NOTE: The following reflects the information entered in the PIAMS website.

A. SYSTEM DESCRIPTION

Authority: Office of Management Budget (OMB) Memorandum (M) 03-22, OMB Guidance for Implementing the Privacy Provisions of the E-Government Act of 2002 & PVR #10- Privacy Accountability and #21-Privacy Risk Management

Date of Approval: July 1, 2015   PIA ID Number: **1371**

1. What type of system is this? Payment Tracers, PT

2. Is this a new system?   No

> 2a. If **no**, is there a PIA for this system?   Yes
>
> > If **yes**, enter the full name, acronym, and milestone of the most recent PIA.
> >
> > Payment Tracers, PT
> >
> > Next, enter the **date** of the most recent PIA.   11/17/2012 12:00:00 AM
> >
> > 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 |
> > | Yes | Internal Flow or Collection |
> >
> > Were there other system changes not listed above?   No
> >
> > If yes, explain what changes were made.

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
Yes	Operations & Maintenance (i.e., system is currently operational)

4. Is this a Federal Information Security Management Act (FISMA) reportable system?   Yes

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 purpose of the Payment Tracers (PT) application is to allow users in the Hardcore Payment Tracers (HCPT) Units in the Accounting areas to: • Research payments from Error Resolution (ERS) processing using taxpayer identification number (TIN) changes, • Control Payment Tracers cases, • Submit document locator numbers (DLNs) electronically to ECC-MTB for research against the Master File, • View the returned ECC-MTB DLN research data, and • Print various reports used by the HCPT Units. PT is a combination of two processes developed for use in the HCPT function at the Fresno Submission Processing Campus. The combined processes were selected for development as a National Standard Application (NSA) in 2000 and became NSA 21/105. PT was implemented at the Submission Processing campuses in September 2004. Payment Tracers resides in the GSS-24 GSS environment. The "front end" process (originally known as LF346 Payment Changes), allowed users to research TIN changes made in ERS processing. That application extracted research data from the Error Resolution System and placed the records on a cumulative data file resident on the Unisys system. Users logged on to Unisys and accessed the indexed data file. This was the first step in researching a Payment Tracers case. When all other research failed to locate the payment, the "back end" process (Payment Tracers), allowed users to control these cases and submit DLNs to ECC-MTB for researching of the entire Master File. Previously, the research data results from ECC-MTB were printed and returned via mail to the user. Within PT, the user can review the research data results within the application. As a note, this ECC-MTB research processing has an excellent hit rate for locating missing payments. PT retains all functionality of the two processes explained above, Payment Changes/Payment Tracers. Additionally, it permits interactive control of the cases, allows access to the returned research database, and formats and prints several optional reports. Web Application PT is an Oracle form web interface accessing an Oracle database and the application is accessed through a web browser. LF346 remains a Tier 1 (Unisys) process and is covered under a separate Computer Operations Handbook (COH). The output file (LF34601) is now a flat output file transmitted to a Tier 2 server for input into an Oracle Database. Data is accessed via the PT screens. User Community The user community for the application is small and consists primarily of employees in the HCPT Units. PT may be accessed from five (5) sites: Austin, Cincinnati, Fresno, Kansas City, and Ogden. The types of user roles include: Unit Clerks input data into the system Tax Examiners (TE) input data into the system Lead (Manager) oversees the application and review the Payment Tracers reports PT User Administrator grants access (within the PT application) to PT users (add, delete, and reset password) based on the OL5081 process signed by their manager. PII provided to this system originate from over 40 IRS issued forms and we have listed listed 12 of them.

B. PII DETAIL

6. Does the system use, collect, receive, display, store, maintain, or disseminate IR Code 6103 taxpayer information, 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 variations of SSN s (i.e. last 4 digits, etc.)? Yes

        If **yes**, check who the SSN (or SSN variation) is collected on.

Yes	On Primary	No	On Spouse	No	On Dependent

        If **yes**, check all types SSN s (or variations of SSN s) that apply to this system:

Yes	Social Security Number (SSN)
Yes	Employer Identification Number (EIN)

Yes	Individual Taxpayer Identification Number (ITIN)
No	Taxpayer Identification Number for Pending U.S. Adoptions (ATIN)
No	Preparer Taxpayer Identification Number (PTIN)

Describe the planned mitigation strategy and forecasted implementation date to mitigate or eliminate the use of SSN s (or variations of SSN s).

There is no planned mitigation strategy to mitigate or eliminate the use of the SSN on the system. There is no alternative to the use of the SSN. The SSN is the significant part of the data being processed.

