



2021 HOW LONG TO KEEP FINANCIAL RECORDS

How Long Should a Client Keep Financial Records?

Income tax records must be kept if they are needed to prove something to the IRS. Typically, a minimum of three years from the date the return was filed. However, certain tax records should be kept longer, maybe even forever, such as tax returns filed and real estate records.

Type and Retention Period

Type of Record	Retention Period
Copies of Tax Returns	Forever
Tax and Legal Correspondence	Forever
Audit Reports of Tax Authorities	Forever
General Ledger	Forever
Financial Statements	Forever
Contract and Lease Agreements	Forever
Real Estate Documents	Forever
Corporate Stock Records and Minutes	Forever
Bank Statements & Deposit Slips	*6 Years
Sales Records and Journals	*6 Years
Other Revenue Records	*6 Years
Employee Expense Reports, Travel & Entertainment Expense	*6 Years
Cancelled Checks	*4 Years
Paid Vendor Invoices	*4 Years
Employee Payroll Expense Records	*4 Years
Inventory Records	*4 Years
Depreciation Schedules	Tax Life of Asset Plus *4 Years
Other Capital Asset Records	Tax Life of Asset Plus *4 Years
Other Expense Records	4 Years
If You Do Not File Returns	Indefinitely

*From the later of the tax return due date or filing date.

This flyer is designed to provide general information on the subjects covered. It is not, however, intended to provide specific legal or tax advice and cannot be used to avoid tax penalties or to promote, market, or recommend any tax plan or arrangement. Please note that Thomas Gold and their representatives do not give legal or tax advice. You are encouraged to consult your tax advisor or attorney. Information gathered on 3/4/20 from <https://www.irs.gov/businesses/small-businesses-self-employed/how-long-should-i-keep-records>.