

Date of Approval: **March 25, 2021**

PIA ID Number: **5924**

SYSTEM DESCRIPTION

Enter the full name and acronym for the system, project, application and/or database.

Expatriate Database, EXPAT DB

Is this a new system?

No

Is there a PCLIA for this system?

Yes

What is the full name, acronym and milestone of the most recent PCLIA?

Expatriate Database, EXPAT DB, PCLIA 3295

What is the approval date of the most recent PCLIA?

3/14/2018

Changes that occurred to require this update:

New Access by IRS employees or Members of the Public

Expiring PCLIA

Were there other system changes not listed above?

No

What governance board or Executive Steering Committee (ESC) does this system report to? Full name and acronym.

Large Business and International Compliance Strategy Council (LB&I CSC)

Current ELC (Enterprise Life Cycle) Milestones:

Operations & Maintenance (i.e. system is currently operational)

Is this a Federal Information Security Management Act (FISMA) reportable system?

No

GENERAL BUSINESS PURPOSE

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 Expatriate Database (Expat DB) provides a repository for information associated with U.S. citizens or permanent long-term residents abandoning their U.S. citizenship or terminating their long-term U.S. residency status. The database includes taxpayer information received from the Department of State (for individuals abandoning their U.S. citizenship), the Department of Homeland Security (for individuals terminating their long-term resident status), the expatriates themselves (via Form 8854, Initial and Annual Expatriation Information Statement), and the corresponding research results from the Integrated Data Retrieval System (IDRS) and the Audit Information Management System (AIMS). The Expat DB provides compliance tracking information and workload identification information. The filing information is used to comply with the quarterly Federal Register reporting requirements per IRC 6039G(d).

PII DETAILS

Does the system use, collect, receive, display, store, maintain, or disseminate IR Code 6103 taxpayer information; or any other type of Sensitive but Unclassified (SBU) information or PII such as information about IRS employees or outside stakeholders?

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

What types of tax identification numbers (TIN) apply to this system?

Social Security Number (SSN)

List the approved Treasury uses of the SSN:

Legal/statutory basis (e.g. where collection is expressly required by statute)

Explain why the authorized use(s) above support the new or continued use of SSNs (or tax identification numbers).

The Expatriate Database requires the use of SSNs because no other identifier can be used to uniquely identify a taxpayer at this time. SSNs are permissible from Internal Revenue Code (IRC) 6109, which requires individual taxpayers to include their SSNs on their income tax returns.

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 SSNs, 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. IDRS Online Reports Services (IORS) requires the use of SSNs because no other identifier can be used to uniquely identify a taxpayer at this time.

Other Taxpayer Identification Number

Does this system use, collect, receive, display, store, maintain or disseminate other (non-SSN) PII (i.e. names, addresses, etc.)?

Yes

Specify the PII Elements:

Name
Mailing address
Date of Birth
Place of Birth
Standard Employee Identifier (SEID)
Tax Account Information

Does this system use, collect, receive, display, store, maintain, or disseminate SBU information that is not PII?

Yes

Specify the types of SBU from the SBU Types List:

Agency Sensitive Information Information which if improperly used or disclosed could adversely affect the ability of the agency to accomplish its mission.

Official Use Only (OUO) or Limited Official Use (LOU) Information designated as OUO or LOU is information that: is exempt under one of the statutory Freedom of Information Act exemptions; is prohibited by other laws or regulations; would significantly impede the agency in carrying out a responsibility or function; or would constitute an unwarranted invasion of privacy.

Protected Information Information which if modified, destroyed or disclosed in an unauthorized manner could cause: loss of life, loss of property or funds by unlawful means, violation of personal privacy or civil rights, gaining of an unfair procurement advantage by contractors bidding on government contracts, or disclosure of proprietary information entrusted to the Government.

Are there other types of SBU/PII used in the system?

No

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

PII for federal tax administration is generally Internal Revenue Code Sections 6001, 6011, & 6012e(a)

SSN for tax returns and return information is Internal Revenue Code Section 6109

Has the authority been verified with the system owner?

Yes

BUSINESS NEEDS AND ACCURACY

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 this criteria. Be specific.

All of the following PII items are required for the business purpose of the system. The system is designed to collect, validate, and track information submitted by each source listed. From the taxpayer, via a Form 8854, we receive the Taxpayer (TP) Name, TP SSN/TIN, TP Address, TP Date of Birth, TP Tax Return Liability for 5 Tax Years prior to the year of expatriation, TP Net Worth on the date of expatriation, TP fair market value and adjusted basis of assets on the date of expatriation, and the Taxpayer (TP) Expatriation Information, including the date of expatriation and the type of expatriation (former U.S. citizen or former long-term permanent resident). From other federal agencies, namely the Department of State (for former U.S. citizens) and the Department of Homeland Security (for former U.S. lawful permanent residents), we receive the TP Name, TP Address, and TP Expatriation Information, including the date of expatriation. From internal Master File searches, we secure the TP SSN/TIN, TP Date of Birth, and TP Tax Return Liability for 5 Tax Years prior to the year of expatriation.

