

Lewis & Schiefer, LLC

Federally Authorized Tax Practitioners

Terra Southern Plaza
1050 E. Southern Ave., Ste. F-7
Tempe, AZ 85282
(480) 966-6770
Fax: (480) 966-7386

Toll Free: (800) 797-0660

Web Site: LewisandSchiefer.com

Roy A. Lewis, E.A.

ralewis@LewisandSchiefer.com

Joseph Schiefer, E.A.

jwschiefer@LewisandSchiefer.com

Lake Arrowhead Village
28200 Hwy. 189, Ste. 200
Lake Arrowhead, CA 92352
(909) 336-6434
Fax: (909) 336-6434

January 2008

Record Retention Guidelines

Income tax returns should be kept indefinitely. Supporting documents such as cancelled checks, receipts and expense diaries should be kept for four **AT LEAST** (4) years and then shredded. This would include all correspondence from the IRS and state taxing agencies. In all cases, five years is best. Seven years is optimum.

Confirmations of stock, bond and mutual fund trades should be kept until four **AT LEAST** (4) years after the asset is sold. This would include the annual record of reinvested dividends. Please also keep all stock option and employer stock purchase plan reports.

Closing escrow statements for all purchased real estate as well as receipts for all improvements should also be kept for four **AT LEAST** (4) years after sale of the property. In the case of rental property, please keep all depreciation schedules for the same length of time.

Please also safeguard **personal documents**, such as birth certificates, divorce and property settlement agreements, military discharge papers, pink slips, bonds, estate tax returns, partnership agreements, deeds, insurance policies, wills, and trust documents. These should be kept either in a safe deposit box, or fireproof safe. Some documents are not valuable, but particularly hard to replace.

Deposit records for IRA and self employed retirement plan contributions should be kept until four **AT LEAST** (4) years after all accounts have been depleted.

A good rule of thumb is "If you're not sure about something, please call before throwing out or shredding any document." We used to say "throw it out", but in this day and age of identity theft, unfortunately shredding seems to be in order.