Date of Approval: **September 21, 2022**

PIA ID Number: **7261**

SYSTEM DESCRIPTION

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

Foreign Account Tax Compliance Act (FATCA), FATCA FI Registration

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?

Foreign Account Tax Compliance Act (FATCA) Foreign Financial Institution Registration System, PCLIA # 4294

What is the approval date of the most recent PCLIA?

11/8/2019

Changes that occurred to require this update:

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.

Sustaining Operations (SO) ESC

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?

Yes

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 FATCA FI Registration System (FATCA FI) is a web-based application that enables the IRS to enter into agreements with Financial Institutions in order to engage in withholding and reporting activities under the FATCA legislation. It enables FI users to securely submit the registration data and agreement forms, as well as to manage account information via an online portal. Key registration data will be published as an FI List on the public portal with search and download capability. The FATCA FI Registration System project objectives align with the IRS's goal to enforce the law to ensure everyone meets their obligation to pay taxes, specifically aligning to the objective to meet the challenges of international tax administration. The FATCA legislation enhances the Service's ability to identify and monitor US income movement in Foreign Financial Institutions (FIs), ultimately improving international tax administration efforts (IRS Strategic Plan, Goal 2, Objective 3). FI Registration provides the first step for this enhanced visibility by enabling the IRS to enter into agreements with large numbers of FIs as participating FIs (PFIs) under FATCA. The objectives also align with the IRS's goal to invest for higher performance by building and deploying advanced information technology systems, processes, and tools to improve IRS efficiency and productivity. The portal component of the FATCA FI Registration satisfies the IRS objective to increase efficiency through IT solutions (IRS Strategic Plan, Strategic Foundations, Objective 2).

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?

Employer 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
Phone Numbers
E-mail Address

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

No

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)

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.

The purpose of the system is to register Foreign Financial Institutions (FFIs) electing to comply with US FATCA legislation (part of 2010 HIRE Act). In addition, as part of the FATCA Agreement, FI's are required to periodically renew their agreement and complete a periodic certification of compliance and a one-time certification of pre-existing accounts, if applicable. Information needed to identify the Responsible Officer (RO) and Points of Contact (POC's) within the Financial Institution are required. The RO delegates authorization to the POCs including authorization for the POCs to complete Form 8957, FATCA Registration, to take other FATCA related actions, and to obtain access to the FI's tax information. The RO or authorizing official also certifies that the information submitted on the registration is accurate and complete and agrees that the Financial Institution will comply with FATCA obligations. The Personally Identifiable Information (PII) collected for the Responsible Officer and POCs of the financial institution is used to notify the FI of account status changes as well as correspond with the FI regarding FATCA issues.

The FI provides Qualified Intermediary (QI), Withholding Foreign Partnership (WP), and Withholding Foreign Trust (WT) (QI/WP/WT) Employer Identification Number (EIN) information and US Branch EIN information if applicable. This information is used to identify the FIs and ensure they are meeting their FATCA obligations.

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

The Financial Institution provides the PII regarding the RO, POCs and EINs through the FATCA Registration System. To ensure accuracy and completeness, the Registration System performs required field and format validation on the RO, POC and EIN information when submitted and saved. The FI cannot submit their registration form if the information submitted is not complete. The FI can edit the RO, POC and EIN information as needed due to changes or as necessary. The FI is responsible for keeping this information up to date. The FATCA Registration System does not make any determination pertaining to an individual's rights, benefits, and/or privileges.

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 42.017   International Enforcement Program Information Files

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?

No

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

No

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: 8957
Form Name: Foreign Account Tax Compliance Act (FATCA) Registration

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

No

DISSEMINATION OF PII

Does this system disseminate SBU/PII?

No

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?

Yes

Was an electronic risk assessment (e-RA) conducted on the system/application?

Yes

When was the e-RA completed?

1/23/2020

What was the approved level of authentication?

Level 1: Little or no confidence in the asserted identity's validity.

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?

Instructions are included on screen as to what information is required. There is also a corresponding User Guide that provides detailed information. Some fields are required, and some fields are optional. If the FI is not able to provide the required information, they cannot complete the registration process.

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

Yes

Describe the mechanism by which individuals indicate their consent choice(s):

If the FI is not able to provide the required information, they cannot complete the registration process. Optional fields are at the discretion of the FI.

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

Not applicable.

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 Write

System Administrators: Read Write

IRS Contractor Employees

Contractor Users: Read Write

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

The FATCA FFI Registration entrant will only be able to access the PII data that was input by that entity. IRS will utilize Business Entitlement Access Request System (BEARS) to determine which IRS employees need access to registration data through Employee User Portal (EUP) and reports via Business Objects to perform their job duties.

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.

National Archives and Records Administration (NARA) approved IRS's request for disposition approval for FATCA FFI Registration System recordkeeping data (Job No. DAA-0058-2013-0011, signed by the Archivist of the United States, 9/12/2013). FI registration data will be maintained for 10 years after the FI has been terminated or has withdrawn as a participating FI. All approved disposition instructions for system inputs, master file data, outputs and system documentation will be published in IRS Document 12990 under Records Control Schedule 26 for Tax Administration - International, item 50 when next updated.

SA&A OR ASCA

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

Yes

What date was it completed?

1/3/2022

Describe the system's audit trail.

The Security Audit and Analysis System (SAAS) implements a data warehousing solution that provides on-line analytical processing (OLAP) access to audit trail data to detect security violations. SAAS enables users to analyze and report on audit log data for all IRS applications. All audit trail records generated are available for review and analysis in an audit trails collection tool by authorized users. Most application audit trails are transmitted directly to SAAS via the Application Messaging and Data Access Service (AMDAS) Messaging Application Program Interface (API). Other application audit trails not transmitted via AMDAS, are sent in Extensible Markup Language (XML) formatted files via Electronic File Transfer Utility (EFTU) and loaded daily. SAAS collects, stores, and reports audit trail data for the investigation of potential instances of unauthorized access violations against IRS computer systems. The audit trail consists of a standardized record and is flexible to capture all events of audit interest. SAAS can be accessed only through the IRS Intranet.

PRIVACY TESTING

Does the system require a System Test Plan?

Yes

Is the test plan completed?

Yes

Where are the test results stored (or documentation that validation has occurred confirming that requirements have been met)?

The System Test Plan (STP) is available to all FATCA stakeholders, and the final approved version is stored in the DocIT repository at the following link: http://docit.web.irs.gov/docit/drl/objectId/0b00756280677399

Were all the Privacy Requirements successfully tested?

Yes

Are there any residual system privacy, civil liberties, and/or security risks identified that need to be resolved?

No

Describe what testing and validation activities have been conducted or are in progress to verify and validate that the applicable Privacy Requirements (listed in header) have been met?

Testing of applicable Privacy Requirements are conducted as part of the security testing performed by Cybersecurity. Security testing covers evaluation of all internal and external security and privacy functionality within the IRS production environment including vulnerability, penetration, and functional testing. Consists of activities designed to determine whether the system's security safeguards are in place and functioning.

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: Not Applicable

Contractors: Not Applicable

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