

Date of Approval: **June 14, 2023**

PIA ID Number: **7807**

SYSTEM DESCRIPTION

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

Returns Inventory and Classification System, RICS

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?

Returns Inventory and Classification System, RICS, # 5125

What is the approval date of the most recent PCLIA?

7/10/2020

Changes that occurred to require this update:

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.

Tax Exempt & Government Entities (TE/GE) Investment Executive Steering Committee (IESC)

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.

RICS is Tax Exempt & Government Entities (TE/GE) primary tool for examining the level of tax filing compliance from its customers. RICS allows access to tax filing data related to filing, processing, and posting of returns. RICS also provides automatic sampling, criteria for audits, and the tracking of audit results. TE/GE uses RICS to study specific filer samples to determine the level of compliance of individual customer groups. Since most customer groups are too large to study each filer, RICS provides statistically sound sampling allowing TE/GE to make assessments about a particular group by studying a much smaller subset of filers.

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)

When there is no reasonable alternative means for meeting business requirements

Statistical and other research purposes

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

SSNs are found on Form 5330 returns, which account for about 0.1% of all Returns Inventory & Classification System (RICS) returns. EINs and SSNs are the only feasible way to identify, and query returns in RICS for research as well as examination purposes.

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

SSNs are found on Form 5330 returns, which account for about 0.1% of all Returns Inventory & Classification System (RICS) returns. At this time, no planned mitigation strategy is in place; EINs and SSNs are the only feasible way to identify, and query returns in RICS.

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
Tax Account Information

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

Yes

Specify the types of SBU from the SBU Types List:

Agency Sensitive Information - Information which if improperly used or disclosed could adversely affect the ability of the agency to accomplish its mission.

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.

Employer's Name, Plan Sponsor, Contact Person's name, Employee Identification Number, and Employee Group Number.

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 about individuals for Bank Secrecy Act compliance 31 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.

Returns Inventory & Classification System (RICS) is used primarily to identify entities for which RICS has address information used to locate specified organizations or a business. RICS also contains a small portion of data on individuals. This access is used exclusively for examination purposes. The availability of each data item within RICS allows for an easier and faster method to examine the level of compliance from its customers. The selection of data through RICS allows the user to group forms into categories, allowing easy assignment based on the project being worked. The data can be used to verify consistency of information between filings and other more complicated trend analysis. RICS is needed as a research tool to provide for consistency of information and trend analysis.

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

Returns Inventory & Classification System (RICS) receives data from various IRS systems which have their own verification process for data accuracy, timeliness, and completeness; therefore, RICS assumes that the data is accurate, timely, and complete when it is provided by the other systems.

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 24.046 Customer Account Data Engine Business Master File

IRS 34.037 Audit Trail and Security Records

IRS 50.222 Tax Exempt/Government Entities (TE/GE) Case Management Records

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: EP/EO/GE AIMS Report Processing System (EARP)
Current PCLIA: Yes
Approval Date: 8/6/2020
SA&A: No

System Name: Business Master File (BMF)
Current PCLIA: Yes
Approval Date: 9/22/2021
SA&A: Yes
ATO/IATO Date: 10/31/2022

System Name: Information Returns Processing (IRP)
Current PCLIA: Yes
Approval Date: 3/16/2020
SA&A: No

System Name: Employee Plans-Exempt Organization (EDS)
Current PCLIA: Yes
Approval Date: 2/25/2021
SA&A: Yes
ATO/IATO Date: 4/24/2023

System Name: Employee Plans MasterFile (EPMF)
Current PCLIA: Yes
Approval Date: 2/22/2022
SA&A: No

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?

No

Does the system receive SBU/PII from Taxpayer forms?

Yes

Please identify the form number and name:

Form Number: 990

Form Name: Return of Organization Exempt From Income Tax

Form Number: 990-EZ

Form Name: Short Form Return of Organization Exempt From Income Tax

Form Number: 990-N

Form Name: Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required to File Form 990 or Form 99

