Annual Shredding Event

Wednesday, May 17, 2017

10:00 AM – 4:00 PM

at

Constitution Financial Partners
85 Constitution Lane, Suite 100E
Danvers, MA 01923
978.777.5500

You are welcome to bring unwanted confidential documents – including banking statements, old tax return files, medical records, credit card receipts, expired credit cards and medical insurance cards, etc. – to be securely shredded on site, compliments of Patti Beckwith.

Staples, paperclips and plastic sleeves accepted.
Please no 3-ring binders or plastic bags.

85 Constitution Lane, Suite 100E, Danvers, MA 01923
978.777.5500 mobile 978.578.2792 fax 978.777.5560
Constitution Financial Partners, LLC An Independent Practice

CONSTITUTION FINANCIAL PARTNERS
AN INDEPENDENT PRACTICE

How Long To Keep Financial Records	
Type of record	**Length of time to keep, and why:**
Taxes Returns Canceled checks/receipts (alimony, charitable contributions, mortgage interest and retirement plan contributions) Records for tax deductions taken	**Seven years** • The IRS has three years from your filing date to audit your return if it suspects good-faith errors. • The three-year deadline also applies if you discover a mistake in your return and decide to file an amended return to claim a refund. • The IRS has six years to challenge your return if it thinks you underreported your gross income by 25 percent or more. • There is no time limit if you failed to file your return or filed a fraudulent return.
IRA contribution records	**Permanently** If you made a nondeductible contribution to an IRA, keep the records indefinitely to prove that you already paid tax on this money when the time comes to withdraw.
Retirement/savings plan statements	**From one year to permanently** • Keep the quarterly statements from your 401(k) or other plans until you receive the annual summary; if everything matches up, then shred the quarterlies. • Keep the annual summaries until you retire or close the account.
Bank records	**From one year to permanently** • Go through your checks each year and keep those related to your taxes, business expenses, home improvements and mortgage payments. • Shred those that have no long-term importance.
Brokerage statements	**Until you sell the securities** You need the purchase or sales slips from your brokerage or mutual fund to prove whether you have capital gains or losses at tax time.
Bills	**From one year to permanently** • Go through your bills once a year. • In most cases, when the canceled check from a paid bill has been returned, you can shred the bill. • However, bills for big purchases -- such as jewelry, rugs, appliances, antiques, cars, collectibles, furniture, computers, etc. -- should be kept in an insurance file for proof of their value in the event of loss or damage.
Credit card receipts and statements	**From 45 days to seven years** • Keep your original receipts until you get your monthly statement; shred the receipts if the two match up. • Keep the statements for seven years if tax-related expenses are documented.

Paycheck stubs	**One year** • When you receive your annual W-2 form from your employer, make sure the information on your stubs matches. • If it does, shred the stubs. • If it doesn't, demand a corrected form, known as a W-2c.
House/condominium records	**From six years to permanently** • Keep all records documenting the purchase price and the cost of all permanent improvements -- such as remodeling, additions and installations. • Keep records of expenses incurred in selling and buying the property, such as legal fees and your real estate agent's commission, for six years after you sell your home. • Holding on to these records is important because any improvements you make on your house, as well as expenses in selling it, are added to the original purchase price or cost basis. This adds up to a greater profit (also known as capital gains) when you sell your house. Therefore, you lower your capital gains tax.