
A. SYSTEM DESCRIPTION

1. Enter the full name and acronym for the system, project, application and/or database. Program 690-S, None
2. Is this a new system? Yes
3. Check the current ELC (Enterprise Life Cycle) Milestones (select all that apply)
 - No Vision & Strategy/Milestone 0
 - No Project Initiation/Milestone 1
 - No Domain Architecture/Milestone 2
 - No Preliminary Design/Milestone 3
 - No Detailed Design/Milestone 4A
 - No System Development/Milestone 4B
 - No System Deployment/Milestone 5
 - Yes Operations & Maintenance (i.e., system is currently operational)
4. Is this a Federal Information Security Management Act (FISMA) reportable system? Yes

A.1 General Business Purpose

5. 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 general purpose of this system is to use taxpayers address files which include the taxpayer's name, address, and encrypted social security numbers. Taxpayer's PII whose taxes are not withheld are extracted from the IRS Individual Master database. Taxpayer's PII who have estates and trusts are extracted from the IRS Business Master database. The data files are stored on a Compact Disk-Read Only Memory (CD-ROM) and sent to the contractor and held in a secure location. The taxpayer's address will be imaged onto the voucher and mailed directly to the taxpayer. The voucher program is a major source of revenue to the US Treasury. After the contractor completes the mailing of the voucher, the CD-ROM is destroyed and a certificate of destruction is sent to the Contracting Officer's Representative. Additional Information: The use of 1041-ES (OCR) estimated tax payment voucher is for taxpayers to pay estimated tax for an estate or trust. The use of 1040-ES (OCR) estimated tax payment voucher is for taxpayers to pay estimated tax on income that isn't subject to withholding (i.e., self-employed, earned interest, rent, alimony). There are a total of four payment vouchers per package. This item is a payment voucher that is used by the taxpayer for a tax payment when there is a balance due on the taxpayer's return.

B. PII DETAIL

6. Does the system use, collect, receive, display, store, maintain, or disseminate IR Code 6103 taxpayer information; or any type of Sensitive but Unclassified (SBU) or Personally Identifiable Information (PII)? Yes
 - 6a. If **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

If **yes**, check who the SSN (or tax identification number) is collected on.

Yes On Primary No On Spouse No On Dependent

If **yes**, check all types SSN s (or tax identification numbers) that apply to this system:

- Yes Social Security Number (SSN)
- Yes Employer Identification Number (EIN)
- No Individual Taxpayer Identification Number (ITIN)
- No Taxpayer Identification Number for Pending U.S. Adoptions (ATIN)
- No Practitioner Tax Identification Number (PTIN)

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

We only use the last 4-digits of the SSN for the scan line. We scramble the SSN into 2D bar code. Unless a person has the record layout they will not be able to decode the 2D barcode. This product will always need the 4-digit SSN.

6b. Does this system contain other (non-SSN) PII that it uses, collects, receives, displays, stores, maintains, or disseminates? (i.e. Names, addresses, etc.) Yes

If **yes**, specify the information.

<u>Selected</u>	<u>PII Element</u>	<u>On Primary</u>	<u>On Spouse</u>	<u>On Dependent</u>
Yes	Name	Yes	No	No
Yes	Mailing address	No	No	No
No	Phone Numbers	No	No	No
No	E-mail Address	No	No	No
No	Date of Birth	No	No	No
No	Place of Birth	No	No	No
No	SEID	No	No	No
No	Mother's Maiden Name	No	No	No
No	Protection Personal Identification Numbers (IP PIN)	No	No	No
No	Internet Protocol Address (IP Address)	No	No	No
No	Criminal History	No	No	No
No	Medical Information	No	No	No
No	Certificate or License Numbers	No	No	No
No	Vehicle Identifiers	No	No	No
No	Passport Number	No	No	No
No	Alien (A-) Number	No	No	No
No	Financial Account Numbers	No	No	No
No	Photographic Identifiers	No	No	No
No	Biometric Identifiers	No	No	No
No	Employment (HR) Information	No	No	No
No	Tax Account Information	No	No	No

6c. Does this system contain SBU information that is not PII, it uses, collects, receives, displays, stores, maintains, or disseminates? No

6d. Are there other types of SBU/PII used in the system? No

6e. Cite the authority for collecting SBU/PII (including SSN if relevant)

Yes PII for federal tax administration is generally Internal Revenue Code Sections 6001, 6011, 6012e(a)

Yes SSN for tax returns and return information is Internal Revenue Code Section 6109

No SSN for personnel administration (IRS Employees) is 5 USC & Executive Order 9397

No PII for personnel administration is 5 USC

No PII about individuals for Bank Secrecy Act compliance 31 USC

No Information by CI for certain money laundering cases may be 18 USC

6f. Has the authority been verified with the system owner? Yes

B.1 BUSINESS NEEDS AND ACCURACY

7. 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.

