



*Organize, Communicate, Prepare*

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## **Organize Your Important Papers**

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It is wise to periodically review your important papers. In addition, the beginning of each new stage or change in your life calls for a fresh look at the types of records and papers you should be keeping. View the household as a mini-business since many of the functions of planning, purchasing, and record keeping are the same as they are for any other type of business—large or small. You will find financial records becoming a vital part of your life. They are a key to your credit standing, are essential to help you save money on taxes, and provide a continuing indication of your financial progress. A systematic plan for keeping track of important papers can save hours of anxious searching, help preserve peace and harmony, and make it easier to cope with emergency situations.

Record-keeping, however, is more than merely a matter of neatness and order. Legal and safety factors enter in as well. Many records and papers can be kept in a home file for ready access, while others should be left with your attorney, placed in a safe-deposit box, or put in a fireproof, waterproof, and burglar-proof home safe. A good rule to follow is to keep the item at home unless it is a legal document or is difficult to replace or duplicate. Then it should be kept in a safe-deposit box or possibly left with your attorney.

Plan and evaluate the need for storage of all papers to determine which should be discarded and which should be stored and where. Make the decision and file each paper

accordingly. Do not just stack papers and plan to return to them later. This is the way things become lost and cause you to waste valuable time in searching for or replacing them.

A home filing system with a space provided for the important things is the key to managing the mass of family papers. Items to be kept at home do not call for fancy filing cabinets or for special “offices.” A “business corner” can be set up in any room in the house. A cardboard drawer or metal box can serve adequately for storage of bills and family papers. Filing systems must be planned to meet your needs. You may not need detailed files at the present time. But remember, every type of important paper should be assigned a certain space and kept there until needed.

The following guide to record-keeping will help you work out a personalized and efficient system for preserving and safeguarding important family papers. Moreover, it will provide a handy reference for deciding what items to keep, why you need to keep them, where they should be kept, and how long to keep them.

You will note that duplicate copies of many family papers should be kept at home for immediate reference. Important reasons for storing some family papers at certain locations are explained beside each category. However, you must make the final decision about where you will store your documents.

## Organize Your Important Papers

### Permanent and Semi-Permanent Records

Keep in a safe deposit box or a fireproof, waterproof, burglar-proof home safe—with a list of the contents of the box in your home file.

**FAMILY RECORDS** (Keep a copy of an inventory of important family records also in the home file.)

<b>Item to keep</b>	<b>Reason for keeping</b>	<b>How long to keep</b>
Baptismal and confirmation records	Acceptable evidence of birth date when obtaining a delayed birth certificate; proof of church membership.	Indefinitely.
Copyrights and patents	Proof of ownership rights.	Indefinitely.
Insurance policies: List of policy numbers, name of each insured, beneficiary, company, agent	Reference for kinds and amounts of coverage; provides record of payments and premiums and location of policy; provides record of claims.	Until collected or expires; until all claims settled; duplicate policies can be easily obtained.
Passport	Identification required for most international travel.	Retain expired passport to satisfy application requirements for a new one, then discard.
Wills	Reference; essential for settlement of estate.	Keep original indefinitely in safe or with attorney or clerk of district court.

### **PROPERTY RECORDS**

<b>Item to keep</b>	<b>Reason for keeping</b>	<b>How long to keep</b>
Abstract for real estate	To prove clear title.	Until property is sold.
Automobile title and bill of sale	Proof of ownership.	Until property is sold.
Burial lot deed—note number of plots	Proof of ownership.	Indefinitely.
Deeds and mortgages: Title policy; property insurance policy; mortgage; receipts for payments on mortgage. Record day, month, and year you acquire or sell property; gross sale price; depreciation; legal fees & expense of sale.	For income tax and estate tax purposes; keep records of improvement to compute capital gains or losses.	Until property is sold.
Household inventory: Appraisals, photos/videos of valuables	Insurance claims.	Updated annually. Dispose of property no longer owned.
Property easements	Proof of use rights.	Until property is sold.

