

Tax Record Retention Policy

Date: [Insert Date]

To: [Insert Recipient Name]

From: [Your Company Name]

Dear [Recipient Name],

As part of our commitment to compliance and effective record management, we have established a Tax Record Retention Policy that governs the retention, storage, and disposal of tax-related documents.

Policy Overview

This policy applies to all employees involved in tax-related activities within [Your Company Name]. It is essential to maintain accurate records to comply with federal, state, and local tax regulations.

Retention Periods

- **Income Tax Returns:** Retain for 7 years from the date of filing.
- **Supporting Documents:** Retain for 7 years following the corresponding return.
- **Payroll Records:** Retain for 7 years from the end of the tax year.
- **Sales Tax Records:** Retain for 7 years from the date of filing.

Storage and Disposal

All tax records must be stored securely and disposed of in a way that protects sensitive information at the end of their retention period, preferably by shredding physical documents and securely wiping digital files.

Compliance

Failure to adhere to this policy may result in disciplinary action. Regular audits will be conducted to ensure compliance with this retention policy.

For any questions regarding this policy, please contact [Insert Contact Information].

Thank you for your attention to this important matter.

Sincerely,

[Your Name]

[Your Position]

[Your Company Name]

[Contact Information]