



ALLIANT ADVISORS

FIND DIRECTION



The Navigator

Important Markers To Guide Your Way

February 2007

Welcome to the Navigator. In this issue we have compiled a tax calendar that shows due dates for filing tax returns and reporting tax information. Please click on the calendar icon to show important dates for 2007. This calendar is also available on our website.

We hope you will enjoy and value this information. If you do not wish to receive this information by email please respond to this message and we will remove you from the list. For more information about any aspect of our services, visit www.alliant-advisors.com or call your local office.

The Alliant Team

RECORD RETENTION CHECK LIST

The age-old dilemma of record retention requirements hasn't gotten any easier, even with the advent of electronic storage possibilities. Even if you religiously keep as many of your business records as possible on your computer and diligently back those records up regularly, you'll still need to retain a great deal of hard copy records for varying periods of time. The secret to minimizing the sheer bulk is to know when it's safe to toss records out.

The best strategy is to keep tax related records only as long as necessary. The IRS has three years to audit returns. But it has six years if it suspects that the return understates income by more than 25 percent. No statute of limitations applies if fraud is involved or the person fails to file.

To help determine which records to toss and which to keep at the end of the tax season, please find below a record-retention list, which is based on legal as well as tax considerations.



Record Retention

- Copies of tax returns Forever
 - Tax/legal correspondence Forever
 - Audit reports Forever
 - Contract and leases Forever
 - Real estate records Forever
 - Corporate minutes and Stock records Forever
 - Bank statements 6 years
 - General ledger and journals 6 years
 - Sales records and journals 6 years
 - Employee expense reports 3 years
 - Personal investment records 6 years after sales
 - IRA records 6 years after withdrawals
 - Cancelled checks 3 years
 - Paid vendor invoices 3 years
 - Employee payroll records 3 years
 - Depreciation schedules Tax life of asset plus 3 years
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