

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: 07/03/2014 PIA ID Number: 998

1. What type of system is this? New

1a. Is this a Federal Information Security Management Act (FISMA) reportable system? No

2. Full System Name, Acronym, and Release/Milestone (if appropriate):

Premium Tax Credit Estimator, PTCE

2a. Has the name of the system changed? No

If yes, please state the previous system name, acronym, and release/milestone (if appropriate):

3. Identify how many individuals the system contains information on

Number of Employees: Not Applicable

Number of Contractors: Not Applicable

Members of the Public: Not Applicable

4. Responsible Parties:

NA

5. General Business Purpose of System

The Premium Tax Credit is designed to pay a portion of a taxpayer's health insurance premiums for insurance purchased through a state or the Federal exchange. It is based on household income, family size, where the taxpayer lives, filing status, and the ages of each family member covered by the insurance. The credit can be either taken in advance as payments to the insurance provider or claimed on a taxpayer's return. If the credit is taken in advance, then changes in the taxpayer's circumstances (increase or decrease of income, birth of a child, marriage or divorce, etc.) can change the amount of the advance payments during the year and the estimated credit for which the taxpayer would be eligible. The estimator shows the possible advance credit payments, out of pocket costs to the taxpayer, an estimated credit for the year, and a comparison of that with their advance credit payments for the year. Based on the taxpayer's monthly income, their family size, and the premiums they pay for insurance for each month; it shows changes in the advance credit payments. The Premium Tax Credit Estimator provides a way for taxpayers to see how the credit changes in response to changes in their circumstances. It is an educational tool designed to show changes; it does not attempt to calculate the taxpayer's actual credit or reconcile their advance payments with their actual credit.

6. Has a PIA for this system, application, or database been submitted previously to the Office of Privacy Compliance? (If you do not know, please contact *Privacy and request a search) No

6a. If Yes, please indicate the date the latest PIA was approved:

6b. If Yes, please indicate which of the following changes occurred to require this update.

- System Change (1 or more of the 9 examples listed in OMB 03-22 applies) (refer to PIA Training Reference Guide for the list of system changes)
 - System is undergoing Security Assessment and Authorization
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6c. State any changes that have occurred to the system since the last PIA

7. If this system has an Exhibit 53 or Exhibit 300 please provide the Unique Project Identifier (UPI) number (XXX-XX-XX-XX-XX-XXXX-XX). Otherwise, enter the word 'none' or 'NA'. none

B. DATA CATEGORIZATION

Authority: OMB M 03-22 & PVR #23- PII Management

8. Does this system collect, display, store, maintain or disseminate Personally Identifiable Information (PII)? Yes

8a. If No, what types of information does the system collect, display, store, maintain or disseminate?

Household members, filing status, income (including breakdown of modified AGI for the credit), premiums, state of residence, county, zipcode, age of household members, and advance credit payments from HHS.

9. Indicate the category that best describes the source that provides or originates the PII collected, displayed, stored, maintained or disseminated by this system. Most common categories follow:

Taxpayers/Public/Tax Systems	<u>Yes</u>	
Employees/Personnel/HR Systems	<u>No</u>	
Other	<u>No</u>	<u>Other Source:</u>

10. Indicate all of the types of PII collected, displayed, stored, maintained or disseminated by this system. Then state if the PII collected is on the Public and/or Employees. Most common fields follow:

TYPE OF PII	Collected?	On Public?	On IRS Employees or Contractors?
Name	No	No	No
Social Security Number (SSN)	No	No	No
Tax Payer ID Number (TIN)	No	No	No
Address	No	No	No
Date of Birth	No	No	No

Additional Types of PII: Yes

<u>PII Name</u>	<u>On Public?</u>	<u>On Employee?</u>
Household members, filing status, income (includin	No	No

10a. Briefly describe the PII available in the system referred to in question 10 above.

Household members, filing status, income (including breakdown of modified AGI for the credit), premiums, state of residence, county, zipcode, age of household members, and advance credit payments from HHS.

If you answered Yes to Social Security Number (SSN) in question 10, answer 10b, 10c, and 10d.

10b. Cite the authority that allows this system to contain SSN's? (e.g. specific regulations, statutes, etc.)

