Practice expense recordkeeping map

A practical California working record - editable in Word

USE IT THIS WAY	DO NOT MISTAKE IT FOR THIS
Use when setting up bookkeeping and during monthly close, not only at tax time.	This does not decide deductibility, accounting method, payroll treatment, or tax classification.

Working record

Prepared by	
Reference (no names)	
Date opened	
Next review date	

Six review points

1

[ ] Choose stable categories

Use categories that match the practice and can be reconciled consistently over time.

Your record: _____

Source: IRS: recordkeeping for individuals

2

[ ] Define acceptable evidence

For each category, record which receipt, invoice, contract, mileage, statement, or allocation record is retained.

Your record: _____

Source: IRS: recordkeeping for individuals

3

[ ] Separate business and personal

Document mixed-use allocations and avoid relying on account location as the only business-purpose evidence.

Your record: _____

Source: IRS: recordkeeping for individuals

4

[ ] Reconcile monthly

Compare ledger, bank, card, payment processor, invoices, refunds, and outstanding items.

Your record: _____

Source: IRS: recordkeeping for individuals

5

[ ] Protect sensitive records

Map access, encryption, backup, retention, and secure sharing with accountants or bookkeepers.

Your record: _____

Source: HHS: Security Rule guidance

6	**[ ] Close with an exception log** Record missing evidence, unusual transactions, corrections, and questions for professional review. **Your record:** _____ **Source:** IRS: recordkeeping for individuals

Close the loop

Decision / next action	
Owner	
Due date	

Controlling sources

- IRS: recordkeeping for individuals
- HHS: Security Rule guidance

Educational information only. Not legal, clinical, tax, billing, or regulatory advice. Recheck every source before relying on an older saved copy. Do not put client-identifying information in a copy you cannot secure.