
A. SYSTEM DESCRIPTION

1. Enter the full name and acronym for the system, project, application and/or database. Non-Bank Trustee, NBT

2. Is this a new system? No

2a. If **no**, is there a PIA for this system? No

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

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

3. Check the current ELC (Enterprise Life Cycle) Milestones (select all that apply)

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

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

A.1 General Business Purpose

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 main purpose of this system is to keep up to date records for claimants who act as non-bank trustees/custodians with respect to retirement plans. Revenue Procedure 2017-4 Section 3.07 requires nonbank trustees/custodians of retirement plans to seek an approval letter ruling. The letter ruling determines that the applicant is qualified to act as a nonbank custodian pursuant to the requirements of § 1.408-2(e)(2) through (5) of the Income Tax Regulations. The Employee Plans function has jurisdiction over them to ensure they remain in compliance with Treasury Regulations Section 1.408-2(e) and Revenue Procedure 2017-4 Section 3.07. The IRS is required to maintain a list of approved non-bank trustees and custodians of pension plans, which is published publicly on irs.gov – as an NBT Announcement.

B. PII DETAIL

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 No On Spouse No On Dependent

If **yes**, check all types SSN s (or tax identification numbers) that apply to this system:

No Social Security Number (SSN)
 Yes Employer Identification Number (EIN)
 No 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).

Individual SSN's are not used within the NBT database. There is no alternative to the use of the EIN's. The EIN's are significant parts of the data being processed. The NBT system requires the use of EIN's because no other identifier can be used to uniquely identify a taxpayer for intergovernmental communications. There is no known mitigation strategy planned to eliminate the use of EINs for the system. The EIN is required for the use of this system. The EIN number is needed to research and locate records in response to the request.

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	No	No
Yes	Mailing address	No	No	No
Yes	Phone Numbers	No	No	No
No	E-mail Address	No	No	No
No	Date of Birth	No	No	No
No	Place of Birth	No	No	No
Yes	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)

No 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.

SBU/PII is limited to that which is relevant to identify the specific NBT. EIN's are used for purposes of identification for the Non-Bank Trustee. The mailing address and phone numbers are needed if taxpayer contact is necessary. The employee name and SEID are used to identify the Tax Examiner, Agent or Manager who added/edited record.

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

A list of Non-Bank trustees/custodians is provided by Employee Plans Technical Section. This list is cross checked for accuracy with other IRS systems such as Research & Inventory System EPCU (RISE), Returns Inventory and Classification System (RICS) and/or Integrated Data Retrieval System (IDRS) before being uploaded into the NBT database. Any updates or edits to the records in the database are also cross checked with other IRS systems before changes are made. In addition, validation rules are built into the database to ensure accuracy, timeliness and completeness of data.

C. PRIVACY ACT AND SYSTEM OF RECORDS

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 50.222	Tax Exempt/Government Entities (TE/GE) Case Manage
Treasury/IRS 24.046	Customer Account Data Engine 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

D. RESPONSIBLE PARTIES

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

E. INCOMING PII INTERFACES

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 & A?</u>	<u>Authorization Date</u>
Research & Inventory System EPCU (RISE)	Yes	10/27/2017	No	

11b. Does the system receive SBU/PII from other federal agency or agencies? No

11c. Does the system receive SBU/PII from State or local agency (-ies)? No

11d. Does the system receive SBU/PII from other sources? No

11e. Does the system receive SBU/PII from **Taxpayer** forms? No

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

F. PII SENT TO EXTERNAL ORGANIZATIONS

12. Does this system disseminate SBU/PII? No

G. PRIVACY SENSITIVE TECHNOLOGY

13. Does this system use social media channels? No

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

H. INDIVIDUAL NOTICE AND CONSENT

17. Was/is notice provided to the individual prior to collection of information? No

17b. If **no**, why not? If information is not collected directly from an individual, please discuss the factors considered in deciding to collect information from third party sources. Revenue Procedure 2017-4 Section 3.07 requires nonbank trustees/custodians of retirement plans to seek an approval letter ruling. The letter ruling determines that the applicant is qualified to act as a nonbank custodian pursuant to the requirements of § 1.408-2(e)(2) through (5) of the Income Tax Regulations. Notice, consent and due process are provided pursuant to 5 USC.

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? Revenue Procedure 2017-4 Section 3.07 requires nonbank trustees/custodians of retirement plans to seek an approval letter ruling. The letter ruling determines that the applicant is qualified to act as a nonbank custodian pursuant to the requirements of § 1.408-2(e)(2) through (5) of the Income Tax Regulations. Notice, consent and due process are provided pursuant to 5 USC.

19. How does the system or business process ensure due process regarding information access, correction and redress?
Corrections made to the data are approved by the Project Manager and made by either the Project Manager or Tax Examiner. The NBT database 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. Notice, consent and due process are provided pursuant to 5 USC.

I. INFORMATION PROTECTION

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>	Yes/No	Access Level(Read Only/Read Write/Administrator)
Users	Yes	Read and Write
Managers	Yes	Read and Write
Sys. Administrators	Yes	Read and Write
Developers	No	

Contractor Employees? No

21a. How is access to SBU/PII determined and by whom? The NBT database is located on a secure shared server; each user must obtain permission to access the server folder to be able to use the database. Access to the server folder is approved by the System Administrator and controlled/maintained by Modernization & Information Technology Services (Information Technology) through the OS GetServices system. Updates or corrections made to the data are approved by the Project Manager and made by either the Project Manager or Tax Examiner. The three levels of permissions are: Level 1, Tax Examiner/Agent; Level 2, Manager; and Level 3, Analyst.

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

I.1 RECORDS RETENTION SCHEDULE

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.

All records housed in the NBT system will be erased or purged from the system in accordance with approved retention periods. Any records generated by the system will be managed according to requirements under Internal Revenue Manual 1.15.24 (RCS 24) item number 53 and will be destroyed by coordination with the IRS Records and Information Management Program and IRS Records Officer.

I.2 SA&A OR ECM-R

23. Has the system been through SA&A (Security Assessment and Authorization) or ECM-R (Enterprise Continuous Monitoring Reauthorization)? No

23.1 Describe in detail the system's audit trail. The audit trail is maintained by IT and access is granted through the OS GetService. IT maintains records of individuals who have access to the shared server folder. NBT is following the appropriate audit trail elements pursuant to current Audit Logging Security Standards

J. PRIVACY TESTING

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

24c. If **no**, please explain why. This is an internally created Access database that did not follow an IT or BSP path in development. The BSP office is now in the process of analyzing the current state and considering options for either improving the existing tool or transitioning to an enterprise solution.

K. SBU Data Use

25. Does this system use, or plan to use SBU Data in Testing? No

L. NUMBER AND CATEGORY OF PII RECORDS

26. Identify the number of individual records in the system for each category:

26a. IRS Employees: Not Applicable
26b. Contractors: Not Applicable
26c. Members of the Public: Not Applicable
26d. Other: Yes

If **other**, identify the category of records and the number of corresponding records (to the nearest 10,000). Non-Bank Trustees

M. CIVIL LIBERTIES

27. Does the system maintain any information describing how any individual exercises their rights guaranteed by the First Amendment? No

N. ACCOUNTING OF DISCLOSURES

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? No

End of Report
