

Date of Approval: **May 03, 2022**

PIA ID Number: **6816**

SYSTEM DESCRIPTION

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

IRS Direct Pay, IRS Direct Pay

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?

IRS Direct Pay, IRS Direct Pay, PIA 3782

What is the approval date of the most recent PCLIA?

4/4/2019

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.

Electronic Federal Tax Payment System Steering Group

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 IRS worked with the Bureau of Fiscal Service to develop a new online payment option for individual taxpayers called IRS Direct Pay that launched during the fourth quarter of 2013. Taxpayers can also look up their payment after it has been made through IRS Direct Pay. After they look up their payment they can modify or cancel it if it is within 2 days of the scheduled payment date. IRS Direct Pay is a key initiative to help to drive individual adoption of electronic payments, which is a strategic priority for the IRS and Treasury. Each paper payment costs an average of \$0.66 more per transaction to process than an electronic payment, so converting each additional 10% of individual taxpayers to paying electronically will save the IRS approximately \$6.3 million per year in processing costs and ensure that funds reach Treasury more quickly.

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

Law enforcement and intelligence purposes

Another compelling reason for collecting the SSN

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

The SSN/ITIN must be collected in order to post payments to the correct tax account. IRS Direct Pay requires the use of SSN's because no other identifier can be used to

uniquely identify a taxpayer. 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. IRS Direct Pay requires the use of SSN's because no other identifier can be used to uniquely identify a taxpayer at this time.

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
E-mail Address
Date of Birth
Financial Account Numbers
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.

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?

Yes

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

When a taxpayer makes a payment, they receive an electronic funds transfer number (EFT #). They can use that number with their TIN to lookup the payment later.

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.

SSN and other PII collection is essential for this tool to allow the process and ability to properly apply payments. The SSN/ITIN is needed to verify the taxpayer's entity information and post payments to the correct taxpayer's tax account.

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

Information entered for identity proofing is checked against IRS data through Return Preparer Registration Identity Verification Service (RPR-IVS - an IRS Web Service).

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

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?

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: Return Preparer Registration Identity Verification Service (RPR-IVS)
Current PCLIA: Yes
Approval Date: 12/21/2021
SA&A: Yes
ATO/IATO Date: 5/20/2018

Identify the authority.

IRC 6103(h)1

For what purpose?

Entity verification

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?

Yes

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

Organization Name: Fiserv
Transmission Method: SDT
ISA/MOU: Yes

Identify the authority.

IRC 6103(h)1

For what purpose?

Yes

Did the contract include the appropriate 6103(n) clauses for tax return and return information, and Federal Acquisition Regulations privacy clauses?

Yes

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.

Direct Pay does not have its own mobile application, but a taxpayer can go through irs2Go to get to Direct Pay to make a payment through the internet on their mobile device.

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?

9/27/2016

What was the approved level of authentication?

Level 2: Some confidence in the asserted identity's validity
Confidence based on Financial/Utility Information Validation

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?

There is a link to the "Acceptable Use and Privacy Policy" and the "Direct Pay Privacy Notice" on each page of the application. Notice, consent, and due process are provided in the tax forms instructions filed by the taxpayer, and pursuant to 5 USC.

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):

Disclosure Agreement, Privacy Act, and Paperwork Reduction Act Authorization. Notice, consent, and due process are provided in the tax forms instructions filed by the taxpayer, and pursuant to 5 USC.

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

The IRS Direct Pay Privacy notice (<https://directpay.irs.gov/directpay/privacyNotice>) contains verbiage that identifies due process when applicable. Due process is provided pursuant to 5 USC.

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 Contractor Operated

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

IRS Contractor Employees

Contractor Developers: Read Write

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

Access to taxpayer data is determined by job function. Access to data is documented online in the security request application - Security Multi-User Request Forum (SMURF). An appropriate access level for each job function is also documented on the application security matrix document. Access is always granted on a "need-to-know" basis only.

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.

At the end of the seven (7) year retention period, the media that contains the data are degaussed and then destroyed. 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. This is in compliance with IRMs 1.15.32 and 25.10 for record retention and destruction. RCS 32 Item 15.

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?

5/20/2018

Describe the system's audit trail.

Data Elements and Fields Collected: Tax Year, Filing Status, First Name, Last Name, Social Security Number, Date of Birth, Country, Street Address, Apartment Number, Post Office Box, City, State, Zip/Postal Code Information can be researched if there are any payment issues. IRS Direct Pay is following the appropriate audit trail elements pursuant to current Audit Logging Security Standards.

PRIVACY TESTING

Does the system require a System Test Plan?

No

Please explain why:

The system is tested whenever changes are made to the 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: 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?

No