Year-End Bookkeeping Checklist

Close your books cleanly and get ready for tax season

Clean up your accounts

- [ ] **Reconcile every bank and credit card account through December 31**
- [ ] **Categorize any uncategorized or "Ask my accountant" transactions**
- [ ] **Make sure personal spending is recorded as owner draws, not expenses**
- [ ] **Reconcile loan balances to your lender's year-end statements**
- [ ] **Record any cash or out-of-pocket business expenses**

Money owed to and by you

- [ ] **Review unpaid customer invoices (accounts receivable)**
  Follow up on overdue invoices and write off any you won't collect.
- [ ] **Review unpaid bills (accounts payable)**
  Decide which bills to pay before year-end.
- [ ] **Count inventory on hand, if you sell products**

Payroll and contractors

- [ ] **Reconcile payroll reports to what was paid from the bank**
- [ ] **Confirm employee names, addresses and Social Security numbers for W-2s**
- [ ] **Collect a W-9 from every contractor you paid this year**
- [ ] **Prepare 1099-NEC forms for contractors paid above the IRS threshold**
  The threshold is $2,000 for payments made in 2026 and later ($600 for earlier years). W-2s and 1099-NECs are due by January 31.

Assets and taxes

- [ ] **List equipment, vehicles and other large purchases made this year**
- [ ] **Review estimated tax payments made — the 4th-quarter payment is due January 15**
- [ ] **Check that sales tax returns were filed and paid for every period**

Reports and planning

- [ ] **Run your year-end Profit & Loss, Balance Sheet and Cash Flow reports**
- [ ] **Compare results with last year and with your budget**
- [ ] **Gather tax documents: mileage log, home office details, health insurance and retirement contributions**
- [ ] **Back up your files and set a closing date in your accounting software**
- [ ] **Set goals and a budget for next year**

Behind on your books? SteadyBooks offers catch-up and clean-up bookkeeping. Call (612) 293-0129 for a free consultation.

This checklist is general guidance, not tax advice. Deadlines and thresholds can change — confirm with your tax professional.