

## Minister Waiver (MIN WAIV) – Privacy Impact Assessment

PIA Approval Date – December 17, 2010

### **System Overview:**

The Minister Waiver (MIN WAIV) application improves the response time and processing of Minister Waiver forms. The database contains taxpayer data transcribed from Form 4361 (Application for Exemption from Self-Employment Tax for Use by Ministers, Members of Religious Orders and Christian Science Practitioners) and Form 4029 (Application for Exemption From Social Security and Medicare Taxes and Waiver of Benefits). The application takes a paper process and automates it into a research tool for approved and denied Minister Waivers.

### **Systems of Records Notice (SORN):**

- IRS 24.046--CADE Business Master File
- IRS 34.037--Audit Trail and Security Records System
- IRS 24.030--CADE Individual Master File

### **Data in the System**

**1. Describe the information (data elements and fields) available in the system in the following categories:**

A. Taxpayer

- Address (including country)
- Phone number
- Social Security Number (SSN)
- Taxpayer Identification Number (TIN) (The use of SSN/TIN data is relevant in order to retrieve the approved form for later reference, as needed.)
- Dates and Status of Correspondence
- Licensed (Y/N) and date (if applicable)
- Authorized Representative
- Case Status

The following data elements from Forms 4029 and 4361 are collected voluntarily from those who apply for the waivers:

- SSN/TIN
- Name of Taxpayer
- Name of Authorized Representative (if any)
- Address
- Phone Number
- Legal Organization Name
- Authorized Representative

*Note: Each file has a history section where all correspondence, phone calls and other actions are recorded. Only tax examiners with passwords have access to these files. Reviewing the history section derived from Forms 4029 and 4361 and correspondence provides the status of the case.*

B. Employee

- Tax Examiner assigned to the case (User ID)

C. Audit Trail Information

- Tax Examiner Assigned to the case (User
- Time and Date of access

**2. Describe/identify which data elements are obtained from files, databases, individuals, or any other sources.**

A. Taxpayer – The following data elements from Forms 4029 and 4361 are collected voluntarily from those who apply for the waivers:

- SSN/TIN
- Name of Taxpayer
- Name of Authorized Representative (if any)
- Address
- Phone Number
- Legal Organization Name
- Authorized Representative

B. Employee – The tax examiner assigned to the case will enter the following data elements:

- User ID
- Control number
- Status of correspondence
- Approval or Denied Dates
- Status of case
- History information

*Note: Each file has a history section where all correspondence, phone calls and other actions are recorded. Only tax examiners with passwords have access to these files. Reviewing the history section derived from Forms 4029 and 4361 and correspondence provides the status of the case.*

**3. Is each data item required for the business purpose of the system? Explain.**

Yes. The data is necessary for the business purpose of the system. MIN WAIV takes a paper process and automates it into a research tool for approved and denied Minister Waivers. It provides an audit trail for all correspondence and status of taxpayer eligibility.

**4. How will each data item be verified for accuracy, timeliness, and completeness?**

The tax examiner assigned to the case will manually compare collected data from the taxpayer to the history file.

**5. Is there another source for the data? Explain how that source is or is not used.**

No. Only information provided by the taxpayer/authorized representative via forms 4029 and 4361 is used.

**6. Generally, how will data be retrieved by the user?**

Data retrieval within MIN WAIV is permitted through approved use of the "query" or "search" command within the database. Users may query data by TIN, tax year, or status.

**7. Is the data retrievable by a personal identifier such as name, SSN, or other unique identifier?**

Yes. Users may query data by TIN, tax year, or status.

**Access to the Data**

**8. Who will have access to the data in the system (Users, Managers, System Administrators, Developers, Others)?**

There are two roles in MIN WAIV, Users and Administrators (system and database): The users are 12 and there are 17 tax examiners in the MIN WAIV unit.

**Roles:** Users

**Permissions:** Add/Update/Read/ Delete data in database based on information transcribed from forms 4029 and 4361. Print ad hoc reports upon request from approved requestors.

