Catch-Up Bookkeeping Guide 2026

How to get months of unfinished books done before tax deadlines — in the right order.

Who this is for

Small business owners whose books stopped at some point this year (or last year): statements piled up, receipts are in a shoebox, and a tax deadline is coming. The fix is not working harder — it is working in the right order and knowing how many hours the job really takes.

What is in this kit

File	What it does
Catch-Up Bookkeeping Planner 2026 (.xlsx)	Enter 4 numbers → total hours, finish date and an on-track check. Month-by-account tracker, missing-documents list, unknown-items list, 10-step work order with 2027 deadlines, 3 worked scenarios.
This guide (.pdf)	The method, real-world cases and edge cases, deadlines, and a printable checklist.

The one formula behind the plan

Total hours = months × transactions per month × minutes per transaction ÷ 60
+ months × accounts × reconcile minutes ÷ 60 + setup & review hours
Weeks needed = total hours ÷ hours you can work per week (round up)
Finish date = start date + weeks × 7

Example (made-up numbers): 12 months behind, 3 accounts, 180 transactions a month, 6 hours a week, 1.5 minutes per transaction, 20 minutes per reconciliation, 4 hours of setup.
2,160 × 1.5 ÷ 60 = 54 h · 12 × 3 × 20 ÷ 60 = 12 h · + 4 h = **70 hours** → 70 ÷ 6 = 11.7 → **12 weeks**. Starting Nov 23, 2026 → finish around **Feb 15, 2027**, four weeks before a March 15 target.

Educational information only — not tax, legal or accounting advice. Time estimates are planning guesses, not a guarantee. Rules and dates can change; check the IRS and your state.

Built by a US tax and bookkeeping practice with 20+ years of bookkeeping experience. Personal-use license.

Use the workbook in 3 steps

Yellow = you type · Green = your answer · White = automatic

1
Enter 4 numbers
First month not done, number of accounts, transactions per month, hours per week

2
Read the green box
Finish date, total hours, ON TRACK or BEHIND, hours per week needed

3
Track each month
Month Tracker: Statement in → Entered → Reconciled

How to count transactions per month

1. Open one **busy** month's statement for each business account.
2. Count the lines (deposits + withdrawals + card charges). Add all accounts together.
3. Do not count the running-balance lines or fees you will post in bulk.

Optional (grey) inputs — when to change them

Input	Default	Change it when…
Minutes per transaction	1.5	Raise to 2–3 if you must look up receipts or split many lines; lower to 1 if bank rules categorize most lines.
Reconcile minutes per account-month	20	Raise to 40+ for the first month (opening balance problems) or for accounts with many uncleared checks.
Setup + review hours	4	Raise if statements must be requested, or if payroll or sales tax reports must be collected.
Target date	Mar 15, 2027	Use Feb 1 if you must issue 1099s/W-2s, Apr 15 for a sole proprietor or C corporation.
Start working on	example date	Leave blank to use today.

Reading the result

ON TRACK · 4 week(s) to spare — your weekly hours are enough. Protect them on your calendar.
BEHIND · about 4 week(s) late — add the hours shown, move the target (an extension moves only the filing date), or finish the oldest months first.
Step-by-step math: click **+** at the left edge of the sheet.

Other tabs

- **Missing Docs** — one row per missing statement or report, with the date you asked. The green counter shows what is still missing.
- **Unknown Items** — park any line you cannot identify. Keep moving; resolve them together at the end.
- **Work Order** — the 10 steps in order, with days left to each 2027 deadline from your start date.
- **Scenarios** — three made-up examples you can edit for what-if tests.

The 10-step catch-up order

Doing these out of order is the #1 reason catch-up work has to be redone.

#	Step	How to do it
1	**Gather every statement**	All bank, card, loan and merchant-payout statements for every month in scope. Download PDFs; list gaps on Missing Docs.
2	**Confirm the opening balance**	The first month's starting balance must equal the last reconciled balance (or the balance sheet on the last filed return). Fix this before anything else.
3	**Enter or import one month at a time**	Oldest month first. Finish one account-month before starting the next, so errors stay small.
4	**Sort deposits**	Sales vs. not income: loan proceeds, transfers from your other accounts, owner contributions and refunds are not sales.
5	**Categorize expenses consistently**	Same vendor → same category. Make a short list of your 15–25 categories and stick to it.
6	**Match transfers**	Checking → savings, checking → credit card payment. Record each as a transfer once, not as income on one side and expense on the other.
7	**Split loan payments**	Use the lender's statement: principal reduces the loan; usually only interest is an expense.
8	**Use reports for payroll and sales tax**	Record gross wages, withholdings and employer taxes from the payroll report, and sales tax from the return — not just the net bank line.
9	**Reconcile each account each month**	Your ending balance must equal the statement. A difference means a missing, duplicate or wrong-amount entry in that month.
10	**Review, then lock**	Look at the P&L month by month: spikes, negative expense lines, missing rent or payroll months. Then close or lock the period in your accounting software.

> **Rule of thumb:** a month is "done" only when every account in it shows **Reconciled** on the Month Tracker.

Daily rhythm that works

- Block the same time each week (for example Tue + Sat, 3 hours each).
- Start each session by updating Missing Docs and Unknown Items — 5 minutes.
- Stop each session at the end of a full account-month, never in the middle.

