

**UNITED STATES BANKRUPTCY ADMINISTRATOR
MIDDLE DISTRICT OF NORTH CAROLINA**

JOHN PAUL H. COURNOYER — BANKRUPTCY ADMINISTRATOR

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March 25, 2025

Re: **Records Retention Policies**

Dear Trustees and Debtors' Counsel:

The following records retention policies apply in our district:

Chapter 7 Trustees

- **Asset Cases:** The trustee must retain the case file and estate accounting records for a period of at least two years after the date the trustee was discharged, unless applicable law requires retention of documents for a longer period (e.g., the retention of plan documents for a 6-year period if an ERISA plan was wound down).
- **No Asset Cases:** The trustee must retain documentation to support the trustee's investigation and determination that the case is a no-asset case, for a period of two years after the date the trustee was discharged.
- **Tax Returns and Personally Identifiable Information:** Notwithstanding the foregoing, the trustee should destroy copies of an individual debtor's tax returns, or other personally identifiable information such as copies of a debtor's driver's license and social security card, once the trustee determines such documents are no longer necessary to the administration of the case. For example, if the trustee has confirmed a debtor's identity at the meeting of creditors, the trustee may promptly destroy copies of the debtor's driver's license, social security card and/or tax return(s) if such documents are no longer necessary to the administration of the case. Hard copies shall be destroyed by shredding in the trustee's office or by a qualified professional firm. Electronic copies must be permanently deleted following industry standards and best practices.¹

¹ Your software provider can likely streamline this process. For example, Stretto's document portal only retains documents for 30 days. If documents are moved from the portal into the Trustee Suite, you can apply a PII flag to documents, which will trigger the automated deletion of such documents based upon timeline parameters established in your profile.

Chapter 13 Trustees

- **Retention Periods:** Individual case receipts and disbursements shall be retained for three years following the trustee's discharge. Seven-year retention periods apply to (i) general ledgers for the trustee's trust and expense accounts, (ii) bank records, bank statements, monthly bank reconciliations, cancelled checks and deposit slips, and (iii) monthly reports, annual reports, audit reports, and all supporting documentation.
- **Tax Returns and Personally Identifiable Information:** Notwithstanding the foregoing, the trustee should destroy copies of an individual debtor's tax returns, or other personally identifiable information such as copies of a debtor's driver's license and social security card, once the trustee determines such documents are no longer necessary to the administration of the case. In most cases, it is likely necessary to retain tax returns for the duration of the case, while documents used to confirm a debtor's identity may be destroyed after the conclusion of the creditor's meeting. Hard copies shall be destroyed by shredding in the trustee's office or by a qualified professional firm. Electronic copies must be permanently deleted following industry standards and best practices.

Debtors' Counsel


- Local Rule 5004-4(5) contains retention requirements for papers containing original signatures of documents filed with the Court on behalf of Non-Filing Users. You should review the rule in its entirety. Papers containing original signatures must be retained until four years after the closing of the case or proceeding in which the paper is filed. This includes original signed copies of a debtor's petition, schedules, statement of financial affairs, amendments to such documents, and any declaration, affidavit, pleading or other document filed with the Court that bears the debtor's signature.
- The NC Rules of Professional Conduct require you to maintain a client's file for six years after the clients file became inactive (i.e., in a bankruptcy case, 6 years after the case has been closed). However, a client may consent to the destruction or return of their file at an earlier time. See [RPC 209](#). Of course, client consent does not supersede the requirements of Local Rule 5004-4(5).
- Accountings of all entrusted property, including clients' funds placed in trust, must be maintained for at least six years, as more specifically set forth in NC Rule of Professional Conduct 1.15-3.

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- When providing trustees with documents containing personally identifiable information, such as tax returns, driver's licenses, and social security cards, you should use a secure document portal or facsimile. Submitting these documents via email or other insecure means is discouraged. When submitting copies of tax returns, you should redact all but the last four digits of social security numbers.



John Paul H. Cournoyer
U.S. Bankruptcy Administrator
Middle District of North Carolina