

Survey Privacy Impact Assessment (PIA)

Authority: Office of Management Budget (OMB) Memorandum (M) 03-22, OMB Guidance for Implementing the Privacy Provisions of the E-Government Act of 2002 & BRRM PVR #10- Privacy Accountability and #21-Privacy Risk Management, and the Privacy Act of 1974 (as amended).

SOI control number (if applicable)

Not Applicable

Date

06/18/2014

Section I - Introduction

Full survey name, and acronym (if this is a reoccurring survey, show date)

IRS Taxpayer Compliance Burden Surveys (TCBS) - Surveys on a 3-year cycle

General business purpose of survey (provide a clear, concise description of the survey, why it's needed, the benefits to the mission of the service)

This is an over-arching request to cover all IRS Taxpayer Compliance Burden Surveys that are conducted on a 3-year cycle. These surveys are the: 1) Taxpayer Compliance Burden Survey, 2) Business Taxpayer Burden Survey, 3) Business Compliance Burden Survey, 4) Employment Tax Burden Survey, 5) Information Return Burden Survey, and the 6) Tax-Exempt Organization Burden Survey. The Internal Revenue Service (IRS) currently employs the Individual Taxpayer Burden Model (ITBM) and Business Taxpayer Burden Model (BTBM) to model compliance burden (time and out-of-pocket costs) imposed by the federal tax system on individual and business taxpayers. The objectives of the IRS' long-term investment in these models and the development and implementation of other models is to provide information to the Treasury Office of Tax Analysis, and IRS Executives and Operating Divisions for assessing the impact of programs on taxpayer burden, assessing the role of burden in tax administration, and to fulfill the IRS's obligations to OMB and Congress for information required by the Paperwork Reduction Act. The models also support tax policy making by permitting estimation of the impact of proposed legislation on taxpayer burden before they are enacted. The purpose of the IRS Taxpayer Compliance Burden Surveys is to gather information on the compliance burden faced by taxpayers to comply with their tax filing requirements. The surveys obtain statistically representative data to enhance the models the IRS uses to estimate taxpayer out-of-pocket cost and time burden as well as associated what-if analysis for IRS and Treasury policy makers.

List all System of Records Notices (SORN) that apply. (SORN review required)

00.003 Surveys, 24.030 CADE Individual Master File (IMF), 24.046 Customer Account Data Engine Business Master File, 42.008 Audit Information Management System, 26.019 Tax Delinquent Accounts, 26.020 Tax Delinquency Investigations, 22.061 Information Return Master File, 34.037 IRS Audit Trail and Security Records System, 50.222 Tax Exempt/Government Entities (TE/GE) Case Management Records, 22.003 Audit Underreporter Case File, 44.005 Appeals Case File

Requested operational date

03/17/2014

Section II - About The Survey

1. Who will the survey be administered to

a. IRS employees, managers or executive service

Yes No

i. List all PII data used in the survey, or to select participants (PII data includes information that can be linked to an individual by using other information. Data does not have to be linked by the IRS to be PII data. Data in the contractor's custody that is never requested by the IRS may also be PII data. Read the web page at http://irweb.irs.gov/AboutIRS/bu/pipds/pip/privacy/privacy_art/8352.aspx before answering this question)

b. Taxpayers

Yes No

i. List all PII data used in the survey, or to select participants

PII gathered will consist of taxpayer's name and address. Addresses will be run the National Change of Address or similar update system to ensure that the survey is sent to the most recent address available.

c. Others

NA

2. Explain how participants are selected (detailed description on method & reason of selection, if random, explain)

Participants are selected using a stratified random sample in order to obtain a statistically representative sample of all relevant taxpayers in the survey

population for the survey year. The sampling approach is designed to ensure that key taxpayer subgroups are adequately represented in the study findings. The stratification categories are dependent on the taxpayer population being surveyed. See "Section2_Q2_Selection.docx," attached, for examples of stratifications and sampling methodologies used for IRS Taxpayer Compliance Burden Surveys.

- a. List the IRS, Treasury or other Government system(s), applications or data bases that the employee/taxpayer PII data is extracted or derived from. If data comes from other sources, describe the source of the information
Compliance Data Warehouse, Returns Inventory & Classification System (RICS)

3. Is the survey voluntary Yes No

- a. How is notice given that the survey is optional

A first contact letter explains the purpose of the taxpayer burden survey and states clearly that participation is voluntary. In addition, participants will be notified that all answers will be used for research purposes only.

4. Is any Personally identifiable Information (PII)/data collected, disclosed or studied on employees, taxpayers, stakeholders or other individuals who choose not to participate Yes No

5. How will the survey be conducted

- a. Electronically (*explain delivery method & if cookies are used*)

The contractor will send a hardcopy letter to each respondent in the survey population, inviting them to take the survey online. The letter will provide a website URL which respondents can use to access the online survey, as well as information on the survey and assurances that participation is voluntary and that results will be used for research purposes only. The web survey will use session cookies, which are temporary and only available during an active browser session. The online survey and associated database will reside on the contractor's server.

