

Viewpoint ProContractor™

2021 US Year-End Checklist

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2021 United States Year-End Checklist

Use the following checklist to perform year-end processes in ProContractor for employees and vendors in the United States.



ProContractor 3.16.3 or 4.X is required for all 2021 year-end processing in the United States. For instructions on upgrading these versions, please see the ProContractor 3.16.3 or 4.X Upgrading Guide on [Viewpoint Customer Portal](#) at support.viewpoint.com.

Paper and Electronic Filing Options

ProContractor offers you the flexibility to print paper copies of year-end forms directly from the system or generate and file forms electronically using one of the following services:

□ **ProContractor -**

- Can't e-file any Quarterly/Year End forms.
- Can print W2 to paper, will need to purchase forms (2 per page).
- Can't print W3
- Can print 1094C/1095C, no forms needed. Can purchase blank forms.
- Can't print the official Quarterly report but can print supporting reports to help fill out the Quarterly reports.
- Does not print W2C, corrected W2. Please contact CPA for assistance.

□ **Aatrix -**

- Aatrix offers the ability to print any State/Federal form for free (Quarterly forms, Year End forms including 1099 NEC and 1094C/1095C).
- Need to map State, local, deduction codes and fringes to Aatrix that need to show on Year End forms and/or Quarterly forms. (see knowledge base article called "[Aatrix & ProContractor - Aatrix Mapping Setups for Version 3.13.0 and Higher](#)")
- At a fee, can efile any State/Federal form (quarterly forms and Year End forms).
- At a fee can mail or email employees' their W2.
- At a fee can mail or email Vendors their 1099.
- To watch videos on Aatrix service, go to <https://partner.aatrix.com/procontractor> .
- To Enroll in Aatrix service, go to <https://efile.aatrix.com>. This mandatory if efilings via Aatrix.
- At a fee Aatrix can help assist in doing W2C forms (corrected W2) if needed.



If you installed ProContractor for the first time in 2021 and entered beginning balances this year, do not use Aatrix for generating Forms W-2. Aatrix will not account for initial employee amounts entered as part of beginning balances, it only looks at actual payrolls that were processed and posted.

□ **Greenshades Electronic Filing –**

- Federal 940/941, Greenshades can print the form AND efile.
- State forms, Greenshades only creates a file which needs to be download to workstation then manually uploaded to the states website. No State form is created to print.
- W2, 1099 (Not 1099 NEC), 1094/1095 can be efiled via Greenshades.
- 1099/1095 E-filing is not included in the base level Greenshades subscriptions but can be added at any time for an additional fee by contacting the ProContractor Sales representative on the account.
- Print and mail W2's and 1099's (no 1099 NEC) – This process is not covered under the Greenshades and ProContractor license, therefore this is an additional fee that is handled by Greenshades through their "Classic Support". Will need to work with Greenshades directly at 888-255-3815 and request to speak to "Classic Support".
- Greenshades does not have the ability to do W2C forms. Please contact CPA for assistance.

Viewpoint Forms

Viewpoint Business Forms offers pre-printed and blank forms. Use the following table as a guide when ordering forms. Visit www.viewpointforms.com or call (800) 825-8649 for details.

If you are	Order these forms
Printing Year End forms in ProContractor (with the exception of the 1099 NEC)	Pre-printed form, 2 per page.
Printing forms via Aatrix (including 1099NEC)	Blank perforated forms. (optional).
Printing and mailing forms via Aatrix	No forms needed
e-filing via Aatrix or Greenshades	No forms needed

Payroll - Employees

Year-End Preparation

The following items can be done **BEFORE** year-end processing.

Update Tax Tables

Tax table records are controlled by an effective date. When entering tax tables make sure the effective date matches the date when the tax rate takes effect, not the date you make the entry. Please refer to knowledge base article called "[Tax Tables: How and When to Update the Federal and State Income Tax Tables in ProContractor](#)". There is a short video on how to update tax tables. Also some states do not have State Income tax, however a Tax Table has to be created with a 0 rate otherwise payroll will give an error.

