

Record Retention Guidelines for Business Documents
GMS Surgent Shred Event – August 15th & 16th

Save the date! GMS Surgent will host a shred event August 15th & 16th. Simply bring all your confidential documents to the GMS Surgent location, and one of our team members will place them in a locked and secure collection bin for on-site destruction. This service is for confidential documents only. Limit (2) boxes.

“What should I keep and what should I throw out?” This is a question that is asked often by our clients this time of year. It’s a great question and the answer, like many answers we give is, “it depends”.

With this in mind, we have put together a guide that can be used when trying to determine what a business should keep and what should be destroyed. Please see below:

Business Records	
Type of Record	Retention Period (years)
Articles of incorporation	Permanent
Bylaws	Permanent
Capital stock and bond records	Permanent
Contracts and agreements (government construction, partnership, employment, labor, etc.)	Permanent
Legal correspondence	Permanent
Minutes	Permanent

Personnel Records	
Type of Record	Retention Period (years)
Personnel Accident Report/Injury Claim	11
Attendance Records	4
COBRA Records	3
Employee Benefit Plans	2 *
I-9 Forms	1 *
Medical and Exposure Records - related to toxic substances	40
OSHA Training Documentation	3
OSHA Logs	6
Patents	Permanent
Personnel files	6 *
* Retention periods begin after termination	

Financial Records	
Type of Record	Retention Period (years)
Annual financial statements (whether audited, reviewed, or compiled)	Permanent
Tax returns and documents determining an income tax liability	Permanent
Bank deposit slips, reconciliations, statements	3 *
Bills of lading	3 *
Budgets	2
Checks - cancelled	3 *
Contracts - purchase and sales	3 *
Credit memos	3 *
Depreciation records	3 *
Employee expense reports	3 *
Employee payroll records (W-2, W-4, annual earnings records, etc.)	6
Financial statements - interim	4
Freight bills	3 *
Internal reports (Work orders, sales reports, production reports)	3 *
Inventory lists	3 *
Invoices - Sales and cash register receipts, merchandise purchases	3 *
Invoices - purchases (permanent assets)	3 *
General ledger	Permanent
General, cash receipts, cash disbursements, and purchase journals	Permanent
Loan financing records	7
Payroll journal	3 *
Petty cash vouchers	3 *
Subsidiary ledgers (accounts receivable, accounts payable, etc.)	6
Time cards and daily time reports	3 *
Worthless securities	7
<p>* Generally, you should hold these records for three years from the later of the date of filing of the tax return or the due date of the tax return. Some states exceed the federal statute by up to one year. Therefore, a four year holding period should be considered.</p>	

Inventions and Copyrights	
Type of Record	Retention Period (years)
Patents	Permanent
Copyrights	Permanent
Trademarks	Permanent
Servicemarks	Permanent

Insurance Records	
Type of Record	Retention Period (years)
Accident reports	6
Fire inspection reports	6
Group disability records	6
Insurance policies	6 *
Safety records	6
Settled insurance claims	4 *
* Retention periods begin after termination, expiration, disposal, etc. of item.	

Real Estate Records	
Type of Record	Retention Period (years)
Mortgages	6
Contracts	6
Deeds	Permanent

Pension/Profit Sharing Records	
Type of Record	Retention Period (years)
Actuarial reports	Permanent
Associated ledgers and journals	Permanent
Financial statements	Permanent
IRS approval letters	Permanent
Plan and trust agreements	Permanent

About Us

GMS Surgent is a mid-sized, full service, certified public accounting and advisory firm serving business and individual clients located primarily in (but not limited to) the Greater Philadelphia area. We warmly invite you to click around our website to learn a little more about our firm, our clients and the ways in which our services could benefit you.

"Personal Attention – Valuable Results", is the principal component of our mission statement. It highlights the GMS Surgent commitment to forging strong relationships and ensuring constructive communication while earning consistently effective results for our clients. It plays an essential role throughout every aspect of our firm, guides our actions and acts as a benchmark for the services we provide.

This information is of a general nature. It may omit many details and special rules and is current only as of its published date. Please contact us for more information and how it pertains to your specific tax or financial situation.

August 6, 2018