

## 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 at 610-841-0300 if you'd like more information or assistance with your record retention program.*

<b>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
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

<b>Bank Records</b>	<b>Retention Period</b>
Bank reconciliations	2 years
Bank statements	7 years
Cancelled checks	7 years (Permanent for real estate purchases)
Electronic payment records	7 years

<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 (Check with your agent. Liability for prior years can vary.)
Leases/mortgages	Permanent
Patents/trademarks	Permanent
Shareholder records	Permanent
Stock registers	Permanent
Stock transactions	Permanent

<b>Employee Records</b>	<b>Retention Period</b>
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
Pension/profit sharing plans	Permanent

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