



Managing Family Records

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Keeping family records in a business-like manner saves time, trouble, money and frustration. It assures that papers will be available when needed without the aggravation of trying to find them and possibly the cost and time lost in getting duplicate copies if, in fact, duplicates are available at all.

In establishing a record-keeping system, you need to consider: what records should be kept; where they should be kept; and how long they should be kept.

What records to keep

Records should serve some useful purpose to warrant a place in the family filing system. Generally, records serve one of three functions:

1. Provide evidence of some significant event in an individual's life such as a birth, death or marriage.
2. Provide proof of ownership in cases of loss such as fire or theft or, in cases of benefits and services provided by warranties, etc.
3. Provide a record of activities such as those related to financial matters (budgeting, investing and determining tax liabilities) and those related to personal matters (health records, passports, etc.). When deciding

whether or not to discard some paper, consider if you are likely to need the information in the future and, if so, whether it could be obtained from another source quickly, easily and inexpensively.

Where to keep records

After determining what should be kept, arrangements must be made to have suitable storage for the records. Records are generally kept either at home or in a safe deposit box. The location of some specific items depends on the amount of fire and theft protection available at home. For example, income tax returns are quite bulky to store, but very important to keep for at least three years. A fireproof container would provide adequate storage at home, but if all that is available is a flammable container on the closet shelf, then consider a safe deposit box.

Home storage can be divided into two areas: one as part of the home business center, convenient to daily activities; and the second, a "dead storage" box that might be located in a safe, but less convenient area of your home. The outer container of your home file should be fireproof, or at least fire resistant. A set of expandable paper folders kept in a metal filing cabi-

net or metal box works well.

Your "dead storage" box should also be of metal and located in a part of the house that is relatively safe from fire, wind and water. Portable metal files with handles and locks and marked "fire resistant" are available for such purposes. A "fireproof" container, however, offers greater protection.

Home files should contain items necessary for family and household operation such as information related to current years' taxes; medical records; bills; insurance policies; appliance warranties; a copy of your will; inventory of safe deposit box, etc. Items no longer needed for current living, but needed for records, can be in the "dead storage" file.

Safe deposit boxes are available in most financial institutions and offer greater protection from fire and theft than available in most homes. All items that are difficult to replace, or irreplaceable, should be stored in a safe deposit box. Original will (if not recorded with probate division of circuit court), birth and death certificates, stock certificates, deeds and a household inventory are examples of such records. To assure accessibility to the contents of a safe deposit box upon the death of a renter, joint rental should be considered. In Missouri, the law allows the

survivor of a jointly-rented box access to the contents provided that arrangement is in accordance with the rental contract with the institution.

How long to keep records

Keep items until they are no longer useful. Generally, personal records should be kept permanently. Any document relating to ownership, including repair and improvements, should be kept as long as the item is owned.

The most difficult decisions about how long to keep records are usually those related to everyday financial transactions. In addition to proving information on personal financial progress, these records are usually pertinent for tax purposes. The Internal Revenue Service can audit your return anytime during the three years following the filing of that return. However, IRS has six years to audit returns that fail to report 25 percent or more of income. Or, if IRS suspects fraud in fil-

ing returns, they may go back as far as they decide.

MU publication EC705, *Our Household Inventory*, is available from your local University Outreach and Extension center and will be valuable in organizing your important family records.

This chart includes personal, property and financial records and will help you determine what to keep, where to keep it and how long it is useful.

Guide for family records

Personal and family record storage

Item	Where	How long
Birth, marriage and death certificates	Safe deposit box or fireproof home storage	Permanently
Adoption and custody papers	Safe deposit box or fireproof home storage	Permanently
Citizenship papers	Safe deposit box or fireproof home storage	Permanently
Divorce and separation papers	Safe deposit box or fireproof home storage	Permanently
Property settlement agreements	Safe deposit box or fireproof home storage	Permanently
Military papers	Safe deposit box or fireproof home storage	Permanently
Will	Signed original with probate division of circuit court or safe deposit box (if jointly rented) and a copy in the home file	As long as it is in effect
Passports	Home storage or safe deposit box	Until replaced
Social security card	Carry card; stub in a home storage box	Permanently
Diplomas, transcripts	Home storage or safe deposit box	Permanently
Medical history	Home file	Permanently; update as needed
Employment records	Home file	Permanently
Inventory of valuable papers	Home file and a copy with a trusted family member or friend and advisers	Permanently; update at least annually

Property record storage

Item	Where	How long
Real property deeds, title papers, abstracts, mortgage and other lien documents (include rental property)	Safe deposit box	Duration of ownership or longer if needed for tax purposes
Burial lot deed	Safe deposit box	Duration of ownership
Tax assessment notices, purchase contracts, records of capital improvements (including rental property)	Safe deposit box	Duration of ownership or longer if needed for tax purposes (usually up to six years)
Motor vehicle titles, purchase receipts, licenses and registration	Safe deposit box	Duration of ownership
Records of auto service/repair	Home file	Duration of ownership
Jewelry and other valuable items	Safe deposit box if safety of family may be threatened if kept in home	Duration of ownership
Inventory of household goods and appraisals (including rental property)	Safe deposit box; copy in the home file	Permanently; update at least once a year

Financial record storage

Item	Where	How long
Stocks, bonds and other securities	Safe deposit box; listing in the home file	Duration of ownership or longer if needed for tax purposes (usually up to six years)
Bank accounts, account registers and statements	Home file	Duration of ownership or longer if needed for tax purposes (usually six years)
Canceled checks	Home file for non tax-deductible expenditures	Three years minimum
Savings certificates	Safe deposit box; listing in the home file	Duration of ownership or longer if needed for tax purposes (usually six years)
List of credit cards, credit contracts, or obligation or loan agreements, records of credit payments and account statements	Home file	Duration of the account longer if needed for tax purposes (usually six years)
Insurance policies and records of claims made and paid box	Home file with a list of policies in the safe deposit	Permanently; update as needed
Copies of past tax returns	Safe deposit box or fireproof home storage	Six years minimum
Receipts and records of deductible expenses, income and tax payments	Home file (current); fireproof home storage after filing taxes	Six years minimum

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