Libman Tax Strategies

Southern California S Corp Owner: The 12-Point Tax-Ready Checklist

Make sure your S Corp is ready to file without scrambling at tax time, digging through missing records, or wondering what you forgot.

INSTRUCTIONS

Before your S Corp tax return is prepared, run through these 12 items. Mark each one:

- **READY** — I know this is handled.
- **NEEDS ATTENTION** — I need to check or clean this up.
- **NOT SURE** — I need to ask my tax professional.

The goal isn't to become your own tax preparer.
It's to figure out **where you stand before filing starts**—so tax season doesn't turn into another last-minute fire drill.

1. Are All of Your Business Bank Accounts Reconciled?

☐ Ready
☐ Needs Attention
☐ Not sure

Your bookkeeping should reflect the activity in your business bank accounts.

If months are unreconciled, missing, or don't match the bank, deal with that before relying on the numbers for your return.

2. Are Your Business Credit Cards Reconciled?

☐ Ready
☐ Needs Attention
☐ Not sure

Business credit-card transactions can easily get missed, duplicated, or categorized incorrectly.

Make sure the balances in your books match your actual statements.

3. Are Your Income and Deposits Accounted For?

☐ Ready
☐ Needs Attention
☐ Not sure

Make sure the income recorded in your books accurately reflects the business activity for the year.

If there are deposits you can't explain or income sitting outside your normal bookkeeping process, flag it before filing.

4. Have Your Business Expenses Been Properly Categorized?

☐ Ready
☐ Needs Attention
☐ Not sure

Scan your books for expenses sitting in places like:

- Uncategorized expenses
- Ask My Accountant
- Miscellaneous
- Owner expense accounts

Those are signs something may still need review.

5. Have You Separated Business and Personal Expenses?

☐ Ready
☐ Needs Attention
☐ Not sure

If personal expenses were paid through the business—or business expenses were paid personally—make sure they're identified and handled appropriately before the return is prepared.

6. Is Your Payroll Information Complete?

☐ Ready
☐ Needs Attention
☐ Not sure

If you run payroll through your S Corp, make sure your year-end payroll records are complete and available.

That includes the information your tax preparer needs to correctly account for wages and payroll activity.

7. Have You Reviewed Your S Corp Owner Compensation?

☐ Ready
☐ Needs Attention
☐ Not sure

S Corp owners who work in the business may have compensation considerations that should be reviewed with their tax professional.

Don't wait until the return is being filed to ask whether your payroll and owner compensation were handled appropriately.

8. Are Shareholder Distributions and Contributions Clearly Recorded?

☐ Ready
☐ Needs Attention
☐ Not sure

Money moving between you and the business needs to be recorded correctly. Make sure you can identify:

- Money you contributed to the company
- Money distributed to you
- Transfers that may have been recorded incorrectly

9. Did You Buy or Sell Any Major Business Assets?

☐ Ready
☐ Needs Attention
☐ Not sure

Think about:

- Vehicles
- Equipment
- Computers
- Machinery
- Furniture
- Other significant business purchases

Make sure your tax preparer knows what was purchased, sold, or disposed of during the year.

10. Do You Have Any Loans Between You and the Business?

☐ Ready
☐ Needs Attention
☐ Not sure

If you loaned money to your S Corp—or the business advanced money to you—make sure those transactions are clearly documented and recorded.

Don't leave unexplained balances sitting in the books.

11. Are Your Contractor and Payroll Records Ready?

☐ Ready
☐ Needs Attention
☐ Not sure

Make sure you have the necessary year-end information for people the business paid.

If you're unsure whether required forms or reporting were handled correctly, flag it for review before filing.

12. Can You Explain Anything Unusual That Happened This Year?

☐ Ready
☐ Needs Attention
☐ Not sure

Did anything significant change? For example:

- You opened or closed a location
- Added a partner or shareholder
- Changed payroll
- Bought major equipment
- Took on debt
- Had an unusually strong or weak year
- Changed how money moves through the business

Your tax preparer can't ask about something they don't know happened.
Make a quick list now.

Quick Score

Count how many items you marked **NEEDS ATTENTION** or **NOT SURE**.

0–2 Items	3–5 Items	6+ Items
You're probably in good shape organizationally. Still make sure your tax professional has everything they need before filing.	There are enough open questions that it's worth getting them cleaned up before your return is prepared.	Don't wait until you're in the middle of filing. Your books or tax records may need some attention first so you're not trying to solve everything at the last minute.

WHY THIS IS IMPORTANT

Your S Corp tax return is only as useful as the information behind it. If your books are incomplete, transactions are unclear, or important questions don't come up until filing time, tax season can quickly turn into:

- Chasing down documents
- Fixing bookkeeping
- Answering last-minute questions
- Wondering whether everything is actually correct
- Waiting for your accountant to tell you what's going on

You shouldn't have to reach tax time wondering: **"Are we actually ready to file?"** The goal is simple: **Know where you stand before the return is being prepared.**

Need Help Getting Your S Corp Tax-Ready?

If you went through this checklist and found a few things you're not sure about, you don't have to figure it all out yourself.

Adam C. Libman, CRTP works directly with business owners on tax preparation and bookkeeping.

And if you're tired of chasing your accountant just to get an answer:
We return every call and email or your money back.

https://hvac-cfo.com/

Talk With Adam