

## RECORD RETENTION GUIDE

We have compiled a list of the most common tax and financial records that a business or an individual may need to keep and guidelines for how long the records should be retained.

The information contained in this site is of a general nature and may not be applicable to you. Please call our office for specific guidance regarding your situation.

### Businesses

#### Keep One Year

- Bank reconciliations
- Correspondence with customers or vendors
- Duplicate deposit slips
- Purchase orders (except purchasing department copies)
- Receiving sheets
- Requisitions
- Stenographer's notebooks
- Stockroom withdrawal forms

#### Keep Three Years

- General correspondence
- Employee personnel records (after termination)
- Employment applications
- Expired insurance policies
- Internal audit reports
- Internal reports
- Petty cash vouchers
- Physical inventory tags
- Savings bond registration records of employees

#### Keep Seven Years

- Accident reports and claims
- Accounts payable ledgers and schedules
- Accounts receivable ledgers and schedules
- Cancelled checks
- Expired contracts and leases
- Expense analysis and expense distribution schedules
- Inventories of products, materials and supplies
- Invoices to customers
- Notes receivable ledgers and schedules
- Expired option records
- Payroll records and summaries, including payments to pensioners
- Plant cost ledgers
- Purchasing department copies of purchase orders
- Sales records
- Cancelled stock and bond certificates
- Subsidiary ledgers
- Time books
- Voucher register and schedules
- Voucher for payments to vendors, employees, etc.

## Keep Permanently

- Audit reports of accountants
- Cash books, charts of accounts
- Cancelled checks for important payments
- Contracts and leases still in effect
- Correspondence on legal and other important matters
- Deeds
- Mortgage and bills of sale
- Depreciation schedules
- Financial statements (end-of-year)
- General ledgers (and end-of-year trial balances)
- Insurance records, current accident reports, claims, policies
- Journals
- Minute books of directors and stockholders
- Property appraisals by outside appraisers
- Property records
- Tax returns and worksheets, revenue agents' reports and other documents relating to determination of income tax liability
- Trademark registrations

## Individuals

### Keep One Year

- While it's important to keep year-end mutual fund and IRA contribution statements forever, you don't have to save monthly and quarterly statements once the year-end statement has arrived.

### Keep Three Years

- Credit Card Statements
- Medical Bills (in case of insurance disputes)
- Utility Records
- Expired Insurance Policies

### Keep Six Years

- Supporting Documents For Tax Returns
- Accident Reports and Claims
- Medical Bills (if tax-related)
- Property Records / Improvement Receipts
- Sales Receipts
- Wage Garnishments
- Other Tax-Related Bills

## Keep Permanently

- CPA Audit Reports
- Legal Records
- Important Correspondence
- Income Tax Returns
- Income Tax Payment Checks
- Investment Trade Confirmations
- Retirement and Pension Records

## **Special Circumstances**

- Car Records (keep until the car is sold)
- Credit Card Receipts (keep until verified on your statement)
- Insurance Policies (keep for the life of the policy)
- Mortgages / Deeds / Leases (keep 6 years beyond the agreement)
- Pay Stubs (keep until reconciled with your W-2)
- Property Records / improvement receipts (keep until property sold)
- 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)
- Depreciation Schedules and Other Capital Asset Records (keep for 3 years after the tax life of the asset)