

Date of Approval: 06/12/2024
Questionnaire Number: 1187

Basic Information/Executive Summary

What is the name of your project (system, database, pilot, product, survey, social media site, etc.)?

Locator Services System - Address Research, LSS-ADR

Business Unit

Small Business and Self Employed

Preparer

For Official Use Only

Subject Matter Expert

For Official Use Only

Program Manager

For Official Use Only

Designated Executive Representative

For Official Use Only

Executive Sponsor

For Official Use Only

Executive Summary: Provide a clear and concise description of your project and how it will allow the IRS to achieve its mission.

The general purpose of Locator Services System - Address Research (LSS-ADR) is to reduce the number of undelivered (UD) notices and letters mailed to the taxpayers.

There are two components of LSS-ADR: one batch process (ADR) and one online application (ADR Online). The batch process includes the electronic files from SB/SE Campus Collection Operations Automated Collection System (ACS) and Automated Substitute for Return (ASFR) for address research. ADR Online is used by SB/SE Campus Collection Operations clerical employees to scan the UD mail using the hand-held scanners and 2-D barcode on the notices, and update addresses if applicable. The address research is obtained from internal IRS tax records (part of Taxpayer Information File (TIF) and Corporate Files Online (CFOL) to locate new "candidate address(es)."

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) as taxpayer outreach. The

letters are mailed to the "candidate address(es)" so that the taxpayer can review the "candidate address" and return the letter, either confirming the candidate address and phone number (signature and date required) or providing new contact information. Address and telephone changes confirmed by taxpayers are uploaded as new "address of record" to the TIF and CFOL database. The result is then returned to the SB/SE ACS and ASFR who originally requested the address research and taxpayer outreach.

The system also sends the EFTU file to Master File to generate transaction code TC 971 AC 661 Causes Undelivered Mail indicator to be set on the taxpayer's account, which displays as a UD indicator for the employees who will need to conduct further research to verify address on the account prior to issuing additional correspondence to the taxpayers.

Personally Identifiable Information (PII)

Will this project use, collect, receive, display, store, maintain, or disseminate any type of Sensitive but Unclassified (SBU), Personally Identifiable Information (PII), or Federal Tax Information (FTI)?

Yes

Please explain in detail how this project uses sensitive data from inception to destruction (data lifecycle).

Tax notices require identification of the taxpayer for collection statutory purposes. 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. SBU/PII data is not used in development, test, or training environments. 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 Business Entitlement Access Request (BEARS) certification system.

Please select all types of Sensitive but Unclassified data (SBU)/Personally Identifiable Information (PII)/Federal Tax Information (FTI) that this project uses.

Address

Bar Codes

Employer Identification Number

Name

Social Security Number (including masked or last four digits)

Standard Employee Identifier (SEID)

Cite the authority for collecting SBU/PII/FTI (including SSN if relevant).

PII for federal tax administration - generally IRC Sections 6001 6011 or 6012

SSN for tax returns and return information - IRC section 6109

Product Information (Questions)

1.1 Is this PCLIA a result of the Inflation Reduction Act (IRA)?

No

1.3 What type of project is this (system, project, application, database, pilot/proof of concept, power platform/visualization tool)?

System

1.35 Is there a data dictionary for this system?

Yes

1.36 Explain in detail how PII and SBU data flow into, through and out of this system.

There are two components of LSS-ADR: one batch process (ADR) and one online application (ADR Online). The batch process includes the electronic files from SB/SE Campus Collection Operations Automated Collection System (ACS) and Automated Substitute for Return (ASFR) for address research. ADR Online is used by SB/SE Campus Collection Operations clerical employees to scan the UD mail using the hand-held scanners and 2-D barcode on the notices, and update addresses if applicable. The address research is obtained from internal IRS tax records (part of Taxpayer Information File (TIF) and Corporate Files Online (CFOL) to locate new "candidate address(es)." 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) as taxpayer outreach. The letters are mailed to the "candidate address(es)" so that the taxpayer can review the "candidate address" and return the letter, either confirming the candidate address and phone number (signature and date required) or providing new contact information. Address and telephone changes confirmed by taxpayers are uploaded as new "address of record" to the TIF and CFOL database. The result is then returned to the SB/SE

ACS and ASFR who originally requested the address research and taxpayer outreach. The system also sends the EFTU file to Master File to generate transaction code TC 971 AC 661 Causes Undelivered Mail indicator to be set on the taxpayer's account, which displays as a UD indicator for the employees who will need to conduct further research to verify address on the account prior to issuing additional correspondence to the taxpayers.

1.4 Is this a new system?

No

1.5 Is there a Privacy and Civil Liberties Impact Assessment (PCLIA) for this system?

Yes

1.6 What is the PCLIA number?

5998

1.8 If the system is on the As-Built-Architecture, what is the ABA ID of the system? If this PCLIA covers multiple applications shown on the ABA, please indicate the ABA ID for each application covered separated by a comma.

