



Record Retention Guide for Businesses

In business, good recordkeeping is essential not only for tax reporting purposes, but also for the success of the company. The guidelines below give retention periods for the most common business records. Call us if you would like more information or assistance with your record retention program.

Accounting Records

Accounts payable	7 years
Accounts receivable	7 years
Audit reports	Permanent
Chart of accounts	Permanent
Depreciation schedules	Permanent
Expense reports	7 years
Financial statements (annual)	Permanent
Fixed asset purchases	Permanent
General ledger	Permanent
Inventory records	7 years (Permanent for LIFO system)
Loan payment schedules	7 years
Purchase orders (1 copy)	7 years
Sales records	7 years
Tax returns	Permanent

Retention Period

Bank Records

Bank reconciliations	2 years
Bank statements	7 years
Cancelled or substitute checks	7 years (Permanent for real estate purchases)
Electronic payment records	7 years

Retention Period

Corporate Records

Board minutes	Permanent
Bylaws	Permanent
Business licenses	Permanent
Contracts – major	Permanent
Contracts – minor	Life + 4 years
Insurance policies	Life + 3 years (Check with your agent. Liability for prior years can vary.)
Leases/mortgages	Permanent
Patents/trademarks	Permanent
Shareholder records	Permanent

Retention Period

Stock registers	Permanent
Stock transactions	Permanent

Employee Records

Benefit plans	Permanent
Employee files (ex-employees)	7 years (or statute of limitations for employee lawsuits)
Employment applications	3 years
Employment taxes	7 years
Payroll records	7 years
Pensions/profit sharing plans	Permanent

Retention Period

Real Property Records

Construction records	Permanent
Leasehold improvements	Permanent
Lease payment records	Life + 4 years
Real estate purchases	Permanent

Retention Period