6b. Does this system contain other (non-SSN) PII that it uses, collects, receives, displays, stores, maintains, or disseminates according to Privacy Requirements? (i.e. Names, addresses, etc.) No

6c. Does this system contain SBU information the system that 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
Yes	SSN for tax returns and return information is Internal Revenue Code Section 6109
Yes	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

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B.1 BUSINESS NEEDS AND ACCURACY

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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 variations) are used, explicitly explain why use of SSNs meets this criteria. Be specific.

The SSN is used to identify and locate taxpayers to correct payments. The Payment Tracers application gathers this data as a last resort to locate taxpayers' lost payments.

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.

Payment Tracers (PT) performs field validation on data entered by the IRS employees. All other information input into the application is provided from Error Resolution Runs and IMF/BMF Master File systems. These systems have their own built-in processes which validate the information before it is sent to PT. In addition, PT parses and verifies the data from these systems prior to loading into PT's database to ensure accuracy and collects this data on a daily basis (M-F) for all Submission Processing sites to ensure timeliness and completeness

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?   <u>Yes</u>

    9a. If **yes**, are records in the system retrieved by any personal identifier (e.g., name, SSN, Photograph, IP Address) for an individual?   <u>Yes</u>

    If **yes**, is there a System of Records Notice(s) or SORNs that addresses the PII records in this system?   <u>Yes</u>

        If **yes**, enter the SORN number(s) and the complete the name of the SORN.

SORNS Number	SORNS Name
Treasury/IRS 36.003	General Personnel and Payroll Records
Treasury/IRS 34.037	IRS Audit Trail and Security Records System
Treasury/IRS 26.019	Taxpayer Delinquent Accounts (TDA) Files
Treasury/IRS 24.046	CADE Business Master File (BMF)
Treasury/IRS 24.030	CADE Individual Master File (IMF)
Treasury/IRS 00.001	Correspondence Files (including Stakeholder Relati

        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?   <u>Yes</u>

D. RESPONSIBLE PARTIES

10. Identify the individuals for the following system roles.

 NA

E. INCOMING PII INTERFACES

11. Does the system receive SBU/PII from other system or agencies?   <u>Yes</u>

    11a. If **yes**, does the system receive SBU/PII from IRS files and databases?   <u>Yes</u>

    If **yes**, enter the files and databases.

System Name	Current PIA?	PIA Approval Date	SA & A?	Authorization Date
Individual Master File	Yes	05/02/2014	Yes	11/12/2012
Business Master File	Yes	05/28/2014	Yes	03/15/2015
Error Resolution System	Yes	01/13/2015	Yes	02/14/2012

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?   Yes

   If **yes**, identify the forms

Form Number	Form Name
940	Employer's Annual Federal Unemployment (FUTA) Tax Return
941	Employer's Quarterly Federal Tax Return
709	United States Gift Tax Return
706	United States Estate Tax Return
943	Employer's Annual Federal Tax Return for Agricultural Employees
990	Return of Organization Exempt From Income Tax
1040	Individual Income Tax Return
1041	U.S. Income Tax Return for Estates and Trusts
1042	Annual Withholding Tax Return for U.S. Income of Foreign Persons
1065	U.S. Return of Partnership Income
1120	U.S. Corporation Income Tax Return
1066	U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return

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

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F. PII SENT TO EXTERNAL ORGANIZATIONS

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12. Does this system disseminate SBU/PII?   No

G. PRIVACY SENSITIVE TECHNOLOGY

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13. Does this system use social media channels?   No

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

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H. INDIVIDUAL NOTICE AND CONSENT

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

17a. If **yes**, how is notice provided? Was the individual notified about the authority to collect the information, whether such is mandatory or voluntary, the purpose for which the information will be used, with whom the information may be shared, and the effects, if any, if they decide not to provide any of the requested information?
The system uses data entered from tax returns filed by taxpayers. They are notified of such collection by the Privacy Act Notice in the tax return instructions.

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.

18. Do individuals have the opportunity to decline from providing information and/or from consenting to particular uses of the information?   Yes

18a. If **yes**, describe the mechanism by which individuals indicate their consent choice(s):
The system will allow affective parties the opportunity to clarify or dispute negative information that could be used against them. Due process is provided pursuant to 5 USC.

18b. If no, why not?

19. How does the system or business process ensure due process regarding information access, correction and redress?
The system will allow affective parties the opportunity to clarify or dispute negative information that could be used against them. Due process is 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

IRS Employees?	Yes/No	Access Level(Read Only/Read Write/ Administrator)
Users	Yes	Read and Write
Managers	Yes	Read and Write
Sys. Administrators	Yes	Administrator
Developers	Yes	Read-Only

Contractor Employees?   No

21a. How is access to SBU/PII determined and by whom? Employees request access to PT and IDRS by submitting an OL5081 which must be approved by their manager.

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 ?

Yes

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.

