
A. SYSTEM DESCRIPTION

1. Enter the full name and acronym for the system, project, application and/or database. FATCA Foreign Financial Institution Registration System, FATCA

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.

FATCA Foreign Financial Institution Registration System; PCLIA 1402

Next, enter the **date** of the most recent PIA. 7/28/2015

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

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

Were there other system changes not listed above? Yes

If yes, explain what changes were made. Due to Treasury Regulations, FIs are required to submit certifications by 7/1/2018: Certifications of Pre-existing Accounts and Periodic certifications. Functionality is being added to the application to allow FIs to complete certifications.

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

<u>No</u>	Vision & Strategy/Milestone 0
<u>No</u>	Project Initiation/Milestone 1
<u>Yes</u>	Domain Architecture/Milestone 2
<u>Yes</u>	Preliminary Design/Milestone 3
<u>Yes</u>	Detailed Design/Milestone 4A
<u>Yes</u>	System Development/Milestone 4B
<u>No</u>	System Deployment/Milestone 5
<u>Yes</u>	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 Foreign Accounts Tax Compliance Act (FATCA) was passed into law in March 2010 with the objective of improving the IRS's visibility into overseas movements of income by US individual and business taxpayers. FATCA requires US withholding agents to withhold 30% on payments to Foreign Financial Institutions (FFIs) that do not abide by FATCA provisions for reporting on accounts held by US persons and entities and withholding on payments to accounts held by "recalcitrant" US persons and entities. The purpose of the FATCA Foreign Financial Institution Registration (FATCA-FFIR) system is to enable the IRS to enter agreements with FFIs to engage in these withholding and reporting activities under the FATCA legislation. In order to comply with the timeframes, set for implementation of this legislation, FATCA-FFIR system became operational August 2013. The FATCA-FFIR system registers FFIs electing to comply with US FATCA legislation (part of 2010 HIRE Act). For Foreign Financial Institutions, the system will request Financial Institution name and other information for the entity for which the application is being made and for a Responsible Officer (RO) for the applying FFI. FFI Registration must be capable of managing related FFI applications across a range of ownership structures, referred to as FFI Groups. FFI Registration System supports LB&I's primary goal to strengthen international perspectives and compliance approaches. Specifically, the FATCA-FFIR System supports the objectives to develop international compliance solutions and expand international stakeholder relationships and cooperation. FFI Registration System initiates the process of working with international institutions to ensure proper tax compliance outlined in the FATCA legislation. FFI Registration System also supports LB&I's goal to integrate end-to-end processes and systems, specifically aligning to the objective to integrate end-to-end Information Technology (IT) infrastructure to support the business process. FFI Registration is incorporating IT solutions by implementing an online portal to facilitate the registration process. FATCA-FFIR System is an application that is accessible via IRS.gov. Internal IRS users connect through the Employee User Portal (EUP). External users connect to the registration system through the Integrated Enterprise Portal (IEP), and the FFI List is accessible via the Public User Portal (PUP). To access the FATCA FFI Registration System, the Financial Institution establishes an account. Once they choose to create an account they create their own unique access code (rules apply to make it secure). The system then generates a FATCA ID that is used in combination with their access code to access their account. The FFI then completes the registration, providing Responsible officer (RO) information. Included in this RO information are the RO's name and business email address. The FFI then submits their registration. When a change in registration status occurs, an email notification is sent to the RO's business email requesting the RO to check their FATCA account for an update. FI Registration, including Branch information, is screened and if approved, FIs and Branches are assigned Global Intermediary Identification Numbers (GIINs). GIINs are published monthly on the FFI List. Effective in Release 2.0, approved Sponsoring Entity type FIs were given the ability to add Sponsored Entities including Sponsored Subsidiary Branches. The Sponsored Entities and Sponsored Subsidiary Branches are screened and if approved, assigned GIINs. These GIINs are included in the FFI List. Also, added in Release 2.0 was the ability for member type FIs in approved or limited conditional status to transfer from their current expanded affiliated group (EAG) to another EAG and the ability for FIs to change their FI type. In addition, as part of the FATCA Agreement, FI's are required to periodically renew their agreement and complete a periodic certification of compliance and a one-time certification of pre-existing accounts, if applicable. The capability to renew agreements was added in release 5.0.3 and the capability to complete certifications will be added in release 6.2.

