

LBMC

MAKE A GOOD
BUSINESS BETTER

Record Retention Schedule for Businesses



Family of Companies

Audit, Tax & Advisory
Staffing Solutions
Technology Solutions
Employment Partners
Investment Advisors
Information Security
Physician Business Solutions
Procurement Solutions
W Squared

RECORD RETENTION SCHEDULE FOR BUSINESSES

It is important to hold onto your business records in case of an IRS audit or other examination. Retaining unnecessary records will soon exceed storage space available for most businesses. Therefore, you may wish to establish a retention schedule that takes into account state and federal regulations, as well as industry standards. The retention periods are intended as a general guideline only. If you have questions about destroying any tax or accounting records, please contact an LBMC professional immediately.

Document	Retention Period	Document	Retention Period
Accident reports/claims (settled cases)	7 years	Fixed asset record (invoices, cancelled checks, depreciation schedules)	Permanently
Accounts payable ledgers & schedules	7 years	Forms 1099 Received	7 years
Accounts receivable ledgers & schedules	8 years	General ledgers, year-end trial balance	Permanently
Audit reports	Permanently	Insurance policies (expired)	3 years
Bank statements	3 years	Insurance records, accident reports, claims, policies, etc.	Permanently
Capital stock & bond records	Permanently	Internal audit reports (miscellaneous)	3 years
Cash books	Permanently	Inventory records	7 years
Charts of accounts	Permanently	Invoices to customers or from vendors	7 years
Checks (canceled checks for important payments, special contracts, purchase of assets, payment of taxes, etc. Checks should be filed with the papers taxes, etc. pertaining to the underlying transaction.)	Permanently	IRA/Keogh plan contributions, roll-overs, transfers & distributions	Permanently
Checks (canceled except for those above)	7 years	Minute books of directors, stockholders, bylaws & charter	Permanently
Contracts & leases (expired)	7 years	Payroll records, summaries & tax returns	7 years
Correspondence, general	2 years	Petty cash vouchers	3 years
Correspondence (legal and tax related)	Permanently	Purchase orders	3 years
Deeds, mortgages & bills of sale	Permanently	Receiving sheets	1 year
Deposit slips	3 years	Retirement plan records	Permanently
Depreciation schedules	Permanently	Safety records	6 years
Employee personnel records (after termination)	7 years	Sales records	7 years
Employee applications	3 years	Subsidiary ledgers	7 years
Expense reports	7 years	Tax returns, revenue agents' reports & other documents relating to determination of income tax liability	Permanently
Financial statements (year-end)	Permanently	Time card and daily reports	7 years
		Trademark registration, patents & copyrights	Permanently
		Trial balances (monthly)	3 years
		W-2 forms	Permanently

Nashville

201 Franklin Road
Brentwood, TN 37027
(615) 377-4600

Knoxville

2095 Lakeside Center Way
Suite 220
Knoxville, TN 37922
(865) 691-9000

Chattanooga

605 Chestnut Street
Suite 1100
Chattanooga, TN 37450
(423) 756-6585

Charlotte

3800 Arco Corporate
Drive, Suite 250
Charlotte, NC 28273
(704) 846-6750