

Year End Business Inventory Form

The Internal Revenue Service requires that all businesses count their inventory at the end of their fiscal year and then subsequently calculate the total value. Most businesses have a December 31st year-end.

If you have inventory, please do the following at or near your year-end:

1. Perform a physical count of your inventory
2. Calculate and document the cost of the inventory
3. Retain these records in your files
4. Provide us with the accurate total cost of inventory at year-end

Do not include consignments you are holding from other people.

The IRS is placing an additional emphasis on this subject so we are strongly encouraging all of our clients to comply with this requirement. In the event of an audit you must be able to provide copies of the physical count sheets and support for how you calculated the value of the inventory as reported on your tax return. Therefore, we are strongly advising you to count and document your **actual** year-end physical inventory.

Actual Inventory Value December 31, _____ (at cost) _____

Signature

Date

Print Name

Company