



Ask Gail

by William D. Frye, Ph.D., CHE

How long must hotel records be maintained?

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Dear Gail:

Our hotel has a basement storeroom with boxes full of records that date back several years. Inside the boxes are old registration cards, transaction vouchers, credit cards receipts, incident reports written by the Security department, etc. These boxes are starting to take up too much space. How long must we retain these records before we may dispose of them?

Richard G
Rooms Division Director
Addison, TX

Dear Richard:

Each state has a Statute of Limitations that will specify how long records such as these must be maintained by businesses. Unfortunately, the Statute of Limitations is not uniform across all fifty states, nor is it consistent for varying types of documents within each state. The Statute of Limitations is intended to limit the timeframe during which a civil legal claim (i.e., lawsuit) may be filed against an individual, organization, or business for issues such as breach of a contract, delinquency of debt, liability for personal injury, or liability for property damage. Generally, the clock starts ticking once the contract is mutually entered into by all parties or the date the injury or property damage occurs. Please see the table to the next page to determine the minimum number of years your records must be maintained before disposal.

Additionally, here are some basic guidelines for storing other business-related records:

- Payroll Records – Maintain these for a minimum of four years after the pay period ends.
- Employee Time Cards – Keep these for at least three years, though it's recommended that you keep them longer in case questions arise.
- Personnel Records – Retain these records for three years after an employee resigns, retires or has been terminated.
- Employment Tax Records – Keep these records for four years from the date the tax was due, or the date it was paid – whichever is longer.
- Sales and Occupancy Tax Returns – State regulations vary from three to six years; check with your state department of taxation.
- Business Property – The IRS recommends that records used to substantiate depreciation on business property should be kept for as long as you own the asset, plus another seven years.

Remember that these documents should be maintained in a safe and locked location, with access restricted only to those employees who have a legitimate need to retrieve these records. Once the Statute of Limitations expires, records should be destroyed. Utilizing a bonded shredding or document disposal service is recommended. ✧

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Statute of Limitation in Years for Business Records

Records pertaining to:	Written Contracts and Book/Open Accounts	Oral Contracts and Agreements	Negligence: Injury to Person	Negligence: Property Damage
ALABAMA	6	6	2	6
ALASKA	3	3	2	6
ARIZONA	6	3	2	2
ARKANSAS	5	5	3	3
CALIFORNIA	4	2	2	3
COLORADO	6	6	2/3	2
CONNECTICUT	6	3	2	2
DELAWARE	3	3	2	2
DISTRICT OF COLUMBIA	3	3	3	3
FLORIDA	5	4	4	4
GEORGIA	6	4	2	4
HAWAII	6	6	2	2
IDAHO	5	4	2	3
ILLINOIS	10	5	2	5
INDIANA	10	6	2	2
IOWA	10	5	2	5
KANSAS	5	3	2	2
KENTUCKY	15	5	1	2
LOUISIANA	10	10	1	1
MAINE	6	6	6	6
MARYLAND	3	3	3	3
MASSACHUSETTS	6	6	3	3
MICHIGAN	6	6	3	3
MINNESOTA	6	6	6	2
MISSISSIPPI	3	3	3	3
MISSOURI	4/5/10	5	5	5
MONTANA	8	5	3	2
NEBRASKA	5	4	4	4
NEVADA	6	4	2	3
NEW HAMPSHIRE	3	3	3	3
NEW JERSEY	6	6	6	2
NEW MEXICO	6	4	3	4
NEW YORK	6	6	3	3
NORTH CAROLINA	3	3	3	3
NORTH DAKOTA	6	6	6	6
OHIO	15	6	2	2
OKLAHOMA	5	3	3	2
OREGON	6	6	2	6
PENNSYLVANIA	4	4	2	2
RHODE ISLAND	10	10	3	10
SOUTH CAROLINA	3	3	3	3
SOUTH DAKOTA	6	6	3	6
TENNESSEE	6	6	1	3
TEXAS	4	4	2	2
UTAH	6	4	4	3
VERMONT	6	6	3	3
VIRGINIA	5	3	2	5
WASHINGTON	6	3	3	3
WEST VIRGINIA	10	5	2	2
WISCONSIN	6	6	3	6
WYOMING	10	8	4	4

Note: This information is not intended to serve as a substitute for legal, accounting, or tax advice. Always consult your hotel's qualified legal, accounting, or tax professionals.