

## **Records You Should Keep**

### **Income & Losses - Retain: 5 years**

- ~ Form W-2s (salaries and wages) and W-2G (gambling winnings).
- ~ Form 1099-R (pension distributions).
- ~ 1099 (self employment income, royalties, lump sum payments, capital gains and losses).
- ~ Schedule K-1 (income and losses from partnerships and trusts).

### **Housing**

- ~ Form 1098 (mortgage interest) Retain: 5 years
- ~ Receipts showing capital improvements you've made to your home. Retain: Forever or 5 years after sale of property

### **Rental Property Expenses**

- ~ Real estate tax bills Retain: 5 years
- ~ Itemized receipts for repairs and maintenance. Retain: 5 years
- ~ Escrow documents to backup depreciation deductions. Retain: 5 years after sale of property

### **Interest Paid**

- ~ Copies of Promissory Notes. Retain: 5 years after note is paid off
- ~ Rentals and Businesses only: Year-end credit-card statements. Retain: 5 years

### **Dependent-Care Payments - Retain: 7 years**

- ~ Cancelled checks and statements from babysitters or child care organizations, plus proof of the care provider's Taxpayer ID Number, if a tax credit has been claimed for such expenses.

### **Taxes**

- ~ Copies of all federal, state and local Tax Returns. Retain: Forever
- ~ Tax bills and receipts. Retain: 5 years

### **Charitable Contributions - Retain: 5 years**

- ~ Receipts (or a diary) for all donations.
- ~ Professional appraisal report for any non-cash item over \$5,000
- ~ Written acknowledgment from the charity for contributions of \$250 or more.

### **Business Expenses - Retain: 5 years**

- ~ For business expenses less than \$25: taxis, tolls, parking fees, etc. (a notation in a log or diary will do).
- ~ For business expenses \$25 or more: save actual receipts.
- ~ Credit card receipts and ticket stubs (make a notation on the receipt of the business purpose).
- ~ Driving log showing where you started and ended, mileage and purpose of trip.

### **Medical Expenses - Retain: 5 years**

- ~ Doctor, dentist and hospital bills; Prescription receipts; Travel/Lodging receipts for treatment.

### **Miscellaneous Expenses - Retain: 5 years**

- ~ Unreimbursed business/employee expenses, union dues, investment advice, etc.