

Guidelines for Records Retention

Business records, especially those that are voluminous and bulky, should be disposed of as soon as they outlive their usefulness. To help our clients determine which records they should keep and for how long, we have printed the following schedule. (This schedule is only a guide. Special circumstances can alter the retention period.) Note: It is advisable to confer with an attorney or CPA before destroying any records.

	RETENTION		RETENTION
Accident reports/claims (settled case)	7 years	Journals	Permanently
Accounts payable ledgers and schedules	7 years	Minute books of directors, stockholders, bylaws, and charters	Permanently
Accounts receivable ledgers and schedules	7 years	Notes receivable ledgers and schedules.....	7 years
Audit reports of accountants.....	Permanently	Options records (expired)	7 years
Bank reconciliations	7 years	OSHA records.....	6 years
Bank statements	7 years	Patents and related papers.....	Permanently
Capital stock and bond records (ledgers, transfer registers, stubs showing issues, record of interest coupons, options, etc.).....	Permanently	Payroll records and summaries	7 years
Cash books	Permanently	Petty cash vouchers	3 years
Charts of accounts	Permanently	Physical inventory tags	3 years
Checks (canceled — see exception below).....	7 years	Plant cost ledgers	7 years
Checks (canceled for important payments, i.e. taxes, purchases of property, special contracts, etc. Checks should be filed with the papers pertaining to the underlying transaction)	Permanently	Property appraisals by outside appraisers	Permanently
Contracts, mortgages, notes, and leases (expired).....	7 years	Property records (including costs, depreciation reserves, year-end trial balances, depreciation schedules, blueprints, and plans).....	Permanently
Contracts, mortgages, notes, and leases (still in effect)	Permanently	Purchase orders (except purchasing department copy).....	1 year
Correspondence (general)	2 years	Purchase orders (purchasing department copy).....	7 years
Correspondence (legal and important matters only).....	Permanently	Receiving sheets.....	1 year
Correspondence with customers and/or vendors (routine)	2 years	Retirement and pension records.....	Permanently
Deeds, mortgages, and bills of sale	Permanently	Requisitions	1 year
Depreciation schedules	Permanently	Sales commission reports	3 years
Duplicate deposit slips	2 years	Sales records	7 years
Employee/personnel files (terminated).....	7 years	Scrap and salvage records (inventories, sales, etc.)	7 years
Employment applications	3 years	Service contracts/extended warranties (after termination).....	10 years
Expense-analyses/expense-distribution schedules	7 years	Stenographers' notebooks	1 year
Financial statements (year-end and other optional).....	Permanently	Stock and bond certificates (canceled).....	7 years
Garnishments.....	7 years	Stockroom withdrawal forms	1 year
General/private ledgers and year-end trial balance.....	Permanently	Subsidiary ledgers.....	7 years
Gifts (record of gifts).....	Permanently	Tax returns and worksheets, revenue agents' reports, and other documents relating to determination of income tax liability.....	Permanently
Insurance policies (expired).....	3 years	Time books/cards.....	7 years
Insurance records (current accident reports, claims, policies, etc.)	Permanently	Trademark registrations and copyrights.....	Permanently
Internal audit reports (longer retention periods may be desirable)	3 years	Training manuals	Permanently
Internal reports (miscellaneous)	3 years	Union agreements	Permanently
Inventories of products, materials, and supplies	7 years	Voucher register and schedules	7 years
Invoices (to customers, from vendors).....	7 years	Vouchers for payment to vendors, employees, etc. (includes allowances and reimbursement of employees, officers, etc., for travel and entertainment expenses)	7 years
		Withholding tax statements	7 years