

How Long To Keep Records?

In general, you should keep receipts as long as they might be needed. Following are some recommendations, but consult with a tax accountant. Burn or shred sensitive documents. You can keep most records electronically, but if so, you should keep at least two copies for backup. (from <https://www.suzeorman.com/resources/record-keeping>, plus some additional ideas)

Sales Receipts

- Keep sales receipt until warranty expires or you can no longer return or exchange it (unless needed for tax purposes and then keep for 3 years).

Keep for 1 month

- ATM Printouts (until you balance your checkbook each month).

Keep for 1 year

- Paycheck Stubs (discard after comparing to your W2 & annual social security statement).
- Utility Bills (Throw out after one year—unless you're using these as a deduction like a home office, then keep them for 3 years after you've filed that tax return.
- Cancelled Checks (unless needed for tax purposes, and then keep for 3 years)
- Credit Card Receipts (unless needed for tax purposes, and then keep for 3 years)
- Bank Statements (unless needed for tax purposes, and then keep for 3 years)
- Quarterly Investment Statements (Keep until you get your annual statement).
- Other Bills (Keep until receiving confirmation of payment. Other experts say non-tax related utility bills and credit card receipts can be treated the same way.)

Keep for 3 years

- Income Tax Returns (You can be audited by the IRS for no reason up to 3 years after filing a tax return. If you omit 25% of your gross income, it is 6 years; and if you don't file a tax return at all, there is no statute of limitations. Some experts advise keeping the actual tax return forever, as evidence that you did file.)
- Receipts, Cancelled Checks and Documents Supporting Income or Deduction on Tax Return (Keep 3 years from the date the return was filed or 2 years from the date the tax was paid -- whichever is later).
- Medical Bills (unless needed for permanent medical records)
- Cancelled Insurance Policies
- Records of Selling a House, along with receipts for home improvements made to the property (Documentation for Capital Gains Tax)
- Records of Selling a Stock (Documentation for Capital Gains Tax)
- Annual Investment Statement (Keep for 3 years after you sell your investment.)

What to keep for 7 years

- Records of Satisfied Loans
- All the above tax information (7 years is a more conservative approach than 3 years)

What to hold while active

- Contracts
- Insurance Documents
- Property Records
- Stock Certificates
- Stock Records
- Records of Pensions and Retirement Plans (IRA, Roth IRA, 401(k), etc.)
- Property Tax Records Disputed Bills
- Home Improvement Records (Hold for at least 3 years after the due date for the tax return that includes the income or loss on the asset when it's sold)

Keep Forever

- Marriage Licenses
- Birth Certificates
- Wills
- Adoption Papers
- Death Certificates
- Records of Paid Mortgages

*These documents should be kept in a safe place, like a safety deposit box.