Monthly bookkeeping close checklist

A routine for the last week of each month, and the pile to hand a CPA in January. Every line assumes one business bank account used for the practice and nothing else.

Before the first month

- ☐ Open a dedicated business checking account and card (IRS Pub. 583: keep it separate and use it for business only)
- ☐ Pick one bookkeeping tool and connect the business bank feed to it
- ☐ Decide cash or accrual with your CPA and use the same method for books and return
- ☐ Ask your CPA what share of each deposit to set aside for federal and Oregon estimated tax, and open a savings account to hold it

Every month, about thirty minutes

- ☐ Let the bank feed pull the month's transactions
- ☐ Tag every transaction to a category (rent, software, listings, supervision, CE, insurance, board fees, phone and internet, card fees, contract labor)
- ☐ Look up anything you cannot identify now, not in April
- ☐ Reconcile: the closing balance in your books matches the bank statement (Pub. 583: statement, checkbook and books should agree)
- ☐ Compare income against the EHR's payment report; note any outstanding claims or client balances
- ☐ Add the month's business miles to the log, with date, destination and miles
- ☐ File receipts and remittance advices in one folder labeled by month
- ☐ Move the tax share of the month's deposits into the savings account
- ☐ Pay the quarterly estimate if one is due (Form 1040-ES for federal; ask your CPA about Oregon)

Once a year

- ☐ Confirm gross Oregon commercial activity is under the $750,000 CAT registration threshold
- ☐ Confirm you have no employees (contractors do not count) before skipping Oregon payroll registration; an S corporation paying an officer salary must register
- ☐ Keep supporting records at least until the period of limitations for that return runs out; employment tax records at least 4 years; property records until the year you dispose of it clears

Year-end hand-off to your CPA

- ☐ Profit and loss report and reconciled ledger for the year, or direct access to the bookkeeping tool
- ☐ Every 1099 received from payers and platforms, matched to your income records

- ☐ Names, amounts and W-9s for every contractor paid during the year (the Form 1099-NEC threshold was $600 for 2025 payments and is $2,000 for payments made in 2026 and later, per the IRS instructions for Forms 1099-MISC and 1099-NEC)
- ☐ Mileage log with total business miles for the year
- ☐ Home office square footage and household bills, if you are asking about that deduction
- ☐ Receipts for liability insurance, board and license fees, and continuing education
- ☐ Any large purchase (computer, furniture) that might be depreciated rather than expensed
- ☐ Federal and Oregon estimated tax payments with dates and amounts
- ☐ Last year's return, if this CPA did not prepare it
- ☐ Questions you wrote down during the year; January is when they get answered

This checklist reflects how I keep my own books and the IRS and Oregon pages linked in the lesson; it is not tax or accounting advice.