10c. What alternative solution to the use of the SSN has/or will be applied to this system? (e.g. masking, truncation, alternative identifier)

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- 10d. Describe the planned mitigation strategy and forecasted implementation date to mitigate or eliminate the use of Social Security Numbers on this system?
11. Describe in detail the system's Audit Trail. State what data elements and fields are collected. Include employee log-in information. If the system does not have audit capabilities, explain why an Audit Trail is not needed.
- The system does not have any audit capabilities. It does not collect any information.
- 11a. Does the Audit Trail contain the Audit Trail elements as required in current IRM 10.8.3 *Audit Logging Security Standards*? No

12. What are the sources of the PII in the system? Please indicate specific sources:

- a. IRS files and databases: No
If Yes, the system(s) are listed below:
No System Records found.
- b. Other federal agency or agencies: No
If Yes, please list the agency (or agencies) below:
- c. State and local agency or agencies: No
If Yes, please list the agency (or agencies) below:
- d. Third party sources: No
If yes, the third party sources that were used are:
- e. Taxpayers (such as the 1040): Yes
- f. Employees (such as the I-9): No
- g. Other: No If Yes, *specify*:

C. PURPOSE OF COLLECTION

Authorities: OMB M 03-22 & Internal Revenue Manual (IRM) 10.8.8, IT Security, Live Data Protection Policy & PVR #16, Acceptable Use

13. What is the business need for the collection of PII in this system? Be specific.

All the information it collects is necessary to accurately calculate the credit. The information the application collects is: the users': Household income (including optional breakdown of total income: AGI, Tax exempt interest, excluded foreign income, and nontaxable portion of Social Security benefits) - used to figure the taxpayers' percent of the Federal Poverty Line (FPL) Family size - FPL Age of family members - used to estimate the benchmark plan when new family members are added during the year. The benchmark plan is used in calculating the credit: the credit is either the monthly premiums or the monthly benchmark plan minus 1/12th of the product of the taxpayer's household income and their applicable percent (applicable percent is determined by the taxpayer's FPL) State, county, and zipcode where they live - used to determine FPL and possible eligibility for Medicaid. Determines the TP's rating area, which in turn determines the cost of the benchmark plan, which is used in calculating the credit. Premiums for health insurance, used to calculate the credit and the taxpayer's out of pocket costs. Advance Credit payments received from HHS - amount the taxpayer is already receiving from HHS for the credit. Used in determining estimates of additional credit or repayment of excess credit at end of year (if not changed). and filing status - Filing status is used to determine the cap on repaying the excess credit payments that the taxpayer received during the year. Each piece of information is used in calculating the credit.

D. PII USAGE

Authority: OMB M 03-22 & PVR #16, Acceptable Use

14. What is the specific use(s) of the PII?

To conduct Tax Administration Yes

To provide Taxpayer Services

Yes

To collect Demographic Data

No

For employee purposes

No

Other:

No

If other, what is the use?

E. INFORMATION DISSEMINATION

Authority: OMB M 03-22 & PVR #14- Privacy Notice and #19- Authorizations

15. Will the information be shared outside the IRS? (for purposes such as computer matching, statistical purposes, etc.) No

15a. If yes, with whom will the information be shared? The specific parties are listed below:

	Yes/No	Who?	ISA OR MOU**?
Other federal agency (-ies)			
State and local agency (-ies)			
Third party sources			
Other:			

** Inter-agency agreement (ISA) or Memorandum of Understanding (MOU)

16. Does this system host a website for purposes of interacting with the public? Yes

17. Does the website use any means to track visitors' activity on the Internet? Yes

If yes, please indicate means:

	YES/NO	AUTHORITY
Persistent Cookies	<u>No</u>	
Web Beacons	<u>Yes</u>	<u>OMB 10-22 : measure site usage.</u>
Session Cookies	<u>No</u>	
Other:	<u>No</u>	<u><i>If other, specify:</i></u>

F. INDIVIDUAL CONSENT

Authority: OMB M 03-22 & PVR #15- Consent and #18- Individual Rights

18. Do individuals have the opportunity to decline to provide information or to consent to particular uses of the information? Yes

18a. If Yes, how is their permission granted?

Taxpayer uses the calculator.

19. Does the system ensure "due process" by allowing affected parties to respond to any negative determination, prior to final action? Yes

19a. If Yes, how does the system ensure "due process"?

The PCTE tool only provides an estimate and doesn't give any determination on a person's eligibility or the credit itself. There are disclaimers (in the tool itself) that it is only an estimate and not a determination.