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**FINANCIAL RECORDS**

<b>Item to keep</b>	<b>Reason for keeping</b>	<b>How long to keep</b>
Contracts, notes, debts: Promissory notes, mortgages, liens, installment contracts, and chattels	Evidence of collectible or payable debts; status for estate settlement.	Until estate is settled.
Household inventory: Description of article, date purchased, and purchase price	For insurance settlement.	Keep up-to-date as you dispose of or add new items.
Investment certificates: Stocks, bonds, CDs, real estate	Proof of purchase.	After redemption amount received and taxes are settled on gain or loss.

**LEGAL RECORDS**

<b>Item to keep</b>	<b>Reason for keeping</b>	<b>How long to keep</b>
Birth certificate (certified copy or original)	Proof of birth.	Indefinitely.
Death certificates	Proof of death for Social Security benefits and estate settlement.	Until benefits are secured and estate settled; note cause of death for family health history.
Marriage records	For proof of marriage to collect insurance, Social Security, and veteran’s federal benefit pension compensations; to settle estate.	Until all claims are settled, benefits are received, and estate is settled.
Divorce decree	To clear legal requirements for remarriage.	Indefinitely.
Adoption papers	To prove ages to start to school; for obtaining birth certificates for some jobs; to obtain driver’s license; for marriage license; for registering to vote; to qualify for Social Security benefits; to obtain passports; to determine estate heirs.	Indefinitely.
Military service: Service record; summary of benefits	To qualify for retirement, insurance, medical, education, and other benefits.	Recommend that county or city clerk create additional official record of discharge certificates.
Citizenship and naturalization papers	To obtain certain types of jobs; to obtain passport; prove eligibility to vote.	Indefinitely.

## Organize Your Important Papers

### Records to Keep at Home

Most records discussed here should be kept for long periods of time. Before you decide to toss papers, look them over carefully to see if any are permanent or semi-permanent records.

#### FAMILY RECORDS

<b>Item to keep</b>	<b>Reason to keep</b>	<b>How long to keep</b>
Education records/diplomas	Proof of attendance and degrees.	Indefinitely.
Employment records	To determine retirement benefits or if there is a worker's compensation claim.	Keep last official announcement earned benefits; keep record until all worker's compensation claims are settled; keep beyond retirement in case you decide to re-enter the workforce.
Insurance policies: Automobile; personal liability; homeowner's or renters; life; health; disability	Reference for details of coverage.	Until property is sold or policy expires and until all claims are settled. Review annually. Until policy expires or is redeemed.
Licenses to practice (copy)	To verify credentials.	Usually displayed; replace with most recent verification; keep copy in a safe place.
Family advisers: Names, addresses and telephone numbers	Ready reference when need (medical, legal, etc.) arises.	Update when changes are made.
Medical history: Immunizations, operations, illness, medications, etc.	Reference.	Indefinitely on all family members; update often.
Funeral plan documents	Reference.	Indefinitely; update as needed.
Letter of last instructions	Reference.	Indefinitely; update as needed.
Subscriptions and buying clubs: Titles with order & renewal dates; membership details	Reference.	Until subscription expires; handle complaints or cancellations.
Organizational memberships	Reference.	Until membership is dropped.
Keys (labeled) and safe combination safe-deposit box, car, house, home safe	Access as needed.	Until property is sold or safe-deposit box is relinquished.

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**PROPERTY RECORDS**

<b>Item to keep</b>	<b>Reason for keeping</b>	<b>How long to keep</b>
Automobile: Certificate of title and bills of sale	Essential for transfer to new owner when car is sold.	Until car is sold or disposed of.
Guarantees and warranties	For proof of date of purchase; to determine service and parts guaranteed.	Until no longer valid.
Household inventories: Record item, cost and date of purchase or sale.	For insurance claims to establish values; net worth statements. Pictures of items are helpful when making claims.	Keep list up-to-date as you dispose of or add household items; make a copy also for safe-deposit box.
Appliance and other manuals	For reference on use and care.	Until sold or discarded.
Pets: Pedigree; health and license records	Identification.	