Real-world cases and edge cases

What usually goes wrong in a catch-up — and what to do.

Situation	What to do
A statement is missing	Download it from online banking or ask the bank (they can usually resend older statements). Meanwhile enter the month from the transaction history, but do not mark it Reconciled until you have the statement.
Opening balance does not match the last return	Do not change a year that was already filed. Find the difference first (often an uncleared check or a year-end entry). Ask your tax preparer how to record the adjustment in the current year.
Personal charges on the business card	Record them as owner draws (or owner's personal expense), not business expenses. Keep a note on Unknown Items if unsure.
Deposit you cannot explain	Never guess "sales" by default. Park it on Unknown Items with the date and amount; check invoices, loan papers and your personal account.
Bank import created duplicates	Reconciliation will show a difference equal to the duplicate. Sort the month by amount and look for pairs.
Card processor deposits are net of fees	Record gross sales, the processing fee as an expense and refunds separately, using the processor's monthly report.
Cash sales not deposited	Use your daily sales or register reports. Cash used for expenses still has to be recorded on both sides.
Loan payments recorded as one expense	Split using the lender's year-end statement into principal (liability) and interest (expense).
Prior year is also behind	Finish the earlier year first; its return may already be late. Then roll its ending balances into the current year.
Payroll paid through a provider	Book from the payroll register, not from the net bank withdrawal. Match the tax impound debits to the employer and employee tax totals.
Checks that never cleared	Leave them outstanding on the reconciliation. If very old, ask about state unclaimed-property rules before voiding.

Each business is different. When an entry affects a filed return, payroll forms or sales tax returns, confirm the treatment with a qualified tax professional.

2027 deadlines and 3 worked scenarios

Federal dates for calendar-year 2026 books. State dates differ.

Date	What is due	Books needed by then
Fri, Jan 15, 2027	4th-quarter 2026 estimated tax (Form 1040-ES)	Rough 2026 profit
Mon, Feb 1, 2027	W-2s and 1099-NEC to workers and to SSA/IRS (Jan 31 is a Sunday)	Payroll and contractor totals
Mon, Mar 15, 2027	Partnership (1065) and S corporation (1120-S) returns	Fully reconciled 2026
Thu, Apr 15, 2027	Individual (1040) and C corporation (1120) returns	Fully reconciled 2026
Wed, Sep 15, 2027	Extended 1065 and 1120-S returns	—
Fri, Oct 15, 2027	Extended 1040 and 1120 returns	—

An extension gives more time to file, not to pay. For payments made in 2026, the 1099-NEC/MISC reporting threshold is $2,000 for most payments; check the current IRS instructions. A due date on a weekend or legal holiday moves to the next business day.

Scenarios (made-up examples)

	A · Solo service	B · Busy restaurant	C · Online shop
Behind since	Sep 2026 (4 months)	Jan 2026 (12 months)	Jul 2025 (18 months)
Accounts / lines per month	2 / 60	4 / 450	3 / 220
Hours per week	3	8	5
Total hours	6.0 + 2.7 + 4 = 12.7	135 + 16 + 4 = 155	99 + 18 + 4 = 121
Weeks → finish (start Nov 23, 2026)	5 → Dec 28, 2026	20 → Apr 12, 2027	25 → May 17, 2027
Target	Feb 1, 2027 (1099s)	Mar 15, 2027 (S corp)	Apr 15, 2027 (1040)
Result	On track 35 days early	Behind 28 days → needs 9.7 h/week	Behind 32 days → needs 5.9 h/week

Lesson from B: the restaurant is not "a little behind" — 450 lines a month is 5,400 lines a year. Seeing 155 hours on paper in November is what makes the March date possible.
Lesson from C: when 2025 is also open, finish 2025 first; its deadlines have already passed.

Printable catch-up checklist

Tick each line. Keep this page next to your desk.

Before you start

- ☐ List every business bank, card and loan account (last 4 digits only)
- ☐ Download statements for every month in scope
- ☐ Write the first month not done and your target date
- ☐ Enter the 4 numbers on the Catch-Up Plan tab and read the finish date
- ☐ Block weekly work time on your calendar

Every month you work on

- ☐ Opening balance equals last month's reconciled ending balance
- ☐ All deposits sorted: sales / transfer / loan / owner money / refund
- ☐ Expenses categorized with your fixed category list
- ☐ Transfers and card payments recorded once, as transfers
- ☐ Loan payments split into principal and interest
- ☐ Payroll and sales tax booked from their reports
- ☐ Each account reconciled to the statement → mark Reconciled

At the end

- ☐ Unknown Items list is empty or explained
- ☐ Missing Docs counter shows 0
- ☐ P&L reviewed month by month (no gaps, no negative expenses)
- ☐ Contractor totals ready for 1099s; payroll totals match W-2s
- ☐ Period closed or locked in your accounting software
- ☐ Back up the workbook and statements in one folder per year

Educational information only — not tax, legal or accounting advice. Time estimates are planning guesses, not a guarantee. Rules and dates can change; check the IRS and your state. Privacy: never write bank passwords, SSNs or full account numbers in the workbook.