

**IRS PRIVACY IMPACT ASSESSMENT ENDORSED AS
GOVERNMENT-WIDE BEST PRACTICE**

WASHINGTON - An Internal Revenue Service procedure for evaluating taxpayer and employee privacy issues in records systems has been endorsed as a government-wide "best practice."

The IRS is a strong advocate for privacy rights and strives to limit and control the use of confidential taxpayer information as well as to protect public and official access. The Privacy Impact Assessment (PIA) was created by the IRS's Office of the Privacy Advocate in 1995 to better ensure the confidentiality, integrity and privacy of taxpayer information. The Chief Information Officers Council, an interagency forum for improving government information technology practices, recently adopted the PIA as a best privacy practice.

The PIA provides a methodology for identifying and evaluating privacy issues during the development of any records system. It is an extension of the Privacy Act of 1974 and the Office of Management and Budget's Circular A-130, which provides instructions to federal agencies on how to comply with fair information practices in their operation of information processes.

The PIA review requires data owners, in conjunction with information technology personnel, to identify and address privacy issues and is part of the record system's certification requirement. The process was established to minimize intrusiveness, maximize fairness and satisfy expectations of taxpayer confidentiality to the greatest extent possible by limiting the amount of privacy-sensitive information to only what is necessary to carry out a particular agency need.

Officials at the FBI have already implemented the PIA process. Other federal agencies, public interest groups, educational institutions, private sector businesses and two foreign governments have also obtained copies of the PIA.

An electronic copy of the PIA may be requested from the Office of the IRS Privacy Advocate at (202) 283-7750 and will soon be available on the IRS Web site (www.irs.gov).

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