



Record Retention...When to Keep, When to Shred

Do you know how long you are supposed to keep documents? Do you know when it's safe to shred? Having this knowledge is the first step to good recordkeeping. By following these guidelines, you can keep your documents and files organized and updated. Avoid keeping things you don't need – or discarding something you should have kept permanently!

First—categorize your documents. Examples include past tax returns and supporting documentation, medical information, purchase contracts for large assets, legal matters, employment information, insurance records, property deeds, etc.

Second—determine how you will store your records. Do you want to archive everything digitally? Do you prefer to keep paper copies? When considering how to store your records, think about worst-case scenarios such as fire, burglary, natural disaster, or even something as simple as snooping family members. Regardless of how you store your records, they should always be easily accessible.

Third—label documents with a “keep until” date. Refer to the **Record Retention List** for suggested lengths of time to keep your important documents. Labeling files with a “destroy” date will help ensure that your records will remain organized and current.

Fourth—destroy records that are no longer needed. To minimize the risk of identity theft, it is very important that you permanently destroy documents. If the items are paper, shred or incinerate them. If you have a large amount of shredding, consider taking it to a shredding facility. Occasionally, community organizations will offer complimentary document shredding on specific dates. If your documents are stored on a computer, use specialized software to remove files or delete an entire hard drive's data. Another option is physically destroying the hard drive if you plan to stop using the computer entirely.

Having a system in place for your record retention will not only make it easier to locate important documents quickly and keep unnecessary documents to a minimum, but it will also give you something priceless—peace of mind.

TYPE OF RECORD	SUGGESTED LENGTH OF RETENTION
Business Records	
I. Accounting Records	
Bank Statements & Deposit	3 yrs
Individual Payroll Records	8 yrs
Payroll Timecard/Sheets	3 yrs
Expense Reports	6 yrs
Accounts Payable and Receivable Reports	6 yrs
Trial Balance Reports	6 yrs
Payment Vouchers (all)	8 yrs
All Canceled Checks	8 yrs
Audit Reports	7 yrs
General Ledgers and Journals	7 yrs
II. Sales, Purchase, Shipping Records	
Sales Contracts & Invoices	3 yrs
Requisition/Purchase Orders	3 yrs
Export Declaration & Manifests	4 yrs
Freights, Shipping, & Receiving Reports	4 yrs
Bills of Lading Records	4 yrs
III. Personnel Records	
Daily Time Reports	6 yrs
Withholding Tax Statements	6 yrs
Disability & Sick Benefits Records	6 yrs
Expired Contracts	6 yrs
Files of Terminated Personnel	6 yrs
IV. Corporate Records	
Expired Notes, Leases & Mortgages	6 yrs
All Cash Books	7 yrs
Contracts & Agreements	Indefinitely
Property Deed & Easements	Indefinitely
Registration of Copyrights and Trademarks	Indefinitely
Patents	Indefinitely
Corporate By-Laws and Minutes Books	Indefinitely
Capital Stock & Bond Records	Indefinitely
Stock Certificate & Transfer Lists	Indefinitely
Canceled Checks on Asset Purchases	Indefinitely
Canceled Checks for Taxes & Contracts	7 yrs
Proxies	Indefinitely
Labor Contracts	7 yrs
Retirement & Pension Records	7 yrs
Tax Returns & All Work Papers	7 yrs

V. Insurance Records	
All Expired Policies	4 yrs
Accident Reports	6 yrs
Safety Reports	8 yrs
Settlement Claims	10 yrs
Group Disability Records	8 yrs
Fire Inspection Reports	6 yrs
VI. Correspondence	
General - All	3 yrs
Tax & Legal Communications	7 yrs
License & Traffic	6 yrs
Sale & Purchase	6 yrs
Personal Records	
Tax Returns and Related	7 yrs
IRA Contribution Records	Permanently
Retirement/Savings Plan Statements	From 1 yr to permanently
Bank Records	From 1 yr to permanently
Brokerage Statements	Until you sell the securities
Bills	From 1 yr to permanently
Credit Card Receipts & Statements	From 45 days to 7 yrs (7 yrs for tax-related expenses)
Paycheck Stubs	1 yr
House/Condominium Records	From 6 yrs to permanently