
A. SYSTEM DESCRIPTION

1. Enter the full name and acronym for the system, project, application and/or database. Error Resolution System, ERS

2. Is this a new system? No

2a. If **no**, is there a PIA for this system? Yes

If **yes**, enter the full name, acronym, PIA ID Number and milestone of the most recent PIA.

Error Resolution System, ERS

Next, enter the **date** of the most recent PIA. 1/16/2015

Indicate which of the following changes occurred to require this update (check all that apply).

| | |
|-----|--|
| No | Addition of PII |
| No | Conversions |
| No | Anonymous to Non-Anonymous |
| No | Significant System Management Changes |
| No | Significant Merging with Another System |
| No | New Access by IRS employees or Members of the Public |
| No | Addition of Commercial Data / Sources |
| No | New Interagency Use |
| Yes | Internal Flow or Collection |

Were there other system changes not listed above? No

3. Check the current ELC (Enterprise Life Cycle) Milestones (select all that apply)

| | |
|-----|--|
| No | Vision & Strategy/Milestone 0 |
| No | Project Initiation/Milestone 1 |
| No | Domain Architecture/Milestone 2 |
| No | Preliminary Design/Milestone 3 |
| No | Detailed Design/Milestone 4A |
| Yes | System Development/Milestone 4B |
| No | System Deployment/Milestone 5 |
| No | Operations & Maintenance (i.e., system is currently operational) |

4. Is this a Federal Information Security Management Act (FISMA) reportable system? No

A.1 General Business Purpose

5. What is the general business purpose of this system? Provide a clear, concise description of the system, application or database, the reason for the system, and the benefits to the IRS to use the information, and how the information will be used. The Error Resolution System (ERS) provides for the correction of errors associated with input submissions. The Error inventory is managed on an ERS data base and corrected documents are validated by Generalized Mainline Framework (GMF) modules. The ERS database contains tax forms that require correction. As tax forms go through the paper or E-file process, they are validated by "Doc-Specific." Doc-Specific is a calculation process and a component of the Generalized Mainline Framework (GMF) that checks tax forms for errors. Errors can either be problems with the tax form, or errors in the information on the form. Once they are corrected, tax forms go back through GMF to respective Master Files (MF). If Doc-Specific detects an error on a form, then that form must be reviewed by a Tax Examiner. The Tax Examiner reviews the error code displayed in ERS and then pulls up the full form through the Integrated Data Retrieval System (IDRS) using the Command Code "GTREC". ERS also creates two additional components: Management Error Reports (MER) and Quality Review (QR). MER counts all errors identified by mainline processing. These errors are accumulated for each tax class and document code on a daily basis. The totals are used to print a daily report and build a cumulative file which is printed monthly. The MER reports are used by ERS tax examiners to determine the types of errors that are entered into ERS. MER is classified as a component of ERS and not a separate subsystem/module.

B. PII DETAIL

6. Does the system use, collect, receive, display, store, maintain, or disseminate IR Code 6103 taxpayer information; or any type of Sensitive but Unclassified (SBU) or Personally Identifiable Information (PII)? Yes

6a. If **yes**, does the system use, collect, receive, display, store, maintain, or disseminate Social Security Numbers (SSN s) or tax identification numbers (i.e. last 4 digits, etc.)? Yes

If **yes**, check who the SSN (or tax identification number) is collected on.

Yes On Primary Yes On Spouse Yes On Dependent

If **yes**, check all types SSN s (or tax identification numbers) that apply to this system:

| | |
|-----|--|
| Yes | Social Security Number (SSN) |
| Yes | Employer Identification Number (EIN) |
| Yes | Individual Taxpayer Identification Number (ITIN) |
| Yes | Taxpayer Identification Number for Pending U.S. Adoptions (ATIN) |
| Yes | Practitioner Tax Identification Number (PTIN) |

Describe the planned mitigation strategy and forecasted implementation date to mitigate or eliminate the use of SSN s (or tax identification numbers). The Office of Management and Budget Circular A-130 requires that federal agencies develop a mitigation or elimination strategy for systems that use Social Security Numbers (SSN)s, which the Service continues to develop strategies to meet. An exception to that requirement is when the SSN is uniquely needed to identify a user's record. The ERS system requires the use of SSN's because no other identifier can be used to uniquely identify a taxpayer for intergovernmental communications. SSNs are permissible from Internal Revenue Code (IRC) 6109, which requires individual taxpayers to include their SSNs on their income tax returns. There is no known mitigation strategy planned to eliminate the use of SSNs for the system. The SSN is required for the use of this system. The SSN number is needed to research and locate records in response to the request.

