



SAVE IT OR SHRED IT?

In preparation for our upcoming shredding event, we have compiled some guidelines to help you determine what to save and what to throw away. Here's a breakdown of which documents you should keep—and for how long. Bring the ones you're ready to discard to our office **May 18th–22nd** (9am–5pm Monday–Friday) for collection by Shred360.

How Long Should You Keep Financial Documents?

Some documents should be kept for the long term. Here's a breakdown of what to save, based on the time they should be kept.

Seven Years or Longer

It's best to keep any tax records for at least seven years. The IRS statute of limitations for auditing is three years. However, there are circumstances where they can go back six or seven years, for example, if you underreported income by 25% or more. Hang on to your tax returns and documents that verify the information on your returns, like W-2 and 1099 forms, receipts and payments related to deductions. If you have receipts related to assets such as home remodeling projects, keep these for as long as you are the owner.

One Year

Documents that fall into this category include non-tax-related bank and credit card statements, investment statements, pay stubs and receipts for large purchases. Keep these records on hand for a year if you need them to support your current-year tax preparation or as proof of income when making a large purchase. Hold on to your paid medical bills for a year before tossing them—unless you have an unresolved insurance dispute, in which case you'd retain the medical bills until the dispute is resolved. Many banks and credit card issuers offer electronic statements, so you may not need to keep paper copies on hand. If keeping other documents around longer makes you anxious, scan them to create electronic copies and then dispose of the original documents.

Less Than a Year

Some documents don't need to take up valuable space in your home for very long. For example, don't worry about keeping receipts unless they pertain to products under warranty, taxes, or insurance claims. You can toss most monthly bills after you pay them or after the payments have credited to your bank statement. If you end up needing to go back to verify anything, see if you may be able to access past bills through online account access.

What Documents Should You Keep Forever?

- Birth certificates
- Social Security cards
- Marriage certificates
- Adoption papers
- Death certificates
- Passports
- Wills and living wills
- Powers of attorney
- Legal filings
- Military records
- Retirement and pension plans
- Inheritance documents
- Beneficiary forms

For anything you've bought or insured, save the related documents as long as you own the item or until the warranty ends. This includes titles, deeds, insurance policies, and warranty documentation.

Health insurance policies and related documents are important to keep long-term, too. As long as your health insurance is active, you should keep these records. If your coverage ended or you've changed insurance companies, go ahead and toss paperwork once you're sure you won't need it. The same is true if you receive disability or unemployment benefits. Keep the documentation until you know you no longer need it.

If you have financial records or documents you aren't sure you'll need, err on the side of caution. Keep any documents until you are positive you don't need them.

