

Financial Recordkeeping Checklist

Drowning in receipts, paycheck stubs, old tax returns, and bank records? Are your expandable file folders expanded past their limit? Is your attic home to dusty boxes filled with old financial records? How long do you have to retain them, anyway?

Texas CPAs give you the lowdown on what to keep and what to toss.

What to Keep (In fireproof home safe or safe deposit box):

✓	Your will, living will and durable power of attorney
✓	Life insurance policies, including policies with your employer and mortgage-life or credit-life insurance, and any death benefits that are due you as a veteran of the armed services
✓	Retirement plan documents from your pension, profit sharing, 401(k), and IRAs, along with annual statements showing the status of your plans
✓	Records of any nondeductible contributions made to your employer-sponsored retirement savings plan or IRA
✓	Marriage and birth certificates
✓	Separation and divorce documents
✓	Real estate deeds, titles and property surveys
✓	Military records
✓	Passports and citizenship or naturalization papers
✓	Social Security cards
✓	Family health and immunization records
✓	Tax returns and supporting data for at least the last seven years after the original return is filed
✓	For investments, keep buy-sell trade confirmations to show when each security was bought and sold, the price you paid and commission charged. Keep dividend reinvesting statements too. Seven years after you file your tax return showing a gain or loss from selling the securities, you can safely discard your confirmations and dividend reinvestment statements
✓	Receipts for major purchases like jewelry, furniture, etc.
✓	Receipts for items under warranty until the warranty expires
✓	Pay stubs – until the end of the year when you compare the year-end totals with the amounts shown on the W-2 form you get from your employer

What to Toss (Shred):

X	Receipts of bank deposits and ATM transactions – once you receive your bank statement and verify that the transactions were properly posted to your account.
X	Canceled checks – save only those needed as support for tax purposes
X	Bills – once you've paid them and verified that the checks have been cashed
X	Monthly or quarterly brokerage statements – if your annual year-end statement summarizes all transactions made during the year
X	Credit checks on employees (even housekeepers and nannies) – in accordance with Fair and Accurate Credit Transactions Act (FACTA)

And remember, always shred financial documents when they're no longer needed along with destroying pre-approved credit card offers. Don't risk having your personal financial information fall into the wrong hands. Texas CPAs recommend purchasing a cross-cut shredder, having a reputable shredding company destroy your documents or taking advantage of free public service shredding events.