

HOW LONG TO KEEP FINANCIAL RECORDS?

financial fitness

A CHECKLIST TO STAY ORGANIZED

Not sure what to keep or how long to stash it?

As your financial statements and receipts start piling up, you might want to know what you need to actually keep and what can be shredded.

Here's what some advisors recommend:

Keep these records for the calendar year:

- Bank statements
- Pay stubs (consider auto-pay direct to your bank account)
- Social Security benefits statements
- Investment/broker statements, including 401(k) plans

Keep these for 7 years:

- Tax returns and supporting documents
- Bank statements, receipts needed to prove a deduction on a tax return

Keep these forever:

- Employer-defined benefit plan communications
- IRA contributions
- Brokerage statements (document gains/losses until sale)
- Life insurance policies (most recent copy)
- Loan documents (until paid and you have title)
- Home improvement records/receipts (keep 7 years after you sell the property)
- Savings bonds (you can convert paper bonds to electronic)
- Safe deposit box inventory

Keep until you've reconciled your statement:

- Bank deposit slips
- Credit card receipts
- Monthly bills and credit card statements