

# THE SHREDDER GUIDE TO DOCUMENT RETENTION

Record retention rules can be complicated—some things must be kept for a few years and some forever. You might think it's easier to just hold on to it all. However, keeping information for longer than needed can increase your risk in the event of a security breach or undermine compliance with privacy legislation.

Your record retention policy should be informed by a variety of factors—regulatory bodies, industry-specific guidelines and your own operational needs. Each information source must be considered individually to determine when documents and data should be securely destroyed.

## **Scheduled, Certified Destruction Reduces Your Risk**

To minimize risk, documents and data should be destroyed according to a regular schedule. On-site shredding by a third-party information security professional is the best way to certify that items have been properly shredded or otherwise irreversibly destroyed. The Shredder, for example, provides a Certificate of Destruction that specifies the exact date and method used to destroy your documents.

## **Recommended Retention Periods**

The following general guidelines can help you outline a clear, actionable document retention policy. This is not intended to represent legal advice—contact a legal professional and applicable regulatory bodies to ensure that you are following current requirements.



## **CONNECT WITH THE SHREDDER**

For top-tier security, compliance and personal service, look to The Shredder. No matter what your size or industry, we can tailor a plan to keep your client, employee and confidential business information out of the wrong hands.



**THE SHREDDER**  
**MEDSHRED**

## General Business

Document Type	Years to Retain
Auditors' reports	Permanent
Bank debt deductions	7
Bank Deposit slips, reconciliations, statements	4
Bills of lading	4
Budgets	2
Checks—canceled	4
Contracts—purchase and sales	4*
Credit memos	4
Depreciation records	4*
Employee expense reports	4
Employee payroll records (W2-W4s, annual earnings records, etc.)	6*
Financial statements—annual	Permanent
Financial statements—interim	4
Freight bills	4
Internal reports (work orders, sales reports, production reports)	4
Inventory lists	4
Invoices—sales and cash register receipts, merchandise purchases	4
Invoices—purchases (permanent assets)	4*
General ledger	Permanent
General, cash receipts, cash disbursement, and purchase journals	Permanent
Payroll journals	4
Subsidiary ledgers (accounts receivable, accounts payable, etc.)	6
Time cards	4
Worthless securities	7

## Tax

Document Type	Years to Retain
Payroll tax returns	4
Pension and profit sharing informational returns	Permanent
Sales and use tax returns	Permanent
Tax returns and canceled checks (federal, state and local)	Permanent

\*Retention periods begin after the item's termination, expiration or disposal.

### Sources:

<https://www.uschamber.com/co/start/strategy/how-long-to-keep-business-documents>

<https://www.shrm.org/resourcesandtools/tools-and-samples/toolkits/pages/complyingwithemploymentrecordrequirements.aspx>

[https://www.icpas.org/docs/default-source/tax-practice-procedures-files/records-retention-guidelines1a841fdf38106fba827cff0000493078.pdf?sfvrsn=dd94701d\\_0](https://www.icpas.org/docs/default-source/tax-practice-procedures-files/records-retention-guidelines1a841fdf38106fba827cff0000493078.pdf?sfvrsn=dd94701d_0)

## Insurance

Document Type	Years to Retain
Accident reports	6
Claims—after settlement	10
Expired policies (all types)	4
Fire inspection reports	6
Group disability reports	8
Insurance policies	6*
Safety reports	8
Settled insurance claims	4*

## Personal

Document Type	Years to Retain
Attendance records	7
COBRA records	4
Contracts—expired	6
Dental benefits	5
Daily time reports	6
Disability and sick benefit records	6
Employment applications—not hired	3
Employee benefit plans	2*
Employee medical histories	7
Medical benefits	7
OSHA logs	6
Performance records—after termination	7
Personnel files—terminated	7*
Withholding tax statements	6

## Traffic/Shipping and Receiving

Document Type	Years to Retain
Export declarations	4
Freight bills	4
Manifests	4
Shipping and receiving reports	4
Waybills and bills of lading	4

## Purchasing and Sales

Document Type	Years to Retain
Purchase orders	7
Requisitions	3
Sales contracts	3
Sales invoices	3