Use the following screens to verify the information:

- Federal Retirement & Unemployment Insurance – Update the new rates and/or limits for FICA, MEDI and FUTA are set correctly. Go to **Setup > Taxes & Insurance > Federal Retirement & Unemployment Insurance (Rates tab)**. Even though Medicare tax rate and limits are not changing, the fields still need to be updated for the 2022 year.
- Payroll Tax Authority – Update the new rates and/or limits for SUTA, SDI, and SUI are set correctly. Go to **Setup > Taxes & Insurance > Payroll Tax Authority (State Taxes tab)**. Add a NEW line for the 2022 year. Do not override the rate, just add a new line.
- Income Tax Table for Federal, State and Local tax – Update all the Federal, State and Local income tax rates. Go to **Setup > Taxes & Insurance > Income Tax Table (all tabs)**. Enter the new effective date as 1/01/2022.



Tax table information is available on [Viewpoint Customer Portal](#) at support.viewpoint.com. Tax tables are updated as information becomes available from each tax authority. Viewpoint recommends that you [subscribe to the tax tables](#) you use on Viewpoint Customer Portal so that you are notified when the information changes.

How to Issue Bonuses

Issue all bonuses that need to be entered for 2021. ****Please see short video*****

How to Record S-Corp

If need to enter an S-Corp for the Owner, it's best to do so BEFORE the last payroll of the year, otherwise can manually edit the W2. Please see knowledge base article called ["Adding Fringe benefits for S Corporation shareholders employer paid health insurance"](#)


How to Record Taxable Fringes such as Auto Allowance and Life Insurance


These are also recommended to do Before the last payroll of the year, otherwise can manually edit the W2. Please see knowledge base article called ["How to create a Company Vehicle Usage Fringe Benefit in ProContractor"](#) AND ["How do I enter a once a year personal use of an auto allowance or Company vehicle."](#)

Verify Workers' Compensation Policy – If Workers Compensation/General Liability policy renews in January, create a new policy with the correct Effective date. Go to Setup>Taxes & Insurance>Insurance Policy. Please refer to knowledge base article called ["How to create or update a Workers Compensation / General Liability Insurance Policy in ProContractor"](#).

How many W2 forms to order/print. Print Forms W-2 Summary Report - The report provides information on the number of W-2 Forms needed – in total and for each copy form (Copy A, Copy 1, Copy 2 ect). You can run this report at any time to assist in determining number of Forms W-2 that you need.

- Select **Quarter and Year End > Print Forms W-2 Summary Report** and select Run Report.
- At the top of the W2 Summary, it'll show how many W2 forms to order.

 To determine whether to order pre-printed or blank forms, refer to [Viewpoint Forms](#) (see page 3) for details. Note: W2 printed from ProContractor need preprinted forms, 1094/1095 do not.

 If you order blank 1095-C Forms from www.viewpointforms.com for 2022, the Forms 1095-C may have a perforation, which does not affect printing. Each Form 1095-C is still one whole page.

Review Payroll Setup - Make sure the information necessary for processing Forms W-2 is accurate. Use the following screens to verify the information:

- **Employee** - Verify name, address, Social Security Number, federal and state withholding information for all employees. In addition, review the Form W-2 settings (Retirement Plan, Statutory Employee, and Third-Party Sick Pay). Go to **Setup > View Employee Setups (Employees view)**. You can [customize this view](#) and save it to use next year. If you need to modify an employee, double-click on the employee in the view to open the Employee screen for that employee.
- **Payroll Tax Authority** - For each state that requires SDI/SUI, make sure the [Print SDI/SUI](#) on W-2 field and the Box 14 fields are set correctly. Go to **Setup > Taxes & Insurance > Payroll Tax Authority (State Taxes tab)**. If going to use Aatrix, make sure all State and Local Payroll Tax authorities are mapped to Aatrix. (see knowledge base article called "[Aatrix & ProContractor - Aatrix Mapping Setups for Version 3.13.0 and Higher](#)")

For Ohio local payroll tax authorities, make sure that the Local Abbreviation value on the General tab is as follows:

