

Date of Approval: March 9, 2017

PIA ID Number: 2144

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## A. SYSTEM DESCRIPTION

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1. Enter the full name and acronym for the system, project, application and/or database. Information Returns Processing, IRP

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.

Information Returns Processing, IRP, PIA #713, MS4b

Next, enter the **date** of the most recent PIA. 3/12/2014

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

<u>No</u>	Addition of PII
<u>No</u>	Conversions
<u>No</u>	Anonymous to Non-Anonymous
<u>No</u>	Significant System Management Changes
<u>No</u>	Significant Merging with Another System
<u>No</u>	New Access by IRS employees or Members of the Public
<u>No</u>	Addition of Commercial Data / Sources
<u>No</u>	New Interagency Use
<u>No</u>	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)

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

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

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### A.1 General Business Purpose

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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 Information Returns Processing (IRP) application is a compilation of batch programs with no direct user interface. The IRP System receives data submitted by employers and other third parties (payers) reporting taxpayer income such as wages, pensions, interest and dividends paid during the tax year. This information is validated and stored in the Information Return Master File (IRMF). The information about the payer is stored in the Payer Master File (PMF). IRP provides information technology support to complementary compliance functions allowing the Internal Revenue Service (IRS) to effectively administer the U.S. tax system. Data is sent to the IRP system via a variety of pipeline processes. IRP then attempts to validate all data received, but regardless of the outcome, all data received will be stored on one of several data stores that IRP controls. IRP is comprised of eleven sub functions, as follows: Information Return Master File; IRP Non-filer; Information Returns Document Match Data Assimilation; Underreporter; IRP Underreporter Backup Withholding; Information Returns Processing Input Processing IRP Validation and Perfection; Information Returns Master File Research Automated Magnetic Media Processing System; Social Security Administration (SSA)-Railroad Retirement Board 1099; Information Returns Transcripts File On Line; Levy Processing STATE-LEVY; and Information Returns Master File Research Automated Extensions (AWAX - EAWPMF).

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**B. PII DETAIL**

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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)
No	Taxpayer Identification Number for Pending U.S. Adoptions (ATIN)
No	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).

There is no planned mitigation strategy to mitigate or eliminate the use of the SSN on the system.

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
No	SEID	No	No	No
No	Mother's Maiden Name	No	No	No
No	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
No	Tax Account Information	No	No	No

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? No

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
No	SSN for personnel administration (IRS Employees) is 5 USC & Executive Order 9397
No	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 this criteria. Be specific.

The IRP System receives data submitted by employers and other third parties (payers) reporting taxpayer income such as wages, pensions, interest and dividends paid during the tax year. The name, SSN, TIN, Date of Birth, and address are required to identify the recipient of the income. The amount of income is required for various document matching compliance programs (non-filing and under reporting). IRP provides information technology support to complementary compliance functions allowing the Internal Revenue Service (IRS) to effectively administer the U.S. tax system.

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

Validation of SSA data is a joint effort between the SSA and IRS. IRS monitors the payer and payee compliance required to report income for accuracy, timeliness and completeness.

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**C. PRIVACY ACT AND SYSTEM OF RECORDS**

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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>
Treasury/IRS 22 061	Information Returns Master File
Treasury/IRS 24 030	CADE Individual Master File
Treasury/IRS 34 037	IRS Audit Trail and Security Records
Treas/IRS 24.046	CADE Business Master File

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

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**D. RESPONSIBLE PARTIES**

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

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**E. INCOMING PII INTERFACES**

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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 PIA?</u>	<u>PIA Approval Date</u>	<u>SA &amp; A?</u>	<u>Authorization Date</u>
Generalized Mainline Framework	Yes	12/23/2014	Yes	09/22/2011
Automated Underreporter	Yes	06/06/2016	Yes	10/01/2014

Business Master File Case Creation Nonfiler Identification Process	Yes	05/29/2015	Yes	08/27/2015
Integrated Production Model	Yes	03/30/2016	Yes	06/03/2014
Integrated Data Retrieval System	Yes	07/18/2014	Yes	12/09/2016
Filing Information Returns Electronically	Yes	12/10/2014	Yes	11/24/2014
Payer Master File	Yes	03/12/2014	Yes	12/04/2015
Individual Master File	Yes	03/16/2017	Yes	11/14/2016
Business Master File	Yes	04/24/2015	Yes	05/04/2015

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

If **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).

