

# Assign tax line items to categories

You can use Quicken to simplify the preparation of your federal income tax return. For this, you just need to assign Tax Line items to your Quicken [categories](#) and [categorize your transactions](#) throughout the year. Quicken will maintain the tax reports you need.

## Track your tax-related transactions

Many categories in Quicken are linked to Tax Line items. These line items come from the latest Federal Tax code. Categories associated with the Tax Line item are used to populate the Tax Summary report (and when exporting you tax report to TurboTax).

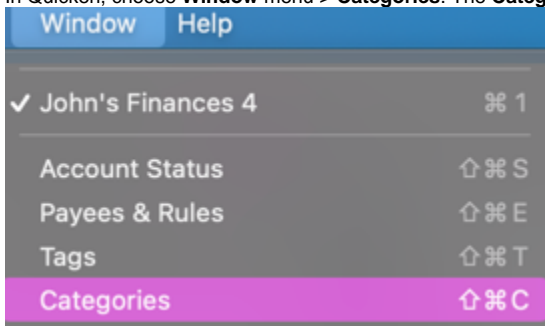
For example, if you're using the Quicken category **Gifts & Donations: Charity**, all the transactions with this category are tracked and automatically mapped to federal form **Schedule A: Cash charity contributions**.

In addition to the tax-related categories that come pre-populated in Quicken, you can assign a specific, Federal Tax Line item to any category or subcategory--including any custom categories you have created.

## Assign Tax Line items to categories

To assign Tax Line items to categories:

1. In Quicken, choose **Window** menu > **Categories**. The **Categories** window is displayed.



2. Click the **Edit** icon.
3. Select the category to which you want to assign a Tax Line item.
4. Select the **Tax related** checkbox. A list of all tax schedules and forms is displayed below.
5. Select the desired item to view the detailed description.
6. Select the Tax Form/Schedule and Tax Line you want to assign to the category.
7. Click **Save**. Quicken uses this information to create a [Tax Schedule report](#) and for export to [TurboTax](#) or any other tax software.

**Tax schedules.**  
These are the various tax forms you might need to file with the IRS.

Name: Dividend Income  
Description: Dividend Income

☐ Expense  
☒ Income  
☒ Tax related

Form 8829	▶	Dividend Income
Form 8839	▶	Fed tax w/h, dividend income
Schedule A	▶	Fed tax w/h, interest income
Schedule B	▶	Int. inc., OID bonds
Schedule C	▶	Int. inc., taxed only by fed
Schedule D	▶	Int. inc., taxed only by state
Schedule E	▶	Int. income, non-taxable
Schedule F	▶	Interest income
Schedule H	▶	Qualified dividend
Schedule K-1	▶	Seller-financed mortgage int.
W-2	▶	State and municipal bond interest
W-2G	▶	TE private activity bond int.

Ordinary (taxable) dividends are the most common type of distribution from a corporation. They are reported on a 1099-DIV. Do not include capital gain distributions or nontaxable dividends here.

**Description**  
The description of the selected tax line item.

**Tax Line Items**  
These are the individual tax line items. Choose the item appropriate for the category. You can only associate one line item to a category. However, you can associate the same line item to multiple categories.

Use your arrow keys to go up and down this list and see the descriptions at the right update to quickly find the line item you need.

Save