

## Record Retention Recommendations

Need to know how long to hang onto that important document? Here is a good list of documents and recommended retention periods.

Business documents are an important history of your businesses' transactions with customers, vendors, creditors, and employees. These records should be maintained and available to resolve questions that may arise in the future.

Your business records should be easily accessible to authorized personnel in your business. Your business records should be maintained in accordance with the below recommended periods. Certain circumstances involving pending or potential litigation may require an extension of time for record retention. Your legal counsel should be consulted prior to discarding documents that may be subject to an extended retention period.

Special retention requirements may apply to documents or information maintained on computer systems. The [Internal Revenue Service](#) has special computer retrieval requirements when business records are maintained on a computerized system. You should consult with your tax adviser regarding any applicable [IRS](#) requirements.

Identity theft is a serious threat in today's world, and it is important to take every precaution to avoid it. After it is no longer necessary to retain your tax records, financial statements, or any other document with your personal information, you must dispose of these records by shredding them and not disposing of them by merely throwing them away in the trash.

| Type of Record                            | Retention Period | Type of Record                               | Retention Period |
|---|------------------|--|------------------|
| Accident reports & claims                 | 7 years          | Accounts payable ledgers                     | 7 years          |
| Accounts receivable ledger                | 7 years          | Audit reports                                | Permanent        |
| Bank reconciliations                      | 1 year           | Bank statements                              | 7 years          |
| Canceled checks- important                | Permanent        | Canceled checks- other                       | 7 years          |
| Capital stock and bond records            | Permanent        | Cash books                                   | Permanent        |
| Charts of accounts                        | Permanent        | Contracts & leases-expired                   | 7 years          |
| Contracts & leases in effect              | Permanent        | Correspondence-Customers & vendors           | 1 year           |
| Correspondence-general                    | 3 years          | Correspondence-legal                         | Permanent        |
| Deeds, mortgages and bills of sale        | Permanent        | Depreciation schedules                       | Permanent        |
| Duplicate deposit slips                   | 3 years          | Employee personnel records after termination | 3 years          |
| Employee benefit plan records             | 7 years          | Employment applications                      | 3 years          |
| Expense analysis & distribution schedules | 7 years          | Financial statements-year end                | Permanent        |

|   |           |   |           |
|---|-----------|---|-----------|
| Financial statements-other                        | 7 years   | General ledgers & trial balances-year end | Permanent |
| Inherited property records & valuations           | Permanent | Insurance policies-expired                | 3 years   |
| Insurance records                                 | Permanent | Insurance audit reports                   | Permanent |
| Internal reports                                  | 3 years   | Inventory records                         | 7 years   |
| Invoices to customers                             | 7 years   | Invoices from vendors                     | 7 years   |
| Journals  | Permanent | Low-income housing records                | 7 years   |
| Minute books of directors & stockholders          | Permanent | Notes receivable ledgers                  | 7 years   |
| Option records                                    | 7 years   | Payroll records                           | 7 years   |
| Petty cash vouchers                               | 3 years   | Physical inventory tags                   | 3 years   |
| Property appraisals                               | Permanent | Property records                          | Permanent |
| Purchase orders                                   | 7 years   | Receiving sheets                          | 3 years   |
| Requisitions                                      | 1 year    | Sales records                             | 7 years   |
| Savings bond records-employees                    | 3 years   | Scrap & salvage records                   | 7 years   |
| Stock room withdrawal forms                       | 1 year    | Subsidiary ledgers                        | 7 years   |
| Tax returns, worksheets & revenue agents' reports | Permanent | Time books                                | 7 years   |
| Trade mark registrations                          | Permanent | Voucher registers                         | 7 years   |

### Special Circumstances

- Car Records (keep until the car is sold)
- Credit Card Receipts (keep until verified on your statement)
- Mortgages / Deeds / Leases (keep 6 years beyond the agreement)
- Pay Stubs (keep until reconciled with your W-2)
- Sales Receipts (keep for life of the warranty)
- Stock and Bond Records (keep for 6 years beyond selling)
- Warranties and Instructions (keep for the life of the product)
- Other Bills (keep until payment is verified on the next bill)