

Cleaning House

If you kept all your financial documents, you'd soon be drowning in paper. But getting rid of them too early could expose you to serious problems. Here are some suggestions on what to keep (and for how long) and what you can shred.

- **Tax returns and all supporting documents** must be kept at least three years in case of audit. To be safe, keep them for seven years—longer if you have space.
- **Canceled checks and receipts that don't involve tax deductions** can be destroyed after one year. If they involve a major improvement to your home, keep them as long as you own the home.
- **Receipts for credit card purchases and ATM transactions** can be shredded as soon as you get the next monthly statement.
- **Keep vital documents—birth certificates, marriage licenses, Social Security cards—forever.** Make copies of each document and store the originals and duplicates separately.

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