Monthly sales tax checklist

Send the first group with the month-end document request. Repeat the filing group for each state where the client holds a permit.

Client or engagement

Request from the client

- [ ] Sales tax report by state and jurisdiction
  Export from the point-of-sale or online store for the month.
- [ ] Marketplace statements
  Showing sales where the marketplace collected the tax.
- [ ] New exemption and resale certificates
  One per customer billed without tax.
- [ ] Purchase invoices where no tax was charged
- [ ] Refund and credit memo report
  Including receipts for refunded sales.
- [ ] Bank statement showing the tax payments
  To match each payment to its return.

Tie out

- [ ] Match gross sales on the report to ledger revenue
  Explain shipping, non-taxable services and timing.
- [ ] Split out sales made through a marketplace facilitator
- [ ] Match tax collected to credits in sales tax payable
- [ ] Deduct tax refunded on returns
- [ ] Check a certificate exists for each exempt sale
- [ ] Accrue use tax on untaxed taxable purchases

File and pay

- [ ] Prepare the return for each state due this period
  Frequency as assigned by the state.
- [ ] Record the payment against sales tax payable
- [ ] Check the payable now holds only periods not yet due

Audit file for each state

- [ ] Confirm the audit period named in the state’s letter
- [ ] Returns filed for every period under audit
- [ ] Return-to-ledger reconciliation for each period
  Taxable sales and tax collected, with differences explained.
- [ ] Exemption and resale certificates for every untaxed sale
- [ ] Use tax accruals with the purchase invoices behind them
- [ ] Hold every record for the audit period until the audit closes

Archive and watch

- [ ] Save return, payment confirmation, report and certificates
  Kept for the longest period among the client’s states.
- [ ] Update sales and transaction totals by state
  Flag states nearing their thresholds to the client.