Year-end bookkeeping checklist

Seven checks to close in the books before the CPA starts the return, then one closing date. Each item is pass or fail: an item you can't tick names the work still open.

Working template — fill in your own figures. Not client data.

1 · Vendors and W-9s

- ☐ A W-9 on file for each US vendor who may get a 1099 (a W-8 for a foreign one). Legal name, taxpayer ID and entity type as the vendor wrote them, stored with the vendor record; any W-9 still missing is requested now, not in late January.
- ☐ Contractors flagged for 1099 tracking. Each contractor is one vendor record, so the year's payments add up to a single total per payee instead of being split across duplicates.
- ☐ The contractor list run for the year's payments and sent to the CPA. The payee totals go over with the W-9s; which vendors receive a form is the CPA's decision.

2 · Fixed assets

- ☐ Equipment, vehicles and improvements bought this year listed. Each with its invoice, cost and the date it was placed in service. The CPA applies the capitalization and depreciation rules; the books supply the list.
- ☐ Disposals and trade-ins recorded. Anything sold, scrapped or traded in is off the asset accounts, and any sale proceeds are posted against it rather than to revenue.

3 · Loans and interest

- ☐ Every loan balance agreed to the lender's year-end statement. Each payment split into principal and interest from the lender's figures, so the balance in the books is the balance the lender reports.
- ☐ Interest expense matched to the lender's annual summary. A difference points to a payment posted whole to expense or whole to the loan.

4 · Payroll

- ☐ Wages and withholding tied to the W-2s and the W-3. Wages and the taxes withheld from employees agree with the W-2s and the W-3 that totals them.
- ☐ The four quarterly 941s tied to the books. They add up to the same wages and federal income tax withheld, and their Social Security and Medicare lines, which carry the employee and employer shares together, agree with the employees' withholding plus the employer's share expensed in the books.
- ☐ Payroll liability accounts down to what is still owed. They hold only taxes not yet due, with every deposit matched to the payroll provider's tax report.
- ☐ Unemployment taxes tied to their returns. Federal unemployment tax agrees with Form 940, state unemployment tax with the state's returns.

5 · Sales tax

- [ ] Sales-tax payable agreed to the returns. The liability in the books equals what the last return for the period shows as due, jurisdiction by jurisdiction.
- [ ] Tax collected kept out of sales. Sales tax charged to customers sits in the liability account, not in revenue.

6 · Owner draws and equity

- [ ] Owner draws and contributions posted to equity. Personal payments from the business account and money the owner put in are out of the profit and loss.
- [ ] Opening equity agreed to last year's return. Retained earnings and owner equity at the start of the year match the balance sheet the CPA filed, and Opening Balance Equity holds nothing.

7 · The closing date

- [ ] Every account reconciled through December 31. Bank, card, loan and processor accounts, each to its statement, difference $0.00.
- [ ] A closing date set once the CPA has posted adjustments. The year is locked against casual edits; a correction found later is documented and posted where the CPA directs.

Dates to confirm for this year

Copy each date from the issuing agency's own page and note when you checked it: the IRS for the 1099 deadline and threshold, the state revenue agency for any state report. A due date that lands on a weekend or holiday moves under that agency's own rule.

Contractor-form (1099) due date and threshold, from the IRS, checked on:

State report due date, if the business files one:

Notes for the CPA handoff

Year closed through:

Vendors still missing a W-9:

Assets bought, sold or traded in:

Items left for the CPA to decide:

Closing date set on: