

Date of Approval: **March 30, 2021**

PIA ID Number: **5998**

SYSTEM DESCRIPTION

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

Locator Services System - Address Research, LSS-ADR

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?

Locator Services System - Address Research, LSS-ADR

What is the approval date of the most recent PCLIA?

5/9/2018

Changes that occurred to require this update:

Addition of Personally Identifiable Information (PII)

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.

None

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 general purpose and benefit of Locator Services System - Address Research (LSS-ADR) is to reduce the number of undelivered notices and letters mailed to taxpayers so that postage costs are minimized, and taxpayer contact information is current and accurate. As cited in a 2010 Treasury Inspector General for Tax Administration (TIGTA) report on undeliverable mail: "During Fiscal Year 2009, approximately 19.3 million pieces of mail were returned to the IRS at an estimated cost of \$57.9 million." There are three components of LSS-ADR: two batch processes (Telephone Research, or TNR, and Address Research, or ADR) and one online application (ADR Online). ADR Online is used by Campus clerical employees to scan in undelivered mail and update addresses when appropriate. In response to requests from IRS Compliance customers, address and phone information is obtained from internal IRS tax records (part of Taxpayer Information File (TIF) and Corporate Files Online (CFOL) as well as external research via Procurement-approved vendor contracts to find new "candidate addresses." The batch 2797 letter mailing process (also known as the "R-U-There," or RUT, letter) is done by the IRS' Correspondence Production Service (under Wage & Investment, Media and Publications, Distribution). These letters are mailed to the "candidate addresses" so that the taxpayer will review the "candidate address" and return the letter, either confirming the candidate address and phone number (signature and date required) or giving new contact information. Address and telephone changes confirmed by taxpayers are uploaded as new "addresses of record" to the TIF and CFOL database. Address information is then returned to the IRS Compliance customer who originally requested this research.

PII DETAILS

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

Yes

Does the system use, collect, receive, display, store, maintain, or disseminate Social Security Numbers (SSN's) or tax identification numbers (i.e. last 4 digits, etc.)?

Yes

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

Social Security Number (SSN)

List the approved Treasury uses of the SSN:

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

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

Tax notices require identification of the taxpayer for collection statutory purposes.

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 memorandum 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 LSS-ADR system requires the use of SSN's because no other identifier can be used to uniquely identify a taxpayer at this time. SSNs are permissible from Internal Revenue Code (IRC) 6109, which requires individual taxpayers to include their SSNs on their income tax returns. The 2797 R-U-There Letters are sent with a truncated SSN (showing only the last four digits of the SSN) and a barcode that when scanned by IRS employees provides the full SSN. Employer Identification Numbers are not truncated. TIN/SSNs are needed to track the individual case reviews conducted by the managers, system owners and customers' quality review staff. Access to TIN/SSN data is limited based on the user's position in the organization and on a need to know basis. Managers can retrieve TIN/SSN data for their employee's taxpayer cases within their chain of command. Access to TIN/SSN data by system owners and quality review staff is limited to users based on a need to know. Potential new customers have limited access to test how LSS-ADR may benefit their compliance programs. All users must first register for access under the On-Line 5081 (OL5081) certification 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
Date of Birth
Standard Employee Identifier (SEID)
Tax Account Information

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

No

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.

As part of the query function of Toad for Oracle (using the Inventory Delivery System database at the Tennessee Computing Center, IDS-TCC), cross-references can be made from the TIN of the undelivered mail to the taxpayer module account, such as the date of the most recent Collection Statute Expiration Date (CSED). Access to IDS-TCC is controlled via an approval system under the OL5081 system. Users of IDS-TCC must have an official need to know.

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

PII for personnel administration is 5 USC

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 Locator Services System - Address Research (LSS-ADR) is a batch processing support system that gathers taxpayer data from the Taxpayer Information File (TIF) and Corporate Files Online (CFOL) automatically. Data files are received daily via connection interface from TIF and CFOL. LSS-ADR supports casework by using its research services to obtain the most current address and telephone information for taxpayer accounts.

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

LSS-ADR performs internal testing of each subsystem as well as responses from vendor's external research. Address and telephone information obtained from taxpayers, vendor research or Postal forwarding addresses are included in periodic sample tests to evaluate accuracy, timeliness and completeness. Tests include a comparison of internal address information records with those obtained from R-U-There letters, undelivered mail with expired forwarding addresses, and vendor's external research of publicly available information.

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 00.001 Correspondence Files and Correspondence Control Files

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: Standardized IDRS Access Tier I (SIA)

Current PCLIA: Yes

Approval Date: 2/27/2018

SA&A: Yes

ATO/IATO Date: 1/13/2016

System Name: Automated Collection System (ACS)
Current PCLIA: Yes
Approval Date: 10/12/2018
SA&A: Yes
ATO/IATO Date: 2/10/2021

System Name: Automated Substitute for Return
Current PCLIA: Yes
Approval Date: 12/16/2019
SA&A: Yes
ATO/IATO Date: 7/15/2019

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?

Yes

Identify the source that sends the SBU/PII, how the SBU/PII is transmitted and if there is an Inter-Agency Agreement (ISA) /Memorandum of Understanding (MOU).

Organization Name: Lexis

Transmission Method: The IRS and the Contractor shall send and receive data files via an IRS-approved file distribution system using 128 bit 3DES encryption or better. If the IRS-approved file distribution software and/or transport mechanism or an IRS-approved alternate method is not available on either end and will not be available for seven or more business days, the contractor shall, within 24 hours of notification, accept requests and return responses using compact disks that have been encrypted using 256 bit AES encryption and password protected using SecureZip version 12.5 (or higher) and shipped via an overnight delivery service that tracks package delivery.

ISA/MOU: No

Does the system receive SBU/PII from Taxpayer forms?

Yes

Please identify the form number and name:

Form Number: 940

Form Name: Employer's Annual Federal Unemployment (FUTA) Tax Return

Form Number: 941
Form Name: Employer's Quarterly Federal Tax Return

Form Number: 1040
Form Name: U.S. Individual Income Tax Return

Form Number: 1041
Form Name: U.S. Income Tax Return for Estates and Trusts

Form Number: 1042
Form Name: Annual Withholding Tax Return for U.S. Source Income of Foreign Persons

Form Number: 1065
Form Name: U.S. Return of Partnership Income

Form Number: 1120
Form Name: U.S. Corporation Income 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: Standardized IDRS Access Tier II
Current PCLIA: Yes
Approval Date: 2/27/2018
SA&A: Yes
ATO/IATO Date: 2/10/2021

System Name: Automated Substitute for Return (ASFR)
Current PCLIA: Yes
Approval Date: 12/6/2019
SA&A: Yes
ATO/IATO Date: 7/15/2019

System Name: Automated Collection System (ACS)
Current PCLIA: Yes
Approval Date: 10/12/2018
SA&A: Yes
ATO/IATO Date: 1/13/2016

Identify the authority.

Data elements are described in the Locator Services System Data Dictionary. These elements were originally listed under the Inventory Delivery System (IDS) and its Software Requirements Specifications. The IDS/LSS system was implemented in approximately 1995, and in 2008 the two systems separated.

For what purpose?

The purpose of LSS-ADR is to track undelivered mail and provide a means to locate taxpayers and solicit their response to validate "candidate addresses" and thus update their address of record. Underlying authority is tax administration under IRC 6103.

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: Lexis

Transmission Method: The IRS and the Contractor shall send and receive data files via an IRS-approved file distribution system using 128 bit 3DES encryption or better. If the IRS-approved file distribution software and/or transport mechanism or an IRS-approved alternate method is not available on either end and will not be available for seven or more business days, the contractor shall, within 24 hours of notification, accept requests and return responses using compact disks that have been encrypted using 256 bit AES encryption and password protected using SecureZip version 12.5 (or higher) and shipped via an overnight delivery service that tracks package delivery.

ISA/MOU: No

Identify the authority.

Data elements are described in the Locator Services System Data Dictionary. These elements were originally listed under the Inventory Delivery System (IDS) and its Software Requirements Specifications. The IDS/LSS system was implemented in approximately 1995, and in 2008 the two systems separated.

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.?

No

Does the system use cloud computing?

No

Does this system/application interact with the public?

No

INDIVIDUAL NOTICE AND CONSENT

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

Yes

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

The IRS notifies all individuals who file tax returns of such collection via the Privacy Act Notice in tax return instructions. When a return is selected for Examination, Collection etc., the taxpayer is sent notice of their rights, such as Privacy Act Notice, Your Appeals Rights and How to Prepare a Protest, Overview of the Appeals 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):

All individuals have the right to decline to provide information. However, they may be subject to Examination or Deficiency procedures, at which time they are provided applicable notices, such as Your Appeals Rights and How to Prepare a Protest.