<u>Organization Name</u>	<u>Transmission method</u>	<u>ISA/MOU</u>
Social Security Administration	Secure Data Transfer	Yes
Financial Crimes and Enforcement Network (FinCEN)	Secure Data Transfer	Yes
Railroad Retirement Board	Secure Data Transfer	Yes
United States Department of State	Secure Data Transfer	Yes

11c. Does the system receive SBU/PII from State or local agency (-ies)? Yes

If **yes**, for each state and local 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).

<u>Organization Name</u>	<u>Transmission method</u>	<u>ISA/MOU</u>
Alabama Department of Revenue	Secure Data Transfer	Yes
Arkansas Department of Finance and Administration	Secure Data Transfer	Yes
Arizona Department of Revenue	Secure Data Transfer	Yes
GA Dept of Revenue	Secure Data Transfer	Yes
Hawaii Department of Taxation	Secure Data Transfer	Yes
Iowa Department of Revenue	Secure Data Transfer	Yes
Idaho State Tax Commission	Secure Data Transfer	Yes
Illinois Department of Revenue	Secure Data Transfer	Yes
Indiana Department of Revenue	Secure Data Transfer	Yes
Kansas Department of Revenue	Secure Data Transfer	Yes
Minnesota Revenue	Secure Data Transfer	Yes
Missouri Department of Revenue	Secure Data Transfer	Yes
Mississippi Department of Revenue	Secure Data Transfer	Yes
Montana Department of Revenue	Secure Data Transfer	Yes
North Carolina Department of Revenue	Secure Data Transfer	Yes
North Dakota Tax Commissioner	Secure Data Transfer	Yes
Nebraska Department of Revenue	Secure Data Transfer	Yes
New Hampshire Department of Revenue Administration	Secure Data Transfer	Yes
New Jersey Division of Taxation	Secure Data Transfer	Yes
New Mexico Taxation & Revenue	Secure Data Transfer	Yes
Nevada Department of Taxation	Secure Data Transfer	Yes
New York Department of Taxation and Finance	Secure Data Transfer	Yes
Ohio Department of Taxation	Secure Data Transfer	Yes

Oklahoma Tax Commission	Secure Data Transfer	Yes
Oregon Department of Revenue	Secure Data Transfer	Yes
California Franchise Tax Board	Secure Data Transfer	Yes
California Board of Equalization	Secure Data Transfer	Yes
California Employment Development Dept	Secure Data Transfer	Yes
Colorado Department of Revenue	Secure Data Transfer	Yes
Connecticut Department of Revenue Service	Secure Data Transfer	Yes
District of Columbia Office of Tax and Revenue	Secure Data Transfer	Yes
Delaware Division of Revenue	Secure Data Transfer	Yes
Florida Department of Revenue	Secure Data Transfer	Yes
Kentucky Department of Revenue	Secure Data Transfer	Yes
Louisiana Department of Revenue	Secure Data Transfer	Yes
Massachusetts Department of Revenue	Secure Data Transfer	Yes
Comptroller of Maryland	Secure Data Transfer	Yes
Maryland Department of Assessments & Taxation	Secure Data Transfer	Yes
Maine Revenue Services	Secure Data Transfer	Yes
Michigan Department of Treasury	Secure Data Transfer	Yes
Pennsylvania Department of Revenue	Secure Data Transfer	Yes
Puerto Rico Department OF Treasury	Secure Data Transfer	Yes
Rhode Island Division of Taxation	Secure Data Transfer	Yes
South Carolina Department of Revenue	Secure Data Transfer	Yes
South Dakota Dept of Revenue	Secure Data Transfer	Yes
Tennessee Dept of Revenue	Secure Data Transfer	Yes
Texas Comptroller of Public Accounts	Secure Data Transfer	Yes
Utah State Tax Commission	Secure Data Transfer	Yes
VA Department of Taxation	Secure Data Transfer	Yes
Vermont Department of Taxes	Secure Data Transfer	Yes
Washington Dept. of Revenue	Secure Data Transfer	Yes
Wisconsin Department of Revenue	Secure Data Transfer	Yes
West Virginia State Tax Department	Secure Data Transfer	Yes
Alaska Department of Revenue	Secure Data Transfer	Yes

