

# RECORD RETENTION GUIDELINES

The following chart provides a general guideline for the retention of many records, but the specific holding periods for any record retention policy should be given careful scrutiny by management and legal advisors in light of any pending investigations, regulated industry requirements or contract covenants. In addition to these general guidelines, each business should consider any industry standards that may affect the holding period of records due to unusual legal circumstances.

## Accounting Records

|   |             |
|---|-------------|
| Auditors' report and annual financial statements . . . . .                      | Permanently |
| Bank statements and deposit slips . . . . .                                     | 7 years     |
| Cancelled checks:   |             |
| • Fixed assets . . . . .  | Permanently |
| • General . . . . .   | 7 years     |
| • Payroll . . . . .   | 7 years     |
| • Taxes (payroll related) . . . . .   | 7 years     |
| • Taxes (income) . . . . .  | Permanently |
| Cash disbursements journal . . . . .  | Permanently |
| Cash receipts journal . . . . .   | Permanently |
| Chart of accounts . . . . .   | Permanently |
| Deeds, mortgages, bills of sale . . . . .                                       | Permanently |
| Electronic payment records . . . . .  | 7 years     |
| Employee expense reports . . . . .  | 7 years     |
| Fixed asset records (invoices, depreciation schedules) . . . . .                | Permanently |
| Freight bills and bills of lading . . . . .                                     | 7 years     |
| General journal . . . . .   | Permanently |
| General ledger . . . . .  | Permanently |
| Inventory listings and tags . . . . .   | 7 years     |
| Invoices: Sales to customers/credit memos . . . . .                             | 7 years     |
| Patent/Trademark and related papers . . . . .                                   | Permanently |
| Payroll journal . . . . .   | Permanently |
| Production and sales reports . . . . .  | 7 years     |
| Purchases . . . . .   | 7 years     |
| Purchase journal . . . . .  | Permanently |
| Purchase orders . . . . .   | 7 years     |
| Sales or work orders . . . . .  | 7 years     |
| Subsidiary ledgers (accounts receivable, accounts payable, equipment) . . . . . | 7 years     |
| Time cards and daily time reports . . . . .                                     | 7 years     |
| Training manuals . . . . .  | Permanently |
| Trial balance — year-end . . . . .  | Permanently |

## Insurance Records

|   |                          |
|---|--------------------------|
| Accident reports and settled claims . . . . .   | 6 years after settlement |
| Fire inspection and safety reports . . . . .    | 7 years                  |
| Insurance policies (after expiration) . . . . . | 7 years                  |

## Legal Documents

|   |             |
|---|-------------|
| Articles of incorporation and bylaws . . . . .    | Permanently |
| Amendments to above . . . . .                     | Permanently |
| Buy-sell agreements . . . . .                     | Permanently |
| Contracts and leases (after expiration) . . . . . | 7 years     |
| Employment agreements . . . . .                   | 7 years     |
| Legal correspondence . . . . .                    | Permanently |
| Minutes . . . . .                                 | Permanently |
| Partnership agreements . . . . .                  | Permanently |
| Stock certificates and ledgers . . . . .          | Permanently |

## Tax Records

|   |             |
|---|-------------|
| IRS or FTB adjustments . . . . .                            | Permanently |
| Payroll tax returns . . . . .                               | Permanently |
| Property basis records . . . . .                            | Permanently |
| Sales and use tax returns . . . . .                         | Permanently |
| Tax returns and cancelled checks for tax payments . . . . . | Permanently |

## Personnel Records

|   |          |
|---|----------|
| Child labor certificates and notices . . . . .  | 3 years  |
| Employment application (from date of termination) . . . . .                             | 2 years  |
| Employment eligibility verification (I-9 form) (from date of termination) . . . . .     | 3 years  |
| Help wanted ads and job opening notices . . . . .                                       | 2 years  |
| Personnel files (from date of termination) . . . . .                                    | 4 years  |
| Records of job injuries causing loss of work . . . . .                                  | 5 years  |
| Safety: chemical and toxic exposure records . . . . .                                   | 30 years |
| Union agreements and individual employee contracts (from date of termination) . . . . . | 3 years  |

## Employee Benefit Plan Records

|  |             |
|--|-------------|
| Actuarial reports . . . . .  | Permanently |
| Allocation and compliance testing . . . . .  | 6 years     |
| Brokerage/Trustee statements supporting investments . . . . .                              | 6 years     |
| Financial statements . . . . .   | Permanently |
| General ledger and journals . . . . .  | 6 years     |
| Information returns (Form 5500) . . . . .  | 6 years     |
| Internal Revenue Service/Department of Labor correspondence . . . . .                      | Permanently |
| Participant communications related to distributions, terminations, beneficiaries . . . . . | 6 years     |
| Plan and Trust Agreements . . . . .  | Permanently |

## Individual Records

|  |         |
|--|---------|
| Tax Returns (after filing) . . . . .   | 6 years |
| Medical Bills (after payment) . . . . .  | 6 years |
| Forms 1099 received (after receipt) . . . . .                                  | 6 years |
| Keogh statements (after plan termination) . . . . .                            | 6 years |
| IRA records (deductible & nondeductible) (after account termination) . . . . . | 6 years |
| Loan records (after payoff) . . . . .  | 6 years |
| Insurance policies (after expiration) . . . . .                                | 6 years |
| Major purchase receipts (after purchase) . . . . .                             | 6 years |
| Year-end brokerage statements (after securities deposit) . . . . .             | 6 years |
| Certificate of deposit statements (after maturity) . . . . .                   | 6 years |
| Schedule K-1s from LLPs or S Corps (after disposition of interest) . . . . .   | 6 years |

## Individual Permanent Records

- House records (cancelled checks for purchase, major improvements and maintenance)
- Birth and death certificates
- Medical records
- Wills/Trust Agreements
- W-2 Forms received
- List of financial assets held
- Alimony, custody & prenuptial agreements
- Military papers
- Photos or videotape of valuables