



PACKER THOMAS
CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

CLIENT MEMORANDUM

SUBJECT: Retention of Records

Sooner or later each of our clients has a problem with the storage of records. We have been asked many times how long specific records are to be kept. With certain documents, you should consult with your attorney.

The schedule below will give you some idea of where to begin. The retention periods start at the end of the fiscal or calendar year when the document was originated and not from the date of the document.

In regards to tax information, the retention period begins on the filing date or extension thereof.

Please ask us if you have any doubts about destroying certain records.

RETENTION SCHEDULE

KEY: P - retain permanently
AT - after termination
AD - after disposal of underlying asset, investments and other property

Type of Record	Suggested Retention Period	Type of Record	Suggested Retention Period
Accident reports (settled)	7	Capital stock:	
Annual financial reports	P	Applications for authorizations and issuance	P
Articles of incorporation	P	Certificates (cancelled)	P
Audit reports	P	Ledger	P
Bank deposit slips	3	Transfer records	P
Bank reconciliations	3	Sales slips (cash and charge)	7
Bank statements	7	Check register	10
Bills of lading	5	*Checks (paid and cancelled)	7 AD
Bonds (records of issuance)	P	Commission reports	6
Budgets	3		

Type of Record	Suggested Retention Period	Type of Record	Suggested Retention Period
Contracts:		Labor records:	
Corporate	20 AT	Applications (employees)	7 AT
Employee	7 AT	Contracts	7 AT
Vendor	7	Daily time reports	5
Correspondence:		Disability claims	7 AT
Accounting	5	Earnings records	7
Credit and collection	7	Employee service records	7 AT
General	3	Pay checks	7
Personnel	7 AT	Personnel files	7 AT
Cost accounting records	5	Salary and wage rate changes	7 AT
Deeds	P	Salary receipts	7 AT
Delivery receipts	3	Time cards, tickets and clock records	5
Deposit slip copies	3	Unemployment claims	7 AT
Dividend register	P	Withholding exemption certificates	7 AT
Depreciation schedules	7 AD	Worker's compensation reports	10
Equipment leases (after expiration)	6	Leases	7 AT
Equipment repair records	3	Ledgers and journals:	
Expense reports:		Accounts payable ledger	7
Departmental	5	Accounts receivable ledger	7
Employee	5	Cash journal	10
Fidelity bonds	3 AT	Customer ledger	7
Financial reports:		General journal	10
Audited	P	General ledger	P
Annual	P	Journal entries--year-end	P
Interim	3	Payroll journal	10
Fire damage reports	6	Plant ledger	P
Fixed asset records	7 AD	Purchases journal	10
Franchise agreements	10 AT	Royalty journal	10
Freight drafts, bills and claims	5	Sales journal	10
Garnishments	3 AT	Stock ledger	P
Insurance policies (after expiration)	3	Voucher journal	10
Inventory records	7 AD	Licenses	1 AT
Invoices (issued or received)	7	Maintenance and repair records:	
Invoices--fixed assets	7 AD	Buildings	7
		Machinery	5
		Manufactured stock records	7
		Minute books	P
		Mortgages	7 AT

Type of Record	Suggested Retention Period	Type of Record	Suggested Retention Period
Notes (cancelled)	7	Stockholder records (list of minutes, proxies, reports to stockholders)	P
Note register	P	Surety bonds	3 AT
Options	7 AT	Tax records (including worksheets, bills and statements, and Agents' reports)	10
Patent records	P	Tax returns (copies):	
Pension records	P	Estate	P
Petty cash records	3	Gift	P
Plant acquisition records	7 AD	Income	P
Property records:		Payroll	7
Account ledgers	P	Personal property	10
Appraisals	P	Sales and use	10
Damage reports	7	Social security	7
Deeds and titles	P	Title papers	P
Depreciation	7 AD	Trademark records	P
Plans and specifications	P	Travel records (employees)	3
Purchases	P	Uncollectible accounts records	7
Sales	P	Union (labor) contracts	P
Taxes	10	Vouchers (copies)	7
Purchase order copies	3	Voucher register	10
Purchase invoices	7	Wage rate records	7
Receiving reports	3	Warrants	P
Remittance statements	3	Withholding and exemption certificates	7 AT
Requisitions	3	W-2 Forms	7
Sales invoices	7		
Salesmen commission reports	6		
Securities (brokerage slips)	7 AD		
Shipping tickets	5		

* Relating to acquisitions of investments, property and other important items.