HYH
CONSULTING, LLC

Record Retention Guide

How long should you keep your records for tax purposes?

According to the Internal Revenue Code, you must keep your records as long as they may be needed until the expiration date of the statute of limitation.

The Statute of Limitation is generally 3 years, however, if you understate your income by more than 25% it is 6 years. All fraudulent returns or returns Not Filed have No Statute of Limitation.

What Records should you keep?

Sources of Income:

Business and Non-business income, Taxable and Nontaxable income such as W2, 1099, Bank Statements, Brokerage Statements, Partnership/Corporation income

Expense Records:

Identify deductible expenses such as Sales slips, Invoices & Receipts, Canceled Checks or Written communication.

Basis of Property:

The original cost of any depreciable property used in business.

Home:

Closing Statements, Purchase and Sale records, Proof of payment, Insurance Records, Improvement Cost records

Record Retention Guide per IRS Guidelines

https://www.irs.gov/businesses/small-businesses-self-employed/how-long-should-i-keep-records

Record Retention Guide per BBB

https://www.bbb.org/globalassets/local-bbbs/clearwater-fl-47/clearwater_fl_47/bbb-records-retention-schedule.pdf