

| <b>Business Accounting Records</b> | <b>Retention Period</b> |
|------------------------------------|-------------------------|
| Accounts payable                   | 7 years                 |
| Accounts receivable                | 7 years                 |
| Audit reports                      | Permanent               |
| Chart of accounts                  | Permanent               |
| Depreciation schedules             | Permanent               |
| Expense records                    | 7 years                 |
| Financial statements-Annual        | Permanent               |
| Fixes assets purchases             | Permanent               |
| General ledger                     | Permanent               |
| Inventory records                  | 7 years *1              |
| Loan payment schedules             | 7 years                 |
| Purchase orders                    | 7 years                 |
| Sales records                      | 7 years                 |
| Tax returns                        | Permanent               |

| <b>Corporate Records</b> | <b>Retention Period</b> |
|--------------------------|-------------------------|
| Leases/mortgages         | Permanent               |
| Patents/trademarks       | Permanent               |
| Shareholder records      | Permanent               |
| Stock registers          | Permanent               |
| Stack Transactions       | Permanent               |

| <b>Individual Records</b>                     | <b>Retention Period</b>     |
|---|-----------------------------|
| Bank statements                               | 7 years                     |
| Charitable contribution documentation         | 7 years                     |
| Credit card statements                        | 7 years                     |
| Receipts & logs pertaining to tax returns     | 7 years                     |
| Investment purchase and sales slips           | Ownership + 7 years         |
| Dividend reinvestment records                 | Ownership + 7 years         |
| Year-end brokerage statements                 | Ownership + 7 years         |
| Mutual fund annual statements                 | Ownership + 7 years         |
| Investment property purchase documents        | Ownership + 7 years         |
| Home purchase documents                       | Ownership + 7 years         |
| Home improvement receipts and canceled checks | Ownership + 7 years         |
| Home repair receipts and cancelled checks     | Warranty period for item    |
| Retirement plan annual reports                | Permanent                   |
| IRA annual reports                            | Permanent                   |
| IRA nondeductible contributions Form 8608     | Permanent                   |
| Insurance policies                            | Life if policy + 3 years *3 |
| Divorce documents                             | Permanent                   |
| Loans   | Term of loan + 7 years      |
| Estate planning documents                     | Permanent                   |

| <b>Real Property Records</b> | <b>Retention Period</b> |
|------------------------------|-------------------------|
| Construction records         | Permanent               |
| Leasehold improvements       | Permanent               |
| Lease payment records        | Life + 4 years          |
| Real estate purchase         | Permanent               |

| <b>Bank Records</b>        | <b>Retention Period</b> |
|----------------------------|-------------------------|
| Bank reconciliations       | 7 years                 |
| Bank statements            | 7 years                 |
| Cancelled checks           | 7 years *2              |
| Electronic payment records | 7 years                 |

| <b>Employee Records</b>      | <b>Retention Period</b> |
|------------------------------|-------------------------|
| Benefits plan                | Permanent               |
| Employee files ex-employees  | 7 years *4              |
| Employee applications        | 3 years                 |
| Employee taxes               | 7 years                 |
| Payroll records              | 7 years                 |
| Pension/profit sharing plans | Permanent               |

| <b>Corporate Records</b> | <b>Retention Period</b> |
|--------------------------|-------------------------|
| Board minutes            | Permanent               |
| Bylaws                   | Permanent               |
| Business licenses        | Permanent               |
| Contracts –major         | Permanent               |
| Contracts –minor         | Life + 4 years          |
| Insurance policies       | Life + 3 years          |

| <b>Corporate Records</b> | <b>Retention Period</b> |
|--------------------------|-------------------------|
| Tax returns              | 7 years                 |
| Tax returns              | Permanent               |
| W-2's                    | 7 years                 |
| 1099's                   | 7 years                 |
| Cancelled checks         | 7 years                 |
| Bank deposit slips       | 7 years                 |

Tax returns can generally be audited for up to three years after the filing and up to six years if the IRS suspects under reported income. It is wise to keep tax records at least seven years after a return is filed. Records kept electronically are the same as paper.

1 Permanent for last-in-first-out system

2 Permanent for real estate purchases

3 Check with your agent. Liability for prior years can vary.

4 Or statute of limitations for employee lawsuits