

Records Retention Guidelines for Organizations



MIZE & HOUSER
COMPANY P.A.

What do you need to keep and for how long?

| Accounts Payable | |
|---|---------------------------------|
| Accounts payable ledgers and schedules | 7 years |
| Cancelled checks not for important payments like taxes or purchase of property | 7 years |
| Invoices and cancelled checks for Fixed Asset/ Equipment Purchases | Permanently |
| Invoices from vendors | 10 years |
| Unclaimed vendor checks | 10 years; state law may vary |
| Vouchers for payments to vendors and employees (includes allowances and reimbursement of employees for travel and entertainment expenses) | 7 years |
| Organizational Documents & Contracts | |
| Articles of Incorporation | Permanently |
| Buy/Sell Agreements | Permanently |
| By-Laws | Permanently |
| Capital stock records | Permanently |
| Corporate Minutes | Permanently |
| Franchise Agreements (any) | Permanently |
| Management Agreements | Permanently |
| Operating Agreements | Permanently |

| Contracts | |
|--|-------------|
| Active contracts and leases | Permanently |
| Expired Contracts and Leases | 10 years |
| Financial Statements | |
| Audit reports of accountants | Permanently |
| Bank reconciliations | 3 years |
| Bank statements | 7 years |
| Chart of accounts | Permanently |
| Duplicate deposit slips | 1 year |
| Expense analyses and expense distribution schedules | 7 years |
| Financial statements—annual | Permanently |
| Financial statements—interim | 4 years |
| General ledgers and end of year trial balances | Permanently |
| Inventories of products, materials and supplies | 7 years |

This document is intended as a suggested guideline only, is not intended as legal advice and is subject to change without notice. Updated 8-16

| Correspondence | |
|---|--|
| General correspondence | 3 years |
| Legal and important correspondence | Permanently |
| Routine correspondence with customers or vendors | 1 year |
| Insurance Records | |
| Accident reports and claims (settled cases) | 7 years |
| Insurance policies—expired | 7 years |
| Insurance records, current accident reports, claims, policies, etc. | Permanently |
| Payroll/Employee Records | |
| Employment Applications—current employees | Permanently |
| Employment Applications—rejected | 3 years |
| Form I-9 | 3 years after date of hire or 1 year after date of termination, whichever is later |
| Labor Schedules | 3 years |
| Payroll records, including Forms W-4, W-2, deduction authorizations, cancelled checks, time records, training records | 7 years |
| Personnel Records—terminated employees | 7 years after termination |
| Quarterly and Year-End Payroll Tax Returns | 7 years |
| Unclaimed payroll checks | 10 years; state law may differ |

| Real Estate and Other Property/Assets | |
|--|-----------------------------|
| Abstracts, deeds, mortgages, bills of sale, and other papers pertaining to the sale of real estate | Permanently |
| Depreciation schedules | Permanently |
| Other property records including costs, blueprints and plans | Permanently |
| Scrap and salvage records (inventories, sales, etc.) | 7 years |
| Titles | Permanently |
| Sales/Accounts Receivable Records | |
| Accounts receivable ledgers and schedules | 7 years |
| Cash Sheets | 4 years |
| Invoices from Vendors | 7 years |
| Register Tapes | 4 years |
| Sales Records | 7 years |
| Signed Credit Card Receipts over \$25 | 2 years (minimum) |
| Tax Exempt Sales Documentation | 3 years; state law may vary |
| Tax Records (Income, Sales, Personal Property) | |
| Cancelled checks for tax payments should be filed with the papers pertaining to the underlying transaction | Permanently |
| Receipts/confirmation numbers of tax payments | Permanently |
| Tax returns and worksheets, IRS agent reports and audits and other documents relating to determination of income tax liability | Permanently* |

*The statute of limitations if you don't report income that should have been reported and it's more than 25% of gross income shown on return, is 6 years. There is an indefinite statute of limitations for fraudulent returns. Keep all employment tax records for at least 4 years after the date the tax becomes due. Keep all tax records relating to property until the period of limitations expires for the year in which you dispose of the property.