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

The LSS-ADR process and procedures are dictated by the Internal Revenue Manual guidelines. IRS policy allows individuals whose data is in the system the opportunity to clarify or dispute negative determinations through the appeals process.

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 Only

Developers: Read Only

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

Access to data will be based on the approved security rules determined by individual roles and responsibilities and will be restricted to "need to know." Users will follow established IRS procedures for access using OL (5081) and rules described in Unauthorized Access (UNAX).

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.

All records housed in the system will be erased or purged from the system at the conclusion of their retention period(s) as required under IRM 1.15.6. Information ages off (is deleted from) the database at varying intervals. All records housed in the LSS-ADR system will be erased or purged from the system in accordance with approved retention periods. It is the official repository for data and documents and has National Archives approval to affect data disposition under N1-58-97-13, Item 28 for IDS. Data Type: IDS Inputs: includes IDRS, CFOL and ACS Retention Period: 1-year Dating From: 1 year old or when it is no longer needed for administrative, legal audit or other operational purposes whichever is sooner Data Type: LSS-ADR Outputs: includes closing transactions or reassignments via IDRS to the Masterfile Retention Period: 1-year Dating From: 1 year old or when no longer needed for administrative, legal, audit, or other operational purposes whichever is sooner. Data Type: MIS results (Specific taxpayer case results) Retention Period: No Limit Dating From: Completion of the related case Data Type: Self-Monitor Case Reports Retention Period: No Limit Dating From: End of monitoring period Data Type: Self-Monitor Lookup Data Retention Period: 6 months Dating From: Completion of monitoring period Data Type: All other LSS-ADR Account Data Retention Period: 1 month Dating From: Date of account completion Data Type: Cross Reference Case Data Retention Period: 1 month Dating From: Date of account completion Data Type: Input files from external sources Retention Period: 3 months Dating From: Date file loaded onto LSS-ADR Data Type: Output files to external systems Retention Period: 3 months Dating From: Date file created on LSS-ADR Data Type: Error Files Retention Period: 3 months Dating From: Date file created on IDS Data Type: Run Control Files Retention Period: 3 months Dating From: Date file created on LSS-ADR Data Type: Audit Trails Retention Period: On-line 1 month; Off-line 7 years Dating From: Date file created on LSS-ADR. RCS 29 Item 202-IMF Taxpayer Name Directory-(1) Annual Cumulative Directory (record copy). (Job No. NN-170-16, Item 103) AUTHORIZED DISPOSITION Destroy 30 years after end of processing year. (2) Copies of Annual Cumulative Directories required for research. (Job No. NC1-58-80-6, Item 202) AUTHORIZED DISPOSITION Destroy 3 years after end of processing year, or when no

longer needed in current operations. (3) Interim Directories. (Job No. NN-170-16, Item 103)
AUTHORIZED DISPOSITION Destroy after receipt of subsequent interim or cumulative
directory covering same taxpayers and tax periods.

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?

11/26/2019

Describe the system's audit trail.

This system inherits the SA&A from Inventory Delivery System (IDS). It was included under IDS. Audit Trail Information: TINs, updated address and date, SEID, TIN Type, file source code (tells the type of account). Parent of IDS was Individual and Business Masterfile.

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)?

On 5/31/2017 a new vendor for external research was selected by the IRS Office of Servicewide, Policy, Directives and Electronic Research (SPDER). This vendor completed its testing and validation activities. Date of completion and beginning rollout of production was 10/15/2018. As part of its contract, the vendor met the following requirements: The Contractor shall provide physical and computer security measures to protect sensitive but unclassified (SBU) data from unauthorized access during duty and non-duty hours in accordance with Publication 4812, Contractor Security Controls.

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?

On 5/31/2017 a new vendor for external research was selected by the IRS Office of Servicewide, Policy, Directives and Electronic Research (SPDER). This vendor completed its testing and validation activities. Date of completion and beginning rollout of production was 10/15/2018. As part of its contract, the vendor met the following requirements: The Contractor shall provide physical and computer security measures to protect sensitive but unclassified (SBU) data from unauthorized access during duty and non-duty hours in accordance with Publication 4812, Contractor Security Controls.

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: Under 100,000

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.

Not Applicable