How is the SBU/PII verified for accuracy, timeliness and completion?

Information received by external federal agencies and/or from the taxpayer are cross-checked against each other and matches are input as one record. Information from the taxpayer is verified through information received from an external federal agency and from existing IRS internal master file systems.

PRIVACY ACT AND SYSTEM OF RECORDS

The Privacy Act requires Federal agencies that maintain a system of records to publish systems of records notices (SORNs) in the Federal Register for records from which information is retrieved by any personal identifier for an individual who is a US citizen or an alien lawfully admitted for permanent residence. The Privacy Act also provides for criminal penalties for intentional noncompliance.

Does your application or this PCLIA system pertain to a group of any record from which information is retrieved by any personal identifier for an individual who is a US citizen, or an alien lawfully admitted for permanent residence? An identifier may be a symbol, voiceprint, SEID, or other personal identifier that is used to retrieve information.

Yes

Identify the Privacy Act SORN(s) that cover these records.

IRS 42.021 Compliance Programs and Projects Files

IRS 34.037 Audit Trail and Security Records

RESPONSIBLE PARTIES

Identify the individuals for the following system roles:

Official Use Only

INCOMING PII INTERFACES

Does the system receive SBU/PII from other systems or agencies?

Yes

Does the system receive SBU/PII from IRS files and databases?

Yes

Enter the files and databases:

System Name: Integrated Data Retrieval System (IDRS)

Current PCLIA: Yes

Approval Date: 8/29/2020

SA&A: Yes

ATO/IATO Date: 6/18/2020

System Name: Audit Information Management System (AIMS)
Current PCLIA: Yes
Approval Date: 10/9/2018
SA&A: Yes
ATO/IATO Date: 10/25/2019

Does the system receive SBU/PII from other federal agency or agencies?

Yes

For each federal interface, identify the organization that sends the SBU/PII, how the SBU/PII is transmitted and if there is an Inter-Agency Agreement (ISA) /Memorandum of Understanding (MOU).

Name: Department of Homeland Security-USCIS
Transmission Method: Spreadsheet via secured transmission
ISA/MOU: Yes

Name: Department of State
Transmission Method: Hard copy via manual shipment
ISA/MOU: Yes

Does the system receive SBU/PII from State or local agency (-ies)?

No

Does the system receive SBU/PII from other sources?

No

Does the system receive SBU/PII from Taxpayer forms?

Yes

Please identify the form number and name:

Form Number: 8854
Form Name: Initial and Annual Expatriation Statement

Does the system receive SBU/PII from Employee forms (e.g. the I-9)?

No

DISSEMINATION OF PII

Does this system disseminate SBU/PII?

Yes

Does this system disseminate SBU/PII to other IRS Systems?

Yes

Identify the full name and acronym of the IRS system(s) that receive SBU/PII from this system.

System Name: Advanced Research Lab PCLIA 3122 (PCLIA 5762 Renewal Pending)

Current PCLIA: Yes

Approval Date: 2/13/2018

SA&A: No

Identify the authority.

Federal tax administration is the authority. The Advanced Research Lab (ARL) gathers complete information on taxpayers, including their expatriation status. Please see the ARL PCLIA for more details.

For what purpose?

The Advanced Research Lab (ARL) matches the expatriation information with other filing information to provide examiners, as needed, with a complete file on expatriates. Please see the ARL PCLIA for more details.

Does this system disseminate SBU/PII to other Federal agencies?

No

Does this system disseminate SBU/PII to State and local agencies?

No

Does this system disseminate SBU/PII to IRS or Treasury contractors?

No

Does this system disseminate SBU/PII to other Sources?

Yes

Identify the other source(s) that receive SBU/PII from this system, and if there is an Inter-Agency Agreement (ISA) /Memorandum of Understanding (MOU).

Organization Name: Federal Register

Transmission Method: Signed hard copy and e-mail copy

ISA/MOU: No

Identify the authority.

Section 6039G of the Internal Revenue Code requires IRS to publish, on a quarterly basis, the name of the individuals who expatriated from the United States (U.S.), both former U.S. citizens (per information received from the Department of State) and former U.S. long-term permanent residents (per information received from the Department of Homeland Security and the taxpayer on Form 8854).

Identify the Routine Use in the applicable SORN (or Privacy Act exception).

Section 6039G of the Internal Revenue Code requires IRS to publish, on a quarterly basis, the name of the individuals who expatriated from the United States (U.S.), both former U.S. citizens (per information received from the Department of State) and former U.S. long-term permanent residents (per information received from the Department of Homeland Security and the taxpayer on Form 8854).

For what purpose?

Section 6039G of the Internal Revenue Code requires IRS to publish, on a quarterly basis, the name of the individuals who expatriated from the United States (U.S.), both former U.S. citizens (per information received from the Department of State) and former U.S. long-term permanent residents (per information received from the Department of Homeland Security and the taxpayer on Form 8854).

PRIVACY SENSITIVE TECHNOLOGY

Does this system use social media channels?

No

Does this system use privacy-sensitive technologies such as mobile, global position system (GPS), biometrics, RFID, etc.?

