



FEBRUARY 2013

Organize Your Paperwork

By Karen Mayne

Do you have boxes and piles of documents lying around and providing dinner for silverfish and nesting materials for mice? As we get ready for tax season, this is a good time to recycle unneeded paperwork.

A good record keeping system starts with a paper filing system, a computer filing system for scanned documents and electronic bills, and a high quality fire safe and/or bank safe deposit box. The following tips come from Consumer Reports, *Money Advisor* (January 2012).

To Keep or Toss?

Tax Records – Keep these for at least the seven year statute of limitations. These can be kept in a file drawer or scanned into the computer.

Bank Records – Toss monthly statements after a year unless they are needed to document tax deductions.

Investment Records – Keep the annual statements provided by investment companies, but you can toss the quarterly statements at the end of the year. Save documents that confirm investment purchases – keep them with the annual statements until you sell the investment.

Purchase Records – Keep receipts needed for warranties, itemized tax deductions, and large purchases in case of insurance claims. Credit card receipts and statements can be tossed after you verify the statement unless you need them to document a tax deduction. Keep warranties with instruction manuals in a central location and toss when you get rid of the item.

Important Documents – Keep these in a fire safe or safe deposit box: birth and death certificates, Social Security cards (never carry them in your wallet), passports, marriage licenses, divorce decrees, and military discharge papers. Other important documents include life insurance policies, property deeds, vehicle titles, U.S. savings bonds, stock certificates, paperwork supporting your defined-benefit pension, and records that support capital gains improvements to your property. The originals of the following documents should be kept at home, but keep a copy in your safe deposit box if you have one: wills, trust documents, power of attorney, medical power of attorney and living wills. These documents need to be accessible to your family if something happens to you, and a bank may seal the safe

deposit box upon your death.

Time to Toss!

When it's time to toss those unneeded papers, make sure you do not become a victim of identity theft. Shredding is the best way to get rid of documents that may reveal personal

information. Shred anything that includes: Social Security numbers; financial, investment and credit card account numbers; unused convenience checks; credit card offers and applications; monthly bills; expired credit cards; papers with your signature; tax records more than seven years old. Most mail that just has your name and address does not need to be shredded since that information is

available in public records. Toss those in your blue recycle can.

If you have a shredder, you can put ribbon-cut shredded material in your blue recycle cart if it is not the cross-cut type and if you put it in a paper (not plastic) bag. You may want to staple the paper bag shut so the shredded material doesn't blow away. The City will shred your sensitive documents for free, 24 hours a day, 7 days a week at the Division of Towing and Recovery, 1195 Lance Road. While-you-wait service is available for up to 100 sheets of paper, and drop-off service is available for up to a shopping bag full. Paper clips and binders must be removed.



When you get ready to replace a computer make sure to transfer your important files to the new computer. Then either remove the old hard drive and destroy it with a hammer, or use one of the free software programs that will erase (a computerized version of "shredding") all the files on your hard drive. Take the old computer and hard drive to the City's electronics recycling site at the Division of Waste Management, 1176 Pineridge Road (Monday through Saturday, 10:00 am to 2:00 pm).

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