Form Number: 990-PF

Form Name: Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation

Form Number: 990-T

Form Name: Exempt Organization Business Income Tax Return

Form Number: 1041

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

Form Number: 1041-A

Form Name: U.S. Information Return Trust Accumulation of Charitable Amounts

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: 1065B

Form Name: U.S. Return of Income for Electing Large Partnerships

Form Number: 1096

Form Name: Annual Summary and Transmittal of U.S. Information Returns

Form Number: 1120

Form Name: U.S. Corporation Income Tax Return

Form Number: 1120-C

Form Name: Form 1120-C, U.S. Income Tax Return for Cooperative Associations

Form Number: 1120-F

Form Name: U.S. Income Tax Return of a Foreign Corporation

Form Number: 1120-FSC

Form Name: U.S. Income Tax Return of a Foreign Sales Corporation

Form Number: 1120-H

Form Name: U.S. Income Tax Return for Homeowners Associations

Form Number: 1120-L

Form Name: U.S. Life Insurance Company Income Tax Return

Form Number: 1120-ND

Form Name: Return for Nuclear Decommissioning Funds and Certain Related Persons

Form Number: 1120-PC

Form Name: U.S. Property and Casualty Insurance Company Income Tax Return

Form Number: 1120-POL

Form Name: U.S. Income Tax Return for Certain Political Organizations

Form Number: 1120-REIT

Form Name: U.S. Income Tax Return for Real Estate Investment Trusts

Form Number: 1120-RIC

Form Name: U.S. Income Tax Return For Regulated Investment Companies

Form Number: 1120-S

Form Name: U.S. Income Tax Return for an S Corporation

Form Number: 1120-SF

Form Name: U.S. Income Tax Return for Settlement Funds (Under Section 468B)

Form Number: 2290
Form Name: Heavy Highway Vehicle Use Tax Return

Form Number: 4720
Form Name: Return of Certain Excise Taxes on Charities and Other Persons Under Chapters 41 and 42 of the IRC

Form Number: 5227
Form Name: Split-Interest Trust Information Return

Form Number: 5330
Form Name: Return of Excise Taxes Related to Employee Benefit Plans

Form Number: 5500
Form Name: Annual Return/Report of Employee Benefit Plan

Form Number: 5500-C
Form Name: Return/Report of Employee Benefit Plan (with fewer than 100 participants)

Form Number: 5500-EZ
Form Name: Annual Return of One-Participant (Owners and Their Spouses) Retirement Plan

Form Number: 8038
Form Name: Information Return for Tax-Exempt Private Activity Bond Issues

Form Number: 8038B
Form Name: Information Return for Build America Bonds and Recovery Zone Economic Development Bonds

Form Number: 8038-CP
Form Name: Credit for Qualified Bonds Allowed to Issuer

Form Number: 8038-G
Form Name: Information Return for Government Purpose Tax-Exempt Bond Issues

Form Number: 8038-GC
Form Name: Consolidated Information Return for Small Tax-Exempt Government Bond Issues

Form Number: 8038-T
Form Name: Arbitrage Rebate and Penalty in Lieu of Arbitrage Rebate

Form Number: 8038-TC
Form Name: Information Return for Tax Credit and Specified Tax Credit Bonds as the result of the new Hire bill.

Form Number: 8328
Form Name: Carry forward Election of Unused Private Activity Bond Volume Cap

Form Number: 8703
Form Name: Annual Certification of a Residential Rental Project

Form Number: 8871
Form Name: Political Organization Notice of Section 527 Status

Form Number: 8872
Form Name: Political Organization Report of Contributions and Expenditures

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: 943
Form Name: Employer's Annual Tax Return for Agricultural Employees

Form Number: 944
Form Name: Employer's ANNUAL Federal Tax Return

Form Number: 945
Form Name: Annual Return of Withheld Federal Income Tax

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: Audit Information Management System (AIMS)
Current PCLIA: Yes
Approval Date: 11/16/2021
SA&A: Yes
ATO/IATO Date: 9/22/2022

System Name: Security Audit and Analysis System (SAAS)
Current PCLIA: Yes
Approval Date: 4/16/2020
SA&A: Yes
ATO/IATO Date: 4/29/2020

System Name: Reporting Compliance Case Management System (RCCMS)
Current PCLIA: Yes
Approval Date: 10/14/2020
SA&A: Yes
ATO/IATO Date: 8/15/2022

Identify the authority.

Internal Revenue Code sections 6001, 6011, 6057 and 6058

For what purpose?

Security Audit and Analysis System (SAAS) - web application activity is sent to SAAS for security auditing purposes RCCMS - examination establishment requests and related data are sent from RICS to create inventory accounts on RCCMS. AIMS - examination establishment requests are sent from RICS to create inventory accounts on AIMS.

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?

No

Does this system disseminate SBU/PII to other Sources?

