

Date of Approval: **March 19, 2019**

PIA ID Number: **3939**

## **SYSTEM DESCRIPTION**

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

INFORMATION RETURNS PROCESSING PAPER DOCUMENT, IRPPD

*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?*

INFORMATION RETURNS PROCESSING PAPER DOCUMENTS, IRPPD pia # 1651

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

2/23/2016

*Changes that occurred to require this update:*

Significant System Management Changes

New Access by IRS employees or Members of the Public

Expiring PCLIA

*Were there other system changes not listed above?*

Yes

*What were those changes?*

Changes were made to deploy all requested validation and form field changes for tax years as documented in the Work Request Management System (WRMS).

*What governance board or Executive Steering Committee (ESC) does this system report to? Full name and acronym.*

Submission Processing Governance Board - SPGB

*Current ELC (Enterprise Life Cycle) Milestones:*

System Development/Milestone 4B

*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.*

The IRPPD programs are subprograms of the Generalized Mainline Framework (GMF) system that validates return information. If errors or inconsistencies are found for the K-1 returns (1041, 1065, and 1120), the error records (returns) are passed to the Error Resolution System (ERS) for correction. ERS returns the corrected records to the IRPPD programs. IRPPD then returns the validated records to GMF, which sends them to the Information Return Master File (IRMF). If errors or inconsistencies are found for the 1096s, 1097s, 1098s, 1099s, 3921s, 3922s, 5498s, and W2-Gs, the error records (returns) are put on paper registers for manual correction on paper registers which are transcribed and retransmitted to IRPPD for correction. Once perfected, this data is also posted to the IRMF.

## **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:*

When there is no reasonable alternative means for meeting business requirements

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

The SSN is the account number utilized to compare the income with the individual's tax return to administer the mission of the Service.

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

There is not a plan to remove the Social Security Number (SSN) from the third-party information return series required by law to be filed with Service on copy A of all information return series form types and subject to civil penalty under Section 6721. The Office of Management and Budget memorandum M-17-12, requires that federal agencies develop a mitigation or elimination strategy for systems that use SSNs, which the Service continues to develop strategies to meet. An exception to that requirement is when the SSN is uniquely needed to identify a user's record. The IRPPD system requires the use of SSN's because no other identifier can be used to uniquely identify a taxpayer at this time. SSNs are permissible from Internal Revenue Code (IRC) 6109, which requires individual taxpayers to include their SSNs on their income tax returns.

Employer 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

Vehicle Identifiers

Financial Account Numbers

Tax Account Information

*Does this system use, collect, receive, display, store, maintain, or disseminate SBU information that is not PII?*

No

*Are there other types of SBU/PII used in the system?*

No

*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.*

PII is collected via tax returns and adjustments. IRPPD Document Specific subprograms provide validation and consistency tests all series 1096s, 1097s, 1098s, 1099s, 3921s, 3922s, 5498s, W2-Gs and K-1 returns within the Generalized Mainline Framework (GMF) system. PII data such as TIN's and Names are captured from information return filings on the Modernized Electronic Filing (MEF), Service Center Recognition Image Processing System (SCRIPS) and Integrated Submission and Remittance Processing (ISRP) systems and then passed forward for processing on IRPPD, capturing such taxpayer data for compliance purposes and use in tax administration by the Service.

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

Accuracy: Data is passed from the input record through IRPPD which is part of GMF. Various validation procedures are used to compare the validity of the data captured. Discrepancies will be directed to the error correction process. Completeness: If there are missing items once this data is processed through all of the validations, the GMF unit along with the other units in the service center (Accounting, etc.) will take the necessary steps to research and complete the needed information, including contacting the taxpayer, if

necessary. The validations are performed with IRPPD, as well as GMF. Timeliness: Transaction dates and captured late filing dates are part of the record information. The transaction date will determine the sequence of the taxpayer records passed to the posting function.

