

Accountkeepers of San Diego

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Record Retention for Business

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

Accounting

	Retention Period
Accounts payable	7 years
Accounts receivable	7 years
Audit Reports	Permanent
Chart of Accounts	Permanent
Depreciation Schedules	Permanent
Expense Reports	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 reconciliation	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/trademark	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 needs	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.

Records

	Retention Period
Tax returns (uncomplicated)	7 years
Tax returns (all others)	Permanent
W-2s	7 years
1099s	7 years
Cancelled checks supporting the 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 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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