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>
1040	Individual Income Tax Return
1042-S	Foreign Person's U.S. Source Income Subject to Withholding
1099-K	Payment Card and Third Party Network Transactions
3921	Exercise of an Incentive Stock Option Under Section 422(b)
3922	Transfer of Stock Acquired Through an Employee Stock Purchase Plan Under Section 423(c)
5498-SA	HSA, Archer MSA, or Medicare Advantage MSA Information
5498	IRA Contribution Information
W-2G	Certain Gambling Winnings
1099-Q	Payments From Qualified Education Programs (Under Section 529 and 530)
8288-A	Statement of Withholding on Dispositions by Foreign Persons of U.S. Real Property Interests

8935	Airline Payments Report
8805	Foreign Partner's Information Statement of Section 1446 Withholding Tax
1097-BTC	Bond Tax Credit
8596	Information Return for Federal Contracts
1065 Schedule K-1	Partner's Share of Income, Deductions, Credits, etc.
1041 Schedule K-1	Beneficiary's Share of Income, Deductions, Credits, etc.
1120-S Schedule K-1	Shareholder's Share of Income, Credits, Deduction, etc.
1099-H	Health Coverage Tax Credit (HCTC) Advance Payments
5498-ESA	Coverdell ESA Contribution Information
1099-CAP	Changes in Corporate Control and Capital Structure
1098-Q	Qualifying Longevity Annuity Contract (QLAC) Information
1099-S	Proceeds From Real Estate Transactions
1098-C	Contributions of Motor Vehicles, Boats, and Airplanes
1099-B	Proceeds From Broker and Barter Exchange Transactions
1099-A	Acquisition or Abandonment of Secured Property
1098	Mortgage Interest Statement
1098-T	Tuition Statement
1098-E	Student Loan Interest Statement
1099-C	Cancellation of Debt
1099-G	Certain Government Payments
1099-DIV	Dividends and Distributions
1099-INT	Interest Income
1099-LTC	Long-Term Care and Accelerated Death Benefits
1099-SA	Distributions from an HSA, Archer MSA, or Medicare Advantage MSA
1099-MISC	Miscellaneous Income
1099-OID	Original Issue Discount
1099-PATR	Taxable Distributions Received From Cooperatives
1099-R	Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, Cat. No. 14436Q Present
W-2	Wage and Tax Statement

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

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**F. PII SENT TO EXTERNAL ORGANIZATIONS**

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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 &amp; A?</u>	<u>Authorization Date</u>
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Electronic Fraud Detection System	Yes	01/16/2015	No	
Taxpayer Information File (Under IDRS)	Yes	07/18/2014	Yes	12/09/2016
Federal Payment Levy Program	Yes	02/22/2017	No	12/09/2016
Security Audit and Analysis	Yes	07/14/2015	Yes	06/18/2015
Transcript Delivery System (Under E-Services)	Yes	11/03/2015	No	06/18/2015
Federal Employee/Retiree Delinquency Initiative	No	11/03/2015	No	06/18/2015
National Research Program	Yes	01/15/2014	Yes	03/06/2014
Taxpayer Delinquent Account (Under IDRS)	Yes	07/18/2014	Yes	12/09/2016
Automated Underreporter	Yes	06/06/2016	Yes	10/01/2014
Payer Master File	Yes	03/12/2014	Yes	12/04/2015
Integrated Data Retrieval System	Yes	07/18/2014	Yes	12/09/2016
Business Master File Case Creation Nonfiler Identification Process	Yes	05/29/2015	Yes	08/27/2015
Integrated Production Model	Yes	03/30/2016	Yes	06/03/2014
Return Review Processing	Yes	01/23/2015	No	06/03/2014
Statistics of Income	Yes	03/07/2014	No	06/03/2014
Standard CFOL Access Protocol	Yes	05/20/2016	No	06/03/2014
Standard CFOL Overnight Protocol	Yes	09/19/2016	No	06/03/2014
Compliance Data Warehouse	Yes	03/18/2016	No	06/03/2014

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. SSNs are permissible from Internal Revenue Code (IRC) 6109, which requires individual taxpayers to include their SSNs on their income tax returns.

12b . Does this system disseminate SBU/PII to other Federal agencies? Yes

If **yes** identify the full names of the federal agency(s) that receive SBU/PII from this system, and if there is an Inter-Agency Agreement (ISA) / Memorandum of Understanding (MOU)

<u>Organization Name</u>	<u>Transmission method</u>	<u>ISA/MOU</u>
Census Bureau	Secure Data Transfer	Yes
Department of Veterans Affairs	Secure Data Transfer	Yes
Treasury Inspector General for Tax Administration	Secure Data Transfer	Yes
Social Security Administration	Secure Data Transfer	Yes

Identify the authority and for what purpose? The authority to release information is IRC 6103, for the purpose as defined in the respective MOU/ISA.

