



SAVING YOUR RECORDS with Volunteer Editor: Jeanette Wojcik
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Last month we decluttered. I hope you didn't toss everything because this month we are looking at what we should save – especially paper records.

Since it is tax time, we are going to look at our tax records. The IRS generally has three years to begin an audit of your tax return from the date you file it. It's a good idea to save financial records used to prepare your tax return for at least three years. Generally, you can safely dispose of your pay stubs, bank account statements and brokerage accounts once you verify that they agree with your W2s or 1099s. You should keep for at least three years your W2s, 1099s, mortgage records, canceled checks and receipts for charitable deductions, college savings plan records and IRA contribution verification. [Rocky Mengle](#) has provided a list of other times when you should keep tax records longer in his article on the Kiplinger website. Of course, the [IRS](#) is the ultimate authority on what records to keep for tax purposes. We also suggest that you discuss this with your tax advisor or legal representative.

There are some records that we should all keep forever. This list includes adoption papers, birth and death certificates, marriage certificates, divorce decrees, lawsuits, diplomas and school transcripts, health and immunization records, social security cards, estate records or records of gift taxes. An [article](#) on the Law District website gives a very detailed list of what records we should keep forever and the reasons why.

How and where to store records is another issue we face, especially when we begin to downsize and have limited space in apartments and other types of housing. Paper storage has been the traditional method of keeping records. However, a filing cabinet may not be the best option. You may want to look into a safe or some type of security lock box. If you choose this method you want one that is fireproof and waterproof. If you choose to use a bank safety deposit box keep in mind that your access is determined by the bank. In this digital age there are many electronic storage options. This [article](#) has a great discussion on electronic storage. The article points out that before you destroy original documents, make sure you won't need them in the future. Don't forget to make certain that your storage device has a secure password so that your electronic records don't become a target for a scammer.

If you are managing an estate for someone there are some [guidelines](#) for how long you should keep estate records. Your attorney can give you more guidance on what you should keep. Wills and powers of attorney are documents that you should keep forever.

Now that you know what to keep and what to toss, what do you do with all that paper? You don't want to just put it in the trash. That opens you up for scammers. You could buy a shredder and shred while you watch television. If you are able to do open burning in your community you can burn your documents. You can also use a commercial shredding company such as [Belco Works](#) or [Valley Converting](#). Some FedEx and UPS locations can also provide confidential shredding. If you want to take the "do it yourself" approach, this [online guide](#) is an excellent resource.

A few final tips are to remember to keep your identification as private as possible to protect yourself from scammers and when in doubt about what to toss – keep it!