
A. SYSTEM DESCRIPTION

1. Enter the full name and acronym for the system, project, application and/or database. Square Axway Transfer Service, ATS

2. Is this a new system? No

2.a. If **no**, is there a Privacy Civil Liberties Impact Assessment (PCLIA) for this system? Yes

If **yes**, enter the full name, acronym, and milestone of the most recent PCLIA.

Square Axway Transfer Service #1565

Enter the approval **date** of the most recent PCLIA. 11/10/2015

If **yes** Indicate which of the following changes occurred to require this update (check all that apply).

- No Addition of Personally Identifiable Information (PII) (PII is any information that is linked or linkable).
- No Conversions
- No Anonymous to Non-Anonymous
- No Significant System Management Changes
- No Significant Merging with Another System
- No New Access by IRS employees or Members of the Public
- No Addition of Commercial Data / Sources
- No New Interagency Use
- No Internal Flow or Collection
- Yes Expiring PCLIA

Were there other system changes not listed above? No

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

n/a

3.a. Check the current Enterprise Life Cycle (ELC) 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? No

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.

IRS employees can electronically serve a summons and later retrieve the summoned data electronically from Square, Inc. using their Axway Transfer Service (ATS) summons process. The IRS employee accesses the https site, uploads the summons, and enters in their name, title, agency, address, email address, and phone number. This electronic process will improve response time by the third party and alleviate the need to send data via a less secure method (fax or mail). Square Inc emails the IRS employee with a link to the https site once the records are ready for retrieval. IRS is not paying Square Inc to create or maintain this site. The IRS and Square Inc signed a Memorandum of Understanding in 2016 describing the process. The process has not changed since then.

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

6.a. 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 all types of tax identification numbers (TIN) that apply to this system:

Yes Social Security Number (SSN)
Yes Employer Identification Number (EIN)
Yes Other Taxpayer Identification Number

If SSNs apply, which of the following approved Treasury uses of the SSNs applies:

No Security background investigations
No Interfaces with external entities that require the SSN
No Legal/statutory basis (e.g. where collection is expressly required by statute)
No When there is no reasonable alternative means for meeting business requirements
No Statistical and other research purposes
No Delivery of governmental benefits, privileges, and services
No Law enforcement and intelligence purposes
Yes Another compelling reason for collecting the SSN

Explain why one or more of the eight authorized uses above support the new or continued use of SSNs.

TINs are needed to identify the correct taxpayer.

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

None. The third party needs the TIN because they cannot identify the correct taxpayer by name and address alone.

6.b. Does this system use, collect, receive, display, store, maintain, or disseminate other (non-SSN) PII (i.e. Names, addresses, etc.)? Yes

If **yes**, specify the information.

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

6.c. Does this system contain SBU information that is not PII, it uses, collects, receives, displays, stores, maintains, or disseminates? Yes

If **yes**, select the types of SBU

<u>Selected</u>	<u>SBU Name</u>	<u>SBU Description</u>
No	Agency Sensitive Information	Information which if improperly used or disclosed could adversely affect the ability of the agency to accomplish its mission
No	Procurement sensitive data	Contract proposals, bids, etc.
Yes	Official Use Only (OUO) or Limited Official Use (LOU)	Information designated as OUO or LOU is information that: is exempt under one of the statutory Freedom of Information Act exemptions; is prohibited by other laws or regulations; would significantly impede the agency in carrying out a responsibility or function; or would constitute an unwarranted invasion of privacy.
No	Proprietary data	Business information that does not belong to the IRS
No	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
No	Physical Security Information	Security information containing details of serious weaknesses and vulnerabilities associated with specific systems and facilities
No	Criminal Investigation Information	Information concerning IRS criminal investigations or the agents conducting the investigations.

6.d. Are there other types of SBU/PII used in the system? Yes

If **yes**, describe the other types of SBU/PII that are applicable to this system.

Forms 6863 and 2039, Possible taxpayer location and shipping information, credit card and account transaction information.

6.e. 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

6.f. 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.

A summons is issued under IRC Section 7602 for the purpose of ascertaining the correctness of any return, making a return where none has been made, determining the liability at law or in equity of any transferee or fiduciary of any person in respect to any internal revenue tax, or collecting any such liability. The SSN/TIN may be provided to the third party to help identify the subject of the summons. The response from the third party may contain SSN/TINs associated with the subject of the summons. If the records in control of the third party have SSN/TIN on them, the Service is entitled to true and correct copies of those documents. The summons could include identifying SBU/PII to assist in identifying the taxpayer as related to an IRS case. The Form 6863, Invoice and Authorization for Payment of Administrative Summons Expenses, will also contain SBU/PII. IRS employees issue a summons for a multitude of reasons, for tax administration purposes.

8. How is the SBU/PII verified for accuracy, timeliness, and completeness?

The taxpayers are generally asked to provide the information first before a summons is issued. A summons is issued when there is non-compliance from the taxpayer, or to verify previously reported information.

