Payroll Reconciliation Checklist

Step	Description	Things to do	Done
1	Ensure that your payroll reports accurately reflect the wages and hours to be paid.	Verify that hours are reasonable and accurate	
		Verify that pay rates and salaries are accurate	
		Verify that taxes have been calculated properly and there are no obvious errors	
2	Confirm that you have deducted the right amounts from each employee’s paycheck.	Verify federal and state income tax amounts	
		Verify Social Security payments	
		Verify Medicare amounts	
		Verify health insurance amounts	
		Verify retirement benefit amounts (for example, 401(k) deductions)	
		Verify workers’ compensation insurance amounts	
		Verify wage garnishment amounts	
3	Review the payroll entries automatically produced, linked, or manually entered within QuickBooks Online.	Review the profit and loss statement	
		Review the balance sheet	
4	Preview your payroll tax liabilities and other payroll liabilities.	Verify retirement plan amounts	
		Verify health insurance amounts	
		Verify garnishment amounts	
		Make all necessary tax payments	
5	Preview your payroll tax liabilities and other payroll liabilities again after making the necessary tax payments.	Verify that balances left the correct accounts	
		Verify that all necessary payments were made correctly	
6	Check that your account balances have the correct normal balances.	Remember that wages, employer portion of taxes, and fringe benefits are debit balances	
		Remember that deductions and contributions withheld after payroll are credit balances	
		Remember that employer portions can show as a credit balance on the balance sheet and a debit balance on the profit and loss, depending on how they are set up	