- The first 4 characters contain the local district name (or abbreviation).
 - The second 4 characters contain the school district code.
- **Deductions** - If a deduction needs to appear on the Form W-2 in ProContractor, make sure the fields in the "W-2 and Tax Control tab" are setup correctly. Go to **Setup > Deductions and Fringes>Deductions**. Bring up the deduction that need to be on the W2. Go to the W-2 and Tax Control tab. Enter Yes for Print on W-2. Hit the down arrow for the W-2 Box Number and select the appropriate number. Fill in the following fields that apply. (see knowledge base article called "[How to setup an Employee Deduction in ProContractor](#)", step 7) Please consult with your CPA or IRS for questions if the Deductions needs to be on the W2 and which box it should be assigned to. If using Aatrix, make sure to map the appropriate deductions to Aatrix. (see knowledge base article called "[Aatrix & ProContractor - Aatrix Mapping Setups for Version 3.13.0 and Higher](#)")
 - **Fringe Benefits** - If a fringe needs to appear on the Form W-2 in ProContractor, make sure the fields in the "W-2 and Tax Control tab" are setup correctly. Go to **Setup>Deductions and Fringes>Fringes**. Bring up the fringe that need to be on the W2. Go to the W-2 and Tax Control tab. Enter Yes to print on the W2. Select the appropriate box number and assign to box 12 or 14. (see knowledge base article called "[Create a Fringe](#)", step 7) Please consult with your CPA or IRS for questions if a Fringe needs to be on the W2 and which box it should be assigned to. If using Aatrix, make sure to map the appropriate fringes to Aatrix. (see knowledge base article called "[Aatrix & ProContractor - Aatrix Mapping Setups for Version 3.13.0 and Higher](#)")

At Year End

- Process and Post the FINAL payroll for 2021, including bonuses, layoffs, and taxable fringe benefits.
- Run all Quarterly reports and processing functions such as e-filing via Aatrix or Greenshades.
- Enter any necessary Tax Table updates, if not yet completed.
- Enter any necessary employee changes, including taxes, exemptions, fringes, deductions, and so on. Any changes made to employee files need to be verified/edited on Forms W-2. **Note:** ProContractor and Greenshades will pull the employee’s address that was used on the Last payroll check issued in 2021. Aatrix will pull the employee’s address from the Employee file in ProContractor.

****At this point, you are ready to begin processing payroll for 2022. If tax tables are not updated before the first payroll of the new year, process payroll anyways. The difference from the old rates versus the new rates shouldn’t be that drastic.**

<u>Due dates</u>	
W-2, W3 paper and e-filing.....	1/31/2022
941 for 2021 Q4.....	1/31/2022
940 for 2021.....	1/31/2022
SUTA for 2021 Q4.....	1/31/2022
1094C/1095C paper.....	2/28/2022
1094C/1095C e-filing.....	3/31/2022
1099 NEC.....	1/31/2022
1099 MISC, INT Paper forms.....	2/28/2022
1099 MISC, INT e-filing.....	3/31/2022

Processing Forms W-2

Process forms within ProContractor, or use an electronic filing option. Refer to [Paper and Electronic Filing Options](#) (see page 3) for details.

- Generate Forms W-2 Summary Report - The report provides totals of W-2 information and number of forms to purchase. Select **Quarter and Year End > Print Forms W-2 Summary Report**.
- Print Reports** - Various reports can assist in verifying and [reconciling the Forms W-2 information](#). Print the following reports as needed:
 - [Historical Earnings Statement](#) - This report provides total employee wages, taxes, and deductions for the year, however it does NOT show Taxable wages. Go to **Reports > Historical Earnings Statement**. Select the date range of 1/1/2021-12/31/2021 and select Summary. Can use Detail if you need to see detailed information per employee.

- [Federal Earnings and Tax Report](#) – This report provides federal information for each employee, including total wages, taxable wages, exempt wages federal tax withheld, Social Security, and Medicare amounts. Go to **Reports > Monthly/Quarterly Payroll Reports > Federal Earnings and Tax Report**, print it for ALL quarters to get the YTD amounts.
- [State/Province Earnings and Tax Report by Quarter](#) - The report provides state information for each employee, including total wages, taxable wages, and state tax withheld. Go to **Reports > Monthly/Quarterly Payroll Reports > State/Province Earnings and Tax Report by Quarter**, print it for All quarters to get the YTD amounts.
- [Local Earnings and Tax Report by Quarter](#) - This report provides local information for each employee, including total wages, taxable wages and local tax withheld. Go to **Reports > Monthly/Quarterly Payroll Reports > Local Earnings and Tax Report by Quarter**, print it for ALL quarters to get the YTD amounts.
- [Deduction Report](#) - This report provides deduction and payroll tax information for each employee and each check in the date range. Go to **Reports > Deduction Report**. NOTE: Not all Deductions need to show on the W2, please consult with CPA or IRS.
- [Fringes Report](#) - This report provides fringe benefit information, including fringe benefits, prevailing wage fringes, and payroll taxes for each employee and check date in the date range. Go to **Reports > Fringes Report**. NOTE: Not all Fringes need to show on the W2, please consult with CPA or IRS.
- [401\(k\) Fringes and Deductions Report](#) - This report provides deduction and fringe information for selected deductions and fringes. Go to **Reports > 401(k) Fringes and Deductions Report**.
- [View Employee Setups](#) - Use this screen to review employee setup data, including Employees, All Deduction - Fringe - Additional Pay Amounts, and Employee Payroll Check. Go to **Setup > View Employee Setups**.

