

## **Personal Record Retention Guide**

Identity theft occurs largely from paper documents. It is good practice to shred all the expired records, especially those with your personal information.

### **Personal Documents to Keep for One Year or Less**

- Mutual fund and IRA contribution statements Annual reports would need to be retained forever, but the monthly and quarterly reports should be retained until the year-end statement has arrived.
- Credit card receipts (keep until verified with statement)
- Monthly bills (keep until payment is verified on next bill)
- ATM receipts – keep until you balance your bank statement
- Pay stubs (keep until reconciled with your W-2)

### **Personal Documents to Keep for Three Years**

- Credit card statements
- Medical bills (in case of insurance disputes)
- Utility records (longer if claiming home office deduction)
- Expired insurance policies

### **Personal Documents to Keep for Seven Years**

- Supporting documents for tax returns (IRS can audit within 3 years from the date the return was filed. Additional time if substantial error was identified, then six years. If return unfiled – no statute of limitations.)
- Accident reports and claims
- Medical bills (if tax-related)
- Sales receipts
- Wage garnishments
- Other tax-related bills

### **Personal Records to Keep Forever**

- Audit reports from CPAs/Accountants
- Legal records
- Important correspondence
- Income tax returns
- Income tax payment checks
- Property records/improvement receipts (or six years after property sold)
- Investment trade confirmations
- Retirement and pension records
- Trademark and patent registrations

### **Special Circumstances**

- Car records (keep until the car is sold)
- Insurance policies (keep for the life of the policy)
- Mortgages/deeds/leases (keep 6 years beyond the agreement)

- Sales receipts (keep for the life of the warranty)
- Stock and bond records (keep for 6 years beyond selling)
- Warranties and instructions (keep for the life of the product)
- Home repairs may need receipts for 10 years due to warranty
- Depreciation schedules and other capital asset records (keep for 3 years after the tax life of the asset)

**Note:**

Electronic records: All requirements that apply to hard copy books and records also apply to electronic storage systems that maintain tax books and records. When you replace hard copy books and records, you must maintain the electronic storage systems for as long as they are material to the administration of tax law.