## **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 24.046 Customer Account Data Engine Business Master File

IRS 24.030 Customer Account Data Engine Individual Master File

## **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?*

Yes

*Enter the files and databases:*

System Name: Integrated Submission Remittance Processing (ISRP)  
Current PCLIA: Yes  
Approval Date: 1/10/2017  
SA&A: No

System Name: Modernized eFile  
Current PCLIA: Yes  
Approval Date: 2/20/2019  
SA&A: Yes  
ATO/IATO Date: 4/22/2018

System Name: Service Center Recognition Image Processing System (SCRIPS)  
Current PCLIA: Yes  
Approval Date: 11/28/2017  
SA&A: 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?*

No

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

No

*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?*

Yes

*Identify the full name and acronym of the IRS system(s) that receive SBU/PII from this system.*

System Name: Generalized Mainline Framework (GMF)

Current PCLIA: Yes

Approval Date: 10/6/2017

SA&A: No

*Identify the authority*

Title 26 USC (Internal Revenue Code) National Institute of Standards and Technology  
Special Publication 800-122 Natl. Inst. Stand. Technol. Spec. Publ. 800-122, 59 pages (Apr.  
2010).

*For what purpose?*

Tax Administration and Taxpayer Service support IRS employees working active tax cases within each business function across the entire IRS. allowing IRS employees to take specific actions on taxpayer account issues, track status and post transaction updates back to the Master Files. Purpose: Each data item is required for the business purpose of the system. GMF serves as the pipeline that improves accuracy and consistency of data from a variety of IRS internal applications/systems as input sources. Tax returns, remittances, information returns, and adjustment and update transactions are controlled, validated, corrected, and passed on for posting to the Master File.

*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?*

No

## **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?*

On the instructions for information returns provided to the recipient from the payer, it is stated that although the recipient's copy of the form may only contain the last 4 digits of the TIN, the copy furnished to the IRS by the issuer contains the complete TIN.

*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):*

The 2016 General instructions for Certain Information Returns provides details regarding failure to provide requested information ramifications, details on authority to collect information and Privacy Act Information.



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

Integrated Submission and Remittance Processing (ISRP), Modernized Electronic Filing (MeF), and Service Center Recognition Image Processing System (SCRIPS) and Error Resolution System (ERS) employees have guidelines in place that ensure that only managerial approved users with a business need are allowed system access to process taxpayer information via both systems.

## **INFORMATION PROTECTION**

*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

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

*IRS Employees*

Managers: Read Write

System Administrators: Administrator

Developers: Read Only

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

Access to SBU/PII information on IRP returns processed through SCRIPS and ISRP is provided to individuals sworn in as IRS employees who have been successfully trained and provided access to the system to process returns. SCRIPS / ISRP and ERS employees do not have access to IRPPD - they only supply the data capture that feeds IRPPD.

## **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?*

No

*You must work with the IRS Records and Information Management (RIM) Program Office to address records retention requirements before you dispose of any records in this system.*

## **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.*

Documents processed on IRPPD are identified with a Document Location Number to allow for tracking and identification of each return.

## **PRIVACY TESTING**

*Does the system require a System Test Plan?*

Yes

*Is the test plan completed?*

Yes

*Where are the test results stored (or documentation that validation has occurred confirming that requirements have been met)?*

The test results and documentation validation are stored in the DocIT WebTop Repository under Submission Processing Folder.

*Were all the Privacy Requirements successfully tested?*

Yes

*Are there any residual system privacy, civil liberties, and/or security risks identified that need to be resolved?*

No

*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?*

Responsibility falls under Information Technology (IT) Operations. Specifically, IRM 2.7.9 (Information Technology Operations -Enterprise Computing Center-Martinsburg ECC-MTB Processing Timeliness) provides information regarding Paper Information Returns TIN validation processes. IRM reference 2.7.9.16.1 (Paper Returns Processing (IAW-F) provides detailed information regarding IRP TIN validation actions and timeframes.

## **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: Not Applicable

Contractors: Not Applicable

Members of the Public: More than 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?*

No