

What Records Should You Keep and for How Long?

Financial Statements

Keep your monthly and quarterly statements until you receive the year-end statement. Shred the monthly and quarterly statements after the year-end statement is received ONLY IF the year-end statements show the cumulative activity for the year. If your year-end statement excludes activity that has occurred during the year, be sure to keep the monthly or quarterly statements showing the account activity. Keep year-end statements permanently.

Income Tax Returns and Supporting Documents

Keep supporting documents at least four years and preferably six. It is recommended that tax returns themselves be retained indefinitely.

Residential Property Records

There have been major tax law changes, effective in 1997, related to the sale of a principal residence. Since each situation is unique, please talk to us before discarding any residential property records (escrow statements for the purchase, sale and refinance of your house & receipts for improvements).

Purchase Receipts for Stocks, Bonds, Mutual Funds

These should be kept for at least four years after the asset is sold. This would include record of stock dividends, splits and reinvested dividends.

Depreciation Records

Keep all rental real estate or depreciable business property records of the cost, date acquired, and schedule of depreciation claimed in previous years permanently.

Retirement Plan Contributions

Records of non-deductible IRA deposits, employer plan stock purchased, rollovers, and Keogh plan deposits should be kept permanently.

Personal Records

Important papers such as estate and gift returns, divorce and property settlement agreements, deeds, title insurance policies, and all trust documents should be kept in a permanent file (e.g. safe deposit box).

Miscellaneous Papers

Bank statements, canceled checks (supporting tax deductions claimed), deposit slips, charitable contributions receipts, and medical bills can be discarded after seven years.

If you're not sure, call us before you throw it out!

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