6b. Does this system contain other (non-SSN) PII that it uses, collects, receives, displays, stores, maintains, or disseminates? (i.e. Names, addresses, etc.) Yes

If **yes**, specify the information.

| <u>Selected</u> | <u>PII Element</u> | <u>On Primary</u> | <u>On Spouse</u> | <u>On Dependent</u> |
|-----------------|---|-----------------------|----------------------|-------------------------|
| Yes | Name | Yes | Yes | Yes |
| Yes | Mailing address | No | No | No |
| No | Phone Numbers | No | No | No |
| No | E-mail Address | No | No | No |
| Yes | Date of Birth | Yes | Yes | Yes |
| Yes | Place of Birth | No | No | No |
| Yes | SEID | No | No | No |
| No | Mother's Maiden Name | No | No | No |
| Yes | Protection Personal Identification Numbers (IP PIN) | No | No | No |
| No | Internet Protocol Address (IP Address) | No | No | No |
| No | Criminal History | No | No | No |
| No | Medical Information | No | No | No |
| No | Certificate or License Numbers | No | No | No |
| No | Vehicle Identifiers | No | No | No |
| No | Passport Number | No | No | No |
| No | Alien (A-) Number | No | No | No |
| No | Financial Account Numbers | No | No | No |
| No | Photographic Identifiers | No | No | No |
| No | Biometric Identifiers | No | No | No |
| No | Employment (HR) Information | No | No | No |
| Yes | Tax Account Information | Yes | Yes | Yes |

6c. Does this system contain SBU information that is not PII, it uses, collects, receives, displays, stores, maintains, or disseminates? No

6d. Are there other types of SBU/PII used in the system? Yes

If **yes**, describe the other types of SBU/PII that are applicable to this system. Taxpayer: Taxpayer information stored within ERS includes all information listed on a taxpayer's tax return, such as: Sex and Race. Personally identifiable information (PII) is not stored in audit trails.

6e. Cite the authority for collecting SBU/PII (including SSN if relevant)

- Yes PII for federal tax administration is generally Internal Revenue Code Sections 6001, 6011, 6012e(a)
- Yes SSN for tax returns and return information is Internal Revenue Code Section 6109
- Yes SSN for personnel administration (IRS Employees) is 5 USC & Executive Order 9397
- Yes PII for personnel administration is 5 USC
- No PII about individuals for Bank Secrecy Act compliance 31 USC
- No Information by CI for certain money laundering cases may be 18 USC

6f. Has the authority been verified with the system owner? Yes

B.1 BUSINESS NEEDS AND ACCURACY

7. Explain the detailed business needs and uses for the SBU/PII, and how the SBU/PII is limited only to that which is relevant and necessary to meet the mission requirements of the system. If SSNs (or tax identification numbers) are used, explicitly explain why use of SSNs meets the criteria. Be specific. Tax returns, remittances, information returns, and adjustment and update transactions are controlled, validated, corrected, and passed on for posting to the Master File. The use of the data is relevant and necessary for the ERS system. ERS is the pipeline for many systems that transform batches of data into individual and business returns for posting to the Master File to conduct tax administration.
8. How is the SBU/PII verified for accuracy, timeliness, and completeness? Explain how steps are taken to ensure that all information maintained by the system that is used by IRS to make any adverse determination about an individual's rights, benefits, and/or privileges is maintained with such accuracy, relevance, timeliness, and completeness as is reasonably necessary to assure fairness to the individual in the determination. Data validation is performed and then various validation procedures are used to ensure the accuracy of the returns. There are internal programming consistency checks and a record count to validate the data that is loaded into the ERS system is accurate. The data that ERS receives is from internal IRS systems which are deemed reliable and the data is validated for accuracy by the system sending the data as described in that system's PCLIA. Any determinations made are validated during ERS (e.g. Examination, Collection etc.) process and the taxpayer has appeal rights for any determinations made from the data.

