



Year-End Audit Readiness:

Your Sales and Use Tax Compliance Checklist

As the calendar year wraps up, audit season begins in earnest. State and local tax departments are reviewing filings, cross-checking data, and pinpointing discrepancies faster than ever. A well-structured year-end audit checklist helps your team stay ahead of that scrutiny—closing the books cleanly, validating compliance, and surfacing any issues before an auditor does.

This Quick Year-End Audit Checklist distills the essentials of sales and use tax readiness into one actionable guide. Use it to verify accuracy across data, documentation, and governance so you can start 2026 with confidence and control.

Quick Year-End Audit Checklist

Reconciliation

- ☐ Export sales-by-state and reconcile to GL and filed returns.
- ☐ Confirm registration for all jurisdictions exceeding nexus thresholds.

Rates & Sourcing

- ☐ Sample 50 invoices across top states; validate rates and sourcing.
- ☐ Review and document any manual rate overrides.

Certificates

- ☐ Export certificate inventory; flag expirations <90 days.
- ☐ Match 100 sample exempt transactions to certificates.

Use Tax

- ☐ Run reverse audit on purchases; post accruals where required.
- ☐ Add use-tax accrual to month-end close checklist.

Filings

- ☐ Confirm all returns for 2024 were filed/paid; archive receipts.
- ☐ Validate filing frequency per jurisdiction.

Audit Trail & Exports

- ☐ Confirm transaction export includes rule ID, rule version, rate, and sourcing evidence.
- ☐ Verify mapping to GL accounts.

Governance

- ☐ Publish owner matrix for tax processes.
- ☐ Create a remediation log for audit findings and completed fixes.

Final Steps

- ☐ Assemble digital audit binder and index.
- ☐ Schedule 30-minute cross-functional review with Finance, Tax Ops, and IT.

Conclusion

Audit readiness isn't just about avoiding penalties—it's about building trust and efficiency across your finance and compliance teams. By following this checklist before year-end, you ensure every number ties out, every certificate is current, and every filing stands on solid ground.

When your systems, documentation, and processes align, an audit stops being a fire drill and becomes a validation of your control.



[Book a 30-minute Audit-Readiness Review with CereTax](#) to see how automation makes audit season effortless.