



RECORDS RETENTION

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RECORDS RETENTION GUIDELINES

IMPORTANT NOTE: These guidelines are offered as information only; not as specific legal or tax advice.
For specific current information, consult with your personal legal or tax advisors, or the Internal Revenue Service.

How long should one keep tax records?

The Internal Revenue Service (IRS) has a six year statute of limitations on auditing a return. Keep all records of income or deduction expense for six years. Filing a fraudulent return or failing to file a return eliminates any statute of limitations for an audit by the IRS. If you hire a tax specialist, check to see how many years you should keep your records. You might want to consider scanning back-up documentation for your tax returns to decrease the amount of paper you need to save.

All cancelled checks are not necessary to support tax deductions. Save only those checks that substantiate a specific income tax deduction, such as checks paying for medical/dental expenses or charitable contributions. Putting a "T" for "tax" in the memo blank of a check when you write it might help you sort cancelled checks faster. In cases where your only record is a duplicate check, you may need the monthly checking account statement to verify that the check went through.

Keep a copy of filed tax returns. A prior tax return copy can be obtained from the IRS center where you filed your return. Complete Form 4506, *Request for a Copy of your Tax Form*, and pay the fee. IRS center addresses are listed in most IRS publications.

PERSONAL and FAMILY RECORDS

Birth, marriage and death certificates	Safe deposit box or fireproof home storage	Permanently
Adoption and custody papers	Safe deposit box or fireproof home storage	Permanently
Citizenship papers	Safe deposit box or fireproof home storage	Permanently
Divorce and separation papers	Safe deposit box or fireproof home storage	Permanently
Military papers	Safe deposit box or fireproof home storage	Permanently
Will	Safe deposit box (if jointly rented); copy with spouse or executor	Until a new one is made
Living will; durable power of attorney for health care; values dialogue	Home file, safe deposit box, copies with agents, family members and primary physician	Permanently Update as needed
Passports	Safe deposit box or fireproof home storage	Until replaced
Social security card	Home file (locked)	Permanently
Diplomas, transcripts	Home file	Permanently
Medical history and records	Home file	Permanently Update as needed
Employment records	Home file	Permanently
Valuable documents inventory	Home file; copy with executor or family member	Permanently Update as needed

PROPERTY RECORDS (include rental property)

Real property deeds, title papers, abstracts, mortgage and other lien documents	Safe deposit box	Duration of ownership plus minimum seven years
Cemetery lot deed	Safe deposit box; copy with spouse or executor	Duration of ownership
Tax assessment notices, purchase contracts, records of capital improvements, major repairs	Safe deposit box	Duration of ownership plus seven years
Motor vehicle titles, purchase receipts	Safe deposit box	Duration of ownership
Auto service/repair records	Home file	Duration of ownership
Auto insurance card and car registration	In vehicle as required by law	As long as current

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PROPERTY RECORDS, continued (include rental property)

Inventory of household goods; photos or videotapes of contents; receipts, appraisals, photos of jewelry and/or other valuables	Safe deposit box; copy in home file	Duration of ownership Update annually or as needed
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FINANCIAL RECORDS and IRS RELATED ITEMS

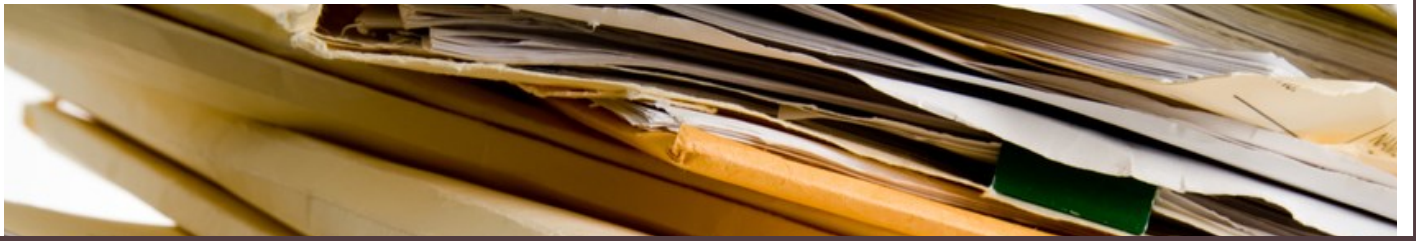
Stocks, bonds, securities; year-end brokerage statements; confirms and purchase records	Safe deposit box; listing in home file	Duration of ownership plus six years
Bank statements, check registers	Home file	Duration of ownership plus seven years
Cancelled checks (or imaged bank statements)	Home file	Minimum three years; as long as seven years
Certificates of deposit	Safe deposit box; listing in home file	Duration of ownership plus six years
List of credit cards, ATM cards, debit cards, credit contracts, record of credit payments and account statements	Home file	Duration of account or obligation plus six years
Trust agreements	Safe deposit box; copy in home file	Permanent
Charitable contribution deduction records	Home file	7 years after last reporting on tax return
Insurance policies, records of claims made and paid	Home file; list of policies in safe deposit box	Generally accepted practice is life of policy plus three years. Check with company regarding liability for previous years.
Income tax returns with backup documents, such as receipts for deductible expenses, 1099 forms, W-2 forms, etc.	Fireproof home file	Minimum seven years after filing. You should keep payroll records until you begin receiving SS benefits
IRA and Keogh statements and records	Home file	Six years after termination
Loan records	Fireproof home file	Seven years after payoff
Medical bills	Home file	Six years after payment
Major purchase receipts	Home file	Warranty expiration or Duration of ownership
Household bills (utilities, etc.)	Home file	One year after payment

