



ANDERSON, ADKINS  
& COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

*Relationships Are Our Assets.*

## What to Shred and What to Keep

- The Internal Revenue Service requires record retention as long as your return is open under the statute of limitations. Generally, the statute of limitations is:
  - 3 years from the date the return was filed, or
  - 2 years from the date the tax payment was made, or
  - 6 years if income is under reported by more than 25%
- **Keep ALL** bank statements, checks, receipts, and other financial records for at least 3 years (previously 6 years), especially those documents that will support your tax return(s).
- **HOLD INDEFINITELY:**
  - All papers and receipts that deal with any purchase, sale, and major improvement of your investment and real property.
  - The supporting documentation and 1040 returns filed for each year you make a non-deductible individual retirement account contribution with after-tax dollars.