WHAT TO SAVE, WHAT TO THROW AWAY

Your Guide for SKP's Shredding Day

KEEP FOR ONE YEAR:

- **Paycheck stubs** until you get your W-2 in January to check its accuracy
- **Bank statements** to confirm your 1099s
- **Brokerage statements** until you get your annual summary (keep longer for tax purposes if they show a gain or loss)
- **Receipts for health care bills** in case you qualify for a medical deduction
- **Utility bills** to track usage (seven years if you deduct a home office)

KEEP FOR SEVEN YEARS:

Supporting documents for your taxes, including W-2s, 1099s, and receipts or cancelled checks that substantiate deductions. The IRS usually has up to three years after you file to audit you but may look back up to six years if it suspects you substantially underreported income or committed fraud. Note: Keep documentation for your 2018 return until 2025.

INDEFINITELY:

- **Tax returns** with proof of filing and payment
- **IRS forms** that you filed when making non-deductible contributions to a traditional IRA for a Roth conversion
- **Receipts for capital improvements** that you've made to your home until seven years after you sell the house
- **Retirement and brokerage account annual statements**
- **Receipts for big-ticket purchases** for as long as you own the item, to support warranty and insurance claims
- **Credit card receipts for businesses**: keep your receipts since the IRS doesn't accept the credit card statement as proof.

TOSS:

- **ATM receipts** once recorded
- **Bank deposit slips** once the funds show up in your account
- **Credit card statements** that do not have a tax-related expense on them
- **Credit card receipts for individuals**: after you get your statement, unless you might return the item or need proof of purchase for a warranty.

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