

## **Business Record Retention Guide**

### **Business Documents to Keep for One Year**

- Correspondence with customers and vendors
- Duplicate deposit slips
- Purchase orders & requisitions
- Receiving sheets
- Stockroom withdrawal forms

### **Business Documents to Keep for Three Years**

- Employment personnel records (after termination)
- Employment applications
- Expired insurance policies
- General correspondence
- Internal audit reports
- Petty cash vouchers
- Physical inventory tags
- Savings bond registration records of employees
- Time cards for hourly employees

### **Business Documents to Keep for Six Years**

- Accident reports, claims
- Accounts payable ledgers and schedules
- Accounts receivable ledgers and schedules
- Bank statements and reconciliations
- Cancelled checks
- Cancelled stock and bond certificates
- Employment Payroll Tax Records
- Expense analysis and expense distribution schedules
- Expired contracts, leases
- Expired option records (stock)
- Inventories of products, materials, supplies
- Invoices to customers
- Notes receivable ledgers, schedules
- Payroll records and summaries, including payment to pensioners
- Plant cost ledgers
- Purchasing department copies of purchase orders
- Sales records
- Subsidiary ledgers
- Time books
- Travel and entertainment records
- Vouchers for payments to vendors, employees, etc.

**Business Records to Keep Forever** (not an IRS requirement, however recommended you retain these records indefinitely)

- Audit reports from CPAs/Accountants
- Cancelled checks for important payments (especially tax payments)
- Cash books, chart of accounts
- Contracts, leases currently in effect
- Corporate documents (incorporation, charter, by-laws, etc)
- Documents substantiating fixed asset additional
- Deeds
- Depreciation schedules
- Financial statements (year end)
- General and private ledgers, year end trial balances
- Insurance records, current accident reports, claims, policies
- Investment trade confirmations
- IRS Revenue Agents reports
- Journals
- Legal records, correspondence and other important matters
- Minutes book of board of directors and stockholders
- Mortgages, bills of sale
- Property appraisals by outside appraisers
- Property records
- Retirement and pension records
- Tax returns and worksheets
- Trademark and patent registrations

**Note:**

All requirements that apply to hard copy books and records also apply to electronic storage systems that maintain tax books and records. When you replace hard copy books and records, you must maintain the electronic storage systems for as long as they are material to the administration of tax law.