

Small business year-end file: books, payroll and owners

Use one copy per business and tax year. Tick the return type at the top, work through the shared groups, and mark owner lines that do not fit this entity as "n/a".

Client or engagement

Prior return and books

- ☐ Last year's business return: Schedule C, Form 1065, 1120-S or 1120
Full filed copy, with the depreciation schedule and any carryovers
- ☐ Last year's closing balance sheet
This year's opening figures must match it
- ☐ Year-end profit and loss statement and balance sheet
Dated December 31 or the fiscal year end
- ☐ General ledger detail
Export for the full year, if the preparer asks for it
- ☐ Business bank statements
All 12 months for every business account, December and January included
- ☐ Business credit card statements
Every card used for the business, with personal charges marked

Income forms received

- ☐ Form 1099-K from each card processor
Sent for any amount; gross card sales before fees
- ☐ Forms 1099-K from payment apps or marketplaces
Compare with sales already on the books
- ☐ Forms 1099-NEC and 1099-MISC from clients and tenants
Sent by the payer early in the year
- ☐ Sales tax returns filed for the year
Each period, to reconcile against gross receipts

Payroll, officers and contractors paid

- ☐ Forms 941 for each quarter and Form 940
Copies as filed, plus state payroll returns
- ☐ Forms W-2 and W-3 issued to staff and officers
The January filing for the tax year
- ☐ Officer pay detail and duties
Corporations; Form 1125-E at \$500,000 of receipts

- ☐ Health premiums paid for more-than-2% shareholders
S corporation: included as wages on the owner's W-2
- ☐ Form W-9 for each contractor paid
Signed copy collected before the first payment
- ☐ Copies of the Forms 1099-NEC the business filed
One per contractor at or over that year's threshold

Assets, inventory and vehicles

- ☐ Fixed asset register
Cost, date in service, method and depreciation to date
- ☐ Invoices for equipment, furniture, computers and vehicles bought
With the date each item was placed in service
- ☐ De minimis safe harbor election statement
Attached to this year's return if small items are expensed
- ☐ Inventory counts at the start and end of the year
Count sheets with cost, plus purchase invoices
- ☐ Vehicle mileage log
Business share of each vehicle for the year
- ☐ Start-up and organizational cost invoices
Only for costs paid before the business opened

Owners and operating costs

- ☐ Last year's Schedules K-1
Partnership or S corporation: one per owner
- ☐ Partner capital ledger or shareholder basis worksheets
Contributions, draws, distributions and guaranteed payments
- ☐ Owner and staff retirement plan contribution statements
Amounts made for the tax year
- ☐ Office or equipment lease and proof of rent paid
Signed lease and the year's payment record
- ☐ Business insurance declarations and premium invoices
Liability, property, professional and commercial auto
- ☐ Loan statements showing interest paid
Year-end statement for each business loan
- ☐ Receipts for meals, travel, software and advertising
Meal receipts note who attended and why