Payment vouchers contain the last 4-digits of the SSN. The Lock box banks process the payment voucher with the scan line information using the 2D bar code. Lock box banks uses the 4-digit SSN to confirm the voucher payments.

8. How is the SBU/PII verified for accuracy, timeliness, and completeness? Explain how steps are taken to ensure that all information maintained by the system that is used by IRS to make any adverse determination about an individual's rights, benefits, and/or privileges is maintained with such accuracy, relevance, timeliness, and completeness as is reasonably necessary to assure fairness to the individual in the determination

The contractor sends test samples to the Lock box bank to ensure accuracy before going into production. The test data is reviewed by the IRS prior to dissemination. Quality assurance and security controls are implemented throughout the imaging process to ensure data protection. Live data is not used for testing.

C. PRIVACY ACT AND SYSTEM OF RECORDS

9. Are 10 or more records containing SBU/PII maintained, stored, and/or transmitted by or through this system? Yes

9a. If **yes**, are records in the system retrieved by any personal identifier (e.g., name, SSN, Photograph, IP Address) for an individual? Yes

If **yes**, is there a System of Records Notice(s) or SORNs that addresses the PII records in this system? Yes

If **yes**, enter the SORN number(s) and the complete the name of the SORN.

<u>SORNS Number</u>	<u>SORNS Name</u>
Treas/IRS 24.046	BMF
Treas/IRS 24.030	IMF

If **yes**, does the System of Records Notice(s) (SORN) published in the Federal Register adequately describe the records as required by the Privacy Act? Yes

D. RESPONSIBLE PARTIES

10. Identify the individuals for the following system roles. ##For Official Use Only

E. INCOMING PII INTERFACES

11. Does the system receive SBU/PII from other system or agencies? Yes

11a. If **yes**, does the system receive SBU/PII from IRS files and databases? Yes

If **yes**, enter the files and databases.

<u>System Name</u>	<u>Current PIA?</u>	<u>PIA Approval Date</u>	<u>SA & A?</u>	<u>Authorization Date</u>
Individual Master File	Yes	03/06/2017	Yes	11/14/2016
Business Master File	Yes	04/24/2015	Yes	03/13/2013

11b. Does the system receive SBU/PII from other federal agency or agencies? No

11c. Does the system receive SBU/PII from State or local agency (-ies)? No

11d. Does the system receive SBU/PII from other sources? No

11e. Does the system receive SBU/PII from **Taxpayer** forms? Yes

If **yes**, identify the forms

<u>Form Number</u>	<u>Form Name</u>
1040 ES	Estimated Tax
1041 ES	Estimated Tax

F. PII SENT TO EXTERNAL ORGANIZATIONS

12. Does this system disseminate SBU/PII? Yes

12a. Does this system disseminate SBU/PII to other IRS Systems? No

12b. Does this system disseminate SBU/PII to other Federal agencies? No

12c. Does this system disseminate SBU/PII to State and local agencies? No

12d. Does this system disseminate SBU/PII to IRS or Treasury contractors? No

12e. Does this system disseminate SBU/PII to other Sources? Yes

If **yes**, identify the other source(s) that receive SBU/PII from this system, and if there is an Inter-Agency Agreement (ISA) /Memorandum of Understanding (MOU).

<u>Organization Name</u>	<u>Transmission method</u>	<u>ISA/MOU</u>
IRS Submission Processing	Encrypted DVD	Yes

Identify the authority and for what purpose? An IRS interagency agreement with the Bureau of Fiscal Service, a component of the Treasury Department. They have the agreement with the Lock box bank.

G. PRIVACY SENSITIVE TECHNOLOGY

13. Does this system use social media channels? No

14. Does this system use privacy-sensitive technologies such as mobile, global position system (GPS), biometrics, RFID, etc.? No

15. Does the system use cloud computing? No

16. Does this system/application interact with the public? No

H. INDIVIDUAL NOTICE AND CONSENT

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

17a. If **yes**, how is notice provided? Was the individual notified about the authority to collect the information, whether such is mandatory or voluntary, the purpose for which the information will be used, with whom the information may be shared, and the effects, if any, if they decide not to provide any of the requested information?