        Payment Tracers follows the record control schedule: Record management, record control schedule for tax administration –Document 12990 under RCS 29 for Tax Administration - Wage and Investment Record: IRM 1.15.29, Exhibit 1, Number 184 – Payment Tracers (PT) Database. Hardcore Payment Tracers (HCPT) Unit staff use PT to research payments from Error Resolution (ERS) processing using taxpayer identification number (TIN) changes; control payment tracers cases; submit document locator numbers (DLN) electronically to Enterprise Computing Center- Martinsburg (ECC-MTB) for research against the Master File; view the returned ECC-MTB DLN research data; and print various reports used by the HCPT Units. (Job No. N1-58-11-2) (A) Inputs: Information is input into Payment Tracers through various processes, including ingesting data from the Error Resolution System (ERS), Master File extracts, and through manual input from IRS employees working a case. Information includes taxpayer information from Form 4446 (Payment Tracer Research Record, recordkeeping copy is scheduled under N1-58-94-4, Item 185 in this Schedule),employee user information, and comments about the case. AUTHORIZED DISPOSITION Delete when data has been entered into the master file or database and verified, or when no longer required to support reconstruction of or serve as backup to, a master file or database, whichever is later. AUTHORIZED DISPOSITION Delete/Destroy when 1 year old. (2) The system also includes Document Locator Number (DLN) research information to be used to track open cases. AUTHORIZED DISPOSITION Cut off when case is closed. Delete/Destroy when 20 years old. (C) Outputs: Payment Tracers generates ad hoc, optional reports. AUTHORIZED DISPOSITION Delete/Destroy when no longer needed for legal, audit or other operational purposes. (D) System Documentation: Owners Manual, User Manual, Data Dictionary, Software Design Description, Software Requirements, et al. AUTHORIZED DISPOSITION Delete/Destroy when superseded or 5 years after the system is terminated, whichever is sooner.AUTHORIZED DISPOSITION Delete/Destroy when superseded or 5 years after the system is terminated, whichever is sooner.

    22b. If **no**, how long are you proposing to retain the records? Please note, if you answered no, you must contact the IRS Records and Information Management Program to initiate records retention scheduling before you dispose of any records in this system.

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)?   Yes

    23a. If **yes**, what date was it completed?   6/3/2013 12:00:00 AM

    23b. If **in process**, when is the anticipated date of the SA&A or ECM-R completion?

23c. If **no**, is the system secured in accordance with all applicable federal, treasury, and IRS security policy, procedures, and requirements?

23.1 Describe in detail the system s audit trail.   The following data elements and fields are collected into the audit logs: EVENTTIMESTAMP – DATE, USERID, EVENTTYPE, EVENTID, VARDATA, SRCADDR, USERTYPE, RETURNCODE. Payment Tracers only contains taxayer data and only adds, deletes, modifies, or researches a taxfiler's record. Employee personnel and financial information cannot be added to PT's database.

J. PRIVACY TESTING

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24. Does the system require a System Test Plan? Yes

24c. If **no**, please explain why.

24b. If **yes**, Is the test plan in process or completed: Completed

If **in process**, when is the test plan scheduled for completion?

24.3 If **completed/ or in process,** 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?
The results are stored in DocIT and transmittal checklist is provided

24b.1. If **completed**, where are the test results stored (or documentation that validation has occurred confirming that requirements have been met)?   The results are stored in DocIT and the transmittal checklist is provided.

24b.2. If **completed**, were all the Privacy Requirements successfully tested?   Yes

24.2 If **completed**, are there any residual system privacy, civil liberties, and/or security risks identified that need to be resolved? No

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K. LIVE DATA TESTING

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

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L. NUMBER AND CATEGORY OF PII RECORDS

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

26a. IRS Employees: Under 50,000
26b. Contractors: Not Applicable
26c. Members of the Public: Not Applicable
26d. Other: No

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

M. CIVIL LIBERTIES

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

    27a. If **yes**, explain the First Amendment information being collected and how it is used.

    27b. If **yes**, please check all of the following exceptions (any one of which allows the maintenance of such information) that apply:

        The individual about whom the information was collected or maintained expressly authorizes its collection/maintenance (as noted in Q17). No
        The information maintained is pertinent to and within the scope of an authorized law enforcement activity. (As noted in Q 7)   No
        There is a statute that expressly authorizes its collection. (Identified in Q6)   No

    27c. If **yes**, will the First Amendment information be used as the basis to make any adverse determination about an individual's rights, benefits, and/or privileges?

28. Is the system information used to conduct data-mining as defined in the *Implementing the 9/11 Commission Recommendations Act of 2007, Public Law 110-53, Section 804?* No

29. Will this system have the capability to identify, locate, and monitor individuals or groups of people? No

N. ACCOUNTING OF DISCLOSURES

30. Does the system include or require disclosure of tax or employee information to anyone other than IRS employees or IRS contractors 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