

Document Retention and Destruction Policies for Businesses and Individuals

Document retention and destruction policies are more important than they may seem. Both businesses and individuals are required to keep certain documents for various periods of time. You must keep documents substantiating the amounts and positions taken on tax returns, payroll records for social security and workers' and unemployment compensation purposes, and you should certainly keep records of asset purchases such as for homes and other investments. All of this brings about the question as to how long certain records should be kept and what you should do with them after this period. Unfortunately there are no universal rules to cover all of the options, but we have compiled our list of recommendations using known requirements such as those from the Internal Revenue Service and the State of Florida. After the recommended storage periods the records should be destroyed by whatever secure means you choose.

Business Document Retention Policies

<u>Accounting Records:</u>		Bank Statements	7 Years	Injury incident reports	7 Years (after termination)
General Ledger and Financial Statements (year-end)	Permanently	<u>Personnel Records (non-employees):</u>		<u>Correspondence Files:</u>	3 Years
Interim Financial Statements	1 Year	Applications, Resumes	3 Years (after response)	<u>Administrative Records:</u>	
Cash receipts/disb. journals	7 Years	<u>Personnel Records (employees):</u>		Partnership or corporate records	Permanently
A/R Ledgers	7 Years (after filed return)	Applications, resumes	7 Years (after termination)	Leases and contracts	7 Years (after expiration)
A/P Ledgers	7 Years (after filed return)	Performance evaluations	7 Years (after termination)	Insurance Documents	7 Years (after expiration)
Payroll Records	7 Years	Employment contracts	7 Years (after termination)	Tax Returns	7 Years
Billing Files	7 Years	INS I-9 forms	7 Years (after termination)	Retirement Plan Documents	Permanently
Expense Reports	7 Years	Salary information	7 Years (after termination)		
Time Sheets	7 Years				

Individual Document Retention Policies

Tax returns	7 Years	Year end brokerage statements	7 Years	Wills	Permanent
Medical Bills	7 Years	CD Statements	7 Years (after maturity)	Trust agreements	Permanent
Forms 1099 Received	7 Years	House records	Permanent	Detailed list of financial assets held	Permanent
Forms W-2 Received	7 Years	Birth/Death certificates	Permanent	Alimony, custody or prenuptial agreements	Permanent
Retirement acct stmts	7 Years	Marriage Certificates	Permanent	Military papers	Permanent
Loan records	7 Years (after payoff)	Medical records	Permanent	Photos/video of valuables	Permanent while owned
Insurance policies	7 Years (after expiration)				
Schedule K-1's	7 Years				

Note: Documents establishing basis of trade, business or investment assets, or taxpayer's principal residence should be retained for seven years beyond the date of the filing of the tax return for the year in which the asset was disposed.

**These schedules are meant only to be a suggestion and in no way, shape, or form meant to be legal advice. The accuracy and completeness of any of the information is not guaranteed. In any matters that are not certain, please contact your legal counsel.*