

Date of Approval: 05/06/2026
Questionnaire Number: 2824

Basic Information/Executive Summary

What is the name of your project (system, database, pilot, product, survey, social media site, etc.)?

Automated Offers in Compromise

Acronym:

AOIC

Business Unit

Small Business/Self-Employed

Preparer

For Official Use Only

Subject Matter Expert

For Official Use Only

Program Manager

For Official Use Only

Designated Executive Representative

For Official Use Only

Executive Sponsor

For Official Use Only

Executive Summary: Provide a clear and concise description of your project and how it will allow the IRS to achieve its mission.

The Automated Offers in Compromise (AOIC) application is an Internal Revenue Service (IRS) application that has been categorized as a Minor application. AOIC allows monitoring, tracking, and controlling of offers in compromise submitted to the IRS. An offer in compromise (referred to as an offer) is a way for the IRS to recoup a portion of the monies owed by taxpayers unable to pay their taxes in full. An offer is a proposal, initiated by such a taxpayer, that the taxpayer will pay a specified portion of the owed monies (back taxes, penalties and interest) to the IRS over a specified period of time, in return for which the IRS will (at the end of such time period) dismiss the remainder of the debt. This offer is submitted to one of the IRS locations for consideration and is evaluated on the basis of its completeness, the taxpayer's ability to pay, and the taxpayer's foreseeable future earnings. After considering the individual circumstances, the IRS will make a

determination for disposition to either Return, Reject, Withdraw, Terminate, or Accept the offer. If the offer is accepted, it is considered a contractual agreement between the taxpayer and the IRS. The taxpayer is then required to meet certain obligations over a period of several years, which are tracked to ensure compliance. Should the proposed offer be rejected, the taxpayer may exercise the right to appeal. Taxpayers may also exercise their right to withdraw the offer any time prior to acceptance.

Personally Identifiable Information (PII)

Will this project use, collect, receive, display, store, maintain, or disseminate any type of Sensitive but Unclassified (SBU), Personally Identifiable Information (PII), or Federal Tax Information (FTI)?

Yes

Please explain in detail how this project uses sensitive data from inception to destruction (data lifecycle).

An offer is a proposal, initiated by a taxpayer on Form 656, which is submitted to one of the IRS locations for processing. The taxpayer's data from Form 656 is manually input into the AOIC system by OIC employees. The offer is evaluated based on the taxpayer's ability to pay. Specific financial information is entered into the AOIC system to assist OIC employees decide as to whether the offer is acceptable. The data is maintained within the AOIC system throughout the entire processing of the offer, from submission to closure. The record of the offer in compromise will continue to be maintained until no longer needed for administrative, legal, audit or other operational purposes.

Please select all types of Sensitive but Unclassified data (SBU)/Personally Identifiable Information (PII)/Federal Tax Information (FTI) that this project uses.

Address

Centralized Authorization File (CAF)

Employer Identification Number

Federal Tax Information (FTI)

Financial Account Number

Individual Taxpayer Identification Number (ITIN)

Internet Protocol Address (IP Address)

Name

Other

Social Security Number (including masked or last four digits)

Standard Employee Identifier (SEID)

Tax ID Number

Please explain the other type(s) of PII that this project uses.

Device IDs

Cite the authority for collecting SBU/PII/FTI (including SSN if relevant).

PII for federal tax administration - generally IRC Sections 6001 6011 or 6012

PII for personnel administration - 5 USC

SSN for tax returns and return information - IRC section 6109

Product Information (Questions)

1 Is this PCLIA a result of a specific initiative or a process improvement?

No

2 What type of project is this (system, project, application, database, pilot/proof of concept/prototype, power platform/visualization tool)?

System

3 What Tier designation has been applied to your system? (Number)

2

4 Is this a new system?

No

4.1 Is there a previous Privacy and Civil Liberties Impact Assessment (PCLIA) for this project?

Yes

4.11 What is the previous PCLIA number?

1087

4.12 What is the previous PCLIA title (system name)?

Automated Offers in Compromise

4.2 You have indicated this is not a new system; explain what has or will change and why. (Expiring PCLIA, changes to the PII or use of the PII, etc.)

Changes to the PII - added Device IDs to the list of other type(s) of PII that this project uses.

5 Is this system considered a child system/application to another (parent) system?

No

6 Indicate what OneSDLC State is the system in (Allocation, Readiness, Execution) or indicate if you go through Information Technology's (IT) Technical Insertion Process and what stage you have progressed to.

Execution

7 Is this a change resulting from the OneSDLC process?

No

8 Please provide the full name and acronym of the governance board or Executive Steering Committee (ESC) this system reports to.

SB/SE Technology Governance Board

9 Is this System listed on As-Built-Architecture (ABA)? If the system is not in the ABA, then contact the ABA (<https://ea.web.irs.gov/aba/index.html>) for assistance.