Notice, consent and due process are provided in the tax forms instructions, and pursuant to 5 USC. This is not a voluntary program. Taxpayers will receive the vouchers if they meet the criteria from the previous year. If the taxpayer reports income that is not subject to withholding then they will receive the voucher package. The only option the taxpayer has is to pay electronically or use the estimated tax voucher. The IRS data is extracted from the Individual Master File database for the 1040, and as for the 1041 the data is extracted from the Individual Business File database. Program 690-S does not collect data from any other source.

18. Do individuals have the opportunity to decline from providing information and/or from consenting to particular uses of the information? No

18b. If no, why not? Individual taxpayers PII (addresses and last 4-digits of SSN are in the taxpayer database). IRS merely supplies payment vouchers as a service to the taxpayer for the payment of their estimated tax obligation. The IRS will forward the CD-ROM to the contract the printing of the vouchers to an outside vendor/contractor who will print and mail the vouchers to taxpayers. When the production and mailing is completed then the contractor will destroy the data files after 60 days per the contract. The contractor must provide the IRS a certificate of destruction. Taxpayer information is not shared with any outside organization.

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

The voucher program does not include penalties or judgments that would require due process. This is just a mailing of payment vouchers for tax payments. The taxpayer determines the amount of taxes that are paid and then submits their payment using the voucher.

I. INFORMATION PROTECTION

20. 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 Contractor Operated

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

IRS Employees? Yes

<u>IRS Employees?</u>	Yes/No	Access Level(Read Only/Read Write/Administrator)
Users	Yes	Administrator
Managers	Yes	Administrator
Sys. Administrators	Yes	Administrator
Developers	Yes	Administrator

Contractor Employees? Yes

<u>Contractor Employees?</u>	Yes/No	Access Level	Background Invest. Level
Contractor Users	Yes	Read-Only	Low
Contractor Managers	Yes	Read-Only	Low
Contractor Sys. Admin.	Yes	Read and Write	Moderate
Contractor Developers	Yes	Read and Write	Moderate

21a. How is access to SBU/PII determined and by whom? Access is determined by Submission Processing by contractor manager access level.

21b. If computer matching occurs, can the business owner certify that it meets requirements of IRM 11.3.39 Disclosure of Official Information, Computer Matching & Privacy Protection Act? Not Applicable

I.1 RECORDS RETENTION SCHEDULE

22. 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? Yes

22a. 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.

All records housed in the system will be erased or purged in accordance with approved retention periods. It is the official repository for data and documents and has National Archives and Records Administration approval to affect data disposition. Any records generated and maintained by the system will be managed according to requirements under Internal Revenue Manual 1.15.1 and 1.15.6, and will be destroyed using IRS General Records Schedule 13, Item 3 and as coordinated with the IRS Records and Information Management Program and IRS Records Officer.

I.2 SA&A OR ECM-R

23. Has the system been through SA&A (Security Assessment and Authorization) or ECM-R (Enterprise Continuous Monitoring Reauthorization)? In-process

23b. If **in process**, when is the anticipated date of the SA&A or ECM-R completion? 12/8/2017

23.1 Describe in detail the system's audit trail. Contractor has assigned a unique number for each taxpayer record and is used for audit and tracking purposes only.

J. PRIVACY TESTING

24. Does the system require a System Test Plan? Yes

24b. If **yes**, Is the test plan in process or completed: In Process

If **in process**, when is the test plan scheduled for completion? 1/1/2018

24.3 If **completed/ or in process**, 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?

Contractor has agreed to the following: Use test data to produce voucher for testing at the Lock box banks before live data is used. This testing will continue until accuracy has been achieved.

K. SBU Data Use

25. Does this system use, or plan to use SBU Data in Testing? No

L. NUMBER AND CATEGORY OF PII RECORDS

26. Identify the number of individual records in the system for each category:

26a. IRS Employees: Not Applicable
26b. Contractors: Not Applicable
26c. Members of the Public: More than 1,000,000
26d. Other: No

M. CIVIL LIBERTIES

27. Does the system maintain any information describing how any individual exercises their rights guaranteed by the First Amendment? No

28. Is the system information used to conduct data-mining as defined in the *Implementing the 9/11 Commission Recommendations Act of 2007, Public Law 110-53, Section 804*? No

29. Will this system have the capability to identify, locate, and monitor individuals or groups of people? No

N. ACCOUNTING OF DISCLOSURES

30. 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

End of Report
