Bookkeeping, Accounting & Tax Preparation

Who Does What? — A quick guide for small-business owners

Business activity	Bookkeeping	Accounting	Tax preparation
Record daily activity	Primary	Sometimes	Uses records
Reconcile bank accounts	Primary	Review/support	Uses results
Process payroll	Often offered	Sometimes offered	Uses payroll records
Interpret financial statements	Routine reports	Detailed analysis	Reviews for tax
Business vehicle purchase	Records purchase and loan	Financial reporting treatment	Tax use and depreciation
Prepare tax returns	Generally separate	Depends on services	Primary

Example: Buying a business vehicle

The bookkeeper records the purchase and loan. An accountant may help determine the appropriate financial-statement treatment. A tax professional evaluates business use, tax depreciation, and applicable deduction limits. The owner supplies invoices and usage records.

Before hiring, ask:

What work is included? Who reconciles accounts? Who prepares and files tax returns? What credentials or authorizations apply? How will records and adjustments be shared?

Coastal Bookkeeping Services currently offers bookkeeping and related support. Coordinate tax-return preparation with a qualified tax professional.