12c. Does this system disseminate SBU/PII to State and local agencies? Yes

If **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).

<u>Organization Name</u>	<u>Transmission method</u>	<u>ISA/MOU</u>
New Jersey Department of Labor	Secure Data Transfer	Yes
New Jersey Division of Taxation	Secure Data Transfer	Yes
Ohio Department of Taxation	Secure Data Transfer	Yes
Ohio Regional Income Tax Agency	Secure Data Transfer	Yes
Oklahoma Department of Human Services	Secure Data Transfer	Yes



Oklahoma Employment Security Commission	Secure Data Transfer	Yes
Oklahoma Tax Commission	Secure Data Transfer	Yes
Oregon Department of Human Resources	Secure Data Transfer	Yes
Oregon Department of Revenue	Secure Data Transfer	Yes
Oregon Employment Department	Secure Data Transfer	Yes
Pennsylvania Department of Labor & Industry	Secure Data Transfer	Yes
Pennsylvania Department of Public Welfare	Secure Data Transfer	Yes
Pennsylvania Department of Revenue	Secure Data Transfer	Yes
Philadelphia Department of Revenue	Secure Data Transfer	Yes
Puerto Rico Department of the Family	Secure Data Transfer	Yes
Puerto Rico Department of Treasury	Secure Data Transfer	Yes
Rhode Island Dept. of Human Services	Secure Data Transfer	Yes
Rhode Island Division of Taxation	Secure Data Transfer	Yes
Utah Department of Workforce Services	Secure Data Transfer	Yes
Utah Division of Health	Secure Data Transfer	Yes
Utah State Tax Commission	Secure Data Transfer	Yes
Vermont Department for Children & Family	Secure Data Transfer	Yes
Vermont Department of Labor	Secure Data Transfer	Yes
Vermont Department of Taxes	Secure Data Transfer	Yes
Virgin Islands Department of Revenue	Secure Data Transfer	Yes
Virginia Department of Social Services	Secure Data Transfer	Yes
Virginia Department of Taxation	Secure Data Transfer	Yes
Virginia Employment Commission	Secure Data Transfer	Yes
Washington Department of Labor & Industries	Secure Data Transfer	Yes
Washington Department of Revenue	Secure Data Transfer	Yes
New Hampshire Department of Revenue Administration	Secure Data Transfer	Yes
Nebraska Department of Health & Human Services System	Secure Data Transfer	Yes
Nebraska Department of Labor	Secure Data Transfer	Yes
Nebraska Department of Revenue	Secure Data Transfer	Yes
Nevada Department of Employment, Training and Rehabilitation	Secure Data Transfer	Yes
Nevada Department of Human Services	Secure Data Transfer	Yes
Nevada Department of Taxation	Secure Data Transfer	Yes
New Hampshire Department of Health and Human Services	Secure Data Transfer	Yes
Montana Department of Revenue	Secure Data Transfer	Yes
New Hampshire Employment Security	Secure Data Transfer	Yes
New Jersey Department of Human Services	Secure Data Transfer	Yes
New Mexico Department of Workforce Solutions	Secure Data Transfer	Yes
New Mexico Human Services Department	Secure Data Transfer	Yes
New Mexico Taxation & Revenue Department	Secure Data Transfer	Yes
New York City Department of Finance	Secure Data Transfer	Yes
New York Department of Taxation and Finance	Secure Data Transfer	Yes
New York Office of Temporary & Disability Assistance	Secure Data Transfer	Yes
New York State Department of Labor	Secure Data Transfer	Yes
North Carolina Department of Health & Human Services	Secure Data Transfer	Yes
North Carolina Department of Revenue	Secure Data Transfer	Yes
North Carolina Division of Employment Security	Secure Data Transfer	Yes
North Dakota Department of Human Services	Secure Data Transfer	Yes
North Dakota Job Service	Secure Data Transfer	Yes
North Dakota Tax Commissioner	Secure Data Transfer	Yes
Ohio Central Collection Agency	Secure Data Transfer	Yes
Ohio Department of Job & Family Services	Secure Data Transfer	Yes

