

Tax Records – What to Keep

As tax filing season approaches, the Internal Revenue Service has information for taxpayers who wonder how long to keep tax returns and other documents.

Generally, the IRS recommends keeping copies of tax returns and supporting documents at least three years. Some documents should be kept up to seven years in case a taxpayer needs to file an amended return or if questions arise. Keep records relating to real estate up to seven years after disposing of the property.

Health care information statements should be kept with other tax records. Taxpayers do not need to send these forms to IRS as proof of health coverage. The records taxpayers should keep include records of any employer-provided coverage, premiums paid, advance payments of the premium tax credit received and type of coverage. Taxpayers should keep these – as they do other tax records – generally for three years after they file their tax returns.

Whether stored on paper or kept electronically, the IRS urges taxpayers to keep tax records safe and secure, especially any documents bearing Social Security numbers. The IRS also suggests scanning paper tax and financial records into a format that can be encrypted and stored securely on a flash drive, CD or DVD with photos or videos of valuables.

Now is a good time to set up a system to keep tax records safe and easy to find when filing next year, applying for a home loan or financial aid. Tax records must support the income, deductions and credits claimed on returns. Taxpayers need to keep these records if the IRS asks questions about a tax return or to file an amended return.

It is even more important for taxpayers to have a copy of last year's tax return as the IRS makes changes to authenticate and protect taxpayer identity. Beginning in 2017, some taxpayers who e-file will need to enter either the prior-year Adjusted Gross Income or the prior-year self-select PIN and date of birth. If filing jointly, both taxpayers' identities must be authenticated with this information. The AGI is clearly labeled on the tax return. Learn more at [Validating Your Electronically Filed Tax Return](#).

Taxpayers who need tax information can request a free transcript for the past three tax years. The '[Get Transcript](#)' tool on IRS.gov is the fastest way to get a transcript.

If taxpayers are still keeping old tax returns and receipts stuffed in a shoebox in the back of the closet, they might want to rethink that approach. Keep tax, financial and health records safe and secure whether stored on paper or kept electronically. When records are no longer needed for tax purposes, ensure the data is properly destroyed to prevent the information from being used by identity thieves.

If disposing of an old computer, tablet, mobile phone or back-up hard drive, keep in mind it includes files and personal data. Removing this information may require special disk utility software. More information is available on IRS.gov at [How long should I keep records?](#).