



## RECORD RETENTION GUIDELINES

Item	How long to keep it
Automobile records (title, registration, repairs)	For as long as you own the vehicle
Appointment books (past)	For 1-10 years (or longer) - according to your comfort level and whether you use them for tax records, reference, or memorabilia
ATM slips (typically kept with bank statements)	Maximum seven* years if needed for tax purposes**
Bank Records	From one year to permanently <ul style="list-style-type: none"> <li>• Go through your checks each year and keep those related to your taxes, business expenses, housing and mortgage payments.</li> <li>• Throw away those that have no long-term importance.</li> </ul>
Bills	From one year to permanently <ul style="list-style-type: none"> <li>• Maintain 2 years of paid bills unless it is for a tax record then the tax record retention guidelines take effect</li> </ul>
Brokerage Statements	Until you sell the securities <ul style="list-style-type: none"> <li>• You need the purchase/sales slips from your brokerage or mutual fund to prove whether you have capital gains or losses at tax time.</li> </ul>
Credit Card Receipts and Statements	From 45 days to seven years <ul style="list-style-type: none"> <li>• Keep your original receipts until you get your monthly statement; toss the receipts if the two match up.</li> <li>• Keep the statements for seven years if tax-related expenses are documented.</li> </ul>
Catalogs & magazines	Until the next issue
Dividend payment records	Until annual statement is supplied by company, then just annual statements



Item	How long to keep it
House/Condominium	From six years to permanently <ul style="list-style-type: none"> <li>• Keep all records documenting the purchase price and the cost of all permanent improvements -- such as remodeling, additions and installations.</li> <li>• Keep records of expenses incurred in selling and buying the property, such as legal fees and your real estate agent's commission, for six years after you sell your home.</li> <li>• Holding on to these records is important because any improvements you make on your house, as well as expenses in selling it, are added to the original purchase price or cost basis. This adds up to a greater profit (also known as capital gains) when you sell your house. Therefore, you lower your capital gains tax.</li> </ul>
Household inventory & appraisal	As long as current
Insurance policies (auto, homeowners, liability)	As long as statute of limitations in the event of late claims
Insurance policies (disability, medical, life, personal property, umbrella)	As long as you own
IRA contributions	Permanently  If you made a nondeductible contribution to an IRA, keep the records indefinitely to prove that you already paid tax on this money when the time comes to withdraw.
Mortgage or loan discharge	As long as you own, or seven years after discharge
Property bill or purchase	As long as you own the property
Receipts	
Appliances (Attach the receipt to the Owner's manual.)	As long as you own item
Art, antiques, collectibles (Attach the receipt to the paperwork or certificate.)	As long as you own item
Clothing	For the length of the returns period, unless tracking household budget
Furniture (Attach the receipt to the Paper work or certificate.)	As long as you own item, in case repair is needed
Home improvements	As long as you own home, or seven years after sale
Household repairs	For life of warranty, or longer to track reliability record of service people and their rates



Item	How long to keep it
Major purchases (Attach the receipt to the paperwork.)	Life of item  However, bills for big purchases -- such as jewelry, rugs, appliances, antiques, cars, collectibles, furniture, computers, etc. -- should be kept in an insurance file for proof of their value in the event of loss or damage.
Medical billings	Maximum seven years
Medical records/history of any major test/illness	Keep permanently
Paycheck Stubs	One year  <ul style="list-style-type: none"> <li>• When you receive your annual W-2 form from your employer, make sure the information on your stubs matches. If it does, toss the stubs.</li> <li>• If it doesn't, demand a corrected form, known as a W-2c.</li> </ul>
Rent receipt	Your cancelled check is sufficient
Resume	Keep one original copy of each version
Retirement/Savings plan statements	From one year to permanently  <ul style="list-style-type: none"> <li>• Keep the quarterly statements from your 401(k) or other plans until you receive the annual summary; if everything matches up, then toss the quarterlies.</li> <li>• Keep the annual summaries until you retire or close the account.</li> </ul>
Safe deposit box key & inventory	As long as current
Taxes  <ul style="list-style-type: none"> <li>• Returns</li> <li>• Canceled checks/receipts (alimony, charitable contributions, mortgage interest and retirement plan contributions)</li> </ul>	Seven Years  <ul style="list-style-type: none"> <li>• The IRS has three years from your filing date to audit your return if it suspects good faith errors.</li> <li>• The three-year deadline also applies if you discover a mistake in your return and decide to file an amended return to claim a refund.</li> <li>• The IRS has six years to challenge your return if it thinks you underreported your gross income by 25 percent or more.</li> <li>• There is no time limit if you failed to file your return or filed a fraudulent return.</li> </ul>
Utility bills	Current bill and may keep one previous year to check billing pattern



Item	How long to keep it
Vital records (adoption papers, birth & death certificates, citizenship papers, copyrights/patents, marriage certificate, divorce decree, letter of “last instructions” to executor or heirs, medical illness and vaccination records, passports, power of attorney, Social Security records, wills)	Keep permanently.  The originals should be in a safe deposit or fireproof box. Keep copies in your files
Warranties and instructions	Life of warranty or item - Stick label with warranty expiration date and service repair number on bottom of appliance. The receipt should be attached to the warranty or instructions

\*\* You may wish to keep this information for longer than seven years as a record of your personal financial history. The term “for tax purposes” means to backup a line item on your tax return.

#### SUGGESTED RESOURCE:

We **STRONGLY** recommend the Freedom Filer System or MyVital Files for ALL your paper needs – please see the resources page of [www.suddenchangeinteriors.com](http://www.suddenchangeinteriors.com); [www.freedomfiler.com](http://www.freedomfiler.com); [www.myvitalfiles.com](http://www.myvitalfiles.com). Both are an all encompassing, self purging filing system that includes current year, action system, taxes, and reference – ALL your paper needs are met!