

Date of Approval: **October 31, 2018**

PIA ID Number: **3703**

## **SYSTEM DESCRIPTION**

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

Square Axway Transfer Service, ATS

*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?*

Square Axway Transfer Service #1565

*What is the approval date of the most recent PCLIA?*

11/10/2015

*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.*

N/A

*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?*

No

## 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.*

IRS employees can electronically serve a summons and later retrieve the summoned data electronically from Square, Inc. using their Axway Transfer Service (ATS) summons process. The IRS employee accesses the https site, uploads the summons, and enters in their name, title, agency, address, email address, and phone number. This electronic process will improve response time by the third party and alleviate the need to send data via a less secure method (fax or mail). Square Inc emails the IRS employee with a link to the https site once the records are ready for retrieval. IRS is not paying Square Inc to create or maintain this site. The IRS and Square Inc signed a Memorandum of Understanding in 2016 describing the process. The process has not changed since then.

## 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:*

Another compelling reason for collecting the SSN

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

TINs are needed to identify the correct taxpayer.

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

None. The third party needs the TIN because they cannot identify the correct taxpayer by name and address alone.

Employer Identification Number

Other Taxpayer 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

E-mail Address

Date of Birth

Certificate or License Numbers

Financial Account Numbers

Photographic Identifiers

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:*

Official Use Only (OUO) or Limited Official Use (LOU) Information designated as OUO or LOU is information that: is exempt under one of the statutory Freedom of Information Act exemptions; is prohibited by other laws or regulations; would significantly impede the agency in carrying out a responsibility or function; or would constitute an unwarranted invasion of privacy.

*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.*

Forms 6863 and 2039, Possible taxpayer location and shipping information, credit card and account transaction information.

*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

*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.*

A summons is issued under IRC Section 7602 for the purpose of ascertaining the correctness of any return, making a return where none has been made, determining the liability at law or in equity of any transferee or fiduciary of any person in respect to any internal revenue tax, or collecting any such liability. The SSN/TIN may be provided to the third party to help identify the subject of the summons. The response from the third party may contain SSN/TINs associated with the subject of the summons. If the records in control of the third party have SSN/TIN on them, the Service is entitled to true and correct copies of those documents. The summons could include identifying SBU/PII to assist in identifying the taxpayer as related to an IRS case. The Form 6863, Invoice and Authorization for Payment of Administrative Summons Expenses, will also contain SBU/PII. IRS employees issue a summons for a multitude of reasons, for tax administration purposes.

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

The taxpayers are generally asked to provide the information first before a summons is issued. A summons is issued when there is non-compliance from the taxpayer, or to verify previously reported information.

## **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 26.019 Taxpayer Delinquent Account Files

IRS 42.021 Compliance Programs and Projects Files

IRS 34.037 Audit Trail and Security 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?*

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?*

Yes

*Identify the source that sends the SBU/PII, how the SBU/PII is transmitted and if there is an Inter-Agency Agreement (ISA) /Memorandum of Understanding (MOU).*

Organization Name: Square Axway

Transmission Method: Email

ISA/MOU: Yes

*Does the system receive SBU/PII from Taxpayer forms?*

Yes

*Please identify the form number and name:*

Form Number: Form 6863 Form Name: Invoice and Authorization for Payment of Administrative Summons Expenses

Form Number: Form 2039 Form Name: Summons

*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?*

No

*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: IRS Employee  
Transmission Method: Email  
ISA/MOU: Yes

*Identify the authority.*

Memorandum of Understanding.

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

Sends email to contact IRS employee when summons information is available.

*For what purpose?*

Taxpayer summons.

## **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?*

If notice is required per IRC 7609, the notice of the summons is mailed or hand-delivered to the noticee within three business days of issuance of the summons. Due process is provided 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):*

IRS employees generally ask the individual to provide the information voluntarily prior to issuing a summons. The individual has no control over the use of the summoned records once the IRS employee issues a summons. Due process is provided pursuant to 5 USC.

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

Due process is provided pursuant to 5 USC. Notice, consent and due process are provided in the summons instructions, and pursuant to 5 USC.

## INFORMATION PROTECTION

*Identify the owner and operator of the system (could be IRS owned and Operated; IRS owned, contractor operated; contractor owned and operated).*

Contractor Owned and Operated

*The following people have access to the system with the specified rights:*

*IRS Employees*

Users: Read Only

Managers: Read Only

*IRS Contractor Employees*

Contractor Users: Read Write

Contractor Managers: Read Only

Contractor System Administrators: Administrator

Contractor Developers: Administrator

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

Square Inc has access-control policies. Access to SBU/PII is on a need to know and is part of the Square employee's job duties and responsibilities. IRS access is determined by Delegation Order 25-1 found in IRM 1.2.52.2. Square Inc is not a contractor, and employees do not need to submit a 5081 to access the https site; they just type in the https web address to access the portal.

## **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.*

The Square Axway Transfer Service is non-recordkeeping for IRS purposes. It is a platform for secure communications and information sharing between the IRS and Square Inc. It is not the official IRS repository for any data or documents. The original data belongs to Square and the IRS has no control on the retention or destruction of Square's original data. Square Inc erases the summoned records from their server 90 days after the IRS employee is notified that the records are ready to be retrieved. There is no change to the IRS retention of records. The only change to the summons process is the delivery of the summons and summoned records, from fax or mail to electronic delivery. The records secured from Square are downloaded from the Square system to the IRS employee's computer and become part of the IRS employee's active case file. This data is then governed under case file criteria. Once the case is closed, the IRS employee removes/deletes the records from their computer. All case related information is stored in a central repository and is retained: a) For ten years after the case is closed as required by Document 12990, Records Control Schedule (fka IRM 1.15.28), "Item 6 under Internal Revenue Service Records Control Schedule (RCS) 28, Tax Administration -- Collection." (fka IRM 1.15.28); Item 6; b) For ten years after the case is closed as required in Document 12990, RCS 23 for Examination (fka IRM 1.15.23), Item 42; or, c) For ten years after the case is closed as required by IRM 1.15.30 for Criminal Investigation, Item 15 (Job No. N1-58-07-11, Document 12990).

## **SA&A OR ASCA**

*Has the system been through SA&A (Security Assessment and Authorization) or ASCA (Annual Security Control Assessment)?*

No

*Is the system secured in accordance with all applicable federal, treasury, and IRS security policy, procedures, and requirements?*

Yes

*Describe the system's audit trail.*

Square maintains an audit trail through their system that captures all transactions by users including when: - a user logs in or out, - a user downloads records, - an email is sent, replied to, or deleted. The IRS captures its audit data from normal email traffic when: - the employee receives an email from Square, and then - the employee accesses the Square URL outside the IRS firewall to download the summoned records.

## **PRIVACY TESTING**

*Does the system require a System Test Plan?*

No

*Please explain why:*

The IRS employee accesses the Square Axway Transfer Service by going to the https site. No software program or executable file is used.

## **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: Under 50,000

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?*

Yes

*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.*

Yes