The Landlord Bookkeeping Checklist

A monthly close process plus a year-end section, so your books stay tax-ready all year. Built by the bookkeepers at Real Cents Organized.

The Monthly Close (about one hour, once a month)

Pick a recurring day each month (the 5th works well; most statements have landed). Work top to bottom.

- ☐ **Download or sync all bank and credit card transactions**
  Every business account, every card. If an account is not connected to your bookkeeping software, import the statement manually.
- ☐ **Confirm every rent deposit**
  Match each deposit to a tenant and property. Flag short payments and late fees so they are visible, not buried.
- ☐ **Record rent at gross, not net**
  If a property manager or platform deducts fees before paying you, book the full rent as income and the fees as expenses.
- ☐ **Categorize every expense to a property**
  No transaction leaves the month uncategorized or unassigned. Portfolio-level totals hide which doors make money.
- ☐ **Separate repairs from capital improvements**
  Repairs are deductible now; improvements are depreciated. When in doubt, note the invoice details for your CPA.
- ☐ **Book security deposits to a liability account**
  Deposits are not income. The liability balance should always equal the deposit money you are holding.
- ☐ **Split STR payouts into components**
  Gross booking revenue, cleaning fees, platform fees, refunds, and occupancy taxes each get their own line.
- ☐ **Reconcile every account to its statement**
  Ending book balance must match the bank. A reconciliation that is off by $1 is off; find it now, not in March.
- ☐ **Review the month's P&L per property**
  Five minutes. Anything surprising (negative cash flow, a repair spike, missing rent) gets a note while you remember why.

Tip: if the monthly close takes more than two hours, something upstream is broken. Usually it is commingled accounts or unassigned transactions.

The Year-End Section (December and January)

Do this once the December close is finished. The goal: your CPA gets a complete package and has zero clarifying questions.

- ☐ **Verify all 12 monthly reconciliations are complete**
  Any unreconciled month gets fixed before anything else.
- ☐ **Tally owner draws and contributions**
  Money you took out and put in, by entity. These are equity, not expenses or income.
- ☐ **Pull mortgage statements and split principal from interest**
  Only interest is deductible. Grab the year-end Form 1098 from each lender.
- ☐ **List capital improvements made this year**
  Date, property, amount, and what the work was. Your CPA sets up depreciation from this list.
- ☐ **Confirm W-9s and totals for every vendor paid $600+**
  1099-NEC forms are due January 31. With W-9s on file, this is a 15-minute task.
- ☐ **Reconcile security deposit liability to actual deposits held**
  The account balance should match a tenant-by-tenant list.
- ☐ **Gather property tax and insurance statements**
  Especially where they are paid through escrow and easy to miss as deductions.
- ☐ **Export the year-end package for your CPA**
  Per-property P&L;, balance sheet (if applicable), capital improvements list, 1098s, and the deposit schedule.

Want this done for you, every month?

Real Cents Organized handles monthly bookkeeping for landlords and real estate investors nationwide.
Book a free 20-minute call at realcentsorganized.com/book-a-call