

Save or Shred: How Long to Keep Documents

Even though we live in a digital age, paperwork still overwhelms many of us. Bank statements, tax returns, bills, paystubs: It can be confusing to know what to keep and what can be safely disposed of.

The good news? You can probably get rid of more documents than you think — and most of what you should keep can be scanned and stored digitally. Here's how to get started tackling (and managing) that paper stack, with tips on how long you really should hang onto paperwork.

Remember: When you get rid of personalized documents, delete the digital versions and shred paper ones. Never toss important documents in the trash or recycling; they're prime targets for identity thieves.

Car	Loan documents: Keep until you pay off your car. Title: Hold onto until you sell your car and hand over the title. If you misplace your original title, you can request a copy from your Department of Motor Vehicles (DMV) for a small fee.
Home	Mortgage documents: Keep indefinitely. Major home improvement receipts: Keep indefinitely; digital copies are fine. Utility bills: Shred or delete after verifying payment on your bank or credit card account.
Finances	Debit and credit card receipts: Keep until you've checked them against your monthly statement. Bank statements: Consider printing out your latest month's statement; in case of an electronic data breach, you'll have proof of your account balance. Shred the old statement when you print out your newest one. Retirement plan statements: Keep quarterly statements until you receive your year-end statement; keep paper or digital copies of annual statements for at least 7 years after you retire or close the account. Investments: Keep purchase receipts until you sell the investments; if your year-end statement includes this information, keep statements instead.
Insurance	Home, auto and umbrella policies: Keep until you get your new policy. For auto insurance, most states accept electronic versions of your insurance card, but it may also be smart to keep a printed version in your glove compartment. Health, life, disability and long-term care policies: Keep until coverage ends.
Taxes	Tax Returns (1040 forms, etc.): Keep printed or digital copies of returns indefinitely. Supporting documents (receipts, W-2s, bank interest forms, etc.): Keep for 7 years. Encrypt digital copies on your computer or keep them on a secure USB drive.