Print Draft Forms W-2:

- Select **Quarter and Year End > Print Forms W-2**.

Run paper versions of forms for review, or click **Print/eFile with Aatrix** to generate test versions of electronic forms. Refer to [Paper and Electronic Filing Options](#) (see page 3) for details. If using Aatrix, make sure all State and Local Payroll Tax authorities as well and any deduction or fringes that need to show on the W2 are mapped to Aatrix. (see knowledge base article called "[Aatrix & ProContractor - Aatrix Mapping Setups for Version 3.13.0 and Higher](#)")

- Revise Forms W-2** - Go to **Quarter and Year End > Edit Forms W-2** to revise paper forms as required. If using Aatrix, revise forms within the Aatrix application.



If you use Aatrix W-2 report filing, you must edit Form W-2 information via Aatrix instead of ProContractor. Changes made on the Edit Forms W-2 screen in ProContractor are NOT reflected in Aatrix. However, Aatrix gives the option to review and edit information before printing and/or filing reports.



Any changes made to Edit Forms W2 will update Payroll Initial Balances AND can affect the 941 quarterly report.



Viewpoint recommends verifying the accuracy of the information on your forms. Below are some reasons why the data in Aatrix may not match ProContractor:

- First year using ProContractor so data was entered via Enter Payroll Initial Balance.
- Didn't map all State, Local taxes as well as fringes and deductions to Aatrix.
- Edited the W2 in ProContractor which doesn't flow to Aatrix.
- Unposted payroll or voided payroll.

Print Final Forms W-2:

- Select **Quarter and Year End > Print Forms W-2**. ProContractor prints 2 W2 per page. Need to purchase preprinted forms.
- Print final forms in ProContractor, or select [Aatrix e-filing option](#) (see page 3) for details. When Printing W2 in ProContractor, will need to select the form, such as Form A is the Federal copy, etc. Can reprint forms as many times as needed.



Viewpoint strongly recommends exporting Forms W-2 to a PDF file and/or keep printed copies on file for future reference.

If required, submit Forms W-2 electronically.

- Refer to [Paper and Electronic Filing Options](#) (see page 3) for details.

If using Aatrix, select **Quarter and Year End > Aatrix Report Filing**. Make sure all State and Local Payroll Tax authorities as well and any deduction or fringes that need to show on the W2 are mapped to Aatrix. (see knowledge base article called "[Aatrix & ProContractor - Aatrix Mapping Setups for Version 3.13.0 and Higher](#)")

- If using Greenshades, select **Quarter and Year End > Greenshades Electronic Filing**. (Greenshades doesn't show the actual W2 forms but it will show the dollar amounts for each employee if need to verify) If purchased the Base Level of Greenshades it will allow up to 2 states. If need more, please contact your sales representative to purchase the next level for Greenshades.



In order to file electronically, you will need to enroll in an e-filing service. Refer to [Paper and Electronic Filing Options](#) (see page 3) for details.

Completing Form W-3

- Print W-2 Summary Report – For ProContractor, will need to manually fill out the W3. Go to **Quarter and Year End > Print Forms W-2 Summary Report**. If e-filing using Aatrix or Greenshades, they will provide the W3.

Complete Forms 1094-C and 1095-C

For any questions about how to complete Form 1094-C and Forms 1095-C, please refer to the IRS website (www.irs.gov) for the most up-to-date information.




You must be on ProContractor version 3.16.3 or 4.X in order to receive the updates related to Forms 1094-C and 1095-C.

- ❑ **Print Reports** - Various reports can assist in completing Forms 1094-C and 1095-C. Print the following reports as needed:
 - Historical Earnings report - This report provides historical payroll information to help assist showing all the pay checks for each employee to determine if they were full time or part time. Go to **Reports > Payroll Hours and Earnings History**.
 - View Employee Setups - Employee-Employment Status view - Use this screen to review employee status data including start and end dates, full time or part time. Go to **Setup > View Employee Setups**.


