

State Income Tax — Retention of Employer Records

Generally, the minimum retention period begins to run from the later of the date the taxes or returns are due, paid or filed.

Most states with an income tax withholding requirement, require employers to maintain records of the following kinds of information:

- employee name and address, social security number, and occupation
- employer's copy of Forms W-2
- the amounts and dates of wage, bonus and other compensation payments, and tax withheld
- records of employer tax deposits
- records of periods and location of employment
- employee withholding exemption certificates (such as Forms W-4)

Generally, states will allow these tax records to be maintained on magnetic tapes, diskettes, and CD-ROM, as well as on microfilm, instead of retaining them as space-consuming paper records. Employers should check the specific requirements of each state where they do business.

Minimum Retention Period By State (in Years)

Alabama	5	Montana	5
Alaska	N/A	Nebraska.....	3
Arizona.....	4	Nevada	N/A
Arkansas.....	6	New Hampshire....	N/A
California	4	New Jersey.....	5
Colorado.....	4	New Mexico	4
Connecticut	4	New York.....	4
Delaware.....	4	North Carolina.....	3
Dist. of Col.....	5	North Dakota.....	4
Florida	N/A	Ohio	4
Georgia	4	Oklahoma	4
Hawaii	3	Oregon.....	5
Idaho	3	Pennsylvania.....	4
Illinois	4	Puerto Rico.....	5
Indiana	3	Rhode Island	4
Iowa	5	South Carolina	**
Kansas	3	South Dakota	N/A
Kentucky	4	Tennessee	N/A
Louisiana	3	Texas	N/A
Maine	4	Utah	3
Maryland	3	Vermont.....	**
Massachusetts	3	Virginia	3
Michigan.....	6	Washington.....	N/A
Minnesota.....	8	West Virginia.....	5
Mississippi.....	3	Wisconsin	4
Missouri.....	4	Wyoming.....	N/A

N/A indicates that the state has no state income tax withholding requirement.

**indicates that the state has no records-retention provision.

ADP is not responsible for any retention period inaccuracies that this guide may contain. Please be aware that retention period regulations are subject to change.



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Business Record Retention Guide



Federal Requirements — Retention of Employer Records

Internal Revenue Service

Any records relating to payments made to employees, employer tax reports and deposits — covering **Federal income tax withholding, social security, medicare and FUTA taxes**. For example:

- employee’s name, address, occupation and social security number
- date of each wage payment made to the employee (including tips)
- wages subject to withholding for Federal income tax, social security and medicare taxes, employee’s Form W-4, employee’s hire and termination dates
- tip reporting records
- any fringe benefits provided to the employee
- copies of all Federal tax returns filed, Copy D of employee Form W-2, and Forms 940, 941, 943, and 1099-R.

at least **4 years** after the payment, deduction of taxes or due dates of returns

U.S. Dept. of Labor (Fair Labor Standards Act)

Records must be kept on all employees, and must be retained for either two or three years, as illustrated below:

- employee’s name, home address, date of birth (if under 19), gender and occupation
- regular rate of pay and its calculation
- hours worked each week and workweek
- straight-time earnings, and overtime earnings
- inclusions and exclusions from wages (such as bonus, withheld taxes, etc.)
- date of payment and the period covered

at least **3 years** from date of last data entry

- basic employment and earnings records, time cards, piecework records
- records substantiating additions or deductions from wages, such as wage assignments, garnishments

at least **2 years** from date of last data entry

Immigration Reform and Control Act

INS Form I-9 (Employment Eligibility Verification Form) must be signed by the new-hire and the employer, and be readily available upon request.

at least **3 years** from date of hire or **1 year** after termination

Occupational Safety and Health Act (OSHA)

Log & Summary of Occupational Injuries and Illnesses, briefly describing recordable cases of injury and illness, extent and outcome of each incident, and summary totals for calendar year.

at least **5 years** after end of year to which records relate

Employee Retirement Income Security Act (ERISA)

Records providing basis for all required plan descriptions or reports, or necessary to certify any related information, including vouchers, worksheets, receipts and applicable resolutions.

not less than **6 years** after filing date of documents, based on the information they contain

Records pertaining to each employee-participant in the plan for determinations of benefits that are due or may become due

as long as relevant

Americans With Disabilities Act

Any personnel or employment record made or kept by employer, including application forms and records concerning hiring, promotion, demotion, transfer, layoff or termination, rates of pay or other terms of compensation, and selection for training or apprenticeship

at least **1 year** after the date record was made or personnel action taken, whichever is later

Age Discrimination in Employment Act

Payroll or other records containing each employee’s name, address, date of birth, occupation, rate of pay, and compensation earned per week

at least **3 years**

Personnel or employment records relating to (for example) job applications, promotion, demotion, transfer, physical exam results, and job-placement test results.

at least **1 year** after date of personnel action to which record relates

State Unemployment Compensation Insurance — Retention of Employer Records

The states are not uniform as to when the minimum retention periods listed below begin to run, but often the period begins at the end of the month following the quarter to which the record relates.

Most states require employers to maintain records of the following kinds of information, whether or not the employer is liable under the state’s unemployment compensation law — the employee’s name and address, social security number, dates of hire/separation/re-hire, payment dates for cash and non-cash wages, and the dates and hours worked.

Such records must be open for inspection by state unemployment officials at any reasonable time. Employers should check the state’s employment handbook for specific requirements.

Minimum Retention Period By State (in Years)

Alabama	5	Montana	5
Alaska	5	Nebraska	4
Arizona.....	4	Nevada	4
Arkansas	5	New Hampshire ..	6
California	4	New Jersey	5
Colorado	5	New Mexico	4
Connecticut	4	New York.....	4
Delaware.....	4	North Carolina ..	6
Dist. of Col.....	5	North Dakota.....	5
Florida.....	5	Ohio	5
Georgia	7	Oklahoma.....	4
Hawaii	5	Oregon.....	3
Idaho	3	Pennsylvania.....	4
Illinois	5	Puerto Rico	5
Indiana.....	5	Rhode Island	4
Iowa	5	South Carolina ..	5
Kansas	5	South Dakota	4
Kentucky	6	Tennessee	7
Louisiana	5	Texas	3
Maine.....	4	Utah	3
Maryland	5	Vermont.....	4
Massachusetts	4	Virginia	4
Michigan.....	6	Washington.....	4
Minnesota.....	8	West Virginia.....	4
Mississippi.....	5	Wisconsin.....	6
Missouri.....	3	Wyoming.....	4

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