

Date of Approval: **February 04, 2020**

PIA ID Number: **4686**

## **SYSTEM DESCRIPTION**

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

Tax Professional PTIN System, TPPS

*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?*

TPPS #2220

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

3/9/2017

*Changes that occurred to require this update:*

Expiring PCLIA

*Were there other system changes not listed above?*

No

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

Return Preparer Office

*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.*

TPPS maintains online registration and renewal, and issuance of unique identifying numbers (Preparer Tax Identification Number (PTIN)) for all paid tax return preparers.

## 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:*

Interfaces with external entities that require 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 collected in order to verify the identity of the preparer registering for a Professional Tax Identification Number (PTIN). The SSN is validated through the IRS Identity Verification Service (IVS). Once the SSN is validated by IVS it is masked in TPPS and never presented again in readable plain text.

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

Employer Identification Number

Other Taxpayer 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

Phone Numbers

E-mail Address

Date of Birth

Certificate or License Numbers

*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.*

To verify the identity of the paid tax return preparers, facilitate taxpayer compliance and ensure uniform and high ethical standards of conduct for tax preparers. The vendor also has a contractual requirement to provide TIGTA remote access to all data if requested for auditing purposes.

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

Data elements used for authentication are verified against internal IRS records through Preparer Registration-Identity Verification Service (RPR-IVS). For those fields that have a format rule associated, the applicant cannot move forward within the application and/or gain a PTIN without those fields being entered correctly. While formatting rules may apply to several fields, there is currently no "verification" associated with those fields. There is no timelines associated with the data fields. If an application fails to authenticate prior year tax information 3-times within a 24-hour period, then they cannot try again to obtain their PTIN until that 24-hour period has expired.

## **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 37.111 Preparer Tax Identification Number Records

## **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?*

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: IDRS  
Current PCLIA: Yes  
Approval Date: 10/11/1908  
SA&A: Yes  
ATO/IATO Date: 1/17/2018

System Name: Compliance Data Warehouse  
Current PCLIA: Yes  
Approval Date: 8/30/2018  
SA&A: Yes  
ATO/IATO Date: 5/29/2018

System Name: Custodial Audit Support Tracking System  
Current PCLIA: Yes  
Approval Date: 4/28/2019  
SA&A: Yes  
ATO/IATO Date: 12/8/2018

System Name: Security Audit and Analysis System (SAAS)  
Current PCLIA: Yes  
Approval Date: 4/13/2018  
SA&A: Yes  
ATO/IATO Date: 6/12/2018

*Identify the authority*

PII for federal tax administration per Internal Revenue Code Sections 6001, 6011, 6012e(a).

*For what purpose?*

Data is added to augment IRS Masterfile with professional tax preparer data. Used in corporate reporting as well for compliance and auditing purposes.

*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?*

Yes

*Is the cloud service provider (CSP) Federal Risk and Authorization Management Program (FedRAMP) certified?*

Yes

*Date Certified {MM/DD/YYYY}*

10/9/2015

*Please identify the ownership of the CSP data.*

IRS

*Does the CSP allow auditing?*

Yes

*Who audits the CSP Data?*

3rd Party

*What is the background check level required for CSP?*

Moderate

*Is there a breach/incident plan on file?*

Yes

*Privacy laws (including access and ownership) can differ in other countries. This cloud will be Continental US (CONUS) only for:*

Storage

Transmission

Maintenance

*Does this system/application interact with the public?*

Yes

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

Yes

*When was the e-RA completed?*

11/9/2016

*What was the approved level of authentication?*

Level 2: Some confidence in the asserted identity's validity  
Confidence based on Knowledge Based Authentication (Out of Wallet)

## **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?*

A new applicant is provided notice through the form of a PTIN Application Privacy Act that the IRS business owner maintains. A link to this form is provided in advance of any information being collected. URL: <https://www.irs.gov/Tax-Professionals/PTIN-Application-Privacy-Act-and-Paperwork-Reduction-Act-Notice> A return preparer is provided notice through the form of a PTIN Renewal Privacy Act that the IRS business owner maintains. A link to this form is provided in advance of any information being collected. URL: <https://www.irs.gov/Tax-Professionals/PTIN-Renewal-Privacy-Act-and-Paperwork-Reduction-Act-Notice> Information that the IRS business owner is required to make available to the general public as required by the Freedom of Information Act is detailed prior to data being collected as part of the PTIN Application and PTIN Renewal processes. Due Process is provided 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):*

The screen presents the user with a statement and checkbox where they can elect to check the box and continue. Due Process is provided pursuant to 5 USC.



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

If the system captures or receives information that could result in criminal charges or results in the individual being removed from the TPPS roles, they will be given the opportunity to defend themselves before action is taken. Applicants who are denied services or are investigated for any purpose will have the right to defend themselves prior to final action being taken against them. Due Process is provided pursuant to 5 USC.

## **INFORMATION PROTECTION**

*Identify the owner and operator of the system (could be IRS owned and Operated; IRS owned, contractor operated; contractor owned and operated)*

Contractor Owned and Operated

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

*IRS Employees*

Users: Read Write

*IRS Contractor Employees*

Contractor Users: Read Write

Contractor System Administrators: Administrator

Contractor Developers: Read Write

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

The Return Preparer Office (RPO) will identify authorized IRS personnel; Treasury Inspector General for Tax Administration will identify personnel in its organization that will have access and share that information with the RPO and Customer Support Representatives, their IRS managers, etc.; on the vendor's side will be determined by the vendor and approved by Contract Officer Representative (COR) as required to complete contractual requirements in accordance with IRM policies. 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 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.*

All records housed in the PTIN system will be erased or purged from the system in accordance with approved retention periods. It is the official repository for data and documents and has National Archives approval to affect data disposition. Any records generated and maintained by the system will be managed according to requirements under IRM 1.15.1 and 1.15.6 and will be destroyed using IRS Records Control Schedule (RCS) 29, Item 437, and as coordinated with the IRS Records and Information Management (RIM) Program and IRS Records Officer. TPPS master data files are approved for destruction 6 years after the end of the processing year (Job No. N1-58-11-25), SORN: Treasury/IRS 37.111 Preparer Tax Identification Number Records.

## **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?*

11/13/2019

*Describe the system's audit trail.*

TPPS follows the signed TPPS Audit Plan which was finalized on 4/8/2011. The audit trail captures the user identification of any individual that alters data per his/her permissions, the action taken, and a timestamp of when that action occurred. The audit plan complies with IRM 10.8.3 Audit Logging Security Standards.

## **PRIVACY TESTING**

*Does the system require a System Test Plan?*

No

*Please explain why:*

TPPS is currently in the Operations & Maintenance (O&M) phase of the Software Development Lifecycle hence no System Test Plan (STP) is required. Whenever major releases occur the IRS ELC process is strictly followed. With each major release STP's are created, followed, and approved.

## **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: 100,000 to 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