

RECORDS RETENTION GUIDELINE
DECEMBER 2006

Data	Retention Period	Why?
Tax Return Copies	Forever.	Don't rely on the IRS for a copy. Information is sometimes miskeyed or lost.
Tax Return Supporting Data	Forever, if possible; Otherwise, 7 years.	The IRS has 3 years from the date of filing (or due date), whichever is later, to question your return, UNLESS they suspect fraud or gross understatement of taxable income. With understatement, they have 7 years. If fraud is alleged, there is NO statute of limitations.
Brokerage Accounts - Annual all-inclusive statement	Forever.	This pertains to both taxable and nontaxable (retirement or exempt income) accounts. Ok to shred monthly/quarterly statements after receipt and verification of annual statement.
Bank statements	With tax info...	See Tax Return Supporting Data.
Bank statements	Without tax info...	Destroy after reviewing for errors.
Credit card statements	With tax info or big purchases (e.g., jewelry, appliances, etc.)...	See Tax Return Supporting Data or hold until item is no longer in possession.
Credit card statements	Without tax info...	Destroy after reviewing for errors or unauthorized activity.
Legal documents	Forever.	Use a fire-safe or safe deposit box. Consider naming a spouse, trusted relative or named executor on safe deposit box to facilitate court documents in the event of death. Consider same for location of keys to above.

This list is not meant to be exhaustive or all-inclusive. Please discuss any questions or issues with me. If in doubt, DON'T throw it out! See comment re: primary residence on reverse.