C. PRIVACY ACT AND SYSTEM OF RECORDS

9. Are 10 or more records containing SBU/PII maintained, stored, and/or transmitted by or through this system? Yes

9a. If **yes**, are records in the system retrieved by any personal identifier (e.g., name, SSN, Photograph, IP Address) for an individual? Yes

If **yes**, is there a System of Records Notice(s) or SORNs that addresses the PII records in this system? Yes

If **yes**, enter the SORN number(s) and the complete the name of the SORN.

| <u>SORNS Number</u> | <u>SORNS Name</u> |
|---------------------|-------------------------------------|
| 22.054 | Subsidiary Accounting Files |
| 22.060 | Automated Non Master File |
| 22.062 | Electronic Filing Records |
| 24.030 | CADE Individual Master File (IMF) |
| 24.046 | CADE Business Master File (BMF) |
| 34.037 | IRS Audit Trail and Security Record |

If **yes**, does the System of Records Notice(s) (SORN) published in the Federal Register adequately describe the records as required by the Privacy Act? Yes

D. RESPONSIBLE PARTIES

10. Identify the individuals for the following system roles. ## Official Use Only

E. INCOMING PII INTERFACES

11. Does the system receive SBU/PII from other system or agencies? Yes

11a. If **yes**, does the system receive SBU/PII from IRS files and databases? Yes

If **yes**, enter the files and databases.

| <u>System Name</u> | <u>Current</u> <u>PIA?</u> | <u>PIA Approval</u> <u>Date</u> | <u>SA &</u> <u>A?</u> | <u>Authorization</u> <u>Date</u> |
|---|-------------------------------|------------------------------------|------------------------------|-------------------------------------|
| National Account Profile (NAP) DLY09 | Yes | 03/21/2017 | No | |
| Electronic Tax Administration Research and Analysis System | Yes | 12/15/2015 | Yes | 04/15/2014 |
| Fact of Filing (FOF): | No | | No | 04/15/2014 |
| Generalized Mainline Framework (GMF): | Yes | 10/06/2017 | Yes | 09/13/2012 |
| Notice Review Processing System (NRPS): | Yes | 07/21/2015 | No | 09/13/2012 |
| Service Center Control File Processing (SCCF) | No | | No | 09/13/2012 |
| Tax Return Database (TRDB): | Yes | 11/06/2015 | No | 09/13/2012 |

11b. Does the system receive SBU/PII from other federal agency or agencies? No

11c. Does the system receive SBU/PII from State or local agency (s)? No

11d. Does the system receive SBU/PII from other sources? No

11e. Does the system receive SBU/PII from **Taxpayer** forms? Yes

If **yes**, identify the forms

| <u>Form Number</u> | <u>Form Name</u> |
|--------------------|--|
| 706 | United States Estate Tax Return |
| 709 | United States Gift Tax Return |
| 720 | Quarterly Federal Excise Tax Return |
| 940 | Employer's Annual Federal Unemployment (FUTA) Tax Return |
| 941 | Employer's Quarterly Federal Tax Return |
| 943 | Employer's Annual Federal Tax Return for Agricultural Employees |
| 990 | Return of Organization Exempt Form Income Tax |
| 1040 | Individual Income Tax Return |
| 1041 | U.S. Income Tax Return for Estates and Trusts |
| 1042 | Annual Withholding Tax Return for U.S. Income of Foreign Persons |
| 1065 | U.S. Return of Partnership Income |
| 1120 | U.S. Corporation Income Tax Return |
| 3177 | Notice of Action for Entry on Master File |
| 2290 | Heavy Highway Vehicle Use Tax Return |

11f. Does the system receive SBU/PII from **Employee** forms (such as the I-9)? No

F. PII SENT TO EXTERNAL ORGANIZATIONS

12. Does this system disseminate SBU/PII? Yes

12a. Does this system disseminate SBU/PII to other IRS Systems? Yes

If **yes**, identify the full name and acronym of the IRS system(s) that receive SBU/PII from this system.