No

Does the system use cloud computing?

No

Does this system/application interact with the public?

No

INDIVIDUAL NOTICE AND CONSENT

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

Yes

How is notice provided? Was the individual notified about the authority to collect the information, whether disclosure is mandatory or voluntary, the purpose for which the information will be used, with whom the information may be shared, and the effects on the individual, if any, if they decide not to provide all or any of the requested information?

Taxpayer must complete and file the tax information return Form 8854. For information from external federal agencies, such agencies must provide information to the taxpayer notifying them the information will be shared with the IRS.

Do individuals have the opportunity to decline from providing information and/or from consenting to particular uses of the information?

No

Why not?

Tax information return required to be filed with the taxpayer's individual income tax return. External federal agencies do not allow taxpayers to have information withheld from the IRS, as IRC 6039G requires the external federal agencies to share the information with the IRS.

How does the system or business process ensure 'due process' regarding information access, correction and redress?

Taxpayers have the address to file any corrections/updates on the Instructions to the Form 8854. Also, record fields included in the Expat DB to track missing Forms 8854 and any follow-up correspondence to secure missing information from the taxpayer. The system does not replace any individual taxpayer's right to due process, as dictated by the Internal Revenue Manual guidelines. IRS policy allows individual taxpayers whose data is in the system the opportunity to clarify or dispute negative determinations through the appeals process. Publication 1 "Your Rights as a Taxpayer" explains the rights of the taxpayer, which includes the right to challenge the IRS' position and be heard; and the right to appeal an IRS decision in an independent forum.

INFORMATION PROTECTION

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

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

IRS Employees

Users: Read Write

Managers: Read Only

System Administrators: Administrator

Developers: Administrator

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

The Compliance Support, Development & Communication (CSDC) unit at the Austin Campus, an office within the LB&I Withholding Exchange and International Individual Compliance (WEIIC) Practice Area, and the Philadelphia Campus Compliance Services (PCCS) unit are responsible for inputting, updating and/or maintaining the Expat DB. Access is limited by system login Standard Employee Identifier (SEID). Access determined by the CSDC program manager and the Low Income Housing Credit (LIHC) Department Manager and the subject matter expert (SME) policy analyst. Requests to add/delete employees' access to Expat DB submitted by department manager to the administrator/SME of the system and location.

RECORDS RETENTION SCHEDULE

Are these records covered under a General Records Schedule (GRS, IRS Document 12829), or has the National Archives and Records Administration (NARA) approved a Records Control Schedule (RCS, IRS Document 12990) for the retention and destruction of official agency records stored in this system?

Yes

How long are the records required to be held under the corresponding GRS or RCS, and how are they disposed of? In your response, please provide the GRS or RCS chapter number, the specific item number, and records series title.

The Expatriate Database records are scheduled. The actual files related to the records are sent to the Federal Records Center after the statute of limitations tolls on the corresponding tax year. Some records must be maintained for 10 tax years, plus the statute of limitation period, and other records are only required to be maintained for 1 tax year, plus the statute of limitation period. Any records generated and maintained by the system will be managed according to requirements under Internal Revenue Manual (IRM) 1.15.1 and 1.15.6, and will be destroyed using IRS Records Control Schedule (RCS) 28, Item 151, and as coordinated with the IRS Records and Information Management (RIM) Program and IRS Records Officer.

SA&A OR ASCA

Has the system been through SA&A (Security Assessment and Authorization) or ASCA (Annual Security Control Assessment)?

No

Is the system secured in accordance with all applicable federal, treasury, and IRS security policy, procedures, and requirements?

Yes

Describe the system's audit trail.

Access to the Expat DB is tested on a regular basis. New employees to the CSDC unit in Austin and the LIHC unit in Philadelphia are not automatically allowed to access the system. If an existing CSDC or LIHC unit employee, or someone new to the unit, is assigned to work on the Expatriation Program, but has not been added to the list of SEIDs that can access the Expat DB, they cannot see or access the database. A request to the system administrator/SME is made whenever a user must be added or deleted from access to the Expat DB. Data integrity is checked by the unit manager and by the SME policy analyst on a periodic basis, with detailed review on a quarterly basis when the Federal Register list is due per IRC 6039G(d).

PRIVACY TESTING

Does the system require a System Test Plan?

No

Please explain why:

Expat DB already housed within tested and approved Servicewide system.

SBU DATA USE

Does this system use, or plan to use SBU Data in Testing?

No

NUMBER AND CATEGORY OF PII RECORDS

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

IRS Employees: Under 50,000

Contractors: Under 5,000

Members of the Public: 100,000 to 1,000,000

Other: No

CIVIL LIBERTIES

Does the system maintain any information describing how any individual exercises their rights guaranteed by the First Amendment?

No

Is the system information used to conduct 'data-mining' as defined in the Implementing Recommendations of the 9/11 Commission Act of 2007, Public Law 110-53, Section 804?

No

Will this system have the capability to identify, locate, and monitor individuals or groups of people?

No

Does computer matching occur?

No

ACCOUNTING OF DISCLOSURES

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