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.