| <u>System Name</u> | <u>Current PIA?</u> | <u>PIA Approval Date</u> | <u>SA & A?</u> | <u>Authorization Date</u> |
|---|-------------------------|------------------------------|------------------------|-------------------------------|
| Quality Review (QR) | No | | No | |
| Employee Plan Master File (EPMF) | Yes | 12/15/2015 | Yes | 03/30/2017 |
| Information Return Processing (IRP) | Yes | 03/09/2017 | No | 03/30/2017 |
| Individual Master File (IMF) | Yes | 03/06/2017 | Yes | 11/14/2014 |
| Generalized Mainline Framework (GMF) | Yes | 10/06/2017 | Yes | 09/13/2012 |
| Integrated Data Retrieval System (IDRS) | Yes | 08/05/2017 | Yes | 12/21/2016 |
| DLY09 | No | | No | 12/21/2016 |
| Fact of Filing (FOF) | No | | No | 12/21/2016 |
| Notice Review Processing System (NRPS) | Yes | 07/21/2015 | No | 12/21/2016 |
| Tax Return Database (TRDB) | Yes | 11/06/2015 | No | 12/21/2016 |
| Service Center Control File Processing (SCCF) | No | | No | 12/21/2016 |
| Taxpayer Notice Code (TPNC) | No | | No | 12/21/2016 |
| Document Control System (DCS) | No | | No | 12/21/2016 |
| Business Master File (BMF) | Yes | 04/24/2015 | Yes | 03/13/2013 |
| Management Error Reports (MER) | No | | No | 03/13/2013 |

Identify the authority and for what purpose? Authority and purpose is pursuant to section 6103(h)(1) of the Internal Revenue Code (IRC). IRC 6103(h)(1) provides for disclosure of returns and return information to officers and employees of the Department of the Treasury (including IRS) whose official duties require access for tax administration.

12b. Does this system disseminate SBU/PII to other Federal agencies? No

12c. Does this system disseminate SBU/PII to State and local agencies? No

12d. Does this system disseminate SBU/PII to IRS or Treasury contractors? No

12e. Does this system disseminate SBU/PII to other Sources? No

G. PRIVACY SENSITIVE TECHNOLOGY

13. Does this system use social media channels? No

14. Does this system use privacy-sensitive technologies such as mobile, global position system (GPS), biometrics, RFID, etc.? No
15. Does the system use cloud computing? No
16. Does this system/application interact with the public? No

H. INDIVIDUAL NOTICE AND CONSENT

17. Was/is notice provided to the individual prior to collection of information? Yes

17a. If **yes**, how is notice provided? Was the individual notified about the authority to collect the information, whether such is mandatory or voluntary, the purpose for which the information will be used, with whom the information may be shared, and the effects, if any, if they decide not to provide any of the requested information? The system uses data entered from tax returns filed by taxpayers. They are notified of such collection by the Privacy Act Notice in the tax return instructions. The other systems the application is interconnected to or shares information with uses data entered from tax returns filed by taxpayers. They are notified of such collection by the Privacy Act Notice in the tax return instructions. Notice, consent and due process are provided pursuant to 5 USC.

18. Do individuals have the opportunity to decline from providing information and/or from consenting to particular uses of the information? No

18b. If no, why not? ERS does not directly provide individuals the opportunity to decline from providing information and/or from consenting to particular uses of the information. Notice, consent and due process are provided in the tax forms instructions filed by the taxpayer, and pursuant to Title 5 United States Code (USC). Or if gathered from tax form: The IRS has the legal right to ask for information per Internal Revenue Code sections 6001, 6011, and 6012(a), and their regulations. The regulations state that "taxpayers must file a return or statement with IRS for any tax they are liable for". Their response is mandatory under these sections."

19. How does the system or business process ensure due process regarding information access, correction and redress? The ERS process and procedures are dictated by the Internal Revenue Manual guidelines. IRS policy allows individuals whose data is in the system the opportunity to clarify or dispute negative determinations through the appeals process." This can be changed to match your specific application. Is there a customer satisfaction unit, a complaint process etc. by which the individual may request access to and/or correction of their information and/or dispute adverse determinations about denial of their rights, benefits, and privileges under Federal programs (e.g. decisions about whether the individual will receive a financial benefit etc.) opportunity to clarify or dispute negative determinations through the appeals process."