- ❑ **Create Form 1094-C** - Go to **Quarter and Year End > Edit Form 1094-C**. You must start Form 1094-C before you can create Forms 1095-C, but you cannot complete Form 1094-C until you have completed Forms 1095-C. ProContractor recommends confirming the Company address, EIN, and contact information on Form 1094-C and save the form. When the 1095C is complete print the 1094C by going to **Quarter and Year End>Print Form 1094C** to plain paper. When printing the form 1094-C, ProContractor automatically attaches a PDF of the form to the Company Binder tab.

- ❑ **Create Forms 1095-C** - Go to **Quarter and Year End > Edit Forms 1095-C** to enter coverage information for each employee. Make sure the data is correct on each tab. (*see knowledge base article called "1094-C and 1095-C : Directions, troubleshooting, and FAQs with Article Links - ProContractor"*)

- ❑ **Print Forms 1095-C for each employee:**
 - Select **Quarter and Year End > Print Forms 1095-C**. ProContractor will print the Actual form so no need to purchase forms. However can purchase blank forms that will have the instructions on the back if needed. ProContractor will save a copy to the Employee Binder tab.
 - Print final forms in ProContractor, or select e-filing option. Refer to [Paper and Electronic Filing Options](#) (see page 3) for details. When printing forms 1095-C, ProContractor automatically attaches a PDF of the form to the associated Employee Binder tab.


 If you select to preview the forms 1095-C, ProContractor opens up to 25 forms in a single PDF file.

When you select to print forms 1095-C, ProContractor combines the individual forms into PDF documents to be sent to the printer. By default, 50 documents are included in a single PDF. This means if you print 300 forms, you will see 6 PDF documents in the print queue. If needed, you can change the number of documents per PDF on the Print Forms 1095-C screen.

 Viewpoint recommends including 50 or fewer documents per PDF to prevent out of memory exceptions. If you receive an out of memory exception and have fewer than 100 employees, you will need to reduce the number of documents per PDF on the Print Forms 1095-C screen. If you receive an out of memory exception and have 100 or more employees, you will need to select to print the forms for a range of employees and also reduce the number of documents per PDF on the Print Forms 1095-C screen.


Print Form 1094-C:

- Select **Quarter and Year End > Print Form 1094-C**. ProContractor will print the actual form, so no need to purchase the form. ProContractor will automatically save a PDF of the 1094C to the Company Binder tab.
- Print final forms in ProContractor, or select an [e-filing option](#) (see page 3) for details.

-  If required, submit Forms 1094-C and 1095-C electronically. You will need to enroll in an e-filing service.

Refer to [Paper and Electronic Filing Options](#) (see page 3) for details.

- If you are using Aatrix, select **Quarter and Year End > Aatrix Report Filing**.
- If you are using Greenshades, select **Quarter and Year End > Greenshades Electronic Filing**. Keep in mind that 1094/1095 is an add-on to the Basic Greenshades level license. Please contact your Sales Representative if this is a service you need.

 The format of Forms 1095-C do not align with windowed envelopes. Viewpoint recommends sending the employee copy of Form 1095-C in the same envelope with the employee copy of Form W-2.

Accounts Payable - Vendors

Year-End Preparation

- ❑ **Review Vendor Setup** - Go to **Setup > View Vendor Setups (Vendors view)**. Can review addresses and vendor compensation reporting information for all vendors. Can customize this view and save it for next year. To modify a vendor, double-click on the vendor in the view to open the Vendor screen for that vendor.
- ❑ **Review Vendor Information on Forms 1099** - Go to **Year End > Edit Vendor Compensation Forms**. Review the accuracy of the information on the 1099 NEC, 1099 MISC, and 1099 INT. Modify the information as needed. If information is modified on this screen, ProContractor uses the new values on any tax forms for the active tax year. However, the changes aren't saved in the vendor record. To make any changes permanent, must also modify the Vendor screen.
- ❑ **Print the Vendor Payment History report** and make sure all the vendors that are eligible to receive a 1099 are also on the Vendor Compensation Report. If not go to Edit Vendor Compensation forms to make the changes.

VENDOR Year End

- ❑ **Print Forms 1099 Summary Report** - This report provides information on the number of Forms 1099 needed. **NOTE: ProContractor can't print 1099 NEC, these have to be uploaded to Aatrix to print and/or efile.** Can run this report at any time to assist in determining number of Forms 1099 (MISC & INT) to order. Go to **Year End > Print Forms 1099 Summary Report**.
- ❑ **Order Your Forms 1099 MISC & 1099 INT** - Visit www.viewpointforms.com or call (800) 825-8649 for details.



