

Date of Approval: August 17, 2015

PIA ID Number: **1464**

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## A. SYSTEM DESCRIPTION

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1. Enter the full name and acronym for the system, project, application and/or database. BMF Document Specific Processing, BDOCSPEC

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, PIA ID Number and milestone of the most recent PIA.

BMF Document Specific Processing, BDOCSPEC

Next, enter the **date** of the most recent PIA. 11/6/2012

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  
Yes 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

Were there other system changes not listed above? No

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  
Yes 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? No

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### A.1 General Business Purpose

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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.

Business Master File Document Specific (BDOCSPEC) is made up of subprograms that are called by the various runs that make up the Generalized Mainline Framework (GMF) system. The programs are called based on the tax class and doc code of the record that is currently being processed. Production processing is located in Memphis Computing Center and Martinsburg Computing Center. In the event of a disaster in either one of the computing centers, the other computing center is capable of performing as the disaster recovery system and handling 100% of the workload. The BDOCS subprograms process/validate business tax return information for various tax returns. Each individual return has its own unique processing criteria. The returns are handled one at a time with the applicable data for each return, but BDOCS does not store or maintain the data. We have over 40 Forms related to this application, we have listed a number of them.

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**B. PII DETAIL**

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

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
No	Phone Numbers	No	No	No
No	E-mail Address	No	No	No

6c. Does this system contain SBU information that is not PII, it uses, collects, receives, displays, stores, maintains, or disseminates? Yes

If **yes**, select the types of SBU

<u>Selected</u>	<u>SBU Name</u>	<u>SBU Description</u>
Yes	Agency Sensitive Information	Information which if improperly used or disclosed could adversely affect the ability of the agency to accomplish its mission
No	Procurement sensitive data	Contract proposals, bids, etc.
No	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.
No	Proprietary data	Business information that does not belong to the IRS
No	Protected Information	Information which if modified, destroyed or disclosed in an unauthorized manner could cause: loss of life, loss of property or funds by unlawful means, violation of personal privacy or civil rights, gaining of an unfair procurement advantage by contractors bidding on government contracts, or disclosure of proprietary information entrusted to the Government
No	Physical Security Information	Security information containing details of serious weaknesses and vulnerabilities associated with specific systems and facilities
No	Criminal Investigation Information	Information concerning IRS criminal investigations or the agents conducting the investigations.

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 BDOCS subprograms process/validate business tax return information for various tax returns. Each individual return has its own unique processing criteria. The returns are handled one at a time with the applicable data for each return, but BDOCS does not store or maintain the data. The Business Master File Document Specific (BDOCSpec) project is a part of the GMF pipeline processing system. BDOCSpec programs verify the information on various Business and Individual tax returns along with some internal forms. The project maintains over 380 GMF subprograms and subroutines as well as 8 common shared subroutines which include the zip code validation and foreign address validation programs that are used by ELF, pipeline processing, and IDRS. The BDOCSpec subprograms and subroutines are called by GMF and/or ERS to validate return information based on tax class/ doc code/ and format code in the DLN. The subprograms are utilized by GMF and ERS to determine (based on customer requirements) if the return information is valid, and to generate computed money amounts and various indicators for subsequent processing. Valid returns are forwarded by GMF to the appropriate Masterfile. BDOCSpec programs do not store data, and do not alter or update data without the intervention of a tax examiner or error resolution personnel. Data can be retrieved from GMF and ERS files by Computing Center personnel on an "as needed" basis by use of file searches and document retrieval actions. The file searches are based on whatever taxpayer identifying information is available at the time of research [i.e., EIN, name control, Document Locator Number (DLN), etc.].

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

Data validation is performed by BDOCS subroutines one record at a time when the records are passed to BDOCS subroutines (programs) by GMF and/or ERS. Validations performed on each return are based on IRS Business customer requirements. Returns are processed in the GMF and ERS systems on a daily basis.

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### **C. PRIVACY ACT AND SYSTEM OF RECORDS**

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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.

**SORNS Number**

**SORNS Name**

Treas/IRS 24.046 Business Master File Customer

Treas/IRS 34.037 Audit Trail and Security Records System

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

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#### D. RESPONSIBLE PARTIES

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10. Identify the individuals for the following system roles. N/A

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#### E. INCOMING PII INTERFACES

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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 &amp; A?</u>	<u>Authorization Date</u>
ERS	Yes	01/30/2015	Yes	03/06/2012
GMF	Yes	12/23/2014	Yes	09/22/2011
GUF	Yes	01/25/2015	Yes	09/22/2011

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

<u>Form Number</u>	<u>Form Name</u>
706	United States Estate Tax Return
11-C	Occupational Tax and Registration Return for Wagering
709	United States Gift (and Generation-Skipping Transfer) Tax Return
720	Quarterly Federal Excise Tax Return
940	Employer's Annual Federal Unemployment (FUTA) Tax Return
941	Employer's Quarterly Federal Tax Return
943	Employer's Annual Federal Tax Return for Agricultural Employees
944	Employer's Annual Federal Tax Return
945	Annual Return of Withheld Federal Income Tax
990	Return of Organization Exempt from Income Tax
990-T	Exempt Organization Business Income Tax Return

1041	U.S. Income Tax Return for Estates and Trusts
1042	Annual Withholding Tax Return for U.S. Source Income of Foreign Persons
1065	U.S. Return of Partnership Income
1120	U.S. Corporation 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

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## 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 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.

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 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.

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

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.

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## I. INFORMATION PROTECTION

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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

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

Contractor Employees? No

21a. How is access to SBU/PII determined and by whom? Employees with a business need request access to ERS by OL5081s.

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

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## **I.1 RECORDS RETENTION SCHEDULE**

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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.

BMF Document Specific Processing (BDOCSPEC) does not retain or store any records. Because it is non-recordkeeping - no scheduling actions are required. BDOCSPEC is a batch processing application that checks for the accuracy of tax return information. BDOCSPEC does not generate, alter or store any records. BMF recordkeeping data is appropriately scheduled under Records Control Schedule 29 for Tax Administration - Wage and Investment Records (Service Center Operations), Item 210.

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## **I.2 SA&A OR ECM-R**

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

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

23.1 Describe in detail the system s audit trail. There are no audit trails in the BDOCS subprograms, the audit trails exist in the calling ERS and GMF programs. All data storage and handling and audit trails are done by the ERS and GMF programs that manage the BDOCS applications. The ERS and GMF systems have approved SA&As.

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## **J. PRIVACY TESTING**

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

24c. If **no**, please explain why. All monitoring and evaluating activities are done by the ERS and GMF programs that manage the BDOCS applications.

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## **K. SBU Data Use**

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25. Does this system use, or plan to use SBU 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:	<u>Under 50,000</u>
26b. Contractors:	<u>Not Applicable</u>
26c. Members of the Public:	<u>Not Applicable</u>
26d. Other:	<u>No</u>

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## **M. CIVIL LIBERTIES**

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

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

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## **N. ACCOUNTING OF DISCLOSURES**

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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

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**End of Report**

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