**FINANCIAL RECORDS**

<b>Item to keep</b>	<b>Reason for keeping</b>	<b>How long to keep</b>
Account books: Goals, spending plan, record of income and expenditures	For reference and comparison; used to determine net worth and make changes in income and spending patterns.	Can show profit or loss over multiple years.
Checking accounts: Number, location, and canceled checks or photocopy pages of checks	List all account numbers with addresses, phone numbers; save checks needed for income tax deductions and proof of important payments.	Minimum of at least six years of checks.
Credit card information: Names, addresses and phone numbers of issuing companies; card numbers	Purchase of items on credit; use of card and payment of balances due can give you a good credit rating.	If card is not in current use, cancel by writing to company; if lost or stolen, notify company immediately by phone.
Housing records: Improvement receipts, lease/rental agreement copies, utility deposit receipts, mortgage payments, property tax records	Compute capital gains/losses; income tax basis in residential replacements.	Keep records until property is sold.
Receipts and receipted bills	Proof of payment. For charge accounts— if they are tax deductible; proof of value on insurance claims.	Keep credit card receipts until bill is paid; keep larger item receipts while items are in your possession.
Safe-deposit box inventory	Information for family members.	Revise list annually.

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<b>Item to keep</b>	<b>Reason for keeping</b>	<b>How long to keep</b>
Financial institution monthly statements and/or savings pass books	Reference for completed transactions: Deposits and withdrawals.	Keep account locations and numbers in safe-deposit box; minimum of a year.
Income tax returns: Federal and state (if applicable) returns with substantiating records	Verification of taxes paid.	Three years minimum for possible IRS audit; six years if 25% of gross income omitted; unlimited if fraudulent report.
Investments: Copies of mutual funds, stocks, bonds, real estate, CDs etc.	Statement of earnings and transactions as reference information.	Keep initial and current investment quarterly statements.
Retirement records: Employee pensions, annuities, Keoghs and IRAs	For reference; proof of employer-employee contributions, payments and benefits received or payable.	Until fund is exhausted.

### LEGAL RECORDS

<b>Item to keep</b>	<b>Reason for keeping</b>	<b>How long to keep</b>
Living will (original with additional copies made)	For reference specifying your end-of-life care; instructions to your doctor and other health care providers (i.e., hospital, nursing facility, hospice, or home health agency; instructions for close family members).	Keep a list of where copies are distributed to be able to provide most recent copy if changes are made; don't store in a safe-deposit box that may be difficult to access without patient's permission.
Will and/or trust (copies)	Unsigned copy for home reference.	Update copy if will or trust is changed.
Durable power of attorney: Specify the extent of power delegated to one or more persons: generally, for health care, and for financial decisions	Gives others the power to make health care and/or business decisions when you are no longer able to make decisions on your own.	Replace by latest version if changes are made.
Personal representative and guardian appointments	For official notification of agent to settle estate and provide care of children under legal age.	Until official duties are completed.
Social Security card	Needed to apply for benefits; identification number needed on many types of applications and records.	Indefinitely.

## Organize Your Important Papers

### Papers to Carry with You

Make a list of these for your home file.

<b>Item to carry</b>	<b>Reason for carrying</b>
Credit and/or electronic banking cards	Identification and to pay for or charge purchases; to make other transactions.
Driver's license	Identification and evidence of legal eligibility to drive.
Auto insurance card	To identify issuer in case of accident.
Donor card	To donate body organs and to donate body to medical school or training program for use in medical education or research.
Medical information: Blood type, allergies, diseases (such as diabetes, heart disease, epilepsy)	Emergency treatment. Place note in household files for ready reference in case of loss.
Health insurance card (Medicare and/or other)	Identification to use during hospital admittance.
Personal identification: Name, address, and phone for yourself and friend or relative contact	Identification, especially in case of emergency.
Doctor preferred	Notification in case of emergency.
Organization membership cards	Identification and proof of membership.

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