Yes

9.1 What is the ABA ID?

210085

10 Does this system disclose any PII to any third party outside the IRS?

No

11 Does your project/system involve any use of artificial intelligence (AI), including virtual assistant, chat bot, and robotic process automation, as defined in Executive Order 13960 and 14110?

No

12 Does this system use cloud computing?

No

13 Does this system/application interact with the public?

No

15 Is this system owned and/or operated by a contractor?

No

16 Identify what role(s) the IRS and/or the contractor(s) performs; indicate what access level (to this system's PII data) each role is entitled to. (Include details about completion status and level of access of the contractor's background investigation was approved for.)

AOIC WEB ACCESS (APPLICATION ADMINS ONLY) (AOIC) - Modify

AOIC WEB AO (CENTRALIZED ONLY - AO MODULE) (AOIC) – Modify

AOIC WEB AO (FIELD AO ONLY - AO MODULE) (AOIC) - Modify

AOIC WEB AO (OTHER, VIEW ONLY - AO MODULE) (AOIC) - View Only
no modification allowed.

AOIC WEB APPEALS (OIC APPEALS MODULE) (AOIC) - Modify

AOIC WEB DATL (AOIC DATL MODULE) (AOIC) - Modify

AOIC WEB IAR (AOIC AO - CENTRALIZED) (AOIC) - Modify

AOIC WEB NO (AOIC NATIONAL OFFICE MODULE) (AOIC) – Modify

AOIC WEB SC (AOIC WEB SC MODULE) (AOIC) - Modify

17 The Privacy Act of 1974 (5 USC § 552a(e)(3)) requires each agency that maintains a system of records, to inform each individual requested to supply information about himself or herself. Please provide the Privacy Act Statement presented by your system or indicate a Privacy Act Statement is not used and individuals are not given the opportunity to consent to the collection of their PII.

PRIVACY ACT STATEMENT We are collecting your personal information to facilitate access to internal IRS systems or applications and allow IRS to track use of its information technology resources as authorized by 5 U.S.C. 301. The information may consist of: Name Email Address Username UserID Password PIV Credentials SEID Number Device ID We may disclose this information in accordance with the applicable Routine Uses published in the Treasury/IRS 34.047 IRS Audit Trail and Security System and Treasury .015 General Information Technology Access Account Records System of Records Notices. Providing your personal information is voluntary and necessary to access IRS internal systems and applications. By giving us your information, you consent to its use for this purpose. If you choose not to provide your information your access may be denied.

18 How many records in the system are attributable to IRS Employees? Enter "Under 50,000", "50,000 to 100,000", "More than 100,000" or "Not Applicable".

Under 50,000

19 How many records in the system are attributable to contractors? Enter "Under 5,000", "5,000 to 10,000", "More than 10,000" or "Not Applicable".

Not Applicable

20 How many records in the system are attributable to members of the public? Enter "Under 100,000", "100,000 to 1,000,000", "More than 1,000,000" or "Not applicable".

Under 100,000

22 How is access to SBU/PII determined and by whom?

BEARS request and OIC Collection Policy approve or denies the BEARS request.

23 Is there a data dictionary on file for this system? Note: Selecting "Yes" indicates an upload to the Attachment Section is required.

Yes

25 Please upload all privacy risk finding documents identified for the system (Audit trail, RAFT, POA&M, Breach Plan, etc.); click "yes" to confirm upload(s) are complete.

No

26 Describe this system's audit trail in detail. Provide supporting documents.

Audit Trail contains the employee's Standard Employee Identification (SEID) and tracks associated logins/logouts, user actions and activities, and failed login

attempts. A date and time stamp is tracked with all captured events. In addition, the Automated Offer in Compromise (AOIC) Audit Trail accomplishes Access Module Auditing, which tracks the SEID of an administrator who adds or deletes a new AOIC user or the SEID of an added employee to include the employee role and the level of access granted. AOIC is following the appropriate audit trail elements pursuant to current Audit Logging Security Standards. The agent on the servers collects the data sending it to the audit logging system, SPLUNK.

27 Does this system use or plan to use SBU data in a non-production environment?
Yes

27.1 Please upload the Approved Email and one of the following SBU Data Use Forms, Questionnaire (F14664) or Request (F14665) or the approved Recertification (F14659). Select Yes to indicate that you will upload the Approval email and one of the SBU Data Use forms.
Yes

Interfaces

Interface Type

IRS Systems, file, or database

Agency Name

Appeals Centralized Database System (ACDS)

Incoming/Outgoing

Outgoing (Sending)

Transfer Method

Other

Other Transfer Method

Open Database Connectivity (ODBC)

Interface Type

IRS Systems, file, or database

Agency Name

Taxpayer Information File Data Store (TIF DS)

Incoming/Outgoing

Incoming (Receiving)

