



RECORD RETENTION - THE PURPOSE

Business documents create an import history of your transactions with customers, vendors, and creditors. These records should be available to you to resolve questions should they arise in the future.

Your business records should be easily accessible to authorized personnel. Business records should be maintained for a minimum period of time according to the above recommended record retention periods. However, in certain circumstances involving pending or potential litigation, extended record retention periods may apply. Your legal counsel should be consulted prior to discarding documents that may be subject to an extended retention period.

Special retention requirements may also apply to documents or information maintained on computer systems. The Internal Revenue Service, for example, has special computer retrieval requirements when business records are maintained on a computerized system. You should confer with your tax advisor regarding any applicable IRS requirements.



JACKSON, HOWELL & ASSOCIATES, PLLC

Jackson, Howell & Associates, PLLC is a full service accounting firm. We have been in business since 1976. It is no accident that over that period of time we have grown in to one of the largest local CPA firms in the Memphis area. We are committed to meeting the needs of our clients in a timely and efficient manner. Among these services we provide are audits, reviews, compilations, tax return preparation, estate and tax planning, business valuations, consulting, and bookkeeping.

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Please call us if you need more information.

JACKSON, HOWELL & ASSOCIATES, PLLC

RECORD RETENTION



MEMBERS AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
PRIVATE COMPANIES PRACTICE SECTION

Type of Record	Retention Period	Type of Record	Retention Period	Type of Record	Retention Period
Accident reports and claims	7 yrs.	Employee benefit plan records	7 yrs.	Property appraisals by outside appraisers	P
Accounts payable ledgers and schedules	7 yrs.	Employment applications	3 yrs.	Property records (including costs, depreciation reserves, end-of-year trail balances, depreciation schedules, blueprints and plans)	P
Accounts receivable ledgers and schedules	7 yrs.	Expenses analyses and expense distribution schedules	3 yrs.	Purchase orders (except purchasing department copy)	1 yr.
Audit reports of accounts	P	Financial statements (end-of-year, other months optional)	P	Purchase orders (purchasing department copy)	7 yrs.
Bank reconciliations	1 yr.	General and private ledgers (and end-of-year trial balances)	P	Receiving sheets	1 yr.
Bank statements	7 yrs.	Inherited property valuations	P	Requisitions	1 yr.
Canceled checks (see exception below)	7 yrs.	Insurance records, current accident reports, claims, policies, etc.	P	Sales records	7 yrs.
Canceled checks for important payments (i.e., taxes, purchases of property, special contracts, etc.) should be filed with the papers pertaining to the underlying transaction	P	Internal audit reports (in some situations, longer retention periods may be desirable)	3 yrs.	Savings bond registration records of employees	3 yrs.
Capital stock and bond records; ledgers transfer registers, stubs showing issues, records of interest coupons, options, etc.	P	Internal memos and reports (miscellaneous)	3 yrs.	Scrap and salvage records (inventories, sales, etc.)	7 yrs.
Cash books	P	Inventories of products, material and supplies	7 yrs.	Stock and bond certificates (canceled)	7 yrs.
Charts of accounts	P	Invoices to customers	7 yrs.	Stockroom withdrawal forms	1 yr.
Contracts and leases (expired)	7 yrs.	Invoices from vendors	7 yrs.	Subsidiary ledgers	7 yrs.
Contracts and leases still in effect	P	Journals	P	Tax returns and worksheet, revenue agents' reports and other documents relating to determination of income tax liability	P
Correspondence (routine) with customers or vendors	1 yr	Low-income housing records	7 yrs.	Time books	7 yrs.
Correspondence (general)	3 yrs.	Minute books of directories and stockholders including by-laws and charter	P	Trade mark registrations	P
Correspondence (legal and important matters only)	P	Notes receivable ledger and schedules	7 yrs.	Voucher register and schedule	7 yrs.
Deeds, mortgages and bills of sale	P	Option records (expired)	7 yrs.	Vouchers for payments to vendors, employees, etc. (includes allowances and reimbursement of employees, officers, etc. for travel and entertainment expenses)	7 yrs.
Depreciation schedules	P	Payroll records and summaries including payments to pensioners	7 yrs.		
Duplicate deposit slips	3 yrs.	Petty cash vouchers	3 yrs.		
Employee personnel records (after termination) [substantially longer periods apply to employers who produce/handle hazardous materials]	4 yrs.	Physical inventory tags	3 yrs.		

P = Permanently