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Lisa Galletti • Apr. 24, 2017



How long should records be kept?

The short answer is “*it depends.*” A starting point is to verify current federal, state and local agencies record maintenance and retention requirements. Time spans can vary from 3 to 7 years and some indefinitely.

A master list which includes the agency name, required records and length of time to retain is a good way to develop your own payroll record retention schedule.

How should I store records?

Paper files, storage cabinets, microfilm, backing up to a separate drive or remote location, online and in the cloud. There are a lot of choices on storage methods.

One thing to keep in mind, you will need easy access to provide documentation to

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all the pertinent information is stored “somewhere” and only they know the location. Documenting a disaster plan is an imperative.

And when the time comes to finally time to dispose of records?

Before you shred paper or press “delete” do one final check of retention dates in your master retention schedule. Any paper should be shredded thoroughly and properly disposed or recycled. Deleting electronic files is less labor intensive and there are two things to remember: 1. once it's gone, it's gone! 2. Electronic storage is cheaper than you think.

Lisa Galletti is the Payroll Ace/owner of [LMG Payroll Services](#). She lives with her husband and son in rural northern California. After two decades as a payroll specialist she still loves “all things payroll” and feels it's the most important part of accounting!

Payroll

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