Yes

Identify the other source(s) that receive SBU/PII from this system, and if there is an Inter-Agency Agreement (ISA) /Memorandum of Understanding (MOU).

Organization Name: Treasury IG for Tax Administration (TIGTA)
Transmission Method: Electronic
ISA/MOU: No

Organization Name: Compliance Data Warehouse (CDW)
Transmission Method: Electronic
ISA/MOU: No

Identify the authority.

Internal Revenue Code sections 6001, 6011, 6057 and 6058

Identify the Routine Use in the applicable SORN (or Privacy Act exception).

See routine use for Treasury/IRS 24.046, Treasury/IRS 34.037, and Treasury/IRS 50.222.

For what purpose?

TE/GE data allows CDW customers (including non-TE/GE BOD's) and TIGTA to conduct research studies or analysis of TE/GE examination.

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 information within the Returns Inventory & Classification (RICS) comes from various IRS Systems and forms. Those systems and forms provide the Privacy Act Notice to individuals. RICS does not directly provide individuals the opportunity to decline from providing information and/or from consenting to particular uses of the information. Notice, consent, and due process are provided via the IRS systems and their related tax forms instructions, and pursuant to 5 USC.

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):

The information within Returns Inventory & Classification (RICS) comes from various IRS Systems and forms. Those systems and forms provide the Privacy Act Notice to individuals. RICS does not directly provide individuals the opportunity to decline from providing information and/or from consenting to particular uses of the information. Notice, consent, and due process are provided via the IRS systems and their related tax forms instructions, and pursuant to 5 USC.

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

The information within Returns Inventory & Classification (RICS) comes from various IRS Systems and forms. Those systems and forms provide the Privacy Act Notice to individuals. RICS does not directly provide individuals the opportunity to decline from providing information and/or from consenting to particular uses of the information. Notice, consent, and due process are provided via the IRS systems and their related tax forms instructions, and pursuant to 5 USC. TE/GE places restrictions on and determines access based on user role. Users are only granted access to RICS as necessary to fulfill the duties of their role. Through the access control mechanisms employed, the application establishes appropriate division of responsibility and separation of duties to eliminate conflict of interest in the responsibilities and duties of individuals. The role-based access groups defined within the RICS application enforce the most restrictive set of rights/privileges or access needed by users to perform their tasks; thereby, enforcing least privileges. Developers do not have any access to production data.

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 Only

Managers: Read Only

System Administrators: Administrator

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

Users request access through the Business Entitlement Access Request System (BEARS). The role-based access groups defined within the RICS application enforce the most restrictive set of rights/privileges or access needed by users to perform their tasks; thereby, enforcing least privileges. Users are only granted access to RICS as necessary to fulfill the duties of their role. Developers do not have any access to any production data.

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 Returns Inventory & Classification (RICS) will be removed/deleted or purged from the system in accordance with approved retention periods as set by the National Archives and Records and in accordance with IRM 1.15.1, IRM 1.15.6, IRM 1.15.24 and in coordination with the IRS Records and Information Management (RIM) Program and IRS Records Officer. Per IRS 12990 Records Control Schedule (RCS) 24, item 82 for Return Inventory and Classification System (RICS), the general disposition for data on RICS is 7 years or when no longer needed whichever is earlier.

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?

10/12/2022

Describe the system's audit trail.

The Cyber Oversight & Strategic Management group oversees the TIGTA and GAO audit findings and remediation processes for the IRS. Audit findings are tracked in the Joint Audit Management Enterprise System (JAMES) and remediation activities are coordinated with the Planned Corrective Action (PCA) owners. Risks identified in these audit reports could affect the information system's security posture. In order to obtain a holistic view of the current security state of the system, these reports should be periodically reviewed and considered when determining the authorization or on-going authorization of the system. For the latest status of all applicable audit reports and open findings specific to the information system, refer to JAMES. A complete audit trail of the use of the system is captured and includes every login, logoff, file access and database query. The system monitors for security risks and compliance violations to ensure that the use of the system takes place only for an approved purpose that is within the professional responsibility of each user. RICS is following the appropriate audit trail elements pursuant to current Audit Logging Security Standards.

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)?

Plans are stored on the RICS SharePoint site.

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?

When a Change Request is submitted to make changes to RICS (form changes, upgrades, etc.), a test plan is generated to address the requests. In addition, a Major Change Determination (MCD) is submitted for Privacy Requirement impacts.

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: 100,000 to 1,000,000

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?

No