

Document Retention Policy

Individual records

Permanent retention:

- Wills
- Trust documents
- Gift Tax Returns
- Forms 8606, showing Nondeductible IRA contributions (normally filed with Form 1040) and related paperwork
- Roth IRA contribution documentation
- Marital/Divorce decrees
- Net Operating Loss documentation

7-year retention:

- Tax returns and supporting documentation
- IRS audit files
- Bookkeeping and payroll files
- Reports filed with government agencies
- Litigation support

From one year to permanent retention:

- Retirement/savings plan statements - Keep the quarterly statements from your 401(k) or other plans until you receive the annual summary; if everything matches up, then shred the quarterlies. Keep the annual summaries until you retire or close the account.
- Bank records - Go through your checks each year and keep those related to your taxes, business expenses, home improvements and mortgage payments. Shred those that have no long-term importance.
- Bills - for big purchases (such as jewelry, rugs, appliances, antiques, cars, collectibles, furniture, computers, etc.) should be kept in an insurance file for proof of their value in the event of loss or damage.

Other retention:

- Records on virtual currency and other digital assets - 7 years after all holdings are sold
- Real Estate Closing documents and related capital improvements - 7 years after property is sold
- Passive activity loss carryforward documentation - 7 years after the loss is fully absorbed (for example: unallowed rental and partnership losses)
- Capital loss carryforward documentation - 7 years after the loss is fully absorbed
- Receipts for HSA reimbursements - 7 years after the reimbursement is taken
- Regulatory examination files – 7 years after the close of the exam
- Credit card receipts - Keep copies of your receipts for seven years for tax-related expenses
- Paycheck stubs - one year (When you receive your annual W-2 form from your employer, make sure the information on your stubs matches. If it does, keep the stubs until your tax returns are filed. If it doesn't, request a corrected form, known as a W-2c.)

Please note - These lists are not all inclusive. There is no time limit if you failed to file your tax return or filed a fraudulent tax return.

Document Retention Policy

Business records

Permanent retention:

- Corporate agreements, annual reports, minutes and bylaws
- Retirement plan/401(k) plan information
- Shareholder documents, agreements and contracts
- Documentation supporting required health coverage for employees and non-subjection to Sec. 4980H assessable payments (for applicable large employers) – Permanent. There is no applicable statute of limitations on assessment because there is no tax return filed to report an employer's liability.

7- year retention:

- Annual, quarterly, and monthly financial reports
- Tax returns and supporting documentation
- Bank statements and bank reconciliations
- Depreciation schedules
- Employee expense reports
- General ledger detail
- Payroll reports filed (including Forms W-2 and 1099)
- Vendor invoices/copies of credit card receipts
- Accounts receivable reports
- Time and billing information (including invoices)

Other retention:

- Property and equipment records and invoices – 7 years after the disposal
- Accident reports and claims – 7 years after the accident/settlement
- Insurance documents and policies – 7 years after the term
- Leases and contracts – 7 years after the term
- Personnel files (post-employment) – 7 years after the employment
- Conflict of interest disclosures – 7 years after the conflict has expired
- Records on virtual currency and other digital assets - 7 years after all holdings are sold

Please note - These lists are not all inclusive. There is no time limit if you failed to file your tax return or filed a fraudulent tax return.