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Record Retention Guidelines

HOME OFFICE GUIDELINES

If you use a room in your home exclusively for a place to conduct business, you may be able to deduct that portion of your home as a home office expense on your income tax return. Save utility bills, receipts for mortgage payments, mortgage interest, real estate tax, office equipment, and vehicle records if the vehicle is used for business.

SAFE DEPOSIT BOX GUIDELINES

Every household should invest in a safe deposit box to store important documents. Among the most common ways people lose important documents are fire, burglary and natural disasters as well as simply not organizing and keeping papers together in one place. Storing items in a dresser drawer, a closet, or worse yet, not in any particular place, is inviting trouble. Your immediate family should know where your papers are located in the unfortunate circumstance that something would happen to you. Your family should know the name of your attorney and accountant. Write down that information as well as at what banks you have accounts, account numbers, prepaid funeral arrangements, etc., and place it into a sealed envelope inside your safe deposit box.

Be sure to let a trusted family member or friend know that you do have a safe deposit box, and where you keep the keys. They will not be able to access your safe deposit box without your permission or without a power of attorney document that you have prepared in advance giving them permission to do so.

Mortgage papers, deeds, wills, trusts, birth, marriage, and death certificates, advanced directives for medical care, stock certificates, cancelled checks for major purchases, vehicle purchase receipts, passport, copies of investment account statements, court decrees, etc., are examples of documents to include in a safe deposit box.

The information included in this document is of a general nature and may not be applicable to you. Please contact our office for specific guidance regarding your situation.

Record Retention Guidelines – Individuals	
Accident reports and claims (settled cases)	7 years
Audit reports of accountants	Permanently
Bank statements	7 years
Bank deposit slips	7 years
Bank reconciliations	2 years
Checks (cancelled, but see exception below)	7 years
Checks (cancelled, for important payments, i.e., taxes, purchases of property, special contracts, etc. (checks should be filed with the papers pertaining to the underlying transaction))	Permanently
Contracts and leases (expired)	Major Contracts – Permanent Minor Contracts – Life + 4 years
Correspondence (legal and important matters only)	Permanently
Deeds, mortgages, and bills of sale	Permanently
Insurance policies (expired)	10 year
Insurance records, current accident reports, claims, policies, etc.	Permanently
Investment account statements	Permanently
Property appraisals by outside appraisers	Permanently
Property records, blueprints and plans, deeds, mortgages, remodeling/renovation records.	Permanently
Safety deposit box record storage, include documents such as birth, marriage and death certificates, wills, stock certificates, advanced medical directives, deeds, passport, (check with your accountant and attorney if you have questions)	Permanently
Sales receipts for major purchases (car, appliances, furniture, etc.) after disposition of the asset	7 years
Savings bond registration records	3 years
Stock and bond certificates (cancelled)	Permanently
Stock and bond certificates (current)	Permanently
Tax returns and worksheets, revenue agents' reports and other documents relating to determination of income tax liability, including W-2s, 1099s, estimated payment vouchers, K-1s, charitable giving receipts.	Permanently
Utility bill receipts (save permanently with tax returns if you take a deduction for home office)	3 years

Record Retention Guidelines – Business	
Accident reports and claims (settled cases)	Permanently
Accounts payable ledgers and schedules	7 years
Accounts receivable ledgers and schedules, deposit books and slips, credit files, authorization, collection file	7 years
Acquisition documents (after disposition)	7 years
Audit reports of accountants	Permanently
Bank statements	7 years
Bank reconciliations	2 years
Capital stock and bond records, ledgers, transfer registers, stubs showing issues, record of interest coupons, options, etc.	Permanently
Cash books	Permanently
Charts of accounts	Permanently
Checks (cancelled, but see exception below)	7 years
Checks (cancelled, for important payments, i.e., taxes, purchases of property, special contracts, etc. (checks should be filed with the papers pertaining to the underlying transaction))	Permanently
Contracts and leases (after expiration)	Major Contracts – Permanent Minor Contracts – Life + 4 years
Corporate charter, by-laws, minute books	Permanently
Correspondence (general)	2 years
Correspondence (legal and important matters only)	Permanently
Deeds, mortgages, and bills of sale	Permanently
Depreciation schedules	Permanently
Deposit slips, duplicate deposit slips	7 years
Employment applications (if individual becomes an employee, this becomes a part of employee’s permanent record)	3 year
Expense analyses and expense distribution schedules	7 years
Expense reports	7 years
Financial statements (end-of-year, other months optional)	Permanently
General and private ledgers (and end-of-year trial balances)	Permanently
Insurance policies (after expiration)	3 years
Insurance records, current accident reports, fire inspection reports, safety reports, etc.	Permanently
Internal audit reports (in some situations, longer retention periods may be desirable)	3 years

Record Retention Guidelines – Business	
Internal reports (miscellaneous)	3 years
Inventories of products, materials, and supplies	7 years
Invoices to customers	7 years
Invoices from vendors	7 years
Journals	Permanently
Minute books for directors and stockholders, including by-laws and charters	Permanently
Notes receivable ledgers and schedules	7 years
Option records (expired)	7 years
Personnel records: payroll, time reports, benefits, withholding tax records, contracts, insurance, disability and sick benefits, payments to pensioners, etc. (after termination)	7 years
Petty cash vouchers	3 years
Physical inventory tags	3 years
Property appraisals by outside appraisers	Permanently
Property records—including costs, depreciation reserves, end-of-year trial balances, depreciation schedules, blueprints and plans	Permanently
Purchase orders & purchase requisitions, quotations, acknowledgements (except purchasing department copy)	3 years
Purchase orders (purchasing department copy)	1 year
Receiving sheets	3 years
Requisitions	1 year
Sales records and reports, customer correspondence, customer orders	7 years
Savings bond registration records of employees	3 years
Scrap and salvage records (inventories, sales, etc.)	7 years
Shipping reports, bills of lading, receiving reports, inspection reports	1 year
Stenographer’s notebooks	7 years
Stock and bond certificates (cancelled)	Permanently
Stockroom withdrawal forms	1 year
Subsidiary ledgers (including A/P and A/R ledgers)	7 years
Tax returns and worksheets, revenue agents’ reports and other documents relating to determination of income tax liability	Permanently
Trade mark registrations and copyrights	Permanently
Voucher register and schedules	7 years
Vouchers for payments to vendors, employees, etc., (includes allowances and reimbursement of employees, officers, etc. for travel and entertainment expenses)	7 years