South Carolina Department of Employment & Workforce	Secure Data Transfer	Yes
South Carolina Department of Revenue	Secure Data Transfer	Yes
South Carolina Department of Social Services	Secure Data Transfer	Yes
South Dakota Department of Labor	Secure Data Transfer	Yes
South Dakota Department of Revenue	Secure Data Transfer	Yes
South Dakota Department of Social Services	Secure Data Transfer	Yes
St. Louis Collector of Revenue	Secure Data Transfer	Yes
Tennessee Department of Human Services	Secure Data Transfer	Yes
Tennessee Department of Labor	Secure Data Transfer	Yes
Tennessee Department of Revenue	Secure Data Transfer	Yes
Texas Comptroller of Public Accounts	Secure Data Transfer	Yes
Texas Health & Human Services Commission	Secure Data Transfer	Yes
Washington Department of Social/Health Services	Secure Data Transfer	Yes
Washington Employment Security Department	Secure Data Transfer	Yes
West Virginia Department of Health and Human Services	Secure Data Transfer	Yes
West Virginia State Tax Department	Secure Data Transfer	Yes
Wisconsin Department of Children and Families	Secure Data Transfer	Yes
Wisconsin Department of Health Services	Secure Data Transfer	Yes
Wisconsin Department of Revenue	Secure Data Transfer	Yes
Wisconsin Department of Workforce Development	Secure Data Transfer	Yes
Workforce West Virginia	Secure Data Transfer	Yes
Wyoming Department of Family Services	Secure Data Transfer	Yes
Alabama Department of Human Resources	Secure Data Transfer	Yes
Alabama Department of Labor	Secure Data Transfer	Yes
Alabama Department of Revenue	Secure Data Transfer	Yes
Alabama Medicaid Agency	Secure Data Transfer	Yes
Alaska Department of Health/Social Services	Secure Data Transfer	Yes
Alaska Department of Revenue	Secure Data Transfer	Yes
Arizona Department of Economic Security / Employer Engagement Administration	Secure Data Transfer	Yes
Arizona Department of Revenue	Secure Data Transfer	Yes
Arizona Health Care Cost Containment System	Secure Data Transfer	Yes
Arkansas Department of Finance and Administration	Secure Data Transfer	Yes
Arkansas Department of Human Services	Secure Data Transfer	Yes
California Board of Equalization	Secure Data Transfer	Yes
California Department of Social Services	Secure Data Transfer	Yes
California Employment Development Department	Secure Data Transfer	Yes
California Franchise Tax Board	Secure Data Transfer	Yes
City of Cincinnati	Secure Data Transfer	Yes
City of Columbus	Secure Data Transfer	Yes
City of Kansas City Missouri	Secure Data Transfer	Yes
City of Philadelphia Dept. of Revenue	Secure Data Transfer	Yes
City of Portland Revenue Division	Secure Data Transfer	Yes
City of Toledo	Secure Data Transfer	Yes
Colorado Department of Human Services	Secure Data Transfer	Yes
Colorado Department of Labor and Employment	Secure Data Transfer	Yes
Colorado Department of Revenue	Secure Data Transfer	Yes
Comptroller of Maryland	Secure Data Transfer	Yes
Connecticut Department of Revenue Service	Secure Data Transfer	Yes
Connecticut Department of Social Services	Secure Data Transfer	Yes
Delaware Department of Health and Social Services	Secure Data Transfer	Yes

