

Date of Approval: **June 21, 2023**

PIA ID Number: **7849**

## **SYSTEM DESCRIPTION**

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

Forms Based Processing, FBP

*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?*

Taxpayer First Act 2201 Income Verification Express, TFA 2201 IVES, PIA 6204

*What is the approval date of the most recent PCLIA?*

8/10/2021

*Changes that occurred to require this update:*

*Were there other system changes not listed above?*

Yes

*What were those changes?*

FBP is being modified to add the ability to allow Business transcripts via the Application to Application (A2A) and Web User Interface (WebUI) channels to support Web Applications Enterprise Services Business Portal (WABP). Current solution only supports IMF Transcript requests. The modifications require minor updates to the FBP system. As part of Security Change Management (SecChM) Level of Assessment (LOA) activities, need to update Security artifacts (i.e., PCLIA, BIA, ISCP, SSP, etc.) as a result of the system changes. The modifications being made do not impact current privacy information being collected. Only minor updates to the PLCIA have been identified for the following sections: System Description, ELC Milestones, General Business Purpose, Individual Notice and Consent, Information Protection Tables, and Security Assessment and Authorization (SA&A) or Annual Security Control Assessment (ASCA).

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

WebApps Governance Board

*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 Forms Based Processing (FBP) system is a private, cloud-based application that is hosted within AWS GovCloud which supports three channels to handle the electronic Income Verification Express Service requests and delivery processing for the participants. The role of FBP is to handle document submission, forwarding product requests to the Transcript Delivery System (TDS) and providing products and requests status to the Electronic File Storage (EFS) and other digital channels. The Forms Based Processing system helps the IRS meet the Taxpayer First Act (TFA) Section 2201 mandate by providing a timely and modernized process, improving processing time, aligning with IRS modernization goals, and establishing a secured and scalable solution using online-based services. Specifically, a fully automated internet-based channel to deliver taxpayer transcripts, wage statements, and account information. As required by the TFA 2201 Provision-IVES modernization ensures that any disclosure of tax information for third party income verification is fully automated and accomplished through the Internet in as close to real-time as practicable. This is an improvement over the fax submission process and multiple day turn-around timeframes by providing as near-real-time information as practicable to the taxpayer. The information used in IVES FBP supports the following channels that handle the electronic IVES requests and delivery processing for the IVES Participants and/or business users. These channels are: 1. Application -to-Application (A2A): A new API solution that is expected to be used by most Participants to accomplish internet-based automated intake and delivery/response activities. This channel allows use of a Web API that can be utilized by developers external to IRS. 2. Web User Interface (WebUI): A new web-based solution that provides the ability to make an income verification request. The WebUI is used by IVES participant organizations who do not have the resources to develop a system interface to the A2A channel. The product requests that FBP supports and facilitates action of are performed with the Application-to-Application (A2A) and the Web User Interface (WebUI), which supports the following functions: Requests Intake and Submission Request Validation Request Processing Notifications of Requests Status and Actions Required to Taxpayers and Participants Provide for Manual Intervention of Requests Note: FBP has a Production Support Environment, for early production release that will enable

external API Channel consumers (i.e., IVES Participants) to begin the process of developing applications that can interact with the API Channel in a validation-only mode (no live production, no real taxpayer PII, and no communication with any other IRS System). This Alternate environment will look, in all aspects of the FBP Web Interface (i.e., authentication mechanisms, request routing, and incoming data validations) similar to the API Channel, however, this implementation will not connect to any other IRS system, will not store submitted data, will not process Taxpayer PII, and will only return stub/canned data from queries.

## **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:*

Interfaces with external entities that require the SSN

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

The Forms Based Processing system requires the use of SSN's because no other identifier can be used to uniquely identify a taxpayer at this time. The use of SSNs is permissible from Internal Revenue Code (IRC) 6109, which requires individual taxpayers to include their SSNs on their income tax returns. FBP requires the use of an SSN for the transcript disclosure of tax information for third party income verification.

*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. The FBP system

requires the use of SSN's because no other identifier can be used to uniquely identify a taxpayer, however, both individual and business transcript information is masked. Masked is the default method of delivery.

Employer Identification Number

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  
Phone Numbers  
Internet Protocol Address (IP Address)  
Employment Information  
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:*

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.

