

## RECORDS RETENTION SCHEDULE FOR BUSINESS

Retaining business records is an important practice for many reasons, including an IRS audit or other examination. Storage space restrictions make it important for businesses to establish a retention schedule that takes into account state and federal regulations, as well as specific industry standards. The retention periods listed below are intended as a general guideline only. This is not a legal document. **Please contact Rooks CPA if you have specific questions about destroying tax or accounting records.**

DOCUMENT	RETENTION PERIOD	DOCUMENT	RETENTION PERIOD
Accident reports/claims (settled cases)	6 years	Insurance policies (worker's comp & occurrence based)	Permanently
Accounts payable ledgers & schedules	7 years	Insurance policies (claims made)	6 years after tail coverage expires
Accounts receivable ledgers & schedules	7 years	Inventory records (except LIFO)	7 years
Audit reports	Permanently	Inventory records (LIFO)	Permanently
Bank statements	7 years	Invoices to customers/from vendors	7 years
Capital stock & bond records	Permanently	IRA/Keogh plan transactions	Permanently
Cash books	7 years	Minute books, by-laws & charter	Permanently
Chart of Accounts	Permanently	Payroll records	7 years
Contracts and Leases	Permanently	Petty cash vouchers	7 years
Correspondence (general)	3 years	Purchase orders	3 years
Correspondence (legal and tax)	Permanently	Receiving sheets	3 years
Checks	Permanently	Retirement plan records	Permanently
(cancelled checks for important payments, special contracts, purchase of assets, payment of taxes, etc. Checks should be filed with the papers pertaining to the underlying transaction)		Safety records	6 years
Checks (cancelled except for those above)	7 years	Sales records	7 years
Deeds, mortgages, bills of sale	Permanently	Subsidiary ledgers	7 years
Deposit slips	3 years	Tax returns	Permanently
Depreciation schedules	Permanently	Time card and daily reports	2 years
Employee personnel records (after termination)	3 years	Trademark registration, patents, copyrights	Permanently
Employment applications, resumes, job postings	1 year	W-2 forms	7 years
Expense reports	7 years	Worker's Comp Records	7 years
Financial statements	7 years		
Financial statement source documents	7 years		
Fixed asset records	As long as you own the asset + 3 years		
General ledgers, year-end trial balance	Permanently		

