

Date of Approval: 04/09/2026  
Questionnaire Number: 2878

## Basic Information/Executive Summary

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

Consolidated Annual Tax Reporting System

Acronym:

CATRS

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 Consolidated Annual Tax Reporting System (CATRS) application is the merging of two components, which are the Combined Annual Wage Reporting (CAWR), and Federal Unemployment Tax Act (FUTA). CAWR is administered by a system called CAWR Automated Program (CAP). FUTA is administered by a system called FUTA Case Processing (FCP). CATRS enables the IRS to execute its mission to ensure taxpayers report and pay the correct amount of taxes. Case actions, including inventory, correspondence, reporting, and document preparation that are completed in those systems, are reported back to CATRS. All Masterfile actions that affect a taxpayer's account result in updates to CATRS. CATRS also serves as the "CAWR Annual Tax Reporting System" and the "FUTA Case Processing System" location. Work selection for the CATRS team is based on criteria such as staffing availability for the CAWR and FUTA sites in

XXXXXXXXXX, XXXXXXXXXXXX, and XXXXXXXXXXXX. The CAP system receives weekly updates from the Enterprise Computing Center XXXXXXXX (ECC XXX), while the FCP system receives annual updates. The CAP and FCP systems use the Taxpayer Identification Number (TIN) of a taxpayer to compare dollar amounts reported on tax returns (Forms) to their corresponding information returns (IRs). The matching is done based on case types, number of downloads, and staffing. The outcomes result in the case types being identified. Discrepancies may result in the incorrect dollar amounts of taxes owed and/or taxes paid. Discrepancies may then be chosen to be examined based on various criteria. A CAWR case is created when the reconciliation of Social Security wages; Social Security tips; Medicare wages and tips; or Federal Income Tax (FIT) withheld, result in an apparent underpayment of taxes or over withholding of FIT. CAWR enables the initial case selection, but cases are worked in various Accounts Management systems. CAWR cases are worked a minimum of two years after the end of the tax year, as both Forms and IRs should be received and processed by then. CAWR verifies that employers reported the correct amount of Federal Insurance Contributions Act (FICA) tax and Federal Income Tax Withholding (W/H) and filed all necessary employment and withholding IRs with the appropriate agency. This is accomplished by comparing the total of the IRs to the amounts reported under the same Employer Identification Number (EIN) Employment and Withholding Forms. CAWR concerns the following form types: Employment type Forms (941, 944 and 1040/1041 Schedule H) are compared to IRs filed with the Social Security Administration (SSA) (Forms W-2/W-2c/W-3/W3c). FUTA is used by the IRS to verify with the states that the payment claimed on Form 940 and/or Schedule H were actually paid into the states' unemployment funds. FUTA cases are worked completely through CATRS. FUTA concerns the following form types: Unemployment type Forms (940 and 1040/1041 Schedule H) are compared to IRs provided by states and territories.

## **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).

Consolidated Annual Tax Reporting System (CATRS) is the case management system for working form 940 for Federal Unemployment Tax Act (FUTA) discrepancies and forms 941, 943, and 944 for Combined Annual Wage Reporting (CAWR) discrepancies. This data is sent to CATRS from the following IRS systems. Business Master File (BMF), Customer Account Data Engine (CADE), Information Return(s) Processing (IRP), Payer Masterfile (PMF), Combine

Annual Wage Reporting Mainframe (CAWRM), Automated Under Reporter (AUR), and Information Returns Masterfile (IRMF). CATRS information is sent to Integrated Data Retrieval System (IDRS) where letters are created and mailed. Personally Identifiable Information (PII) may be manually entered by case workers, including Employer Identification Numbers (EIN), Social Security Numbers (SSN), Taxpayer name, etc. CATRS requires the use of EINs and SSNs to identify and access cases for the working of the following: Forms 940, 941, 943, 944, Schedule H (Form 1040/1041), and Schedule D. While working on these forms, the Tax Examiners (TE) will determine tax due and penalties. The submission of correspondence letters informs the taxpayer of tax and penalties due, or requests information from the taxpayer. Auditing conducted via Splunk. Records disposition conducted under RCS 29 item 65. AUTHORIZED DISPOSITION: Retire to Records Center beginning January 2, 1 year after the end of the year in which returns were numbered and processed. Destroy 6 years after end of processing year.

