

February 2012 - Newsletter

Time to Clean Out Those Files

Tax time is upon us and that is always a good time to clean out your files. You DO clean out your files regularly don't you? If not, then this will be a great way to start 2009. It's a necessity to clear out your old files to make room for the new, unless of course you enjoy collecting filing cabinets to store all of it.

What I usually recommend is that you purchase an accordion file folder (I bought mine at Wal-Mart this year for \$6.93). Take all your 2008 papers and store them in the accordion file. I store the papers in alphabetical order. If it's the Comcast bill it goes under C, Nicor until N, etc. I would recommend you check with your accountant or lawyer as to which papers you need to keep. As a small business owner it's important for me to keep my utility bills for tax purposes.

Make sure you shred any papers that you no longer want but may have personal information on them.

One question I like to ask my clients about papers they cannot decide on is "What is the worse thing that could happen if you didn't have this piece of paper any longer?". Second question "Can you obtain the information on this paper anywhere else?". Based on those two answers you can usually make the decision whether you need to keep it.

Once the files are cleared out and the accordion file is full, I always suggest you label the accordion file with the year.

HAPPY FILING!!