To determine whether to order pre-printed or blank forms, refer to [Viewpoint Forms](#) (see page 3) for details. *** ProContractor does NOT print any 1099 NEC, these need to be printed from Aatrix***

- ❑ **Vendor Payment History** - This report shows posted Payments for the year. Use this report to verify all the vendors that are eligible to receive a 1099 are on the Vendor Compensation Report. Go to **Reports > Vendor Payment History**.

- ❑ **Review and Revise Forms 1099** - Go to **Year End > Edit Vendor Compensation Forms** to edit any 1099 information for the appropriate vendor.



Viewpoint recommends verifying the accuracy of the information on the forms and make changes, as needed, before printing or saving them. There are several reasons you might want to modify this information, including:

- Incomplete transaction data entered for the tax year (for example, first year using ProContractor and the initial balances were used to load the data.)
- Not all of the required vendor information in ProContractor was setup, such as the "Report Type field in the Vendor file was not setup when invoices were entered and posted so not recognized on the 1099 form.

- ❑ **Print Final Forms 1099-NEC:**
 - Select **Year End > Print Forms 1099-NEC**. Choose Print/efile with Aatrix. This will bring the data in to Aatrix to print and/or efile.
 - Print final forms and/or efile using Aatrix, (see page 3) for details.
- ❑ **Print Final Forms 1099-MISC:**
 - Select **Year End > Print Forms 1099-MISC**.
 - Print final forms in ProContractor (Need to purchase forms) or select Print /e-file with Aatrix to print and/or e-file via Aatrix, (see page 3) for details.
- ❑ **Print Final Forms 1099-INT:**
 - Select **Year End > Print Forms 1099-INT**.
 - Print final forms in ProContractor (Need to purchase forms), or select Print/e-file with Aatrix to print and/or efile via Aatrix, (see page 3) for details.
- ❑ **If required, submit Forms 1099 electronically**, will need to enroll in an e-filing service. Refer to **Paper and Electronic Filing Options** (see page 3) for details.
 - If using Aatrix, select **Vendors > Year End > Aatrix Report Filing**, select the Federal radio button and select the 1099 form.
 - If using Greenshades, go to **Vendors > Year End > Greenshades Electronic Filing**, select 1099.

Completing Form 1096

- ❑ ProContractor does not print the 1096, therefore, print Forms 1099 Summary Report. This will give the total of the 1099's. Manually fill out the 1096 form (can order this form from Viewpoint forms.com or from the IRS). Go to **Year End > Print Forms 1099 Summary Report**.

- ❑ Can also upload data to Aatrix and have Aatrix print the 1096. If the 1099 were e-filed via Aatrix, the Aatrix will print the 1096.

General Ledger – Year End

Current Year Profit/Loss - Financials

Since there is no "hard close" in ProContractor at the end of the fiscal year, the Retained Earnings balance is not updated automatically. At the end of the year, a Journal Entry is needed to move the Current Year Profit (Loss) amount to the Retained Earnings account.

- The balance for the fiscal year profit or loss is maintained in an equity account that is typically named "Current Year Profit (Loss)." (This can found by going to the Administration module>Company & Division>Company. Bring up the company, the account is in the field called "Current Year Earnings Account".)

- ❑ Print the Income Statement (Actual vs Budget). Select the entire fiscal year (make sure Everything is posted for the year). On the Last page in the Actual column, it'll show Net Income. If it shows a negative amount this means there is a **loss**. If it shows a positive amount, this means there is a **profit**. To close out the net profit or loss for a fiscal year to Retained Earnings, a journal entry will need to be made.

- ❑ Create a journal entry (dated the first day of the NEW Fiscal Year) as instructed below. Go to **Journal > Create Journal Entry**.
 - If a **net profit** is realized for the fiscal year (Income Statement Actual is showing a positive amount), create a journal entry that will Debit the Current Year Profit (Loss) account and Credit the Retained Earnings account.
 - If a **net loss** is realized for the fiscal year, create a journal entry that will credit the Current Year Profit (Loss) account and debit the Retained Earnings account.
 - Print all Financial reports, Balance sheet, Trial Balance and Income Statement to make sure everything for the old year and new year are correct.

- After all journal entries have been made for the old year, can do a soft close so no one accidently post to it by going to Administration>Company & Division>Fiscal Periods. Please see knowledge base article called ["What do I need to do to close a period"](#)