Date of Approval: **February 18, 2020**

PIA ID Number: **4281**

SYSTEM DESCRIPTION

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

Payoff, PAY, PAY

Is this a new system?

No

Is there a PCLIA for this system?

No

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

Small Business/Self Employed (SBSE) Governance Board

Current ELC (Enterprise Life Cycle) Milestones:

Operations & Maintenance (i.e. system is currently operational)

Is this a Federal Information Security Management Act (FISMA) reportable system?

Yes

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 Payoff application is intended to be used by taxpayers by telephone to find out the amount (calculated with penalty and interest included) of any outstanding balances they may currently have with the IRS. The balance quoted is based on today's date plus ten (10) days (the default date). Taxpayer may enter new Payoff date within next 120 days and they are provided an address to submit payment to IRS.

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:

Legal/statutory basis (e.g. where collection is expressly required by statute)

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

Payoff requires the use of SSN's because no other identifier can be used to uniquely identify a taxpayer. SSNs are permissible from Internal Revenue Code (IRC) 6109, which requires individual taxpayers to include their SSNs on their income tax returns.

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

The Office of Management and Budget Circular A-130 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. Payoff requires the use of SSN's because no other identifier can be used to uniquely identify a taxpayer at this time.

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

Protection Personal Identification Numbers (IP PIN)

Tax Account Information

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

Yes

Specify the types of SBU from the SBU Types List

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

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

Yes

Describe the other types of SBU/PII that are applicable to this system.

The system uses the dollar amount of a payment to determine the status of the payment made.

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.

The PII items above are collected from the taxpayer to authenticate them prior to providing them with tax related information. This information represents the least amount of data needed to authenticate the individual, identify possible ID theft without any more information on user as possible using existing IRS command codes.

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

Accuracy: Authentication must include data in a prescribed format and must meet a variety of validation criteria that ensure proper validation to the appropriate account. Taxpayers are authenticated to view their Amended Return status on the IRS's Master Files before status information is returned to them. Timeliness: The Amended status reflects the current processing time of Amended Returns throughout IRS. Completeness: Amended Return transactions are received in a required record format.

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 34.037   Audit Trail and Security Records

IRS 24.046   Customer Account Data Engine Business Master File

IRS 24.030   Customer Account Data Engine Individual Master File

IRS 26.019   Taxpayer Delinquent Account Files

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: Dependent Data Base
Current PCLIA: Yes
Approval Date: 9/26/2017
SA&A: No

System Name: Employer Identification Numbers (EIN) Research & Assignment System
Current PCLIA: Yes
Approval Date: 10/12/2018
SA&A: Yes
ATO/IATO Date: 1/17/2018

System Name: Individual Master File On-Line
Current PCLIA: Yes
Approval Date: 3/6/2017
SA&A: Yes
ATO/IATO Date: 11/14/2016

System Name: Integrated Customer Communications Environment Interactive Processor
Current PCLIA: No
SA&A: No

System Name: National Account Profile
Current PCLIA: Yes
Approval Date: 3/21/2017
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?

Yes

Please identify the form number and name:

Form Number: 1040   Form Name: US Individual Income Tax Return

Form Number: 1040x   Form Name: Amended Tax Return

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: Enterprise Telephone Database
Current PCLIA: Yes
Approval Date: 2/20/2019
SA&A: Yes
ATO/IATO Date: 9/11/2019

System Name: Integrated Customer Communications Environment Interactive Processor
Current PCLIA: No
SA&A: Yes
ATO/IATO Date: 9/11/2019

System Name: Security Audit and Analysis System
Current PCLIA: Yes
Approval Date: 4/13/2018
SA&A: Yes
ATO/IATO Date: 11/6/2019

System Name: Taxpayers
Current PCLIA: No
SA&A: No

Identify the authority

Agreement with IRS internal applications. 5 U.S.C. 301 and 26 U.S.C. 7801

For what purpose?

To provide inventory control of delinquent accounts.

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?

Yes

Was an electronic risk assessment (e-RA) conducted on the system/application?

Not Applicable

INDIVIDUAL NOTICE AND CONSENT

Was/is notice provided to the individual prior to collection of information?

No

Why not? If information is not collected directly from an individual, please discuss the factors considered in deciding to collect information from third party sources.

The information within Payoff comes from various IRS Systems and forms. Those systems and forms provide the Privacy Act Notice to individuals. Payoff does not directly provide individuals the opportunity to decline from providing information and/or from consenting to particular uses of the information. Notice, consent and due process are provided via the IRS systems and their related tax forms instructions, and pursuant to 5 USC.

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):

Payoff is used solely at the discretion of the user to find out the amount of any outstanding balances they may currently owe to the IRS, individuals are not required to use the application.

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

The information within Payoff comes from various IRS Systems and forms. Those systems and forms provide the Privacy Act Notice to individuals. Payoff does not directly provide individuals the opportunity to decline from providing information and/or from consenting to particular uses of the information. Notice, consent and due process are provided via the IRS systems and their related tax forms instructions, and pursuant to 5 USC. Published System of Records Notice in the Federal Register. The IRS has the legal right to ask for information per IRC sections 6001, 6011, and 6012(a), and their regulations. The regulations state that "taxpayers must file a return or statement with IRS for any tax they are liable for". Their response is mandatory under these sections.

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

System Administrators: Read Only

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

Access to the data is determined by the manager based on a user's position and need-to-know. The manager will request a user to be added. They must submit the request via the Online 5081 process to request access to the System.

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?

Yes

How long are the records required to be held under the corresponding GRS or RCS, and how are they disposed of? In your response, please provide the GRS or RCS chapter number, the specific item number, and records series title.

1040X master data file and associated records will be disposed of in accordance with Records Control Schedule (RSC) 29 for Tax Administration- Wage & Investment, Item 55-56. Recordkeeping copies of system data will be destroyed on or after January 16, 6 years after the end of the processing year (Job No. N1-58-95-1). The media that contain the data are degaussed and then destroyed. All records housed in the system will be erased or purged from the system at the conclusion of their retention period(s) as required under IRM 1.15.6. A control log is maintained containing the media label ID, date and method of destruction, and the signature of the person who destroyed the media.

SA&A OR ASCA

Has the system been through SA&A (Security Assessment and Authorization) or ASCA (Annual Security Control Assessment)?

Yes

What date was it completed?

5/29/2019

Describe the system's audit trail.

Payoff collects Management Information System (MIS) data related to the taxpayer use of the application (successful access to the system, failed authentication, successful search request). In addition to MIS, Payoff sends all its business layer outbound responses to Security Audit and Analysis System (SAAS) through Application Messaging and Data Access Service (AMDAS) on the outbound queue. AMDAS provides a secure communication service between modernized components.

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)?

Test results are stored in DocIt (web-based document management system), an online secure repository.

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?

Payoff is currently in the Operations and Maintenance phase of its lifecycle. Continuous Monitoring (now called Annual Security Control Assessment) occurs annually to ensure that controls remain in place to properly safeguard PII.

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: Under 50,000

Contractors: Under 5,000

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