

HOW LONG YOU SHOULD KEEP BUSINESS RECORDS

Listed below is a suggested Record Retention schedule to use, modifying it to meet your individual needs. Remember that these time frames relate to the time period immediately following the filing of your tax return or the actual date of the return:

KEEP ONE YEAR

- * Correspondence with customers and vendors
- * Requisitions
- * Stenographer's notebooks
- * Stockroom withdrawal forms

KEEP THREE YEARS

- * Bank reconciliations
- * General correspondence
- * Employee personnel records (after termination)
- * Employee applications
- * Duplicate deposit slips
- * Purchase orders (except purchasing department copy)
- * Receiving sheets
- * Petty cash vouchers
- * Physical inventory tags
- * Savings bond registration records of employees
- * Internal reports (misc.)

KEEP SEVEN YEARS

- * Insurance policies (expired)
- * Accident reports and claims (settled cases)
- * Accounts payable ledgers and schedules
- * Accounts receivable ledgers and schedules
- * Checks (cancelled) see exceptions under "Keep Permanently"
- * Contracts and leases (expired)
- * Expense analysis and expense
- * Inventories of products, materials and supplies
- * Invoices to customers
- * Invoices from vendors
- * Notes receivable ledgers and schedules
- * Option records (expired)
- * Payroll records and summaries including payments to pensioners
- * Plant cost ledgers
- * Purchase orders (purchasing department)
- * Sales records
- * Scrap and salvage records (inventories, sales, etc.)
- * Stocks and bond certificates (expired)
- * Subsidiary ledgers
- * Time books
- * Voucher register and schedules
- * Vouchers for payments to vendors, employees, etc., (includes allowances and reimbursement of employees, officers, etc. for travel/entertainment expense)

KEEP PERMANENTLY

- * Audit records of accountants
- * Charter and bylaws
- * Checks (cancelled) for important payments. (File with papers pertaining to the underlying transaction)
- * Capital stock and bond records
- * Cash books
- * Charts of accounts
- * Contracts and leases still in effect
- * Correspondence (legal and important)
- * Deeds, mortgages, bill of sale
- * Depreciation schedules
- * Financial statements
- * General and private ledgers (and end of year trial balances)
- * Insurance records, current accident reports, claims, policies, etc.
- * Internal audit reports (in some situations, longer retention)
- * Journals
- * Minute books of director and stockholder meetings
- * Property appraisal by outside appraisers
- * Property records including costs, depreciation reserves, end of year trial balances, depreciation schedules, blueprints and plans
- * Tax returns and worksheets, revenue agents' reports, etc.
- * Patent, trademark and copyright registrations