

NEW HAMPSHIRE AUTO DEALERS ASSOCIATION

RECORDS RETENTION GUIDE (2004)

This guide is intended to serve only as a tool to assist in developing a document retention policy. The retention periods listed are minimum suggested periods; however, business practice or law may require preserving records for a longer period of time. **You should consult with your legal counsel or accountant to ensure that your record retention practice meets both federal and state law guidelines and is appropriate for your business.**

RECORD DESCRIPTION	RETENTION PERIOD
Federal and State Tax Records The general period for an IRS audit is three years, but is extended to six years in cases of substantial omissions of income and indefinitely for false, fraudulent or no returns filed. Notwithstanding the foregoing, the IRS requires you to keep records appropriate to your trade or business for so long as may be material in the administration of any internal revenue law.	
Federal and State returns, schedules, statements and supporting documentation	Permanent
Depreciation schedules and backup	7 years after disposition of asset
Employment withholding tax records	6 years
IRS Audit Reports and related documents	Permanent
Federal and State payroll tax returns	10 years
FICA wage records	6 years
Form 970 – LIFO election	Permanent
Form 1099 (all types)	6 years
Form 3115 – Application for change in accounting method	Permanent
Form 8300 – Cash transaction reports	7 years
Medicare and FUTA tax records	6 years
Retirement and Pension Plan returns	Permanent
Transaction records (taxable or tax-free)	Permanent
W-2 and W-4 forms	6 years
Other tax records	6 years

Employment Records Different areas of federal and state law govern the length of time that an employer must maintain files and other records of former employees, with the average length of time being three years. At a minimum, employers should retain all personal files and other employee records for at least four years after termination.	
Employee Benefit Plan disclosures, annual reports and summary reports	Permanent
Employee Handbook	Permanent
Group Disability records	10 years
Immigration - INS Form I-9 (employment eligibility verification form)	4 years after termination
Individual Employee records	
Applications for hire	1 year (not hired), otherwise 4 years after termination
Benefit, pension and retirement plan records	7 years after employee leaves the plan
Documents relating to appraisals, promotions, demotions, transfers, layoffs, terminations, etc.	4 years after termination
Earnings, commissions and bonuses records, including time cards, hours worked each week, rates of pay, method of rate calculation, rate tables and work schedules	7 years after termination
EEO-1 Reports (employers with 100 or more employees)	Permanent
Employee/Technician time reports and flag sheets	7 years
Employee Medical records	7 years after termination
Expense Reports – travel and entertainment	7 years
Family and Medical Leave Act (FMLA) records	7 years after termination
Medical and Environmental exposure records, plus information about hazardous substances used	Greater of 30 years or duration of employment plus 5 years
MSDSs (New Hampshire Right to Know law)	30 years after discontinuance of use of toxic substances
Payroll records	Permanent
Worker's Compensation claims and related documents	7 years after termination
OSHA records (including OSHA 300 log, and related records and correspondence)	5 years after termination
Personnel files	7 years after termination
Unemployment Insurance records	7 years after termination

<p style="text-align: center;">General Business Records</p> <p>Pursuant to state law, most, but not all, business records may be destroyed after three years, however, generally accepted standards recommend a longer period of retention with respect to such records.</p>	
Accident reports	7 years
Accounting records and related papers	
Accounts receivable and payable	7 years
Cash receipt and disbursement journals	7 years
Expense reports and ledger	7 years
Financial statements (Audited, reviewed or compiled)	Permanent
Financial statements (Factory - annual)	Permanent
Financial statements (Factory - monthly)	7 years
General ledger and journal	Permanent
Interdepartmental sales journal	7 years
New vehicle sales journal	7 years
Parts and services sales journal	7 years
Payroll records and journal	7 years
Prepaid and Accrued expense journal	4 years
Subsidiary ledger	7 years
Trial balances	7 years
Appraisal and valuation reports	7 years
Bank deposit slips	7 years
Bank statements and reconciliations	10 years
Brokerage statements and stock transaction records	Permanent
Business license data	Permanent
Cancelled Checks	10 years
Capital Stock Book	Permanent
Check Copies	Permanent
Construction Contracts	Permanent
Contracts and Leases	7 years after expiration
Contributions to charities and nonprofit organizations	7 years
Corporate minutes, records, Articles of Incorporation and By-Laws	Permanent
Correspondence (general)	7 years
Correspondence (legal and tax)	Permanent
Evacuation and Emergency action plan	Permanent
Insurance audit reports	10 years
Insurance claims	10 years after settlement
Insurance policies and certificates, including proof of worker's compensation coverage from vendors and contractors	7 years after expiration
Lease Agreements	10 years after expiration
Litigation or litigation-related support documentation	Permanent
Partnership Agreements	Permanent
Petty Cash Vouchers	4 years
Truth in Lending – evidence of compliance	7 years

Automotive Business Records	
Advertising copy – tear sheets	2 years
Air Bag repairs, activation and deactivation records	Permanent
Bills of lading	Permanent
Counter Tickets	7 years
Credit Memos	7 years
Daily Operating Control sheets	7 years
Damaged Vehicles Disclosures	7 years
Deal Jackets	10 years
Credit Application – Denied	7 years
Customer files	10 years
Internal repair orders	7 years
Odometer statements	7 years
Retail Installment Contracts – Assigned	10 years
Retail Installment Contracts – Not Assigned	10 years after expiration
Service Contracts or Extended Warranties	10 years after expiration
Vehicle Invoice	7 years
Freon (records of freon recovery from vehicles)	3 years
Gray Market Imports (certificate of conformity, and all records regarding purchase, transport, modification and testing)	8 years
Inventory Records (non-LIFO)	7 years
LIFO Records	Permanent
Purchase Orders	7 years
Receipts (cash and other office receipts)	7 years
Repair orders – Office Copy	7 years
Sales Invoices	7 years
Shipping and Receiving Reports	7 years
Tire Purchase Records	3 years
Vehicle Records (new and used)	7 years
Vender Invoices	7 years
Warranty, Incentives and Rebate documents	7 years

Property/Facilities Records	
Appraisals	Permanent
Blueprints, Plans and Drawings	Permanent
Deeds, Titles and Mortgage discharges	Permanent
Fire Inspection Reports	7 years
Hazardous Waste Reports	4 years
Maintenance and improvement records	Permanent
Mortgages and other notes payable	10 years after expiration
Depreciation schedules and supporting documentation (property and equipment)	7 years after asset disposition
Property tax records	Permanent
Underground storage tank test results	Permanent