



Pysnik Financial

Solutions for Life

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SUGGESTED RECORD RETENTION GUIDE

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. Requirements for records kept electronically are the same as for paper records.

Generally, follow these recommended periods for various documents:

INDIVIDUAL RECORDS	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 documentation	7 years
Credit card statements	7 years
Receipts, diaries, logs pertaining to tax return	7 years
Investment purchase and sales slip	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
Investment property purchase documents	Ownership period + 7 years
Home purchase documents	Ownership period + 7 years
Home improvement receipts and cancelled checks	Ownership period + 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 8606	Permanent
Insurance policies	Life of policy + 3 years ¹
Divorce documents	Permanent
Loans	Term of loan + 7 years
Estate planning documents	Permanent

¹Check with your agent. Liability for prior years can vary.
** - After confirming earnings have been properly reported to the Social Security Administration for you and your spouse.

BUSINESS 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 ¹
Loan payment schedules	7 years
Purchase orders (1 copy)	7 years
Sales records	7 years
Tax returns	Permanent

Bank Records	Retention Period
Bank reconciliations	2 years
Bank statements	7 years
Cancelled checks	7 years ²
Electronic payment records	7 years

Corporate Records	Retention Period
Board minutes	Permanent
Bylaws	Permanent
Business licenses	Permanent
Contracts—major	Permanent
Contracts—minor	Life + 4 years
Insurance policies	Life + 3 years ³
Leases/mortgages	Permanent
Patents/trademarks	Permanent
Shareholder records	Permanent
Stock registers	Permanent
Stock transactions	Permanent

Employee Records	Retention Period
Benefit plans	Permanent
Employee files (ex-employees)	7 years ⁴
Employment applications	3 years
Employment taxes	7 years
Payroll records	7 years
Pension/profit sharing plans	Permanent

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

¹Permanent for LIFO system.
²Permanent for real estate purchases.
³Check with your agent. Liability for prior years can vary.
⁴Or statute of limitations for employee lawsuits.