



Record Retention:
Guidelines for business and personal documents:

Business Records

One Year

- Duplicate Deposit Slips
- Purchase Orders (other than Purchasing Department copy)
- Receiving Sheets
- Correspondence with Customers and Vendors
- Requisitions
- Stockroom Withdrawal Forms



Three Years

- Employment Applications
- Form I-9 (Employment Eligibility Verification)
- Time Cards For Hourly Employees
- Employee Personnel Records (after termination)
- Petty Cash Vouchers
- Expired Insurance Policies
- General Correspondence
- Internal Audit Reports
- Internal Reports
- Physical Inventory Tags
- Savings Bond Registration Records of Employees

Six Years

- Accounts Payable Ledgers and Schedules
- Vouchers for Payments to Vendors, Employees, etc.
- Purchasing Department Copies of Purchase Orders
- Expense Analysis and Expense Distribution Schedules
- Auto Mileage Logs

- Travel and Entertainment Records
- Plant Cost Ledgers
- Voucher Register, Schedules
- Charitable contribution acknowledgment of \$250 or more
- Accounts Receivable Ledgers and Schedules
- Sales Records
- Invoices to Customers
- Notes Receivable Ledgers, Schedules
- Inventories of Products, Materials, Supplies
- Employment Tax Records
- Payroll Records and Summaries, including payment to pensioners
- Time Books
- Accident Reports, Claims
- Bank Statements and Reconciliation's
- Cancelled Checks
- Cancelled Stock and Bond Certificates
- Expired Contracts, Leases
- Expired Option Records
- Subsidiary Ledgers

Permanently

- Tax Returns and Worksheets (Federal guidelines do not require tax records kept "forever". However, there are other reasons you will want to retain these documents permanently.)
- Annual Financial Statements
- General and Private Ledgers, Year End Trial Balances
- Cash Books, Charts of Accounts
- Depreciation Schedules
- Documents substantiating fixed asset additions

(Continued from page 1)

- Cancelled Checks for Important Payments (especially tax payments)
- Audit Reports from CPAs/Accountants
- IRS Revenue Agents Reports
- Contracts, Leases Currently in Effect
- Deeds, Mortgages, Bills of Sale
- Real Estate and Personal Property Appraisals by Outside Appraisers
- Property Records
- Insurance Records, Current Accident Reports, Claims, Policies
- Corporate Documents (incorporation, charter, by-laws, etc.)
- Legal Records, Correspondence and Other Important Matters
- Minutes Books of Directors and Stockholders
- Retirement and Pension Records
- Trademark and Patent Registrations
- Journals
- Investment Trade Confirmations

Special Rules Regarding Computerized Records

Generally, record-retention periods are the same for computerized records as for hard-copy documents. However, retrievability is crucial. Not only must certain records be maintained, the IRS must be able to access those records. In other words, if your computerized records are stored in a format that is becoming, or has become, obsolete, you need to upgrade those records to more current media.

Remember, keep off-site backups of all important computer files and update those frequently. Otherwise, any disaster that damages your computer, will damage your backups as well.



Personal Records

Three Years

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

Six Years

- All Documents Related to Tax Returns
- Medical Bills (if tax-related)
- Accident Reports and Claims
- Real Estate Records and Receipts for Improvement
- Sales Receipts (or no less than the life of the warranty)
- Wage Garnishments
- Other Tax-Related Bills

Permanently

- Income Tax Returns
- Income Tax Payment Receipts and/or Cancelled Checks
- Retirement/Pension Documents
- CPA Audit Reports
- Legal Records
- Important Correspondence
- Investment Trade Confirmations

Other

- Pay Stubs (keep until reconciled with your W-2)
- 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)
- Real Estate Records / improvement receipts (keep 6 years beyond sale of property)
- Stock and Bond Records (keep for 6 years beyond selling)
- Depreciation Schedules and Other Capital Asset Records (keep for 3 years after the tax life of the asset)