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

Address

Device Identification (ID)

Email Address

Employer Identification Number

Employment Information

Federal Tax Information (FTI)

Internet Protocol Address (IP Address)

Name

Social Security Number (including masked or last four digits)

Standard Employee Identifier (SEID)

Telephone Numbers

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

## **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)

3

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?

8224

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

Consolidated Annual Tax Reporting System (CATRS)

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.)

Expiring PCLIA

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?

211229

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

14 Describe the business process allowing an individual to access or correct their information. (Due Process)

CATRS is an internal system, and taxpayers cannot alter the information.

Employers are contacted to explain discrepancies identified in the program and information provided by the employers is included. Employers can respond to any negative determination prior to final action. Notice, consent and due process are provided pursuant to 5 USC. The Business issues correspondence to the taxpayer explaining the discrepancies between their Employment tax forms and their Form W-2 and allows them time to respond before taking further action. Due process to address federal tax deficiencies is afforded by the Internal Revenue Code and established IRS tax administration procedures, not directly through CATRS. Any error would be corrected in IDRS.

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.)

User - (Read and Write)

Manager - (Read and Write)

Testers - (Read and Write)

Developer - (Administrator)

System Administrator/Programmers - (Administrator)

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.

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 Device Location 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".

More than 1,000,000

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

Access to the data is determined by the manager based on a user's position and need-to-know. Each user must submit an approved, completed On-Line BEARS Form, information System User Registration/Change Request to request access. A user's access to the data terminates when it is no longer required. Criteria, procedures, controls and responsibilities regarding access are documented in the Information Systems Security Rules on BEARS Form. Access to the data is determined by the manager based on a user's position and need-to-know. The manager will request a user to be added. They must submit the request via the BEARS process to request access to the System.

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

Yes

24 Explain any privacy and civil liberties risks related to privacy controls.

None

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.

Yes

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

The Splunk Enterprise Security Audit Trails (ESAT) process is a complete audit trail of the use of Consolidated Annual Tax Reporting System (CATRS) and captures and includes every login, logoff, file access and database query. Splunk monitors security risks and compliance violations to ensure that the use of the system takes place only for an approved purpose that is within the professional responsibility of each user. Manual reviews are performed on every weekly master file update to the CATRS application to verify each item for accuracy, timeliness, and completeness. In addition to the manual reviews performed by the Tax Examiners, Linux servers systemically create a run log on the CATRS production server. The log is a timeline of events automatically recorded by the application and captures items such as user login attempts. The log is reviewed by the CATRS lead programmer daily. In addition, various mainframe tests are run to ensure the programs within the CATRS mainframe component do not introduce inaccuracies to the data within selected fields of Business Master File (BMF). These tests are performed by both the mainframe programmers and the Test Assurance and Documentation (TAD) group.

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

No

## Interfaces

### Interface Type

Forms

Agency Name

Form 940

Incoming/Outgoing

Incoming (Receiving)

Transfer Method

Electronic File Transfer Utility (EFTU)

### Interface Type

Forms

Agency Name

W-2

Incoming/Outgoing  
    Incoming (Receiving)  
Transfer Method  
    Electronic File Transfer Utility (EFTU)

**Interface Type**  
    IRS Systems, file, or database  
Agency Name  
    Integrated Data Retrieval System  
Incoming/Outgoing  
    Outgoing (Sending)  
Transfer Method  
    Electronic File Transfer Utility (EFTU)

**Interface Type**  
    Forms  
Agency Name  
    W-3  
Incoming/Outgoing  
    Incoming (Receiving)  
Transfer Method  
    Electronic File Transfer Utility (EFTU)

