B&G U.S. Finance and Tax

MONTHLY OPERATING PLAYBOOK | 2026 EDITION

The U.S. Subsidiary Monthly Finance and Tax Operating Playbook

For China Headquarters: Close, Payroll, Sales Tax and the Tax Calendar

01 **Facts first**
Map entities, people, transactions, states and source data before deciding.

02 **Clear ownership**
Give every task an owner, due date, source and reviewer.

03 **Built to operate**
Embed annual tax needs in the monthly finance process.

For: China headquarters and U.S. subsidiaries that need a reliable close, multistate coordination and tax management

Founded by a bilingual, Florida-licensed CPA and IRS Enrolled Agent | 13+ years | Big Four and global in-house background | Experience spanning 15+ entities and 12 countries

OPERATING SYSTEM

Complete, accurate, explainable and actionable

China HQ and the U.S. subsidiary need the same dates, data definitions, owners and review standards.

From the field

Month-end close is not the act of importing bank transactions into QuickBooks. A reliable close explains how cash, revenue, platform settlements, Payroll, Sales Tax, receivables, payables and intercompany balances connect.

A connected operating system

Layer	Input	Output
Transaction	Bank, card, platform, Payroll, invoice, inventory	Complete, traceable ledger
Control	Reconciliation, approval, due date, review, issue log	Reliable balances and repeatable process
Management	P&L, balance sheet, cash, KPI, forecast	HQ decisions and resource allocation
Tax	Entity, states, intercompany, fixed assets, tax liabilities	Monthly readiness and annual filing support

Operating cadence

[ ]	D-2: confirm data and cut-offs	[ ]	D+1 to D+6: reconcile and account
[ ]	D+7 to D+8: review and explain	[ ]	D+9 to D+10: report and close issues
[ ]	Mid-month: tax calendar, state footprint, process improvement	[ ]	Quarterly: RACI, access and significant-judgment review

Target close day ______________________________	**Report recipients** ______________________________
Overall owner ______________________________	**Escalation threshold / SLA** ______________________________

CLOSE CALENDAR

Use explicit cut-offs across time zones

Speed comes from predefining data, ownership and exceptions, not asking everyone to work harder at month-end.

D-2 through D+10 close calendar

Day	Task	Owner	Done when
D-2	Send reminder; confirm bank, platform, HR and AP / AR cut-off	Close owner	Source list and gaps confirmed
D+1	Lock bank, card, cash and platform settlements	Accounting	Statement / report for every account
D+2-3	Reconcile bank, card, revenue, AP and AR	Accounting	Differences explained or logged
D+4	Payroll, Sales Tax, inventory and fixed assets	Accounting / tax	Liability matches detail
D+5-6	Accrual, prepaid, depreciation, FX and intercompany	Controller	Calculation and support retained
D+7-8	Balance-sheet and P&L analytics	Reviewer	Material movement has business reason
D+9	Draft pack and issue meeting	Finance lead	Owners and dates assigned
D+10	Publish, lock, roll calendar	Finance lead	Accepted and version retained

Close rule

Late documents should not silently rewrite a published report. Define amount threshold, reopening authority and the method for next-month reversal or adjustment.

This-month close control

Period ______________________________	**Data lock time** ______________________________
Reviewer ______________________________	**Final release** ______________________________
Late-item amount ______________________________	**Reopen? / approver** ______________________________

CASH AND SPEND

Anchor the close in cash and payment control

Cash is the anchor for other reconciliations and HQ's first view of funding needs and risk.

Cash, card and payables controls

Account	Monthly control	Evidence	Escalation signal
Bank	Reconcile every statement to ledger	Statement, reconciliation	Old unreconciled item / negative
Credit card	Match statement to receipt, purpose and approval	Statement, receipt, purpose	Personal or missing for months
AP	Match vendor, invoice, payment and open item	Aging, invoice, payment	Duplicate / old credit
Expense	Policy, purpose, approval and FX are consistent	Report and receipt	HQ / person routinely pays
Cash flow	Roll 4-8 week payments and available cash	Cash forecast	No funding for tax / Payroll

Monthly sign-off

[ ]	Complete statement for every bank account	[ ]	Book and bank balances reconciled
[ ]	Outstanding items have owner and date	[ ]	Cardholders and access remain valid
[ ]	AP aging has no duplicate, negative or stale items	[ ]	Large / intercompany payment properly approved
[ ]	Taxes and Payroll included in forecast	[ ]	Post-close payment follows late-entry policy

Question for HQ

The bank balance is not freely available cash. Include unpaid AP, Payroll, Sales Tax, estimated income tax and restricted funds.

REVENUE AND PLATFORMS

Separate gross activity, tax, fees and net settlement

A multi-channel business needs a repeatable revenue bridge, not a monthly guess at platform differences.