I. INFORMATION PROTECTION

20. Identify the owner and operator of the system (could be IRS owned and Operated; IRS owned, contractor operated; contractor owned and operated). IRS Owned and Operated

21. The following people have access to the system with the specified rights:

IRS Employees? Yes

| <u>IRS Employees?</u> | <u>Yes/No</u> | <u>Access Level(Read Only/Read Write/ Administrator)</u> |
|-----------------------|---------------|--|
| Users | Yes | Read and Write |
| Managers | Yes | Read and Write |
| Sys. Administrators | Yes | Read and Write |
| Developers | No | |

Contractor Employees? No

21a. How is access to SBU/PII determined and by whom? The ERS system utilizes the IRS On-Line application OL-5081 application to document approvals for access. Data access is granted on a need-to-know basis. A potential user must submit a request for access via IRS OL5081 to their local management for approval consideration. Users are not permitted access without a signed Form 5081 from an authorized management official. Specific permissions (Read, Write, Modify, Delete, and/or Print) are defined on the OL5081 form and set (activated) by the System Administrator prior to the user being allowed access. User privileges and user roles determine the types of data that each user has access to. Management monitors system access and removes permissions when individuals no longer require access. Users are assigned to specific modules of the application and specific roles within the modules and accounts follow the principle of least privilege which provide them the least amount of access to Pii data that is required to perform their business function after receiving appropriate approval.

21b. If computer matching occurs, can the business owner certify that it meets requirements of IRM 11.3.39 Disclosure of Official Information, Computer Matching & Privacy Protection Act?

Not Applicable

I.1 RECORDS RETENTION SCHEDULE

22. Are these records covered under the General Records Schedule (GRS), or have a National Archives and Records Administration (NARA) archivist approved a Record Control Schedule (RCS) for the retention and destruction of official agency records stored in this system? Yes

22a. If **yes**, how long are the records required to be held under the corresponding RCS and how are they disposed of? In your response, please include the complete IRM number 1.15.XX and specific item number and title. ERS master data files are approved for destruction when 1 year old or when no longer needed for administrative, legal, audit or other operational purposes (Job No. N1-58-97-13), as published under IRM 1.15.35 Records Control Schedule (RCS) for Tax Administration Systems (Electronic), Item 16 (soon to be re-published in Document 12990 under RCS 35). The Computing Centers are responsible for erasing tapes or deleting files at the end of the retention periods. Disk files are deleted according to parameters set up for each file in accordance with IRM 1.15.8-1.

I.2 SA&A OR ECM-R

23. Has the system been through SA&A (Security Assessment and Authorization) or ECM-R (Enterprise Continuous Monitoring Reauthorization)? Yes

23a. If **yes**, what date was it completed? 2/14/2012

23.1 Describe in detail the system s audit trail. The IRM states that all IRS information systems, applications, and databases capture and record the auditable events. overall system security categorization. Every interaction with Taxpayer Data through an application is an auditable event and shall be audited. The ERS application does not have auditing capability and does not have any end-users; therefore, no human input takes place in ERS. ERS relies on the UNISYS Platform to record and process mainframe-level audit information, including the retention of audit records. ERS is following the appropriate audit trail elements pursuant to current Audit Logging Security Standards.

J. PRIVACY TESTING

24. Does the system require a System Test Plan? No

24c. If **no**, please explain why. Federal Information Systems Management Act (FISMA) states Continuous Monitoring (eCM)(now called Annual Security Control Assessment (ASCA)) occurs annually to ensure that controls remain in place to properly safeguard PII. The ERS applications has been classified as a Non FISMA Reportable Due to the nature of this classification there is no security risk or impact to the organization and therefore does not require documentation within a FISMA boundary.

K. SBU Data Use

25. Does this system use, or plan to use SBU Data in Testing? No

L. NUMBER AND CATEGORY OF PII RECORDS

26. Identify the number of individual records in the system for each category:

| | |
|-----------------------------|----------------------|
| 26a. IRS Employees: | <u>Under 50,000</u> |
| 26b. Contractors: | <u>Under 5,000</u> |
| 26c. Members of the Public: | <u>Under 100,000</u> |
| 26d. Other: | <u>No</u> |

M. CIVIL LIBERTIES

27. Does the system maintain any information describing how any individual exercises their rights guaranteed by the First Amendment? No

28. Is the system information used to conduct data-mining as defined in the *Implementing the 9/11 Commission Recommendations Act of 2007, Public Law 110-53, Section 804*? No

29. Will this system have the capability to identify, locate, and monitor individuals or groups of people? No

N. ACCOUNTING OF DISCLOSURES

30. Does the system include or require disclosure of tax or employee information to anyone other than IRS employees in the performance of their duties, or to the person to whom the information pertains or to a 3rd party pursuant to a Power of Attorney, tax or Privacy Act consent? No

End of Report