Delaware Division of Revenue	Secure Data Transfer	Yes
Delaware Division of Unemployment Insurance	Secure Data Transfer	Yes
Detroit Finance Department	Secure Data Transfer	Yes
District of Columbia Department of Employment Services	Secure Data Transfer	Yes
District of Columbia Department of Human Services	Secure Data Transfer	Yes
District of Columbia Office of Tax and Revenue	Secure Data Transfer	Yes
Florida Department of Children & Families	Secure Data Transfer	Yes
Florida Department of Revenue	Secure Data Transfer	Yes
Georgia Department of Human Resources	Secure Data Transfer	Yes
Georgia Department of Labor	Secure Data Transfer	Yes
Georgia Department of Revenue	Secure Data Transfer	Yes
Hawaii Department of Human Services	Secure Data Transfer	Yes
Hawaii Department of Labor & Industrial Relations, Unemployment Insurance	Secure Data Transfer	Yes
Hawaii Department of Taxation	Secure Data Transfer	Yes
Idaho Department of Health and Welfare	Secure Data Transfer	Yes
Idaho Department of Labor	Secure Data Transfer	Yes
Idaho State Tax Commission	Secure Data Transfer	Yes
Illinois Attorney General	Secure Data Transfer	Yes
Illinois Department of Employment	Secure Data Transfer	Yes
Illinois Department of Employment Security	Secure Data Transfer	Yes
Illinois Department of Human Services	Secure Data Transfer	Yes
Illinois Department of Revenue	Secure Data Transfer	Yes
Indiana Department of Revenue	Secure Data Transfer	Yes
Indiana Department of Workforce Development	Secure Data Transfer	Yes
Indiana Family & Social Services Administration	Secure Data Transfer	Yes
Iowa Department of Human Services	Secure Data Transfer	Yes
Iowa Department of Revenue	Secure Data Transfer	Yes
Iowa Workforce Development	Secure Data Transfer	Yes
Kansas Department of Revenue	Secure Data Transfer	Yes
Kansas Department of Social/Rehabilitation Services	Secure Data Transfer	Yes
Kentucky Cabinet for Health and Family Services	Secure Data Transfer	Yes
Kentucky Department of Revenue	Secure Data Transfer	Yes
Kentucky Division of Unemployment Insurance	Secure Data Transfer	Yes
Lexington-Fayette Urban County	Secure Data Transfer	Yes
Louisiana Department of Health & Hospitals	Secure Data Transfer	Yes
Louisiana Department of Revenue	Secure Data Transfer	Yes
Louisiana Department of Social Services	Secure Data Transfer	Yes
Louisiana Workforce Commission	Secure Data Transfer	Yes
Louisville Metro Revenue Commission	Secure Data Transfer	Yes
Maine Department of Health & Human Services	Secure Data Transfer	Yes
Maine Department of Labor	Secure Data Transfer	Yes
Maine Revenue Services	Secure Data Transfer	Yes
Maryland Department of Assessments & Taxation	Secure Data Transfer	Yes
Maryland Department of Labor, Licensing & Regulation	Secure Data Transfer	Yes
Maryland Department of Human Resources	Secure Data Transfer	Yes
Massachusetts Department of Revenue	Secure Data Transfer	Yes
Massachusetts Division of Medical Assistance	Secure Data Transfer	Yes
Massachusetts Division of Unemployment	Secure Data Transfer	Yes
Michigan Department of Human Services	Secure Data Transfer	Yes
Michigan Department of Treasury	Secure Data Transfer	Yes

Michigan Unemployment Insurance	Secure Data Transfer	Yes
Minnesota Department of Employment & Economic Development	Secure Data Transfer	Yes
Minnesota Department of Human Services	Secure Data Transfer	Yes
Minnesota Revenue	Secure Data Transfer	Yes
Mississippi Department of Employment Security	Secure Data Transfer	Yes
Mississippi Department of Human Services	Secure Data Transfer	Yes
Mississippi Department of Revenue	Secure Data Transfer	Yes
Mississippi Division of Medicaid	Secure Data Transfer	Yes
Missouri Department of Revenue	Secure Data Transfer	Yes
Missouri Department of Social Services	Secure Data Transfer	Yes
Missouri Division of Employment Security	Secure Data Transfer	Yes
Montana Department of Public Health and Human Services	Secure Data Transfer	Yes

Identify the authority and for what purpose? The authority to release information is IRC 6103, for the purpose as defined in the respective MOU/ISA.

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

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

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#### **G. PRIVACY SENSITIVE TECHNOLOGY**

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13. Does this system use social media channels? No.

14. Does this system use privacy-sensitive technologies such as mobile, cloud, 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

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#### **H. INDIVIDUAL NOTICE AND CONSENT**

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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 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 (IRC) Sections 6001, 6011, and 6012(a), and their regulations. Under these sections, response is mandatory. IRC Section 6109 requires the individual provide an identifying number.

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? Under IRC Sections 6001, 6011, and 6012(a), and their regulations, response is mandatory. IRC Section 6109 requires the individual provide an identifying number.

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

The IRP System performs analysis on the data to identify potential compliance issues. The IRP System does not make any adjustments or assessments. The information is reviewed by IRS employees in the Wage & Investment and Small Business/Self Employed Business Units to correspond with the taxpayer, advising them of the proposed action (either a tax adjustment to an existing assessment or establishing an initial assessment for a tax period). The taxpayers are requested to concur or provide additional information. When applicable, the taxpayer is advised of their statutory appeal rights.