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.)? No

If **yes**, check who the SSN (or tax identification number) is collected on.

No 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)
No	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).

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
Yes	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.

The purpose of the system is to register Foreign Financial Institutions (FFIs) electing to comply with US FATCA legislation (part of 2010 HIRE Act). In addition, as part of the FATCA Agreement, FI's are required to periodically renew their agreement and complete a periodic certification of compliance and a one-time certification of pre-existing accounts, if applicable. Information needed to identify the Responsible Officer (RO) and POC's within the Financial Institution are required. The RO delegates authorization to the Point of Contacts (POCs) including authorization for the POCs to complete Form 8957, FATCA Registration, to take other FATCA related actions, and to obtain access to the FI's tax information. The RO or authorizing official also certifies that the information submitted on the registration is accurate and complete, and agrees that the Financial Institution will comply with FATCA obligations. The PII collected for the Responsible Officer and POCs of the financial institution is used to notify the FI of account status changes as well as correspond with the FI regarding FATCA issues.

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

The Financial Institution provides the PII regarding the RO and POCs through the FATCA Registration System. To insure accuracy and completeness, the Registration System performs required field and format validation on the RO and POC information when submitted and saved. The FI cannot submit their registration form if the information submitted is not complete. The FI can edit the RO and POC information as needed due to changes or as necessary. The FI is responsible for keeping this information up to date. The FATCA Registration System does not make any determination pertaining to an individual's rights, benefits, and/or privileges.

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>
Treas/IRS 42.017	International Enforcement Program Information File
Treas/IRS 42.021	Compliance Programs and Projects Files

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? 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? Yes

16a. If **yes**, was (or will) an electronic risk assessment (e-RA) conducted on the system/application? Yes

16a1. If **yes**, when was the **e-RA** conducted? 6/27/2017

If **yes**, what was the approved level of authentication?

Level 2: Some confidence in the asserted identity's validity.

Single Factor Identity Validation

H. INDIVIDUAL NOTICE AND CONSENT

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?

Instructions are included on screen as to what information is required. There is also a corresponding User Guide that provides detailed information. Some fields are required and some fields are optional. If the FI is not able to provide the required information, they cannot complete the registration process.

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):
If the FI is not able to provide the required information, they cannot complete the registration process. Optional fields are at the discretion of the FI.

19. How does the system or business process ensure due process regarding information access, correction and redress? Not applicable.

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>	<u>Yes/No</u>	<u>Access Level (Read Only/Read Write/Administrator)</u>
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 FATCA FFI Registration entrant will only be able to access the PII data that was input by that entity. IRS will utilize OL5081 groups to determine which IRS employees need access to registration data through EUP and reports via Business Objects to perform their job duties.

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.

NARA approved IRS's request for disposition approval for FATCA FFI Registration System recordkeeping data (Job No. DAA-0058-2013-0011, signed by the Archivist of the United States, 9/12/2013). FI registration data will be maintained for 10 years after the FI has been terminated or has withdrawn as a participating FI. All approved disposition instructions for system inputs, master file data, outputs and system documentation will be published in IRS Document 12990 under Records Control Schedule 26 for Tax Administration - International, item 50 when next updated.

