

# RECORD RETENTION

- . The holding period begins on the due date of the timely filed tax return, including extensions.
- .. The holding period begins on the date of disposal or termination.  
In some cases, the periods assigned reflect practical needs of a business that are beyond the legal requirements of tax law or the Bank Secrecy Act.

## **Three Year Records**

### Cash & Inventory Records

- . Canceled Checks
- . Internal Material Transfer Sheets
- . Purchase Orders
- . Standard Cost Analysis

### Fixed Asset Records

- .. Appraisal Reports
- .. Architectural Plans and Surveys
- .. Equipment Maintenance and Repair Records
- .. Maintenance Contracts
- .. Purchase Invoices

### Personnel/Payroll Records

- . Payroll Journal
- .. Personnel Files
- .. Settled Insurance Claims
- .. Severance Agreements

## **Six Year Records**

### Corporate Records

- .. Certificates of Deposit
- .. Compensating Balance Arrangements
- .. Franchise Agreements
- .. General Correspondence Files
- .. Lines of Credit
- .. Noncompete Agreements

### Insurance Records

Accident Reports  
Fire Inspection Reports  
Group Disability Records

- .. Insurance Policies:  
Automobile, Fire, Group  
Life/Health/Disability,  
Keyman Life, Liability, Workers'  
Compensation

## Safety Records

### Cash Records

- . Bank Statements and Reconciliations
- . Cash Receipts and Disbursements ledgers
- . Credit/Debit Memos (e.g., Wire Transfers)
- . Deposit Slips
- . Petty Cash Journal and Vouchers

### Accounts & Notes Receivable

- . Accounts Receivable Aging Schedule
- . Accounts Receivable Subsidiary Ledger
- . Accounts Written Off
- . Billing Invoices
- . Note Receivable Contracts (Underwriting Agreement, Collateral, Amortization Schedule)

### Investment Records

- . Brokers' Advices
- . Investment Earnings Summary
- . Portfolio Subsidiary
- . Security Agreements
- . Trust Agreements

### Inventory Records

- . Bills of Lading
- . Inventory Control Cards/Lists
- . Physical Inventory Count Records
- . Purchase Invoices
- . Receiving/Shipping Logs
- . Warranties and Guarantees

### Fixed Asset Records

- .. Building Maintenance and Repair Records
- .. Purchase and Sale Contracts

### Payroll Records

- Bank Statements - Payroll
- Canceled Checks - Payroll
- Deposit Slips - Payroll
- Employee Expense Reports
- Garnishment/Assignment of Wages/Time Sheets/Cards
- Workers' Compensation Reports and Claims

## Debt Records

- . Accounts Payable  
Subsidiary Ledger
- .. Debt Agreements
- .. Debt Covenants and  
Compliance Agreements
- .. Floor plan Agreements
- . Purchase Invoices
- .. Waivers Granted on  
Covenants

## Sales Records

- . Cash Register Tapes
- . Sales Discounts Reports
- . Sales Reports
- . Sales Returns and  
Allowances Reports
- . Sales and Shipping Invoices

## Tax Records

- . Canceled Checks for  
Payment of taxes
- . Property Tax Invoices
- . Form W-8

## **Permanent Records**

### Corporate Records

Articles of Incorporation,  
Bylaws and Corporate Seal  
Capital Stock, Bond, and  
Dividend Records  
Contracts:  
Government Construction,  
Partnership, Employment,  
Labor, Union, Other  
Copyrights, Patents, and  
Trademark Registration  
Legal Correspondence Files  
Minutes and Directors'  
Reports  
Organization Chart with Job  
Description  
Policies and Procedures  
Manual  
Powers of Attorney  
Retainer Agreements  
SEC Filings  
Signature Cards  
Stockholders' Election  
Records

General Financial Records

Annual Budgets  
Auditors' Reports  
General Journal  
General Ledger  
Independent Accountants'  
Special Reports (e.g.  
Management Letter,  
Report on Internal Control,  
Debt Compliance)  
Interim and Year-End Financial  
Statements

Accounts & Notes Receivable

Discount Policies  
Foreclosure/Repossession  
Documents

Inventory & Fixed Assets

Closing Statements  
Depreciation Records  
Inventory Control Cards  
LIFO Computations  
Lease Agreements <sup>1</sup>

Personnel/Payroll Records

Employee Payroll Records:  
Annual Earnings Records  
Dependent Information  
Forms W-2, W-3, and W-4  
Fringe Benefit Election  
(e.g., Medical Insurance)  
Employee Contracts  
Job Descriptions  
Tax Reports (Forms 940, 941, W-2,  
W-3, other tax report, etc.)  
Unemployment Records  
Vacation/Sick Pay Policies and  
Records

Debt Records

Debt/Stock Issues:  
Amortization Schedules  
Debt Register  
Offering Circular  
Treasury Stock Records

Employee Benefit Records

Deferred Compensation  
Agreements  
Retirement Plans:  
Actuarial Reports  
Financial Statements  
IRS Determination Letter(s)  
Pension/Profit Sharing Plans  
Vesting Schedules  
Stock Option/Appreciation Rights  
Agreements  
Other Benefits:  
Automobile Policy  
Cafeteria Plan Agreements  
COBRA Compliance

Tax Returns

Federal, State and Local Income  
Tax Returns  
Payroll Tax Returns  
Pension/Profit Sharing Information  
Returns  
Property Tax Returns  
Revenue Agents' Correspondence  
(if it changes tax return data, supplemental and  
detailed inventory records must be kept for IRS.)