**Roles:** Database Administrator

**Permissions:** Add/Update/Read/ Delete database tables but only as authorized and directed in production transmittals. The Database Administrators review the Oracle tables weekly.

**Roles:** System Administrator

**Permissions:** View, create, update and edit changes to the overall system. MIN WAIV System Administrators (SAs) are responsible for ensuring Law Enforcement Manual (LEM) scans are done quarterly and patches are updated on a regular basis.

**9. How is access to the data by a user determined and by whom?**

The Tax Examiner (User), Manager and System Administrator will have access to data in MIN WAIV based on a need-to-know basis. The user must complete an Online Form 5081, Information System User Registration/Change Request, to request access to the application. The approval manager then requests that the user be added. A user's access to the data terminates when it is no longer required. Criteria, procedures, controls, and responsibilities regarding access are documented in the Information Systems Security Rules on Form 5081. There is no contractor access to MIN WAIV. The Systems Administrator determines how data is accessed by a user.

**10. Do other IRS systems provide, receive, or share data in the system? If YES, list the system(s) and describe which data is shared.**

No. Other IRS systems do not provide, receive, or share data in the system. MIN WAIV works independently of Integrated Data Retrieval System (IDRS). Although, they may both contain some of the same information, Minister waiver determinations are made based solely on the Form 4361 information. The tax examiners working Minister waivers have no need to access IDRS in order to approve the application. Only information provided by the taxpayer/authorized representative via forms 4029 and 4361 is used.

**11. Have the IRS systems described in Item 10 received an approved Security Certification and Privacy Impact Assessment?**

Not Applicable.

**12. Will other agencies provide, receive, or share data in any form with this system?**

No. Other agencies do not provide, receive, or share data in any form with this system.

## **Administrative Controls of Data**

### **13. What are the procedures for eliminating the data at the end of the retention period?**

A request for records disposition authority for MIN WAIV and associated records is currently being drafted with the assistance of the IRS Records and Information Management (RIM) Program Office. When approved by the National Archives and Records Administration (NARA), disposition instructions for MIN WAIV inputs, system data, outputs and system documentation will be published under Internal Revenue Manual (IRM) 1.15.29 Records Control Schedule for Submissions Processing Campus Records (item number to be determined), and will supersede disposition authorities previously approved for a paper-based process. A 75-year retention has been proposed for system data which mirrors the approved disposition for the paper recordkeeping process under IRM 1.15.29, item 77. Procedures for eliminating data after the retention period are automatically executed by shell scripts that analyze the data for retention according to IRM requirements and delete qualifying data accordingly.

### **14. Will this system use technology in a new way?**

No. This system will not use technology in a new way.

### **15. Will this system be used to identify or locate individuals or groups? If so, describe the business purpose for this capability.**

Yes. MIN WAIV is used to store information from approved forms 4029 and 4361. This identifies individuals that meet the criteria for tax exemptions based upon their Ministerial duties related income. Once the waiver is approved, the tax examiner logs into the IDRS to update the status of the individual's tax return.

### **16. Will this system provide the capability to monitor individuals or groups? If yes, describe the business purpose for this capability and the controls established to prevent unauthorized monitoring.**

Yes. Data from approved forms 4029 and 4361 that is entered into the MIN WAIV system provides the capability to monitor the exemption status of individuals. The MIN WAIV system examiner uses this information to update the status of individual's tax status in IDRS. MIN WAIV does not share data with any IRS system or application.

### **17. Can use of the system allow IRS to treat taxpayers, employees, or others, differently?**

No. There is no disparate treatment of employees or taxpayers. MIN WAIV automates a paper process and consolidates information from taxpayers into a database.

### **18. Does the system ensure "due process" by allowing affected parties to respond to any negative determination, prior to final action?**

MIN WAIV ensures "due process" by allowing taxpayers to correct erroneous information by following the guidelines established by the Internal Revenue Code (IRC).

### **19. If the system is web-based, does it use persistent cookies or other tracking devices to identify web visitors?**

MIN WAIV is a Web-based application. MIN WAIV does not have web visitors, it is not open to public.

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