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? 4/20/2017

23.1 Describe in detail the system's audit trail. The FATCA Registration system records audit events to the SAAS Audit system utilizing the SAAS Audit system AMDAS message queue. Audit events are placed on the SAAS Audit system AMDAS message queue where they are consumed by the SAAS Audit application and recorded. The SAAS Audit record for the FATCA Registration system consists of: User ID - ICCE01 or SEID; User Type - REGT or IRSEE; System - FATCA; and Event Type - FA. The following events are recorded to SAAS Auditing for successful and unsuccessful results: Create a FATCA registration user account record; Delete a FATCA registration user account record; Retrieve a FATCA registration user account record; Create a FATCA registration user account password; Reset a FATCA registration user account password; FATCA registration user account login to the registration application; and FATCA registration user account logout from the registration application. Create a FATCA registration record; Delete a FATCA registration record; Update a FATCA registration record; Retrieve a FATCA registration record; Override a FATCA registration record; Suspend a FATCA registration record; and Terminate a FATCA registration record. Create a FATCA registration Branch record; Suspend a FATCA registration Branch record; and Terminate a FATCA registration Branch record. Cancel a FATCA registration agreement; Transfer is finalized for a FATCA registration account; Approve a Sponsored Entity record; Approve a Sponsored Subsidiary Branch record; Update a Sponsored Entity record; Reject a Sponsored Entity record; Reject a Sponsored Subsidiary Branch record;

Suspend a Sponsored Entity record; Suspend a Sponsored Subsidiary Branch record; Terminate a Sponsored Entity record; Renewal of Agreement; and Extend Renewal Due Date. SAAS Event Descriptions Enterprise User Portal (EUP):

- ADDFI --An employee inputs an FI Registration form into the EUP system from a paper submission and subsequently creates a new FI account. The FINANCIAL_INSTITUTION table records the SEID and timestamp of the employee who added the record.
- ASSIGNBRANCHGIIN --An employee approves a Branch, resulting in the assignment of a GIIN number to the Branch. This GIIN number is written to the database (BRANCH table). The BRANCH table also records the SEID and timestamp of the employee who approved the Branch.
- ASSIGNFIGIIN --An employee approves an FI, resulting in the assignment of a GIIN number to the FI. This GIIN number is written to the database (FINANCIAL_INSTITUTION table). The FINANCIAL_INSTITUTION table also records the SEID and timestamp of the employee who approved the FI.
- ASSIGSEGIIN - An employee approves a Sponsored Entity (SE) for a given parent Sponsoring Entity FI, resulting in the assignment of a GIIN number to the SE. This GIIN number is written to the database (SPONSORED_ENTITY table). The SPONSORED_ENTITY table also records the SEID and timestamp of the employee who approved the SE.
- ASSIGNSSBGIIN - An employee approves an SSB for a given parent Sponsored Entity of a given parent Sponsoring Entity, resulting in the assignment of a GIIN number to the SSB. This GIIN number is written to the database (SPONSORED_ENTITY_BRANCH table). The SPONSORED_ENTITY_BRANCH table also records the SEID and timestamp of the employee who approved the SSB.
- CANCELFIAGREEMENT -- An employee may determine that an FI's agreement should be canceled. The FINANCIAL_INSTITUTION table records the SEID and timestamp of the employee who canceled the FI's agreement.
- DELETFI --An employee deletes a Member FI using the Lead FI's account. The record would subsequently be removed from the database (FINANCIAL_INSTITUTION table)
- EDITFI --At times an employee will need to edit an FI Registration record. The FINANCIAL_INSTITUTION table records the SEID and timestamp of the employee who edited the record.
- EDITSE -- An employee will need to edit the Legal Name of a Sponsored Entity (SE) for a given parent Sponsoring Entity FI. The SPONSORED_ENTITY table records the SEID and timestamp of the employee who edited the record.
- FETCHFI --At times an employee will need to view an existing FI Registration record. [The FI Registration record may contain EINs.]
- REJECTBRANCH --At times an employee may determine that a branch is not eligible and will reject the branch. The BRANCH table records the SEID and timestamp of the employee who rejected the Branch.
- REJECTFI --At times an employee may determine that an FI is not eligible and will reject the FI. The FINANCIAL_INSTITUTION table records the SEID and timestamp of the employee who rejected the FI.
- REJECTSE - An employee may determine that a Sponsored Entity (SE) of a given parent Sponsoring Entity FI is not eligible and will reject the SE. The SPONSORED_ENTITY table records the SEID and timestamp of the employee who rejected the SE.
- REJECTSSB - An employee may determine that a Sponsored Subsidiary Branch (SSB) for a given parent Sponsored Entity of a given parent Sponsoring Entity FI is not eligible and will reject the SSB. The SPONSORED_ENTITY_BRANCH table records the SEID and timestamp of the employee who rejected the SSB.
- RESETPASSWORD --At times an employee may have to reset an FI's access code and have the system generate a new temporary access code.
- SUSPENDBRANCH --At times an employee may determine that a branch on an FI Registration requires review, they will suspend the branch. The BRANCH table records the SEID and timestamp of the employee who suspended the Branch.
- SUSPENDFI - At times an employee may determine that an FI Registration requires review and will suspend the registration record. The FINANCIAL_INSTITUTION table records the SEID and timestamp of the employee who suspended the FI.
- SUSPENDSE - An employee may determine that a Sponsored Entity (SE) for a given parent Sponsoring Entity FI requires review and will suspend the SE. The SPONSORED_ENTITY table records the SEID and timestamp of the employee who suspended the SE.
- SUSPENDSSB - An employee may determine that a Sponsored Subsidiary Branch (SSB) for a given parent Sponsored Entity of a given parent Sponsoring Entity FI requires review and will suspend the SSB. The SPONSORED_ENTITY_BRANCH table records the SEID and timestamp of the employee who suspended the SSB.
- TERMINATEFI --At times an employee may deem that an FI is non-compliant with their agreement and will terminate the FI agreement. The FINANCIAL_INSTITUTION table records the SEID and timestamp of the employee who terminated the FI's agreement.
- TERMINATESE - an employee may deem that a Sponsored Entity (SE) of a given parent

