NEAT Smart
PROFESSIONAL ORGANIZERS

# Paperwork Timeline*

| Length of Time | Type of Paperwork | Notes |
|---|---|---|
| Immediate | Sales / store receipts | • Keep until you know you will not return the item.<br>• Toss unless needed for tax purposes.<br>• Receipts for big-ticket items are necessary to activate the warranty or replace a defective item and can prove an item's value to an insurance company.<br>• For expensive purchases (jewelry, furniture, appliances), staple the receipt to the owner's manual and keep it as long as you own the item. |
| One month | ATM printouts | When you balance your checkbook each month or verify activity online, throw out the ATM receipts |
| One year | Paycheck stubs | Shred once you get your W-2 and you make sure the numbers match. You can get rid of once you have compared to your W2 and annual social security statement |
| | Utility bills | You can throw it out after one year, unless you're using these as a deduction like a home office. |
| | Canceled checks | Shred unless needed for tax purposes. |
| | Credit card statements | Shred once you check them for accuracy, unless they're your only record of a tax-related transaction. |
| | Bank statements | They provide proof of income from interest-bearing accounts and can be a record of tax-related transactions.<br>Keep monthly statements for one year.<br>Keep annual statements related to your taxes for at least seven years. |
| | Quarterly Investment statements | Keep until you get your annual statement. |

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|---|---|---|
| | Retirement Plan statements | Keep quarterly statements for one year; shred them once you match the figures with your annual statement. Keep the annual summaries until you retire. |
| Three years | Records of selling a stock | Documentation for Capital Gains Tax |
| Seven years | Tax returns and supporting documents<br>Records of satisfied loan<br>Medical bills and canceled insurance policies<br>Annual investment statement<br>Brokerage Statements<br>Records of selling a house | The IRS has three years to audit your return if it suspects good-faith errors, six years if it believes you underreported your income by at least 25 percent and an unlimited time if it is investigating fraud.<br>At a minimum, hold on to your W-2s until you begin earning Social Security since they offer the best estimate of your earnings.<br>Keep the yearly summaries as long as you own the security, plus seven years.<br>You need proof of your purchases to prove capital gains and losses on your tax return. |

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| Hold while active | • Contracts<br>• Insurance documents<br>• Stock certificates<br>• Property records | • Stock records<br>• Records of pensions and retirement plans<br>• High dollar home expenses (e.g. furniture, appliances) |
| | Property tax records disputed bills | Keep the bill until the dispute is resolved |
| | Home improvement records | They establish your cost basis in the home and could help lower your capital gains tax on the property. |

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| Forever | • Marriage licenses<br>• Birth certificates<br>• Wills<br>• Divorce decrees<br>• Adoption papers<br>• Death certificates<br>• Records of paid mortgages |
| Shred | Shred anything with a signature, account number, credit card number, social security number, birth date, or identifiable medical or legal information. |

**While this list has been vetted by a CPA, please seek your own legal and investment counsel on specific documents. This is to serve as a general guideline and individual needs may vary.*

Other resources:

[http://irs.gov](http://irs.gov)

[Personal Finance Advice and Information | Bankrate.com]()