Record Retention Guideline

INCOME TAX RETURNS: do not take much space and should be retained indefinitely.

ESTATE AND GIFT TAX RETURNS: Gift Tax returns should be kept until 4 years after Estate Tax Return was filed. Estate Tax Returns should be kept by heir(s) for 4 years after last asset inherited has been sold or disposed of.

TAX RETURNS SUPPORTING DOCUMENTS: retain for at least 4 years and preferably 6 years (if space is not critical). Correspondence from IRS and State Taxing Authorities regarding your tax returns should be kept as proof of tax return filing. Correspondence from Gift Tax Returns should be kept for 4 years following Estate Tax filing.

RESIDENTIAL PROPERTY RECORDS: all escrow closing statements (purchase, sale, and any refinance escrow statements) plus receipts for improvements should be kept for at least 4 years after the property is sold.

BUY/SELL CONFIRMATIONS FOR STOCKS, BONDS, MUTUAL FUNDS: keep for at least 4 years after the asset is sold. This would include the record of stock dividends, splits, and reinvested dividends.

DEPRECIATION RECORDS: for any rental real estate or depreciable business property you own, keep records of the property's cost, date acquired, and schedule of depreciation claimed in previous years. These records should be kept until 4 years after the property is sold or exchanged.

RETIREMENT PLAN CONTRIBUTIONS: records of non-deductible IRA deposits, employer plan stock purchased, roll overs, and KEOGH plan deposits should be kept until 4 years after the plan assets have been withdrawn.

PERSONAL RECORDS: important papers such as divorce and property settlement agreements, deeds, title insurance policies, and all trust documents should be kept in a permanent file, or perhaps in a safe deposit box.

MISCELLANEOUS PAPERS: all other documents including bank statements, canceled checks, credit card statements, deposit slips, charitable contribution receipts and medical bills may be discarded after 4 years.

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