Sponsoring Entity FI is non-compliant with their agreement and will terminate the SE agreement. The SPONSORED_ENTITY table records the SEID and timestamp of the employee who terminated the SE's agreement. • EXTENDRENEWDUEDATE – At times an employee will need to extend the FI's renewal due date that gives the FI more time to renew its FFI agreement. The RENEWAL_DUE_DATE_EXTENSION table records the SEID and timestamp of the employee who extended the due date. Registered User Portal (RUP): o FFIACCOUNTCREATION -- SAAS event will be logged when an account is created for a Single, Lead, Member or Sponsoring Entity. For Members this event will be logged when the account is created by the Lead (Part 2). o FFILOGON -- SAAS event will be logged when a FI logs in to the system (Single, Lead, Member or Sponsor – including first time log in) and the attempt is successful or unsuccessful. o FFILOGOFF -- SAAS event will be logged when an FI exits the application using the logout link. o FFISUBMITREG -- SAAS event will be logged when the "Submit" button is clicked on Part IV and the registration is successfully submitted. o FFICREATEACCESSCODE -- SAAS event will be logged when a new access code is created or reset during the Account Creation/Login process; (including first time users which can be all FI types) Event should also be logged when the user changes their access code from their Home page. o CANCELFIAGREEMENT – SAAS event will be logged when "Cancel Agreement" button is clicked on the "Warning - Cancel Agreement" and "Warning – Cancel Agreement – Sponsoring Entity" Page o FITRANSFER – SAAS event will be logged when the transfer process is finalized and the new FATCA ID and Access Code has been assigned. o FFIRENEWAGREEMENT – SAAS event will be logged when an FI submits a Renewal of Agreement.

J. PRIVACY TESTING

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

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

If **in process**, when is the test plan scheduled for completion? 6/15/2018

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? Testing that is scheduled to be done for Release 6.2 includes: Unit testing – performed by the Developers on their individual workstations; Dev Testing – performed by the Developers in the DEV environment; AQT Testing – Performed by the AQT Testers in the AQT Environment; 508 Testing – Performed concurrently with AQT in the AQT environment; SAT Testing – Performed by EST in the SAT environment; UAT – performed by the customer in the SAT environment; and Performance Testing – performed by Performance Testing in the PETE environment;

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: 100,000 to 1,000,000

26d. Other: No

M. CIVIL LIBERTIES

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

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

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 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
