

# Adding Costs to a Receiving Doc

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Sometimes there are additional costs that are incurred when receiving items into stock that you may want to build into the landed cost of your items. Examples of these are freight charges, customs and port fees, storage etc.. There are two ways to add costs such as these to your items when receiving them into stock so the landed costs will be reflected in the value of your inventory.

**Charges** If you know the costs you want to include BEFORE the receiving document is recorded in Quickbooks as a Bill or Item Receipt and they will be paid to the same vendor you can include them by clicking on the Charges link at the bottom of the receiving document. In the pop up you will be able to enter amounts for Freight, Insurance, Duty and any Other costs. These amounts will be totaled and when the receiving document is recorded in Quickbooks the total of the charges will be spread across the lines item individual costs. It is important to note that there will be no separate documents or line items to reflect these charges. In a case when there are two line items with a cost of \$10 each and then in the charges popup an additional \$10 is added, the total cost for each line when the receiving document is sent to Quickbooks will be \$15. This means if your vendor will be looking for where those additional charges will show if a copy of the paid bill is sent to them they will be hiding within the costs of the individual line items.

Note that if you are using the All Orders Ledger to maintain FIFO based valuations of your inventory this feature will not break the costs out into separate lines in the ledger.

**Add Costs Button in the Receiver** - You can add additional costs after, even after a receiving document has been sent to Quickbooks, by opening the receiving document and clicking the Add Costs button in the toolbar. You will have the option to specify the amount to add and optionally select a vendor and enter a vendor reference. You only need to select a vendor and enter a vendor reference if you want to not only add the costs but to also have a bill automatically generated in Quickbooks for you for that amount for that vendor with the reference attached. At the bottom you can select how you want to allocate the amount across the line items so depending on which you choose will determine how the costs are divided up proportionally. Once completed a value adjustment document will be created which will revalue your inventory to take these additional costs into account. This will be reflected in the internal All Orders Ledger right away and will update your FIFO values. If the items are shipped out the Ship Doc P & L report will show the costs of the items using the full landed cost instead of the cost on the receiving document. Once sent to Quickbooks the value adjustment will update the value of your inventory in Quickbooks as well and factor the new landed costs in when calculating the current average cost.

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