**Interface Type**  
    IRS Systems, file, or database  
Agency Name  
    Individual Master File  
Incoming/Outgoing  
    Incoming (Receiving)  
Transfer Method  
    Electronic File Transfer Utility (EFTU)

**Interface Type**  
    IRS Systems, file, or database  
Agency Name  
    Payer Master File (PMF)  
Incoming/Outgoing  
    Both  
Transfer Method  
    Electronic File Transfer Utility (EFTU)

**Interface Type**  
    Forms  
Agency Name  
    Schedule H

Incoming/Outgoing  
Incoming (Receiving)  
Transfer Method  
Electronic File Transfer Utility (EFTU)

**Interface Type**  
IRS Systems, file, or database  
Agency Name  
GSS-30 | Wintel Application Servers  
Incoming/Outgoing  
Both  
Transfer Method  
Electronic File Transfer Utility (EFTU)

**Interface Type**  
Forms  
Agency Name  
Form 944  
Incoming/Outgoing  
Incoming (Receiving)  
Transfer Method  
Electronic File Transfer Utility (EFTU)

**Interface Type**  
IRS Systems, file, or database  
Agency Name  
GSS-27 (Main) | Enterprise Development and Integrated Test  
Environment  
Incoming/Outgoing  
Both  
Transfer Method  
Electronic File Transfer Utility (EFTU)

**Interface Type**  
IRS Systems, file, or database  
Agency Name  
Business Master File  
Incoming/Outgoing  
Both  
Transfer Method  
Electronic File Transfer Utility (EFTU)

**Interface Type**

Forms

Agency Name

Form 941

Incoming/Outgoing

Incoming (Receiving)

Transfer Method

Electronic File Transfer Utility (EFTU)

**Interface Type**

IRS Systems, file, or database

Agency Name

Automated Underreporter

Incoming/Outgoing

Both

Transfer Method

Electronic File Transfer Utility (EFTU)

**Interface Type**

IRS Systems, file, or database

Agency Name

GSS-32 (Main) | IRS Workstations and Support

Incoming/Outgoing

Both

Transfer Method

Electronic File Transfer Utility (EFTU)

**Interface Type**

IRS Systems, file, or database

Agency Name

Information Returns Processing (IRP)

Incoming/Outgoing

Incoming (Receiving)

Transfer Method

Electronic File Transfer Utility (EFTU)

**Interface Type**

IRS Systems, file, or database

Agency Name

Splunk Enterprise Security Audit Trails (ESAT)

Incoming/Outgoing

Outgoing (Sending)

Transfer Method

Electronic File Transfer Utility (EFTU)

**Interface Type**

IRS Systems, file, or database

**Agency Name**

GSS-21 (Main) | IBM Mainframe Platform| z/OS

**Incoming/Outgoing**

Both

**Transfer Method**

Electronic File Transfer Utility (EFTU)

**Interface Type**

IRS Systems, file, or database

**Agency Name**

GSS-17 (Main) | Enterprise Systems Domain

**Incoming/Outgoing**

Both

**Transfer Method**

Electronic File Transfer Utility (EFTU)

**Interface Type**

IRS Systems, file, or database

**Agency Name**

GSS-26 | Enterprise Remote Access Program

**Incoming/Outgoing**

Both

**Transfer Method**

Electronic File Transfer Utility (EFTU)

**Interface Type**

Forms

**Agency Name**

Form 943

**Incoming/Outgoing**

Incoming (Receiving)

**Transfer Method**

Electronic File Transfer Utility (EFTU)

## **Systems of Records Notices (SORNs)**

**SORN Number & Name**

IRS 24.047 - Audit Underreporter Case Files

Describe the IRS use and relevance of this SORN.

Consolidated Annual Tax Reporting System (CATRS) receives a file from Audit Underreporter weekly. That file is put into the CATRS database for Tax Examiners to process cases.

