

Small business series

Tax preparation checklist

Use the following checklist to ensure your books are tax season ready.

3 months before filing

Start preparing your books for filing.

- Balance your balance sheet
- Reconcile business bank statements
- Reconcile payroll discrepancies
- Identify income sources
- Make any additional retirement contributions

Ongoing maintenance

Keep your books up to date for a painless tax season every year.

- Categorize every expense
- Record payee names for every transaction
- Record vendor names for payments
- Perform annual inventory counts
- Reserve tax money
- Spend 30 minutes each week reviewing your books
- Schedule monthly reviews of last month's books
- Meet with your bookkeeper quarterly

1 month before filing

Organize your paperwork.

- Collect prior tax information
- Compile your documents
- Consider working with a bookkeeper to double-check your work

Grab these documents:

- Previous year's tax return
- Business information, like business classification and tax status
- Bank statements for the filing year:
- Monthly statements from any account associated with the business
- Monthly statements from any business credit cards
- Loan account balances
- Receipts for any business charges on personal accounts
- Payroll information
- Accounts receivable balances
- Inventory records
- Receipts for deductible expenses (including mileage logs)