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## I. INFORMATION PROTECTION

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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-Only
Managers	Yes	Read-Only
Sys. Administrators	No	
Developers	Yes	Read-Only

Contractor Employees? No

21a. How is access to SBU/PII determined and by whom? Data access to the IRP systems and IRP storage libraries is restricted based on the principles of least privilege and separation of duties; access is granted on a need-to-know basis. IRP personnel are required to apply for access using the Online (OL)5081 form. The OL5081 enrollment process requires that an authorized manager approve access requests on a case by case basis. Upon approval, IRP users are assigned user accounts based on their role(s) and responsibilities. Access to the IRP mainframe and production/development libraries and tools is restricted by Resource Access Control Facility (RACF) permissions maintained by GSS-21 IBM Mainframe Platform administrators. Each sub-application in IRP requires that a user complete a separate OL5081 for the component they are requesting access to. Based on the individual's role(s) and responsibilities, access is either approved or denied, and the appropriate corresponding changes are made to the RACF access control list by the Executive Operations IBM Masterfile Security Administrators. The IBM Masterfile Security Administrators provide initial user identification and password access to the Master File. This is managed by placing users into assigned groups. Each group is assigned the minimum user rights and permissions to perform their function. Users are restricted from changing the boundaries of their access. IRP user accounts require annual management recertification. Employees that no longer require access are required to be removed by management. Account revocation is also performed through OL5081. IRP contains read-only informational return data. By design, IRP users are restricted from inputting data into the application by Role Based Access Controls, and are given the minimum set of privileges required to perform their regular and recurring work assignments.

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

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## **I.1 RECORDS RETENTION SCHEDULE**

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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.

IRP data files are approved for deletion/destruction under a variety of National Archives and Records Administration-approved disposition authorities for specific batch programs, and published in IRS Records Control Schedules (RCS) 19, 28, 29 and 35. This includes various temporary retention periods for Underreporter Backup Withholding (RCS 19, item 64), Validation and Perfection (RCS 19, item 67), Non-filer (RCS 19, item 69), and Underreporter (RCS 35, item 31). Information Returns Master File (IRMF), under RCS 18 Item 2(C), maintains production data for the current and nine prior tax years. The current tax year and five prior tax years are updated on either weekly, monthly, or as needed. As a new tax year is added, the oldest tax year file is destroyed. The IRS Records Office is in the process of updating the records control schedule in the next update phase that reflects the accurate schedule of IRMF.

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## **I.2 SA&A OR ECM-R**

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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? 10/22/2015

23.1 Describe in detail the system s audit trail. Master files by definition do not have an audit trail. They are defined as having interfaces to systems that maintain their own audit trails. There is no direct access to IRP data. All access is through batch files. The data viewed by authorized IRS employees is a copy of the IRMF data loaded into any of a number of other systems that have a user interface. These systems maintain the authentication and authorization required, including the use of audit trail information. IRP relies on the RACF/GSS-21 IBM Masterfile Platform to capture login information for developer access to the IRP systems.

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## **J. PRIVACY TESTING**

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

24c. If **no**, please explain why. IRP systems utilize the Test Plan, which is a requirement for all testing and may be used as an Enterprise Life Cycle functional equivalent for the System Test Plan.

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**K. SBU Data Use**

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25. Does this system use, or plan to use SBU Data in Testing? Yes  
25a. If **yes**, was permission granted per the requirements of Form 14664, SBU Data Use Questionnaire or Form 14665, SBU Data Use Request?  
Yes  
If **yes**, provide the date the permission was granted. 10/12/2014  
If **no**, explain why not.
- 25b. If **yes**, was testing performed in conformance with IRM 10.5.8, Sensitive But Unclassified (SBU) Data Policy: Protecting SBU in Non-Production Environments? Yes

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**L. NUMBER AND CATEGORY OF PII RECORDS**

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26. Identify the number of individual records in the system for each category:
- 26a. IRS Employees: 50,000 to 100,000  
26b. Contractors: Under 5,000  
26c. Members of the Public: More than 1,000,000  
26d. Other: No

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**M. CIVIL LIBERTIES**

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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

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**N. ACCOUNTING OF DISCLOSURES**

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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? Yes

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**End of Report**

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