

## **Retention Guidelines for Individuals**

### **Retention Period of Three Years**

Investments in limited partnerships or passive activities, after a subsequent sale

Tip reporting and tip substantiation documents

### **Retention Period of Four Years**

Employment records, including sick pay, vacation pay and PTO documentation

### **Retention Period of Five Years**

Employee benefits records, including life insurance benefits, dental benefits and any garnishments

### **Retention Period of Seven Years**

Accident reports and claims, for settled cases

Bank statements, Deposit slips

### **Retention Period of Ten Years**

Canceled checks (Note the exception below, for which a permanent retention period applies)

Contracts and leases that have expired, Insurance policies that have expired

### **Permanent Retention Period**

Canceled checks for important payments, such as taxes, purchases of property, and special contracts. These checks should be filed with the papers pertaining to the underlying transaction or asset

Investments in limited partnerships or passive activities, including Schedules K-1

Contracts and leases that are still in effect

Correspondence relating to legal and important matters

Deeds, mortgages, title papers, bills of sale

Insurance records, current accident reports, claims and policies

Statements and purchase and sale records for stocks, bonds and other investments. Calculating gains or losses requires information regarding purchase date, price, commission and dividend reinvestment

All records pertaining to IRAs and Roth IRAs, including all contributions and withdrawals

Real estate records to substantiate the cost and tax basis of your home or other real estate — including any blueprints and plans — plus any records relating to the mortgage and mortgage refinancing, settlement and closing costs, cost of improvements, any casualty losses and related insurance reimbursements

Stock option agreements and other compensation-related agreements

Tax returns, worksheets, and other documents relating to the determination of your various federal, state and local tax liabilities

## **Guidelines for Businesses and Not-for-Profit Organizations**

### **Retention Period of One Year**

Purchase orders (except purchasing department copy)

Receiving sheets, Requisitions

### **Retention Period of Three Years**

Contractors' payroll information, from date of completion of contract

Correspondence with customers or vendors

Employment applications, for applicants not hired

Internal reports (miscellaneous)

Physical inventory documentation

Tip reporting and tip substantiation documents

### **Retention Period of Four Years**

Payroll registers

Sick pay, vacation pay and PTO documentation

### **Retention Period of Five Years**

Employee benefits records, including life insurance benefits, dental benefits and garnishments

### **Retention Period of Seven Years**

Accident reports and claims, for settled cases

Accounts receivable aging reports, ledgers and invoices

Accounts payable ledgers and schedules

Bank statements and reconciliations, Cash slips, charge slips, expense report and petty cash records, deposit slips

Budgets

Inventories of products, materials and supplies

Invoices to customers and invoices from vendors

Notes receivable ledgers and schedules

Personnel records of terminated employees

Purchase orders, purchasing department copies, Sales records

Scrap and salvage records, including those pertaining to inventories and sales

Vouchers for payments to vendors, contractors and employees, including allowances and reimbursements for travel and entertainment expenses of employees and officers, voucher registers and schedules

**Business & Non-for-Profit-Retention Period of Ten Years**

Canceled checks (Note the exception below, for which a permanent retention period applies)

Contracts and leases that have expired, insurance policies that have expired

Payroll records and summaries, including payments to former employees based on termination date

**Permanent Retention Period**

Annual reports, Audit reports, internal and external

Capital stock and bond records: ledgers, transfer registers, stubs showing issues, record of interest coupons, options

Canceled checks for important payments, such as taxes, purchases of property, and special contracts. These checks should be filed with the papers pertaining to the underlying transaction.

Charts of accounts

Contracts and leases that are still in effect

Corporate documents, including articles of incorporation, bylaws and charter, minute books of directors and stockholders, board and committee communications, initial property transfers from incorporators

Correspondence relating to legal and important matters

Deeds, mortgages, title papers, bills of sale

Depreciation schedules

Dividend register and canceled dividend checks

Financial statements, end-of-year (and, optionally, monthly statements)

General and subsidiary ledgers and end-of-year trial balances

Insurance records, current accident reports, claims and policies

Investments: security and asset acquisition records

Journals and journal entries, Patent records, Partnership agreements

Property records—including costs, depreciation reserves, end-of-year trial balances, depreciation schedules, blueprints, and plans

Stock and bond certificates (canceled) and option agreements

Tax returns and worksheets, revenue agents' reports, and other documents relating to the determination of your various federal, state and local tax liabilities

Trademark registrations