- b. Phone (*explain procedure, and provide script*)

If a respondent fails to complete the survey via web or mail, contact attempts will be made to reach that respondent via phone. Telephone interviewers will be administered from the contractor's call center. The survey itself serves as the script.

- c. Mail (*explain method for choosing participants, and provide example of cover letter to the participants*)

All respondents will receive a paper copy of the survey and a postage-paid return envelope. Completed paper surveys will be mailed back to the contractor's site for processing.

- d. Other
Not applicable

6. Who will conduct the survey? Please provide a copy of the contract

- a. IRS conducted (*name the office that will conduct the survey*)
Not applicable

b. Contractor conducted

- i. Has a Contracting Officer or a Contracting Officer's Representative (COR) verified that

1. All applicable FAR requirements are met to engage a contractor to perform the survey Yes No

2. That all required "non-disclosure" clauses are contained in the contract Yes No

3. That all contractor employees who will have access to the data have signed non-disclosure agreements, and the non-disclosure forms are on file with the COR Yes No

- ii. If question 6b(i) contains any "no" answer, please explain

- iii. What is the level of background investigation completed on contractor employees prior to access to PII information about employees or taxpayers? Any contractor or subcontractor who will have access to employee or taxpayer PII data, must have at least a "Moderate Risk" (NACIC) investigation

Contractor employees will have undergone a Moderate Risk Background Investigation prior to access to PII provided to them, or collected by them within the survey parameters. Certain contractor employees will have undergone a Low Risk Background Investigation as deemed appropriate by the Contractor.

c. What information/results will be provided to the business owners (*IRS requestors*) of the survey? We need to know that the employees or taxpayers who will participate cannot be identified under any circumstances, and no adverse actions can be taken against participants regarding their answers

All results will be reported in the aggregate. No PII will be provided to business owners.

d. For employee or taxpayer satisfaction surveys, can you verify that no "raw" or un-aggregated employee or taxpayer data will be provided to any IRS office

N/A

e. If any employee or taxpayer identifiers will be provided to the business owner, explain the business reason

N/A

7. How does the administration of the survey guarantee that the PII data regarding employees or taxpayers will not be compromised, lost or stolen. Explain Office of Cyber security approved security & encryption used if data is transferred from IRS office to contractors, and back to the IRS. If data is not sent electronically, include in detail, information about commercial courier services, or U.S. mail used to ship paper, tapes or electronic media back and forth from the IRS to contractors. Ensure that Cyber security approves the security and data encryption process used by the contractor

Under the terms of the contract, the contractor agrees to abide by the appropriate information security clauses covering the protection of sensitive information. This includes compliance with OMB Circular policy M-06-16 concerning implementation of protections during transportation of PII. All employees on this contract shall submit signed non-disclosure forms and complete IRS information security training.

IT Cybersecurity will have conducted a site review in order to inspect the contractor's facilities and operations for compliance with contract safeguard, and IRS and Governmental requirements. Any weaknesses, security or privacy issues will be reported to the Business Owner and the Office of Privacy Compliance.

8. How is the survey PII data protected and stored? If data is housed at a contractor's site, on contractor's computers, give detailed information about the physical and electronic security & protection of the data before, during, and after the survey
The survey will be conducted at the contractor's site. Under the terms of the contract, the contractor agrees to comply with OMB policies and Treasury/IRS specific policies, procedures and guidance to protect sensitive information, as well as information security guidance and best practices established by the National Institute of Standards and technology (NIST).

9. Are any external resources used to create the database of participants Yes No

10. Are the survey results disclosed with any other Federal or State government offices Yes No

If yes, explain

11. Survey Records - Retention and Disposal (*Records Retention review required*)

a. Cite any business owner policy IRM Chapter (including Sections/subsection) and Record Control Schedule (RCS, including item number) that describes how the data is retained, stored and disposed of

The IRS Taxpayer Compliance Burden Survey data and/or results are potentially unscheduled. The IRS Research Office and Records Office will work together to determine if these survey records/deliverables are to be maintained in accordance with special project or study files already scheduled, or if a new item must be created to better accommodate their business need. Until such time as the scheduling of these survey records can be determined, the records are to be treated as unscheduled and official electronic copies (PDFs of completed surveys and soft copy data) cannot be destroyed.

b. Explain how long any PII data will be retained by the contractor if they are conducting the survey on behalf of the IRS. The IRS Records Office can provide guidance on IRS requirements for records retention. All legal requirements that apply to IRS records (*and non-records*) must be followed by contractors)

As stated in the contract, the contractor shall purge all data processed during the contract, including data residing on its computer system as well as in hardcopy form, at the time the IRS work is completed.

12. Based on the information you have provided above, does the survey require a Privacy Act Notice to be provided to participants? Office of Disclosure will help you determine the need for a Privacy Act Notice or see IRM 11.3.16 Disclosure of Official Information, Privacy Act Notification Programs (*provide the Office of Privacy a copy of the Privacy Act Notice if one is required for this survey*)

Yes. A Privacy Act Notice has been approved by the IRS Office of Disclosure according to Government requirements for use with the surveys.