

FEDERAL RECORD RETENTION GUIDELINES

OSHA (Occupation Safety and Health Administration) record retention.....4 years

- Log of all occupational illnesses and accidents
- Other OSHA records

Internal Revenue Service (IRS)/Social Security Administration (SSA) record retention.....4 years

- Duplicate copies of tax returns/tax deposits
- Returned copies of Form W-2
- Cancelled/voided checks
- Employee's name/address/occupation/social security number
- Amount and date of payments for wages, annuities, pensions, tips; fair market value of wages-in-kind
- Record of allocated tips
- Amount of wages subject to withholding
- Taxes withheld (and date if different from pay date)
- Copies of Form W-4 (for at least four years after the date the last return was filed using the information on the Form W-4)
- Agreements to withhold additional amounts
- Dates when employee was absent due to injury and received payments; amount/rate of such payments (by employer or third party)
- Dates when employee was absent from work and payments were made under a contingency plan; amount/rate of such payments
- Copies of forms 941, 941-X, 940, 940 Schedule A, 944, 945, 945-A, W-2, W-3, 941 Schedule B, 1042-S, 1042, 1099-MISC, 1099-R and other returns filed electronically

Fair Labor Standards Act (FLSA)/Immigration Reform and Control Act (IRCA) record retention.....3 years

- Name of employee/address/occupation/birth date/sex
- Hours worked each day/week
- Amount and date of payment
- Amounts earned for straight time and overtime/additions to and deductions from wages
- Collective bargaining agreements
- Sales and purchase records
- Form I-9 – three years after date of hire or one year after date of termination (whichever is later)

Family and Medical Leave Act (FMLA) recordkeeping requirements.....3 years

The following records must be kept for at least three years, in any format, and made available no more frequently than once every 12 months or Department of Labor inspection.

- Name, address, occupation, rate of pay, daily and weekly hours worked per pay period
- Additions to and deductions from wages, total compensation
- Dates of FMLA leave (or hours if taken in increments of less than one day)
- Copies of written FMLA notices
- Copies of general and specific notices provided to employees
- Plan description/policies and procedures dealing with unpaid and paid leaves
- Premium payments for employee benefits
- Records of any disputes

Supplemental record retention.....2 years

- Time cards
- Wage rate tables
- Work time schedules
- Order, shipping, and billing records
- Records of additions to or deductions from wages

Some states require you to keep records longer than the federal government does.

In addition to the federal requirements, each state has its own requirements for state income tax unemployment insurance tax, wage and hour, and other state-mandated requirements. Some states have longer retention requirements than the federal government. You should be aware of the applicable laws in the states where your company operates.

Should you retain documents beyond these dates? Many employers do. Clearly, the main reason for keeping records is to protect the company from audits and lawsuits. Government contracts require companies to keep records longer. For tax audits, many companies keep payroll tax returns for the life of the company, or at least seven years. The statute of limitations for back wage suits under the FLSA is two years (three years for willful violations). Your company should establish policies as to which files will be kept beyond the legal requirements.