



Sorting Through Financial Papers & Documents

Start sorting through your financial papers now, deciding what to keep and what to get rid of. It will make your move much easier when the time comes. **We recommend winnowing down your paper files to one 2-drawer or one 4-drawer filing cabinet.** Yes, it can be done! Any papers with personal information such as social security numbers or account numbers should be shredded. The rest can be tossed or recycled.

Below are some recommendations on how long to keep certain financial documents. If you have any doubts or questions, be sure to consult your financial advisor.

Taxes – Keep records for **3 years** from the date you filed your original return or **2 years** from the date you paid the tax, whichever is later, if you file a claim for credit or refund after you file your return. Keep records for **7 years** if you file a claim for a loss from worthless securities or bad debt deduction (info taken directly from the IRS website)

IRA Contributions – Keep permanently.

Retirement/Savings plan statements – Keep the quarterly statements until you receive your annual summary; keep the annual summaries until you retire or close the account.

Bank records – Keep monthly statements for one year, then shred.

Brokerage statements – Keep until you sell your securities.

Bills – Keep paid bills for one year or less. However, you should keep bills for big purchases (i.e. jewelry, appliances, cars, collectibles) for proof of their value in the event of loss, sale or damage.

Credit card receipts and statements – Keep monthly statements for one year, then shred. Keep the statements three years if they document tax-related expenses.

Paycheck stubs – Keep one year. If your W-2 form matches your stubs, you can toss your stubs.

