

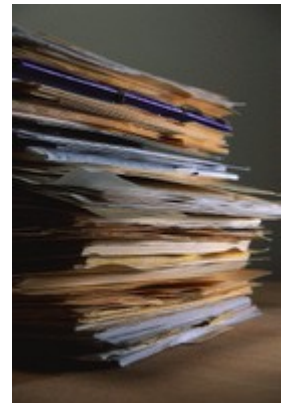
How Long To Keep Records

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The following is a simple list to help you remember how long to keep your records for tax purposes:

- Although **income tax returns** can generally only be audited for 3 years, it is best to keep income tax returns and supporting documents (bank statements, canceled checks, credit card statements, deposit slips, charitable contribution receipts, and medical bills) for at least 4 years and preferably 6 years.
- All escrow closing statements (purchase, sale, and any refinance escrow statements) plus receipts for improvements on your **residential property** should be kept for at least 4 years after the property is sold.
- Confirmation on the purchase and sale of your **stocks, bonds, and mutual funds**, as well as a record of stock dividends, splits and reinvested dividends, should be kept for at least 4 years after the asset is sold.
- Records of your **retirement plan contributions and withdrawals** including non-deductible IRA deposits, employer plan stock purchased, rollovers and KEOGH plan deposits should be kept until 4 years after the plan assets have been withdrawn.
- The cost of **business property or rental real estate property**, date acquired and schedule of depreciation claimed in previous years should kept until 4 years after the property is sold or exchanged.
- Records that should be kept permanently include **estate and gift tax returns, divorce and property settlement agreements, deeds, title insurance policies, and all trust documents**.



If you are not sure about something, please ask your tax professional before you discard it.

Gina L. Gwozdz is a CPA who has chosen to specialize in taxes. Visit her website at <http://GLGcpa.com> to view more Tax Tip Articles.