



Small Business Year End Checklist 2018 For Tax Preparation & Accounting

Year End Records

- Accurate accounts payable and receivable
- Accurate bank loan/shareholder loan balances
- Equipment list for current year with purchases over \$500 each
- Payroll, note 12/31 pay date – details below
- Retirement contribution planning
- Update each 1099 recipient file with a current W-9
- Update each employee file with a current and complete W-4 and I-9

Banking

- Have a separate account for your business and be sure you are reconciling your bank accounts regularly.
- Provide a 12/31/2018 bank statement

Business Loans

- Deposit full amount directly to business bank account. Keep all paper work on the loan.
- Provide 12/31/2018 balances on all loans.

Capital Purchases

- Keep all receipts and paperwork for any purchases of equipment, business vehicles, improvements, etc. Please submit copies to our office with your year-end information.
- Have a written capitalization policy on file.

Cash Expenses

- Keep track and save receipts – it adds up! Have your business reimburse you for out of pocket expenses by **12/31** for the full deduction benefit.

Checking / Debit / Credit Card Expenses

- Keep all receipts and bills that have been paid from your business.
- Know your requirements for issuing 1099s to any service providers, subcontractors, landlords, etc. for your business.

Corporate Documents

- Make sure you have current minutes, license renewals, etc. for the year.

Employee Benefits

- Please let us know if you are providing employee benefits such as health insurance. Know your requirements under the ACA.

Inventory

- Physical inventory (actual count) should be done as your business requires.

Mileage

- Keep track of all business and personal miles using a calendar, logbook, phone app, etc. This is also required for a mileage reimbursement program. The standard mileage rate for 2017 is \$0.535 per business mile.

New Payroll Tax Rates

- Be sure to watch the mail for your **new Labor & Industries and Employment Security Department rate notices** that will be **effective January 1, 2019**.

Other Income

- Owner contributions, shareholder loans, interest, etc. should be well indicated in your checkbook / records when deposited.

Payroll

- Keep timecards/sheets that record hours worked for each pay period with employee signature. Employees must receive some type of receipt with their pay, i.e. check copy, payroll receipt, etc. **For pay period ending 12/31**, if this is included in the employee's W-2, they must **receive** payment by 12/31.
- Washington's minimum wage will go up to \$12.00 an hour, effective January 1, 2019 (please check your city for specific minimum wage requirements).

Sales Records

- Sales should reconcile with bank deposits. Break down by retail, wholesale, service, and tax collected.

Sales Tax

- You must **collect** sales tax on all retail purchases and most services unless a customer provides a complete and current reseller permit. You must also **pay** sales tax on all capital purchases and supplies not used for resale.

Be sure to call or email us with any questions, concerns, or to setup an appointment:
360.825.0591 or Kelly@HettickAccounting.com