**SORN Number & Name**

IRS 24.030 - Customer Account Data Engine Individual Master File

Describe the IRS use and relevance of this SORN.

Customer Account Data Engine Individual Master File (CADE IMF) data is used by Tax Examiners in the CATRS system to process cases.

**SORN Number & Name**

IRS 36.003 - General Personnel and Payroll Records

Describe the IRS use and relevance of this SORN.

The General Personnel and Payroll Records is used to administer personnel and payroll programs for Consolidated Annual Tax Reporting System (CATRS). Specifically, it's used by Federal Unemployment Tax Act (FUTA) to compare what employers are entering regarding unemployment for their staff.

**SORN Number & Name**

IRS 22.061 - Information Return Master File

Describe the IRS use and relevance of this SORN.

Information Return Master File (IRMF) data is used by Tax Examiners in the CATRS system to process cases.

**SORN Number & Name**

IRS 34.037 - Audit Trail and Security Records

Describe the IRS use and relevance of this SORN.

The Splunk Enterprise Security Audit Trails (ESAT) process is a complete audit trail of the use of Consolidated Annual Tax Reporting System (CATRS) and captures and includes every login, logoff, file access and database query.

**SORN Number & Name**

IRS 24.046 - Customer Account Data Engine Business Master File

Describe the IRS use and relevance of this SORN.

Customer Account Data Engine Business Master File (CADE BMF) data is used by Tax Examiners in the CATRS system to process cases.

# Records Retention

What is the Record Schedule System?

Record Control Schedule (RCS)

What is the retention series title?

Tax Administration - Wage and Investment (W&I) Records

What is the GRS/RCS Item Number?

RCS 29 Item 65

What type of Records is this for?

Electronic

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

Employment Tax Returns filed by employers and covering withholding, social security, railroad retirement and unemployment taxes, not agreeing with the amount claimed as credit, and related documents and correspondence.

What is the disposition schedule?

AUTHORIZED DISPOSITION Retire to Records Center beginning January 2, 1 year after the end of the year in which returns were numbered and processed. Destroy 6 years after end of processing year.

# Data Locations

What type of site is this?

System

What is the name of the System?

Enterprise Computing Center - XXXXXXXX (ECC-XXX)

What is the sensitivity of the System?

Federal Tax Information (FTI)

Please provide a brief description of the System.

ECC-XXX is Consolidated Annual Tax Reporting System (CATRS) Production environment. The data is structured as a RACOnenode Oracle database. Data is processed using Structured Query Language (SQL) queries and Java Server Faces (JSF) Web Pages code. Access to the data is used via single sign on for authentication, with Database Administrators having full control.

What are the incoming connections to this System?

CATRS receives incoming data from Combined Annual Wage Reporting (CAWR) Mainframe through automatic weekly CAWR-loads, and from Federal Unemployment Tax Act (FUTA) Mainframe annual automatic FUTA-loads flat files that are delivered to CATRS through Enterprise File Transfer Utility (EFTU).

What are the outgoing connections from this System?

CATRS sends data by flat files to the CAWR Mainframe and FUTA Mainframe via EFTU.

What type of site is this?

System

What is the name of the System?

Enterprise Computing Center - XXXXXXXXXXXX (ECC-XXX)

What is the sensitivity of the System?

Federal Tax Information (FTI)

Please provide a brief description of the System.

ECC-XXX is the Consolidated Annual Tax Reporting System (CATRS) Development, Test, and Disaster Recovery environment. The data is structured as a RACOnenode Oracle database. Data is processed using Structured Query Language (SQL) queries and Java Server Faces (JSF) Web Pages code. Access to the data is used via single sign on for authentication, with Database Administrators having full control.

What are the incoming connections to this System?

The CATRS team is sent test Combined Annual Wage Reporting (CAWR) load files annually from System Acceptability Testing (SAT).

What are the outgoing connections from this System?

CATRS has no outgoing connections from this System.