

What should I shred?

All sensitive information, including junk mail, that includes:

Account numbers	Birth dates
Passwords and PINs	Signatures
Social Security numbers	Passport or drivers' license image or number

How long should I keep sensitive documents?

Tax Records: Keep tax returns forever. Retain supporting documentation for a minimum of three years, which is how long the IRS has to audit your return for errors. Consider keeping supporting documents for seven years, to be safer. The IRS has up to six years to audit if you likely underreported your gross income by 25 percent or more. If you failed to file a return for any year, keep records indefinitely.

Pay Stubs: One year. Match them up to your W2, then shred.

Bank Statements: Three years, with exceptions: Hold onto records related to your taxes, business expenses, home improvements, mortgage payments and major purchases for as long as you need them.

Stock trade confirmations: Seven years after you close the position (usually by selling).

Credit Card Statements: 45 days, with exceptions: Hang on to those you may need for your taxes, or as proof of purchase. Shred the rest after you've confirmed payment.

Medical Records: Keep medical bills for at least a year in case of a dispute over a reimbursement. Keep other records for five years from the time treatment for the symptoms ended. Hang on to information about prescriptions and specific medical histories.

Insurance Records: Keep policy information for the life of the policy plus an additional five years. Additional records such as statements, hospital bills, car repair bills, copies of prescriptions, etc. should be kept up to five years from the date the service was provided.

Utility and phone bills: Shred them after you've paid them, unless they contain tax-deductible expenses.

IRA Contributions: Until you withdraw the money. You can shred quarterly statements as soon as you match them with your yearly statement.

Home Purchase/Sale/Improvements: Until seven years after you sell. Improvements you make and expenses such as your real estate agent's commission are factored in when you sell your home, reducing your capital gains tax.

Warranties: As long as they are current. Expired warranties can be recycled, unless they contain personal information.