



ALLIANT ADVISORS

FIND DIRECTION



The Navigator

Important Markers To Guide Your Way

MAY 2006

For more than twenty years the team at Bunge + Associates has been committed to listening to our clients and seeking new ways to improve our services. As part of that commitment we recently changed our name to Alliant Advisors to emphasize the passion we have for working in close alliance with our clients to Find Direction for the their business and personal goals. To support that continuing promise we will be improving our dialogue with you. We will periodically be sending you bits of helpful and useful information through e-mail to keep you up to date on any current changes, due date reminders, or other information that may be relevant to your specific needs.

We hope you will enjoy and value this information. If you do not wish to receive this information by email please respond to this message and we will remove you from the list. For more information about any aspect of our services, visit www.alliant-advisors.com or call your local office.

The Alliant Team

Tax Records and Personal Documentation: How long do I Keep them?

Tax records must be kept that support items on your individual tax return, generally three years from the due date of the return or the date you filed, whichever is later. An audit on your taxes can be done by the IRS for three years, this does not mean the IRS can't audit you after that, here are a few exceptions:

If your return was understated by 25 percent or more, the statute of limitations for an audit increases to six years.

If a tax return wasn't filed at all, or if there is suspicion of fraud, there is no time limit for the IRS.

Completed tax returns should be held for at least six years after they are due or filed, whichever is later. Written records that backup items reported on your tax return such as receipts, expense logs, bank notices and sales records should be kept for at least three years.

Real estate records should be kept as long as you own the property, plus three years after you sell it. During ownership, keep records of the purchase, improvements done, insurance claims and any documents related to refinancing.

Investment records regarding stock and bonds, detailed records of purchases and sales should be kept. These records should include dates, quantities, prices, dividend reinvestment and investment expenses including broker fees. Keep all of the above for as long as you own the investment.

Individual Retirement Accounts, the IRS requires you to keep copies of Forms 8606, 5498 and 1099-R until all the money is withdrawn from the accounts. Keep track of records pertaining to contributions and withdrawals in case of audit. If you close an account, treat the records with the same rules as investment records. Don't discard any ownership documentation until the statute of limitations expires.

When discarding any records **shred** them to avoid identity theft.
