

# Business Record Retention

**Maintaining records and retaining important documents are of the utmost importance especially in the event of an IRS audit or other legal or financial issue.**

**This resource takes into consideration both federal and state regulations and should be reviewed as guide only.**

**If you have any questions or concerns regarding maintaining or retaining records or the destruction process and schedule, please contact our office.**

| DOCUMENT TYPE   | RETENTION   |
|---|---|
| Accident Reports & Claims (insurance or other)  | Permanent   |
| Accounts Payable Ledgers/Schedules  | 7 years   |
| Accounts Receivable Ledgers/Schedules   | 8 years   |
| Audit Reports   | Permanent   |
| Bank Statements *   | 6 years   |
| Capital Stock & Bond records  | Permanent   |
| Cash Books  | Permanent   |
| Chart of Accounts   | Permanent   |
| Cancelled Checks  | 6 years   |
| Contracts / Leases  | 7 years from time of expiration   |
| Correspondence (customer/vendor)  | 2 years   |
| Correspondence (legal or tax related)   | Permanent   |
| Deeds, Mortgages & Bills of Sale  | Permanent   |
| Deposit Slips   | 1 year  |
| Depreciation Schedules  | Permanent   |
| Employee Personnel records  | 7 years from date of termination  |
| Employee applications   | 3 years from date of submission   |
| Expense reports   | 7 years   |
| Financial statements (year-end only)  | Permanent   |
| General Ledger & Year End Trial Balance   | Permanent   |
| Insurance policies  | 3 years from date of expiration, lapse, or replacement                  |
| Internal reports  | 3 years   |
| Inventory records   | 7 years   |
| Invoices (any type)   | 7 years   |
| IRA/Keogh plan contributions, rollovers, transfers, & distributions                                 | Permanent   |
| Minute books, bylaws, charters  | Permanent   |
| Payroll records (including third party garnishments & requests & time sheets)                       | 7 years   |
| Petty cash vouchers   | 3 years   |
| Purchase Orders   | 3 years   |
| Receiving Sheets  | 3 years   |
| Real Estate Documents */**  | 6 years after property is disposed of and all liens/taxes are satisfied |
| Retirement plan records   | Permanent   |
| Safety records  | 6 years   |
| Sales records   | 7 years   |
| Tax returns, revenue agents reports, & all other documents relating to tax liability                | Permanent   |
| Trademark registration, patents, copyrights, & all other documents relating to creation of business | Permanent   |
| Trial Balances (monthly)  | 3 years   |
| W-2   | 7 years   |



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\*Unless required for tax purposes

\*\*Copies of purchase related documents, annual mortgage statements, receipts for improvements, and rental/lease agreements