210756

1.9 What OneSDLC State is the system in (Allocation, Readiness, Execution)?

Execution

1.95 If this system has a parent system, what is the PCLIA Number of the parent system?

7220

2.1 If this system discloses any PII to any third party outside the IRS, 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. Enter "Yes" or "No". If Exempt, type "Exempt".

No

2.2 Please provide the full name of and acronym of the governance board or Executive Steering Committee (ESC) this system reports to.

None

3.1 Does your project/system involve any use of artificial intelligence (AI), including virtual assistant, chat bot, and robotic process automation, as defined in Executive Order 13960?

No

3.3 Does this system use cloud computing?

No

3.6 Does this system interact with the public through a web interface?

No

3.7 Describe the business process allowing an individual to access or correct their information.

The LSS-ADR is an internal system and does not connect to any outside network. 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.

4.1 Who owns and operates the system (IRS Owned and Operated, IRS Owned and Contractor Operated, Contractor Owned and Operated)?

IRS Owned and Operated

4.2 If a contractor owns or operates the system, does the contractor use subcontractors?

No

4.5 Identify the roles and their access level to the PII data. For contractors, indicate whether their background investigation is complete or not.

IRS users access level: read and write

IRS managers access level: read and write

IRS System Administrators: Not Applicable

IRS Developers: Not Applicable

Contractor Developers access level: administrator with High background investigation level/complete

4.51 How many records in the system are attributable to IRS Employees? Enter "Under 50,000", "50,000 to 100,000", "More than 100,000" or "Not Applicable".

Under 50,000

4.52 How many records in the system are attributable to contractors? Enter "Under 5,000", "5,000 to 10,000", "More than 10,000" or "Not Applicable".

under 5,000

4.53 How many records in the system are attributable to members of the public? Enter "Under 5,000", "5,000 to 10,000", "More than 10,000" or "Not applicable".

more than 10,000

4.54 If records are attributable to a category not mentioned above in 4.51 through 4.53, please identify the category and the number of corresponding records to the nearest 10,000. If none, enter "Not Applicable".

Not Applicable

4.6 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” purpose. Users will follow established IRS procedures for access using BEARS and rules described in Unauthorized Access (UNAX).

5.1 Please describe any privacy risks, civil liberties and/or security risks identified for the system that need to be resolved and what is the mitigation plan?

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 2009 the two systems separated. LSS-ADR does not follow ELC process. IT does not have a formal plan for system testing. However, the business SME conduct tests if/when changes are made prior to implementing the changes to production.

5.11 Is there a Risk Assessment Form and Tool (RAFT) associated with this system on file with your organization or the IRS Risk Office.

No

5.2 Does this system use or plan to use SBU data in a non-production environment?

No

Interfaces

Interface Type

IRS Systems, file, or database

Agency Name

Automated Collection System (ACS)

Incoming/Outgoing

Both

Transfer Method

Electronic File Transfer Utility (EFTU)

Interface Type

IRS Systems, file, or database

Agency Name

Standardized IDRS Access Tier I (SIA)

Incoming/Outgoing

Both

Transfer Method

Electronic File Transfer Utility (EFTU)

Interface Type

IRS Systems, file, or database

Agency Name

Automated Substitute for Return (ASFR)

Incoming/Outgoing

Both

Transfer Method

Electronic File Transfer Utility (EFTU)

Systems of Records Notices (SORNs)

SORN Number & Name

IRS 00.001 - Correspondence Files and Correspondence Control Files

Describe the IRS use and relevance of this SORN.

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.

Records Retention

What is the Record Schedule System?

Record Control Schedule (RCS)

What is the retention series title?

IRS ELECTRONIC TAX ADMINISTRATION (ETA)

What is the GRS/RCS Item Number?

RCS 32, Item 28

What type of Records is this for?

Electronic

Please provide a brief description of the chosen GRS or RCS item.

Inventory Delivery System (IDS). IDS analyzes IDRS Notice Accounts to determine the extent of research or perfection and directs cases to the precise process where it can best be worked or closed. The IDS database contains taxpayer return information, balance due amounts, and taxpayer delinquent account information.

What is the disposition schedule?

AUTHORIZED DISPOSITION Delete when 1 year old or when no longer needed for administrative, legal, audit or other operational purposes, whichever is sooner. (A) Inputs: These records include electronic transfer of data from IDRS, CFOL, and

ACS. (GRS 5.2, Item 020; Job No. DAA-GRS-2017-0003-0002) AUTHORIZED DISPOSITION Delete when 1 year old or when no longer needed for administrative, legal, audit or other operational purposes, whichever is sooner. (B) Outputs: These records include closing transactions or reassignments via IDRS to the Master File, system backups, management information reports, program related reports, ad hoc queries, audit trial, or equivalent documentation in electronic or hard copy formats. (GRS 5.2, Item 020; Job No. DAA-GRS-2017-0003-0002) AUTHORIZED DISPOSITION Delete when 1 year old or when no longer needed for administrative, legal, audit or other operational purposes, whichever is sooner.