

Records Retention

Many clients often ask, "How long should records be kept?"

How long you should keep records is partly a matter of judgment and a combination of state and federal statutes of limitation. The statute of limitations for federal tax returns is three years after filing (six years if underreported income is involved, & there is no statute of limitations if they believe fraud is involved). Below are some recommended retention periods for various records:

ORIGINALS YOU RARELY NEED

Documents:	Store In:	Shred After:
Adoption Papers	Bank Safety Deposit Box	Never Discard
Citizenship Papers	Bank Safety Deposit Box	Never Discard
Divorce Decree	Bank Safety Deposit Box	Never Discard
Lawsuits	Bank Safety Deposit Box	Never Discard
Household Inventory	Bank Safety Deposit Box	Never Discard
Photos of Possessions	Bank Safety Deposit Box	Never Discard
Military Discharge	Bank Safety Deposit Box	Never Discard
Veteran's Papers	Bank Safety Deposit Box	Never Discard

ORIGINALS YOU SOMETIMES NEED

Documents:	Store In:	Shred After:
Birth Certificate	Fire and Burglar Resistant Safe at Home	Never Discard
Cemetery Deed	Fire and Burglar Resistant Safe at Home	Never Discard
Real Estate Deeds	Fire and Burglar Resistant Safe at Home	Ten Years After Property is Sold
Death Certificates	Locked Filing Cabinet	Never Discard
Diplomas	Fire and Burglar Resistant Safe at Home	Never Discard
Guardianship Arrangements	Fire and Burglar Resistant Safe at Home	Never Discard
Health Records	Fire and Burglar Resistant Safe at Home	Never Discard
Immunization Records	Fire and Burglar Resistant Safe at Home	Never Discard
Marriage Certificates	Fire and Burglar Resistant Safe at Home	Never Discard
Medical Directive	Fire and Burglar Resistant Safe at Home	New One Signed
Naturalization Certification	Fire and Burglar Resistant Safe at Home	Never Discard
Passports	Fire and Burglar Resistant Safe at Home	Shred After You have Replaced
Powers of Attorney	Fire and Burglar Resistant Safe at Home	New One Signed
Retirement Plan Benefits	Fire and Burglar Resistant Safe at Home	Never Discard
Social Security Card	Fire and Burglar Resistant Safe at Home	Never Discard
Stock/Bond Certificates	Fire and Burglar Resistant Safe at Home	When Sold
Vehicle Titles	Fire and Burglar Resistant Safe at Home	Vehicle is Sold
Trusts	Fire and Burglar Resistant Safe at Home	New One Signed
Wills	Fire and Burglar Resistant Safe at Home	New One Signed

Records Retention

OTHER DOCUMENTS

Documents:	Store In:	Shred After:
College Financial Aid	Locked Filing Cabinet	Ten Years After Loan is Repaid
Credit Report	Fire and Burglar Resistant Safe at Home	New One Arrives
Document Inventory (This List)	Fire and Burglar Resistant Safe at Home	You Create a New List
Employee Benefits	Locked Filing Cabinet	Change Jobs
Employment Contract	Fire and Burglar Resistant Safe at Home	Change Jobs
Financial Statements	Fire and Burglar Resistant Safe at Home	New Ones Drafted
Insurance Policies/Invoices	Locked Filing Cabinet	A Year After Replacing Policy
Letter of Last Instructions	Fire and Burglar Resistant Safe at Home	After Writing a New One
Loan Statements	Locked Filing Cabinet	Ten Years After Loan is Repaid
Passwords	Fire and Burglar Resistant Safe at Home	Change Password
Property Tax Assessment	Locked Filing Cabinet	New One Arrives
Receipts (Items Under Warranty)	Locked Filing Cabinet	Warranty Expires
Receipts (Expensive Items)	Fire and Burglar Resistant Safe at Home	Item Sold or Donated
Safe Deposit Box Inventory	Fire and Burglar Resistant Safe at Home	Updated
Social Security Statement	Locked Filing Cabinet	New One Arrives
Transcripts	Locked Filing Cabinet	You Complete Another Course
Vehicle Registration	Locked Filing Cabinet	New One Arrives
Vehicle Repairs	Locked Filing Cabinet	Vehicle is Sold
Warranties	Locked Filing Cabinet	Dispose of Item

Tax Documents

Documents:	Store In:	Shred After:
Bank Statements	Locked Filing Cabinet	Seven Years
Cancelled Checks	Locked Filing Cabinet	Seven Years
Credit Card Statements	Locked Filing Cabinet	Seven Years
Home Purchase/Improvement	Locked Filing Cabinet	Seven Years After Home is Sold
Tax Return/Supporting Doc.	Locked Filing Cabinet	Seven Years After Filing Date
Form 8606	Locked Filing Cabinet	Seven Years After IRA is Liquidated

Investments Documents

Documents:	Store In:	Shred After:
Annuity Contracts	Locked Filing Cabinet	Annuity Paid Out
Loan Agreements	Locked Filing Cabinet	Ten Years after Loan is Repaid
Pension Plan Documents	Locked Filing Cabinet	Never Discard
Real Estate Purchase/Improv.	Locked Filing Cabinet	Seven Years After Property is Sold
Investment Account Statements	Locked Filing Cabinet	Seven Years After Last Investment Held in account is Sold