Opinions differ [sometimes widely] on how long some items should be kept. It is always better to keep something too long than not long enough. Again, consider electronic scanning as a way of reducing the amount of paper you have on hand. Scanned documents can be put on CD and stored in a safe deposit box or other safe place quite easily.

You should also remember that while banks, employers, the IRS, Social Security, medical providers, etc. do keep archived records, the burden of proof often rests on you to provide pertinent records or back-up documentation.

Identity theft has become a major problem. Be sure to keep important papers and records locked and in a safe place. We also recommend buying an inexpensive paper shredder (confetti or cross-cut rather than strip-cut) and shredding anything you throw away that has your name, address or other personal information. Pre-approved credit card offers and other items that come in the mail and could be fraudulently used should also be shredded.





Your 'Stuff'



what do you have | where is it | who needs to know
how long should you keep it?



COVENANT
TRUST COMPANY®

Your ‘Stuff’ ...your financial assets, household goods, real estate and the documents that validate your ownership and protect your future. This is your ‘stuff’. Have you ever taken an inventory of this ‘stuff’? And if you have, are you updating it regularly? Do you know where everything is kept? If something happened to you unexpectedly, would someone else know about your ‘stuff’ and its location? What ‘stuff’ has to be kept and for how long?

What’s the big deal about keeping track of our ‘stuff’? And whose stuff is it anyway? As Christians, we know that everything we have is a gift from God. However, it *is* our responsibility to care for and use those resources in a way that furthers His kingdom here on earth.

This booklet can be a helpful tool in preparing an inventory of your ‘stuff’. Although the information listed here should be kept confidential, it is essential to your survivors/beneficiaries in the event of your death. Update this information annually and make certain the appropriate person knows where it is kept.

NAME _____
Address _____
Social Security # _____
NAME _____
Address _____
Social Security # _____
ADVISOR 1 Covenant Trust Company® 8303 West Higgins Road, 6th Floor Chicago, IL 60631 800-483-2177 • 847-583-3200
ADVISOR 2 _____
Address _____
Phone _____
ADVISOR 3 _____
Address _____
Phone _____

notes and additional information



FHQ—Financial Health Quotient

- I feel good about how I manage money.
- I have an asset manager I trust and whose values are aligned with mine.
- I know my total net worth—including savings, investments, home equity, and have updated it in the last 12 months.
- I have established short-term and long-term financial goals.
- I know what my asset allocation is.
- I have a regular savings and investment plan.
- I have a retirement savings plan, and contribute to it each month.
- I have set priorities in the use of my money.
- I limit “impulse” purchases by allowing a 24 hour ‘cooling off period’ on anything over \$250.
- I have enough money at month end to pay the bills.
- I have established a maximum amount for discretionary expenses each month, and stay within that limit.
- I am current on all debt and credit card payments.
- I have closed all credit card accounts that are not regularly used.
- I check my credit rating at least once a year, and before making a purchase such as a car or house.
- I have at least: 1) one utility registered in my name alone; 2) one credit card under my name alone; or 3) one checking or savings account in my own name, not as a joint account.
- My financial planning provides for loss of income due to illness or death of wage earners.
- I have at least three to six months worth of living expenses saved in a “rainy day fund.”
- I could and would take over management of our affairs if something happened to my spouse.
- I have a will that includes provision for minor children/dependents and have reviewed it in the last 5 years.
- I have both financial and health care powers of attorney.
- I know where important documents—wills, trusts, deeds, tax returns, stock certificates, ownership papers, powers of attorney—are and have a list of them showing their location if someone else needed to locate them in an emergency.
- I also keep a list of addresses and telephone numbers for my attorney, accountant, tax advisor, financial services partner, insurance agent and other advisors.

Do these statements describe you? If not, it's time to take action!

