



Client Alert

A Murrill, Eakes & Co. Publication

Record Retention for Business

The guidelines below give retention periods for the most common business records.

Accounting	Records Retention Period
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
Loan payment schedules.....	7 years
Purchase orders (1 copy).....	7 years
Sales records.....	7 years
Tax returns.....	Permanent

Bank Records

Bank reconciliations.....	2 years
Bank statements.....	7 years
Cancelled checks.....	7 years
Electronic payment records.....	7 years

Corporate Records

Board minutes.....	Permanent
Bylaws.....	Permanent
Business licenses.....	Permanent
Contracts - major.....	Permanent
Contracts - minor.....	Life + 4 years
Insurance records.....	Life + 3 years
Leases/mortgages.....	Permanent
Patents/trademarks.....	Permanent
Shareholder records.....	Permanent
Stock registers.....	Permanent
Stock transactions.....	Permanent

Employee Records

Benefit plans.....	Permanent
Employee files (ex-employees).....	7 years
Employment applications.....	3 years
Employment taxes.....	7 years
Payroll records.....	7 years
Pension/profit sharing plans.....	Permanent

Real Property Records

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

Record Retention for Individuals

Good recordkeeping can cut your taxes and make your financial life easier.

Since federal tax returns can generally be audited for up to three years after filing and up to six years if the IRS suspects underreported income, it is wise to keep tax records at least seven years after a return is filed

Record	Retention Period
Tax returns (uncomplicated).....	7 years
Tax returns (all others).....	Permanent
W-2s.....	7 years
1099s.....	7 years
Cancelled checks supporting	
tax deductions.....	7 years
Bank deposit slips.....	7 years
Bank statements.....	7 years
Charitable contribution.....	7 years
documentation.....	7 years
Credit card statements.....	7 years
Receipts, diaries, logs	
pertaining to tax return.....	7 years
Investment purchase	
and sales slips.....	Ownership period + 7 years
Dividend reinvestment	
records.....	Ownership period + 7 years
Year-end brokerage	
statements.....	Ownership period + 7 years
Mutual fund annual	
statements.....	Ownership period + 7 years
Investments property purchase	
documents.....	Ownership period + 7 years
Home purchase documents.....	Ownership period + 7 years
Home improvements receipts	
and canceled checks.....	Ownership period + 7 years
Home repair receipts and	
canceled checks.....	Warranty period for item
Retirement plan annual reports.....	Permanent
IRA annual reports.....	Permanent
IRA nondeductible contributions Form 8606.....	Permanent
Insurance policies.....	Life of policy + 3 years
Divorce documents.....	Permanent
Loans.....	Term of loan + 7 years
Estate planning documents.....	Permanent

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For more detailed information or professional assistance, please contact us at

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