



# What, when and why to shred documents?

To avoid clutter in our work or living spaces, we may find ourselves creating piles of mail or documents in hopes that we will organize them at a later time. Even worse, in order to get a handle on cleaning our desks or counters, we might even consider throwing everything in a waste basket just to avoid having to go through each piece.

## Why Shred?

“Dumpster diving,” or rifling through trash cans for personal information, is a tactic utilized by identity thieves who try to get their hands on documents that they can then use to impersonate another individual. As much as you may want to get rid of items, throwing away materials that have information about you or your family creates cause for concern. By shredding sensitive materials, you reduce the risk of identity theft.

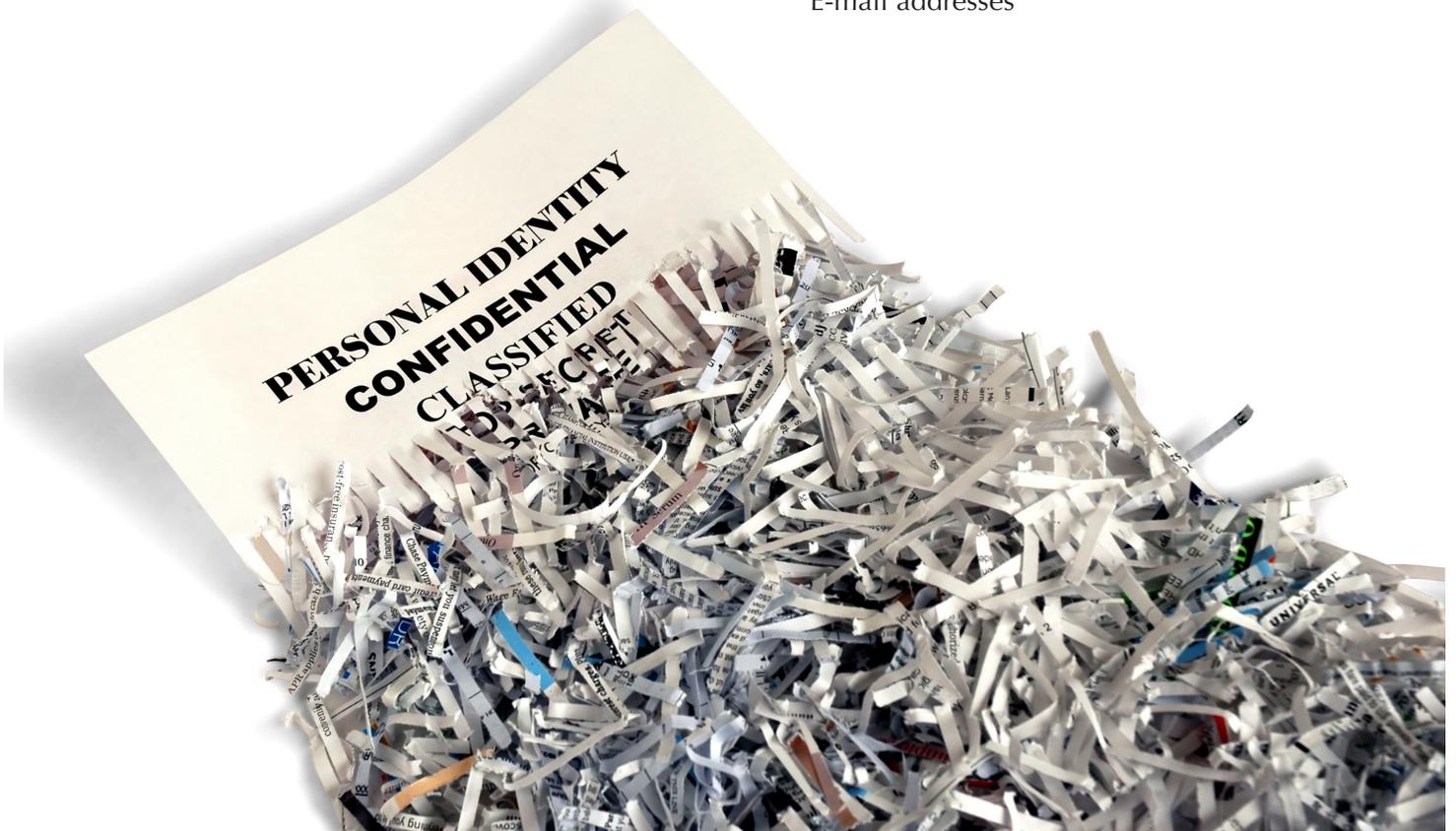
To destroy all sensitive information, invest in a shredder for your home or office, preferably one that “cross-cuts” (slices in two directions) or a strip-cut shredder. If your shredder can’t handle plastic, use scissors to cut up expired credit and identification cards before discarding them.

**OakWood clients are welcome to drop off shredding**

## to our offices for our professional service to shred. What to Shred?

What constitutes as “sensitive information?” In general, you should shred documents that contain any of the following:

- Social security numbers
- Any account numbers or credit or debit card numbers (with or without any required security code)
- Access codes, PINs, or passwords that would permit access to an individual’s account
- Dates of birth
- Any information related to a financial accounts, including type of account, suitability information, holdings, and financial advice
- Driver’s license number or state-issued identification card number
- Any medical-related information
- Signatures
- To protect your privacy, you should also consider shredding items that include:
  - Names
  - Addresses
  - Phone numbers
  - E-mail addresses



## When to Shred?

It's easy to be confused by which records you need to keep and those you should shred. Here are some helpful guidelines to determine how long you should hold onto your records:

Type of Document	Time Frame for Shredding	
Tax Records	7 years	The IRS has three years to audit your return if the agency suspects you made a mistake and up to six years if you may have underreported your gross income by 25 percent or more. If you failed to file a return for any year, keep records indefinitely.
Pay Stubs	1 year	Compare them to your W-2 form and then shred.
Bank Statements/Credit Card Statements	1 year	Hold onto records related to your taxes, business expenses, home improvements, mortgage payments, or any major purchases for as long as you need them. A better option would be to opt into receiving your statements online rather than through the mail.
Medical Records	1 year depending on the material	Medical bills can be kept for one year. Records regarding prescriptions, medical histories, or contact information for your physician should be held onto as needed for future reference.
Insurance Records	Varies	Keep policy information for the life of the policy plus an additional five years.
Utility and Phone Bills	Immediately after payment	Shred them after you've paid them, unless they contain tax-deductible expenses (see above).
IRA Contributions	Until you withdraw the money	Quarterly statements can be shredded as soon as you match them with your yearly statement.
Investment Statements	1 year	Quarterly statements can be shredded as soon as you match them with your yearly statement.
Records of Home Purchase or Sale	Until 6 years after you sell	
Warranties	Once expired	

Additionally, it's a good practice to opt into receiving materials electronically when you can, not only will it help the environment but also reduce the risk of someone going through your paper documents.