Revenue bridge: order / invoice to bank

Layer	This month	Source
Gross orders / invoices	$________	Order system / invoice register
- Discounts / returns	$________	Promotion and returns report
+ / - Timing / adjustment	$________	Cut-off, chargeback, FX
= Booked revenue	$________	General ledger revenue
+ Sales Tax collected	$________	Tax report / liability
- Platform / payment fees	$________	Settlement report
- Refunds / reserves	$________	Settlement detail
= Net cash settlement	$________	Bank deposit

Channel reconciliation controls

[ ]	Separate Amazon, Shopify, distributor and B2B	[ ]	Use consistent sales, return, discount, freight and tax definitions
[ ]	Separate marketplace-remitted tax from seller-collected tax	[ ]	Track platform reserve, chargeback and timing differences
[ ]	Align revenue cut-off to return policy	[ ]	Give each difference amount, cause, owner and clear date

Frequent error

Booking net settlement as revenue understates both sales and fees, and can distort Sales Tax, refunds, margin and channel KPIs.

PAYROLL AND SALES TAX

Connect filing liabilities to the ledger

A platform-submitted return does not prove the ledger is right. Monthly reconciliation finds differences before notices or year-end.

Payroll-to-ledger reconciliation

Item	Payroll report	Ledger / liability	Difference
Gross wages	$________	$________	$________
Employer taxes	$________	$________	$________
Employee withholding	$________	$________	$________
Benefits / deductions	$________	$________	$________
Net pay / cash	$________	$________	$________

Sales Tax liability rollforward

Opening	+ Collected	- Filed / paid	+ / - Adjusted	Ending
$______	$______	$______	$______	$______

[ ]	Payroll register, tax liability and bank payment agree	[ ]	Payroll state accounts align to work locations
[ ]	Sales Tax return agrees to channel tax report	[ ]	Marketplace-remitted tax is not double accrued
[ ]	Late filing, notice, credit and amendment tracked separately	[ ]	Payroll and Sales Tax liabilities are not cleared to expense

High-risk balance

Payroll withholding and Sales Tax generally represent collected or payable amounts. Negative, static, return-mismatched or expense-cleared balances require immediate review.

INVENTORY, ASSETS AND ACCRUALS

Support non-cash balances with detail

Correct cash does not make the statements reliable. Inventory, assets, prepaids and accruals drive margin, period expense and tax workpapers.

Non-cash and cut-off accounts

Account	Monthly action	Support	Review question
Inventory	Quantity / value, in-transit, loss, 3PL state	Inventory report, COGS bridge	Do ledger, warehouse and sales agree?
Fixed asset	Addition, disposal, depreciation, location	Invoice, asset register	Capitalize? Tax class and state?
Prepaid	Amortize over benefit period	Agreement, schedule	Any expired balance?
Accrual	Book incurred not invoiced; reverse	Calculation, later invoice	Reasonable and cleared timely?
Deferred revenue	Recognize under performance / policy	Contract, billing schedule	Are billing, cash and revenue mixed?

Balance support

Account	Ledger	Detail	Difference	Owner / date
Inventory	$______	$______	$______	________
Fixed assets	$______	$______	$______	________
Prepaids	$______	$______	$______	________
Accruals	$______	$______	$______	________

State-footprint connection

Inventory and fixed-asset locations can affect Sales Tax, state income tax, property tax and entity registration. Retain location and start date in the workpaper.

INTERCOMPANY AND CROSS-BORDER

Align both ledgers and transaction facts monthly

Old balances, vague allocations and missing agreements affect statements, cash, tax filings and cross-border explanations.

Intercompany rollforward

Related party	Opening	+ Activity	- Settle / offset	FX / adjust	Ending
________	$____	$____	$____	$____	$____
________	$____	$____	$____	$____	$____
________	$____	$____	$____	$____	$____

Every related-party item should answer

[ ]	Parties and relationship	[ ]	Nature: goods, service, loan, allocation or capital
[ ]	Agreement and pricing basis	[ ]	Invoice, currency, payment and settlement terms
[ ]	Service location / benefit and support	[ ]	Withholding, information reporting and Transfer Pricing review
[ ]	Both-side ledger balance and difference	[ ]	Resolution plan for old balances

Form 5472 data chain Certain foreign-owned U.S. corporations and foreign-owned U.S. disregarded entities report specified related-party transactions. The monthly ledger should support annual categories, amounts, counterparty and balances.

Balance confirmation

U.S. book balance ________________________________	**HQ balance / currency** ________________________________
Difference / reason ________________________________	**Resolution owner / date** ________________________________

MANAGEMENT REPORTING

Make the pack answer decisions, not just display numbers

HQ needs causes, cash impact, deadlines and decision requests more than a longer P&L.