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

Yes

*Describe the other types of SBU/PII that are applicable to this system.*

Transaction Identifier: Unique identifier for the request that is used to request/retrieve transcript (Collected and Disclosed)

*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.*

The Forms Based Processing system requires the use of an SSN to process requests, "Disclosures for third-party income verification" to disclose tax information in the form of transcripts to the third party (i.e., Mortgage lenders). The Internal Revenue Service serves an important role in the lending process by providing tax transcript information, for millions of taxpayers and the residential mortgage industry. The Internal Revenue Service ("IRS"), by providing tax transcript information, serves an important role in the lending process. The mortgage industry provides standards of what lenders are to use when obtaining taxpayer consent to share tax information. Handling of PII is protected using standard security mechanisms and any access point to data containing PII requires authentication and role-based authorization. PII is limited to collecting and storing minimal PII from taxpayer records solely for audit and other authorized purposes.

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

Accuracy: Business rules such as Taxpayer Identification Number (TIN) Match and address verification are jointly used to verify the accuracy of the PII data. IVES performs the validation of these business rules against the input data provided by the Participant before generating the transcripts for the accuracy of the PII data. Timeliness: IVES generates the transcript and provides the capability for the Participant to retrieve the transcript in close to real time, after the Taxpayer provides consent. The Participant will have the capability to retrieve the transcript multiple times within a 120-day period. Completeness: IVES verifies the availability of the Taxpayer data and data for Responsible Parties acting on behalf of a business for the requested years/periods and provides the transcript information if available. If the Taxpayer/Business taxpayer is not available for the years/period requested, "No Data Found" will be sent to the Taxpayer. The Business taxpayer will also have functionality to edit certain fields associated with their TIN, such as address, and post those values back to Form Based Process (FBP) via Application Programming interface (API) for accuracy.

## 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 24.030 Customer Account Data Engine Individual Master File

IRS 24.046 Customer Account Data Engine Business Master File

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: Transcript Delivery System (TDS)

Current PCLIA: Yes

Approval Date: 11/16/2021

SA&A: Yes

ATO/IATO Date: 2/21/2021

*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: Form 4506-C Forms and TDS Transcripts

Form Name: Request for Transcript of Tax Return

*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: Web Application Enterprise Services (WAES)

Current PCLIA: Yes

Approval Date: 12/3/2021

SA&A: Yes

ATO/IATO Date: 12/12/2022

System Name: Income Verification Express Services (IVES)

Current PCLIA: Yes

Approval Date: 12/12/2022

SA&A: No

System Name: Web Application Enterprise Services Business Portal (WABP)  
Current PCLIA: Yes  
Approval Date: 12/12/2022  
SA&A: No

System Name: Transcript Delivery System (TDS)  
Current PCLIA: Yes  
Approval Date: 8/7/2019  
SA&A: Yes  
ATO/IATO Date: 5/14/2021

*Identify the authority.*

The SBU/PII is disseminated under IRC 6103. IRS/Treasury SORN 024.030 and 24.046 - IRC 6103(c), Disclosure of Returns and Return Information to the Designee of the Taxpayer, and IRC 6103(e), Disclosure to Persons having Material Interest, authorize release of information covered in these procedures.

*For what purpose?*

To comply with the Taxpayer First Act Section 2201, ensure that any qualified disclosure: (1) is fully automated and accomplished through the internet, (2) is accomplished in as close to real-time as is practicable, and (3) complies with applicable security standards and guidelines.

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

No

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

Yes

*Identify the full names of the state and local agency(s) that receive SBU/PII from this system, and if there is an Inter-Agency Agreement (ISA) /Memorandum of Understanding (MOU).*

Organization Name: All States  
Transmission Method: Electronic Files  
ISA/MOU: No

*Identify the authority.*

The IVES PII information is disseminated to State and local agencies under tax authority IRC 6103(d).



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

As indicated above in the #9 response, SORN 24.030, the routine use is as follows:  
Disclosure of returns and return information may be made only as provided by 26 U.S.C. 6103.

*For what purpose?*

As indicated above in the #9 response, SORN 24.030, the purpose is as follows: To maintain records of tax returns, return transactions, and authorized taxpayer representatives.

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

No

*Does this system disseminate SBU/PII to other Sources?*

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.?*

Yes

*Briefly explain how the system uses the referenced technology.*

Internet Protocol version 6 helps people to connect to the Internet by significantly increasing the number of IP addresses -the numeric identifiers that computers use to identify a website, computer, or mobile device - that can be assigned.

