

RECORD RETENTION GUIDELINES

<u>Type of Record</u>	<u>Retention Period</u>
Tax Returns	Permanently
Financial Statements (end-of-year)	Permanently
Contracts	Permanently
Corporate Stock Records	Permanently
Stocks & Bonds Records	Permanently
Real Estate Records	Permanently
Journals and General Ledgers	Life of the Business plus 3 years
Minutes of Board Meetings	Life of the Company
Canceled Checks for Purchases of Property & Improvements -	Permanently
Purchase Invoices for Property & Improvements -	Permanently
Canceled Checks (other than above)	4 Years
Bank Deposit Slips	7 Years
Bank Statements	7 Years
Expense Reports	7 Years
Entertainment Records	7 Years
Depreciation Schedules	7 Years
Employee Records	7 Years
Payroll Records	7 Years
Inventory Records	7 Years
Sales Invoices	7 Years
Purchase Invoices (except for purchases of Property & Improvements -	7 Years

The normal statute of limitations on Federal returns is three years. This means that under normal conditions the Internal Revenue Service can audit your return any time up through three years.

However, under some circumstances the statute of limitations can be lengthened to six years. Or, if you fail to file a return or fraud is involved, the statute of limitations remains open. If the statute of limitations for your state exceeds the federal statute, you should extend your years of retention to the longer of the two statutes.

In deciding your own record retention schedule, consider keeping indefinitely those records which cannot be recreated by another office, institution, or governmental unit.