Family and Financial Records

Personal information

- Personal information sheet-vital statistics about you and your family
- Safe deposit box inventory (Box should contain, among other items: birth certificates, marriage licenses, death certificates as needed, 1-2 original financial Powers of Attorney)
- Letter of last instructions
- Funeral arrangements/preferences
- Copy of Last Will and Testament, including notation about location of original
- Medical history of family members, including drug allergies
- Living Will or Health Care Power of Attorney—note location of original
- Residence history—where you lived, when, and for how long
- Copy of Financial Power of Attorney—note location of original
- Copies of birth certificates, marriage certificates, any pertinent death certificates or divorce papers

Financial information

- Personal Net Worth Statement
- Your written financial plan
- Listing of investments
- Record of purchases, cost, confirmations of purchase and sale
- Year-end statements for mutual funds, etc.
- Record of stock dividends and bond interest
- Brokerage statements
- Bank account statements
- Listing of account numbers, location of banks, etc.
- Copy of stock certificates, etc.-originals in safe deposit box
- Information on loans, payments, amounts owed to you, etc.

Employment Information

- Current employment contract, if any
- Employment history/current resume
- Employee benefits information

Credit Information

- Listing of credit cards, numbers, and notification for lost or stolen cards
- Paid loan records

Housing Information

- All documents and records from purchase-keep original deeds, title policy, etc. in safe deposit box
- Mortgage documents
- Records of permanent home improvements
- Property tax receipts
- Termite or other inspection records
- Guarantees/warranties/receipts/instructions
- Copy of Lease or rental agreement

Insurance Information

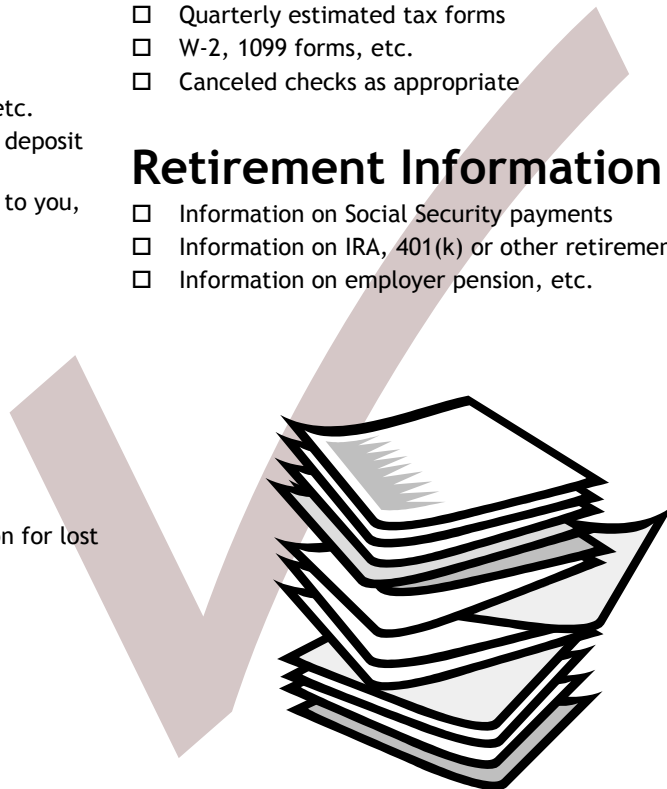
- List of policy numbers, company, agent, value, etc. Be sure to include information on group policies
- Life insurance should be included in PNW statement
- Property insurance details
- Listing of personal property
- Photos or videotape of highly valued personal items (copy in safe deposit box)
- Auto insurance details
- Health insurance details

Tax Information

- Purchase receipts
- Interest payment records
- Charitable gift information/confirmations
- Medical expense records
- Last 3 years tax forms and supporting documents
- Quarterly estimated tax forms
- W-2, 1099 forms, etc.
- Canceled checks as appropriate

Retirement Information

- Information on Social Security payments
- Information on IRA, 401(k) or other retirement accounts
- Information on employer pension, etc.





Vital Documents Inventory

ESTATE RELATED

Letter of Last Instruction
Wills / Trusts
Other

INSURANCE

Auto
Disability
Health
Life
Other

CERTIFICATES AND DEEDS

Automobile Titles
Birth Certificates
Marriage Certificates
Passports
Real Estate Deeds
Other

INVESTMENTS AND SAVINGS

Certificates of Deposit
Mutual Fund Records
Passbooks
Stock Certificates
Other

TAX RECORDS

Last Year's Tax Return
Last 7 Years of Tax Records
Other

LOANS AND CREDIT CARDS

List of Credit Card Numbers
Loan Notes (outstanding)
Other



Vital Documents Inventory

ESTATE RELATED

Letter of Last Instruction
Wills / Trusts
Other

INSURANCE

Auto
Disability
Health
Life
Other

CERTIFICATES AND DEEDS

Automobile Titles
Birth Certificates
Marriage Certificates
Passports
Real Estate Deeds
Other

INVESTMENTS AND SAVINGS

Certificates of Deposit
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Passbooks
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Living will; durable power of attorney for health care; values dialogue	Home file, safe deposit box, copies with agents, family members and primary physician	Permanently Update as needed
Passports	Safe deposit box or fireproof home storage	Until replaced
Social security card	Home file (locked)	Permanently
Diplomas, transcripts	Home file	Permanently
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