

The IRS and QuickBooks

Have you heard? IRS auditors are requesting a copy of businesses QuickBooks files to review them. The auditor will recite a fancy IRS code giving their authority to do so. Be smart by following these tips:

Avoid giving the data file by offering to provide information in Excel spreadsheets.

Provide the information they are asking for in this format. If you do not, the IRS can subpoena the data file.

If you do give them a copy of the QuickBooks file and your audit period is for the 2010 year, run “Clean Up of Company Data” where it will archive transactions into journal entries prior to the audit date.

There is no way to delete transactions in one command after the audit date. A suggestion would be to locate a back-up file soon after the ending audit date.

I hope these are some helpful tips, in case you find yourself in this situation. Contact Admin Books if you need assistance and we would be glad to help you through the process.