Monthly HQ management pack

Page	Content	Question answered
1. Executive summary	Cash, revenue, profit, tax and significant items	What must HQ decide this month?
2. P&L	Month / YTD / budget / prior	Volume, price, mix, cost or timing?
3. Balance sheet	Priority balances, aging, support status	Which balance is unusable or actionable?
4. Cash	Available cash, forecast, large payments	When is funding or spend control needed?
5. Tax / compliance	Filings, payments, states, notices	What is due or decided in 60 days?
6. Action log	Issue, amount, owner and due date	Who closes it; when escalated?

Balance-sheet review questions

[ ]	Cash reconciled to statement?	[ ]	AR / AP aging explainable?
[ ]	Inventory and assets have location / detail?	[ ]	Payroll / Sales Tax agree to returns?
[ ]	Prepaid / accrual roll on schedule?	[ ]	Intercompany confirmed on both sides?
[ ]	Equity and owner funding classified?	[ ]	Any negative, static or unsupported balance?

Reporting principle

Explain movements in business language: volume, price, mix, freight, hiring, FX and timing. “Accounting adjustment” is not a final explanation.

TAX CALENDAR AND RACI

Embed annual filing needs in monthly operations

State footprint, fixed assets, intercompany, tax liabilities and notices should be updated during close, not reconstructed at year-end.

Monthly / quarterly / annual tax calendar

Frequency	Items	Company date / owner
Monthly	Payroll deposit / return, Sales Tax, close, footprint change	________________________
Quarterly	Quarterly Payroll, estimated tax, provision / forecast, access review	________________________
Annual	Federal / state income tax, Form 5472, 1099 / W-2, annual reports	________________________
Event	New state, hire, stock, entity / owner, agreement or notice	________________________

Minimum RACI

Workflow	R do	A accountable	C consult	I inform
Data collection	______	______	______	______
Close / review	______	______	______	______
Payroll / Sales Tax	______	______	______	______
Income tax / related party	______	______	______	______
Notice / escalation	______	______	______	______

Deadline control

Separate the statutory due date, internal data date and review date. Earlier internal dates create room for data repair, approval and funding.

Next 60 days

Nearest due date ________________________________	**Data required by** ________________________________
Reviewer / approver ________________________________	**Funding source** ________________________________

MATURITY AND UPGRADE

Stabilize close, then make finance forward-looking

Maturity is not more software. It is timely data, supported balances, closed issues and fewer year-end tax surprises.

Close maturity scorecard

Dimension	1 Reactive	2 Basic	3 Controlled	4 Forward
Data	Missing / manual	Mostly available	Complete and reconciled	Automated with exception control
Timing	No fixed day	Chase at month-end	Stable by D+10	Faster with forecast
Ownership	Person-dependent	Partial roles	RACI and backup	Cross-team SLA
Reporting	P&L only	Basic balance sheet	Pack and explanation	Scenario / decision support
Tax	Year-end scramble	Calendar	Monthly workpaper link	Forecast and state monitoring

30-day upgrade

[ ]	Week 1: target close day, source list and RACI	[ ]	Week 2: reconcile cash, revenue, Payroll and Sales Tax first
[ ]	Week 3: balance support and issue log	[ ]	Week 4: issue the first pack and retrospective
[ ]	Automate one point only after definitions and review are stable	[ ]	Set 60-day tax calendar and footprint-change process

When Fractional Tax management fits

When multi-state, Payroll, Sales Tax, income tax, related parties and outside teams depend on one another, but no internal owner manages the calendar, data and judgments, a Fractional Tax lead can provide the coordination and review layer. Fit depends on scope, complexity and existing team.

Current maturity (1-4) ________________________________	**90-day target** ________________________________
Largest obstacle ________________________________	**Executive sponsor** ________________________________

REFERENCES AND NEXT STEP

Use records to support statements; use statements to support decisions

Reviewed July 18, 2026. Links can change; confirm the issuing agency's current page before execution.

Official references

- **IRS - Why Should I Keep Records?**: https://www.irs.gov/businesses/small-businesses-self-employed/why-should-i-keep-records
- **IRS - What Kind of Records Should I Keep?**: https://www.irs.gov/businesses/small-businesses-self-employed/what-kind-of-records-should-i-keep
- **IRS - Publication 15 (2026)**: https://www.irs.gov/publications/p15
- **IRS - Instructions for Form 5472**: https://www.irs.gov/instructions/i5472
- **IRS - Starting a Business**: https://www.irs.gov/businesses/small-businesses-self-employed/starting-a-business

Continue the conversation

Resource keyword: **CLOSE**. Visit berglandgao.com/en/contact and send the keyword through the WeChat channel published on the site. Include current close timing, systems, states, Payroll / Sales Tax and the largest data gap. Do not send highly sensitive information.

Professional and legal disclaimer

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