*Does the system use cloud computing?*

Yes

*Is the cloud service provider (CSP) Federal Risk and Authorization Management Program (FedRAMP) certified?*

Yes

*Date Certified.*

6/21/2016

*Please identify the ownership of the CSP data.*

IRS

*Does the CSP allow auditing?*

Yes

*Who audits the CSP Data?*

IRS

*What is the background check level required for CSP?*

Moderate

*Is there a breach/incident plan on file?*

No

*When will Breach/Incident plan be available?*

10/1/2021

*Privacy laws (including access and ownership) can differ in other countries. This cloud will be Continental US (CONUS) only for:*

Storage  
Transmission  
Maintenance

*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?*

3/1/2021

*What was the approved level of authentication?*

Level 3: High 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?*

For FBP, The Taxpayer (i.e., Individual or Business) is notified by the mortgage banker via email, mail, or phone that there is a pending request for the release of their tax information. The IRS notifies all individuals who file tax returns of such collection via the Privacy Act Notice which provides the legal right to ask for information under Internal Revenue Code sections 6001, 6011, and 6012(a), and their regulations. Under these sections, response is mandatory. Code section 6109 requires the individual provide an identifying number.

*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):*

For individual Taxpayers, the IVES system will provide the capability via Taxpayer's online account (OLA) to either provide consent or decline the release of requested information. For Business Taxpayers or users acting on behalf of a business, the IVES system will provide the capability to decline the release of requested information via the Web Applications Enterprise Service (WAES) Business Portal (WABP).

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

The FBP system does not replace any individual taxpayer's right to due process, as dictated by the Internal Revenue Manual guidelines or Title 26 United States Code (USC). IRS policy allows individual taxpayers whose data is in the system the opportunity to clarify or dispute negative determinations through the appeals process. With the nature of this system, individuals or business taxpayers have the ability to approve or reject the release of their transcripts to their third parties.

## 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*

System Administrators: Administrator

Developers: Administrator

*IRS Contractor Employees*

Contractor System Administrators: Administrator

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

Access to the Forms Based Processing System is requested via Business Entitlement Access Request System (BEARS). Data access is granted on a need-to-know basis. BEARS enrollment process requires that an authorized manager approve access requests on a case-by-case basis. Access approval is based on the Users role(s) and responsibilities (as applicable). Users are given the minimum set of privileges required to perform their regular and recurring work assignments; they are restricted from changing the boundaries of their access without management approval.

## 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.*

A control log is maintained containing the media label ID, date and method of destruction, and the signature of the person who destroyed the media. 1040X master data file and associated records will be disposed of in accordance with Records Control Schedule (RCS)

29 for Tax Administration- Wage & Investment, Item 55-56. Recordkeeping copies of system data will be destroyed on or after January 16, 6 years after the end of the processing year (Job No. N1-58-95-1).

## **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?*

12/8/2022

*Describe the system's audit trail.*

Forms Base Processing uses eServices capability to capture audit data and forward the data to an Enterprise Logging System -- Security Audit and Analysis System (SAAS). Forms Base Processing sits on the eService IEP infrastructure, including servers and database. Auditing on these machines is outside the scope of the application and falls under Enterprise Operations. FBP is accessed through the IRS System Authentication services. Auditing on these machines is also outside the scope of the application and falls under IRS Infrastructure. eServices do not store audit data; instead, audit records are created in memory and sent to SAAS as "forward and forget." There is no ability to access the audit information from the application or from the server on which the application runs.

## **PRIVACY TESTING**

*Does the system require a System Test Plan?*

Yes

*Is the test plan completed?*

No

*When is the test plan scheduled for completion?*

5/18/2022

*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?*

FBP complies with the requirements of IRM 10.8.1.3.4.6 in regards to developer security testing. This means that a work request (WR) or change request (CR) must be in place before a piece of code can be associated with it. Once development is completed the code is then

checked back in for testing. There is a team staffed to accomplish independent testing before the code is promoted to production. A final review is accomplished by an in-house staff leader. TFA-IVES WR/CR tickets can be Knowledge Incident/Problem Service Asset Management tickets related to production issues; they can be issues discovered during testing; or they can be user change requests.

## **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: More than 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?*

Yes

*Does the system have a process in place to account for such disclosures in compliance with IRC §6103(p) (3) (A) or Subsection (c) of the Privacy Act? Contact Disclosure to determine if an accounting is required.*

Yes