20. Did any of the PII provided to this system originate from any IRS issued forms? No

20a. If Yes, please provide the corresponding form(s) number and name of the form.

No forms found.

20b. If No, how was consent granted?

Written consent	<u>No</u>
Website Opt In or Out option	<u>No</u>
Published System of Records Notice in the Federal Register	<u>No</u>
Other: <u>Taxpayer uses calculator.</u>	<u>Yes</u>

G. INFORMATION PROTECTIONS

Authority: OMB M 03-22 & PVR #9- Privacy as Part of the Development Life Cycle, #11- Privacy Assurance, #12- Privacy Education and Training, #17- PII Data Quality, #20- Safeguards and #22- Security Measures

21. Identify the owner and operator of the system: IRS Owned and Contractor Operated

21a. If Contractor operated, has the business unit provided appropriate notification to execute the annual security review of the contractors, when required?

22. The following people have use of the system with the level of access specified:

	Yes/No	Access Level
IRS Employees:	<u>No</u>	
Users		_____
Managers		_____
System Administrators		_____
Developers		_____
Contractors:	<u>No</u>	
Contractor Users		_____
Contractor System Administrators		_____
Contractor Developers		_____
Other:	<u>No</u>	_____

If you answered yes to contractors, please answer 22a. (All contractor/contractor employees must hold at minimum, a "Moderate Risk" Background Investigation if they have access to IRS owned SBU/PII data.)

22a. If the contractors or contractor employees act as System Administrators or have "Root Access", does that person hold a properly adjudicated "High Level" background investigation?

23. How is access to the PII determined and by whom?

NA

24. How will each data element of SBU/PII be verified for accuracy, timeliness, and completeness?

Users of the system input their own information, and that information is not shared with the IRS or contractors maintaining the site. It is assumed each user will enter their own information accurately.

25. 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? No

25a. 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.

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.

The Premium Tax Credit Estimator (PCTE) is non-recordkeeping. It is a Web-based calculation tool that allows eligible taxpayers to estimate premium tax credits based on changes in their filing profiles. It is not a data repository system, and no records scheduling actions for PCTE are required. Data retention requirements relative to individual tax filing are defined in accordance with scheduled recordkeeping systems.

26. Describe how the PII data in this system is secured, including appropriate administrative and technical controls utilized.

NA

26a. Next, explain how the data is protected in the system at rest, in flight, or in transition.

NA

27. Has a risk assessment (e.g., SA&A) been conducted on the system to ensure that appropriate security controls have been identified and implemented to protect against known risks to the confidentiality, integrity and availability of the PII? No

28. Describe the monitoring/evaluating activities undertaken on a regular basis to ensure that controls continue to work properly in safeguarding the PII.

NA

29. Is testing performed, in accordance with Internal Revenue Manual (IRM) 10.8.8 - *IT Security, Live Data Protection Policy*? Not Applicable

29a. Has approval been received from the Office of Privacy Compliance to use Live Data in testing (*if appropriate*)?

29b. If you have received permission from the Office of Privacy Compliance to use Live Data, when was the approval granted?

H. PRIVACY ACT & SYSTEM OF RECORDS

Under the statute, any employee who knowingly and willfully maintains a system of records without meeting the Privacy Act notice requirements is guilty of a misdemeanor and may be fined up to \$5000.

Authority: OMB M 03-22 & Privacy Act, 5 U.S.C. 552a (e) (4) & PVR #13-Transparency

30. Are 10 or more records containing PII maintained/stored/transmitted through this system? No

31. Are records on the system retrieved by any identifier for an individual? (Examples of identifiers include but are not limited to Name, SSN, Photograph, IP Address) No

31a. If YES, the System of Records Notice(s) (SORN) published in the Federal Register adequately describes the records as required by the Privacy Act? Enter the SORN number and the complete name of the SORN.

No SORN Records found.

I. ANALYSIS

Authority: OMB M 03-22 & PVR #21- Privacy Risk Management

32. What choices were made or actions taken regarding this IT system or collection of information as a result of preparing the PIA?

Resulted in the removal of PII from the system (e.g., SSN use reduced/eliminated)	<u>No</u>
Provided viable alternatives to the use of PII within the system	<u>No</u>
New privacy measures have been considered/implemented	<u>No</u>
Other:	<u>No</u>

32a. If Yes to any of the above, please describe:

NA

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