - Telstra Corp Ltd	9,408.28	9,375.00	
TOTAL Investments	9,408.28	9,375.00	

Buying Shares - GST Registered Entity

The crucial difference with GST registration is that the GST does not form part of the cost basis for the shares, but is instead transferred to the Tax Control Account.

On 7/7/06, I buy 2,500 Telstra Shares and pay \$3.75 per share. Brokerage is \$30.25 plus \$3.03 GST (which is claimable as I am GST Registered).

To enter the transaction, go to the Account List (Ctrl - A), then double-click on the Investment Account (in this example, E*Trade Investments). Select "Enter Transactions" at the top of the register, then "Buy - Shares Bought" from the list.

Buy - Shares Bought

Enter transaction: Buy - Shares Bought Enter the purchase of shares of a security (subtract the cost from my cash balance).

Buy - Shares Bought:

Transaction date: 7/07/2007 Security name: TLS - Telstra Corp Ltd

Account: E*Trade Investments Number of shares: 2,500

Price paid: 3.75 per share

Memo: TLS Buy 2500 @ \$3.75

Commission: 30.25

GST on Commission: 3.03

Non-claimable: 0.00

Claimable: 3.03

Stamp Duty: 0.00

Total cost: 9,405.25

Use cash for this transaction:

From this account's cash balance

From E*Trade ANZ Online Acct

Currency exchange rate:

Exchange rate on 7/07/2007=1.00000

Set rate for this transaction 1.00000

Buttons: Cancel, Clear, Help, Enter/New, Enter/Dgne

In the above screen, ensure that the GST is shown as Claimable. You will need to enter a zero in Non-claimable box to get the GST amount to show in the Claimable Box.

Commission: 30.25

GST on Commission: 3.03

Non-claimable: 0.00

Claimable: 3.03

... and that the correct source of funds is chosen in "Use cash for this transaction":

Use cash for this transaction

From this account's cash balance

From E*Trade ANZ Online Acct

The transaction looks like this in the Investment Register:

Transaction List							
Date ▲	Action	Security	Description	Inv Amt	Cash Amt	Cash Bal	
7/07/2007	BoughtX	TLS - Telstra ...	2,500 shares of TLS - Telstra Corp Ltd @ AU\$3.75	+9,405.25	Transfer	0.00	
7/07/2007	XIn		TLS - Telstra Corp Ltd: Claimable GST		+3.03	3.03	
7/07/2007	XOut		TLS - Telstra Corp Ltd: Claimable GST		-3.03	0.00	

Note that there are 3 transactions generated. Ensure that Cash Balance is zero. If the Cash Balance shows the value of the transaction, then you probably haven't selected the correct source of funds in the "Use cash for this transaction"

... and this in the cheque account. Note again the 2 transactions.

Date ▲	Num	Payee	Payment	Clr	Deposit	Balance
		Category	Exp			
7/07/2007		TLS - Telstra Corp Ltd [E*Trade Investments]	9,405.25			40,594.75
		Memo: TLS Buy 2500 @ \$3.75				
7/07/2007		TLS - Telstra Corp Ltd: Claimable GST [E*Trade Investments]		3.03		40,591.72

... and this in the Tax Control Account.

Date/▲	Ref	Description/Xfer Acct/Memo	Increase	Clr	Decrease	Balance
7/07/2007		TLS - Telstra Corp Ltd: Claimable GST [E*Trade Investments]			3.03	3.03

... and this in the Security List (Investing > Security List > Double-click on security). Note that the Cost Basis is net of GST.

Holdings	
Shares Held	2,500
Market Value	9,375.00
Cost Basis	9,405.25
Gain	-30.25
% Gain	-0.32%

... and this in Reports > Investing > Portfolio Value and Cost Basis

Portfolio Value and Cost Basis - As of 7/07/2007:2			
Date range:	Custom dates ▼	Interval:	None ▼
As of 7/07/2007 (in Australian Dollars)			
Security	7/07/2007 Cost Basis	7/07/2007 Balance	
TLS - Telstra Corp Ltd	9,405.25	9,375.00	
TOTAL Investments	9,405.25	9,375.00	

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