Transfer Method

Other

Other Transfer Method

Account Information Summary Download (AISDL) via Enterprise Consolidated Legacy Access System (ECLAS)

Interface Type

IRS Systems, file, or database

Agency Name

SIA TIER2

Incoming/Outgoing

Both

Transfer Method

Other

Other Transfer Method

Direct Interface

Interface Type

Forms

Agency Name

Collection Information System (COINS)

Incoming/Outgoing

Outgoing (Sending)

Transfer Method

Electronic File Transfer Utility (EFTU)

Interface Type

Forms

Agency Name

Splunk

Incoming/Outgoing

Outgoing (Sending)

Transfer Method

Other

Other Transfer Method

Universal Forwarder & Flat File on the Server

Systems of Records Notices (SORNs)

SORN Number & Name

IRS 34.037 - Audit Trail and Security Records

Describe the IRS use and relevance of this SORN.

AOIC Contains files that track all the inputs in the system.

SORN Number & Name

IRS 26.019 - Taxpayer Delinquent Account Files

Describe the IRS use and relevance of this SORN.

AOIC system contains taxpayer delinquent files.

SORN Number & Name

IRS 26.012 - Offer in Compromise Files

Describe the IRS use and relevance of this SORN.

AOIC Contains all information that's relevant to the Offer in Compromise Files.

Records Retention

What is the Record Schedule System?

Record Control Schedule (RCS)

What is the retention series title?

Tax Administration - Collection

What is the GRS/RCS Item Number?

RCS 28 Item 50 C

What type of Records is this for?

Electronic

Please provide a brief description of the chosen GRS or RCS item.

OIC forms 3210 transmittals.

What is the disposition schedule?

AUTHORIZED DISPOSITION Destroy after 3 years.

What is the Record Schedule System?

Record Control Schedule (RCS)

What is the retention series title?

Tax Administration - Collection

What is the GRS/RCS Item Number?

RCS 28 Item 50 B

What type of Records is this for?

Electronic

Please provide a brief description of the chosen GRS or RCS item.

Other than Accepted Offers in Compromise

What is the disposition schedule?

AUTHORIZED DISPOSITION Retire to Records Center when the offer is closed and the case is no longer needed for current business. Destroy 6 years after case is closed.

What is the Record Schedule System?

Record Control Schedule (RCS)

What is the retention series title?

IRS Electronic Tax Administration (ETA)

What is the GRS/RCS Item Number?

RSC 32 ITEM 33

What type of Records is this for?

Electronic

Please provide a brief description of the chosen GRS or RCS item.

AOIC controls all offers in compromise from receipt through payments, monitoring terms, and conditions of the taxpayers offer in compromise. The database contains taxpayer return data and balance due amounts.

What is the disposition schedule?

AUTHORIZED DISPOSITION Delete when 1 year old or when no longer needed for administrative, legal, audit or other operational purposes, whichever is sooner.

What is the Record Schedule System?

Record Control Schedule (RCS)

What is the retention series title?

Tax Administration - Collection

What is the GRS/RCS Item Number?

RCS 28 Item 50 A

What type of Records is this for?

Electronic

Please provide a brief description of the chosen GRS or RCS item.

Offers in Compromise Case File (Accepted Offers)

What is the disposition schedule?

AUTHORIZED DISPOSITION Retire to Records Center when no longer needed for current business. Destroy 11 years after acceptance of offer.

Data Locations

What type of site is this?

System

What is the name of the System?

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What is the sensitivity of the System?

Federal Tax Information (FTI)

What is the URL of the item, if applicable?

<https://aoic2.web.irs.gov/aoic/>

Please provide a brief description of the System.

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unable to pay their taxes in full. An offer in compromise is a proposal, initiated by such a taxpayer, that the taxpayer will pay a specified portion of the owed monies (back taxes, penalties and interest) to the IRS over a specified period of time, in return for which the IRS will (at the end of such time period) dismiss the remainder of the debt. This offer is submitted to one of the IRS locations for consideration and is evaluated on the basis of its completeness, the taxpayer's ability to pay, and the taxpayer's foreseeable future earnings. After considering the individual circumstances, the IRS will make a determination for disposition to either Return, Reject, Withdraw, Terminate, or Accept the offer. If the offer is accepted, it is considered a contractual agreement between the taxpayer and the IRS. The taxpayer is then required to meet certain obligations over a period of several years, which are tracked to ensure compliance. Should the proposed offer be rejected, the taxpayer may exercise the right to appeal. Taxpayers may also exercise their right to withdraw the offer any time prior to acceptance.

What are the incoming connections to this System?

Taxpayer Information File (TIF) Data Store To pull taxpayer data from IDRS.

What are the outgoing connections from this System?

Standardized IDRS Access (SIA) To push taxpayer data to IDRS.

Collection Information System (COINS) to provide inventory data.

Appeals Centralized Database System (ACDS) to push closed case data for appeals only.