C. 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.

9. 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

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

<u>SORNS Number</u>	<u>SORNS Name</u>
IRS 26.019	Taxpayer Delinquent Accounts Files
IRS 42.021	Compliance Programs and Project Files
IRS 34.037	Audit Trail and Security Records System

*IRS is required to have a published Privacy Act system of records in the Federal Register. Please identify the Privacy Act SORN(s) that cover these records. If you need additional assistance identifying the correct SORNS please email *Privacy.*

D. RESPONSIBLE PARTIES

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

E. INCOMING PII INTERFACES

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

11.a. If **yes**, does the system receive SBU/PII from IRS files and databases? No

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

11.c. Does the system receive SBU/PII from State or local agencies? No

11.d. Does the system receive SBU/PII from other sources? Yes

If **yes**, identify the source that sends the SBU/PII, how the SBU/PII is transmitted 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>
Square Axway	Email	Yes

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

If **yes**, identify the forms.

<u>Form Number</u>	<u>Form Name</u>
Form 6863	Invoice and Authorization for Payment of Administrative Summons Expenses
Form 2039	Summons

11.f. Does the system receive SBU/PII from **Employee** forms (such as the I-9)? No

F. DISSEMINATION OF PII

12. Does this system disseminate SBU/PII? Yes

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

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

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

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

12.e. 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 Employee	email	Yes

Identify the authority Memorandum of Understanding.

Identify the routine use in the applicable SORN (or Privacy Act exception). Sends email to contact IRS employee when summons information is available.

For what purpose? Taxpayer summons.

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, Radio Frequency Identification (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 (or is) notice provided to the individual prior to collection of information? Yes

17.a. 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?

If notice is required per IRC 7609, the notice of the summons is mailed or hand-delivered to the noticee within three business days of issuance of the summons. Due process is provided pursuant to 5 USC.

18. Do individuals have the opportunity to decline from providing information and/or from consenting to particular uses of the information? Yes

18.a. If **yes**, describe the mechanism by which individuals indicate their consent choice(s): IRS employees generally ask the individual to provide the information voluntarily prior to issuing a summons. The individual has no control over the use of the summoned records once the IRS employee issues a summons. Due process is provided pursuant to 5 USC.

18.b. If individuals do not have the opportunity to give consent, why not?

19. How does the system or business process ensure due process regarding information access, correction and redress?
Due process is provided pursuant to 5 USC. Notice, consent and due process are provided in the summons instructions, and pursuant to 5 USC.

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)

Contractor Owned and 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	Read-Only
Managers	Yes	Read-Only
Sys. Administrators	No	
Developers	No	

Contractor Employees? Yes

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

21.a. How is access to SBU/PII determined and by whom? Square Inc has access-control policies. Access to SBU/PII is on a need to know and is part of the Square employee's job duties and responsibilities. IRS access is determined by Delegation Order 25-1 found in IRM 1.2.52.2. Square Inc is not a contractor, and employees do not need to submit a 5081 to access the https site; they just type in the https web address to access the portal.

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

22.a. 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.

The Square Axway Transfer Service is non-recordkeeping for IRS purposes. It is a platform for secure communications and information sharing between the IRS and Square Inc. It is not the official IRS repository for any data or documents. The original data belongs to Square and the IRS has no control on the retention or destruction of Square's original data. Square Inc erases the summoned records from their server 90 days after the IRS employee is notified that the records are ready to be retrieved. There is no change to the IRS retention of records.

The only change to the summons process is the delivery of the summons and summoned records, from fax or mail to electronic delivery. The records secured from Square are downloaded from the Square system to the IRS employee's computer and become part of the IRS employee's active case file. This data is then governed under case file criteria. Once the case is closed, the IRS employee removes/deletes the records from their computer. All case related information is stored in a central repository and is retained: a) For ten years after the case is closed as required by Document 12990, Records Control Schedule (aka IRM 1.15.28), "Item 6 under Internal Revenue Service Records Control Schedule (RCS) 28, Tax Administration -- Collection." (aka IRM 1.15.28); Item 6; b) For ten years after the case is closed as required in Document 12990, RCS 23 for Examination (aka IRM 1.15.23), Item 42; or, c) For ten years after the case is closed as required by IRM 1.15.30 for Criminal Investigation, Item 15 (Job No. N1-58-07-11, Document 12990).

I.2 SA&A OR ASCA

23. Has the system been through Security Assessment and Authorization (SA&A) or Annual Security Control Assessment (ASCA)? No

23.c. If **no**, is the system secured in accordance with all applicable federal, treasury, and IRS security policy, procedures, and requirements? Yes

23.1. Describe in detail the system's audit trail. Square maintains an audit trail through their system that captures all transactions by users including when: - a user logs in or out, - a user downloads records, - an email is sent, replied to, or deleted. The IRS captures its audit data from normal email traffic when: - the employee receives an email from Square, and then - the employee accesses the Square URL outside the IRS firewall to download the summoned records.

J. PRIVACY TESTING

24. Does the system require a System Test Plan? No

24.b. If **no**, please explain why. The IRS employee accesses the Square Axway Transfer Service by going to the https site. No software program or executable file is used.

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:

26.a. IRS Employees:	<u>Under 50,000</u>
26.b. Contractors:	<u>Not Applicable</u>
26.c. Members of the Public:	<u>100,000 to 1,000,000</u>
26.d. Other:	<u>No</u>

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 Recommendations of the 9/11 Commission 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

30. Does Computer matching occur? No

N. ACCOUNTING OF DISCLOSURES

31. 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? Yes

31.a. does the system have a process in place to account for such disclosures in compliance with IRC 6103 (p) (3) (A) or Subsection (c) of the Privacy Act? Contact Disclosure to determine if an accounting is required. Yes

End of Report
