

How long should I retain my documents?



Business documents create an important history of your transactions with customers, vendors, and creditors. These records should be available to you to resolve questions should they arise in the future.

Your business records should be easily accessible to authorized personnel. Business records should be maintained for a minimum period of time according to the recommended record retention periods. However, in certain circumstances involving pending or potential litigation, extended record retention periods may apply. Your legal counsel should be consulted prior to discarding documents that may be subject to an extended retention period.

Special retention requirements may also apply to documents or information maintained on computer systems. The Internal Revenue Service, for example, has special computer retrieval requirements when business records are maintained on a computerized system. You should confer with your tax advisor regarding any applicable IRS requirements.

Type of Document	Retention Period (years)	Type of Document	Retention Period (years)	Type of Document	Retention Period (years)
Accident reports and claims	7	Employee personnel records (after termination) [substantially longer periods apply to employers who produce/handle hazardous materials]	4	Petty cash vouchers	3
Accounts payable ledger and schedules	7	Employee benefit plan records	7	Physical inventory tags	3
Accounts receivable ledgers and schedules	7	Employment applications	3	Property appraisals by outside appraisers	P
Audit reports of accounts	P	Expense analysis and expense distribution schedules	3	Property records (including costs, depreciation reserves, end-of year trial balances, depreciation schedules, blueprints and plans)	P
Bank reconciliations	1	Financial statements (end-of-year, other months optional)	P	Purchase orders (except purchasing department copy)	7
Bank statements	7	General and private ledgers (and end-of-year trial balances)	P	Purchase orders (purchasing department copy)	7
Cancelled checks (see exception below)	7	Inherited property valuations	P	Receiving sheets	1
Cancelled checks for important payments (i.e., taxes, purchases of property, special contracts, etc.) should be filed with the papers pertaining to the underlying transaction	P	Insurance records, current accident reports, claims, policies, etc.	P	Requisitions	1
Capital stock and bond records; ledgers, transfer registers, stubs showing issues, records of interest coupons, options, etc.	P	Internal audit reports (in some situations, longer retention periods may be desirable)	3	Sales records	7
Cash books	P	Internal memos and reports (miscellaneous)	3	Savings bond registration records of employees	3
Charts of accounts	P	Inventories of products, materials, and supplies	7	Scrap and salvage records (inventories, sales, etc.)	7
Contract and leases (expired)	7	Invoices to customers	7	Stock and bond certificates (cancelled)	7
Contracts and leases still in effect	P	Invoices from vendors	7	Stockroom withdrawal forms	1
Correspondence (routine) with customer or vendors	1	Journals	P	Subsidiary ledgers	7
Correspondence (general)	3	Low-income housing records	7	Tax returns and worksheets, revenue agents' reports and other documents relating to determination of income tax liability	P
Correspondence (legal and important matters only)	P	Minutes books of directories and stockholders including by-laws and charter	P	Time books	7
Deed, mortgages, and bills of sale	P	Notes receivable ledger and schedules	7	Trademark registrations	P
Depreciation schedules	P	Option records (expired)	7	Voucher register and schedule	7
Duplicate deposit slips	3	Payroll records and summaries including payments to pensioners	7	Vouchers for payments to vendors, employees, etc. (includes allowances and reimbursement of employees, officers, etc. for travel and entertainment expenses)	7

P= Permanent