Date of Approval: **June 11, 2019**

PIA ID Number: **4142**

SYSTEM DESCRIPTION

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

Mail Labels and Media Support, MLMS

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?

Mail Labels and Media Support, MLMS, PIA #1925, 4B

What is the approval date of the most recent PCLIA?

10/31/2016

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.

Corporate Data Governance Board.

Current ELC (Enterprise Life Cycle) Milestones:

System Development/Milestone 4B

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

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.

Mail Labels and Media Support (MLMS) is a Non-Major system/application sponsored by Wage and Investment. This system/application was initially deployed over 20 years ago and provides the following functionality: Mail Labels and Media Support (MLMS) consist of numerous independent batch applications for extracting and cleansing taxpayer addresses. This includes applying address cleansing software to domestic and international taxpayer addresses on the Individual Master File (IMF), Business Master File (BMF), and Employee Plans Master File (EPMF) databases. Additional address cleansing is conducted by MLMS through creating/maintaining the Location Code File (LCF), Deleted Zip Code Transactions, and the Location Code Assignment process. MLMS extracts the name and addresses of taxpayers for the 1040ES, and 1041ES tax package types. The taxpayer information for these mailings is extracted from the appropriate Masterfile based on criteria provided by Wage and Investment for the package target group. MLMS extracts taxpayer information for the Shared Secrets database, and then merges these records with data received from Tax Return Database/ Modernized Tax Return Database (TRDB/MTRDB). This merged taxpayer data file is then sent to National Account Profile (NAP) to be used when taxpayers enter their Personal Identification Number (PIN) during the efile process. MLMS also provides Questionable Refund Program (QRP) support to the Criminal Investigation Division (CID) by creating a weekly listing of taxpayers who have filed for multiple tax refunds during the same year and have met predetermined criteria established by address and amount of refund. IRS associates use the Microfilm Replacement Systems (MRS) to request taxpayer account information for research and to respond to taxpayer related inquiries. MRS performs the extraction and reformatting of Masterfile account information for transmission to the campuses and subsequent edit into display and hardcopy transcripts. The MRS System also provides extracted Masterfile information for IMF Notices and BMF Notices from the Notice Review Processing System (NRPS). Additionally, W2 and W3 requests are reformatted and sorted, then passed on to the Andover campus.

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)

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)

To correct the Taxpayer's address information.

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. MLMS 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

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 (SBUList)

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.

Federal Tax Information

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 SSN's/EIN's are used to determine which taxpayers are to receive the 1040ES or the 1041ES tax packages. The names and addresses of the selected taxpayers are sent to an approved printing contractor.

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

All data extracted is tested and quality reviewed to determine if the programs have selected the correct taxpayers. MLMS uses the Enterprise Life Cycle (ELC) methodology to move though the project lifecycle.

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 00.001   Correspondence Files and Correspondence Control Files

RESPONSIBLE PARTIES

Identify the individuals for the following system roles:

For 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: Business Master File

Current PCLIA: Yes

Approval Date: 8/27/2018

SA&A: Yes

ATO/IATO Date: 3/12/2019

System Name: Employee Plans Master File

Current PCLIA: Yes

Approval Date: 12/20/2018

SA&A: Yes

ATO/IATO Date: 12/19/2013

System Name: Individual Master File

Current PCLIA: Yes

Approval Date: 3/6/2017

SA&A: Yes

ATO/IATO Date: 9/22/2018

System Name: National Account Profile

Current PCLIA: Yes

Approval Date: 3/21/2017

SA&A: No

System Name: Tax Return Database

Current PCLIA: Yes

Approval Date: 10/30/2018

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: 1040ES   Form Name: Estimated Tax for Individuals

Form Number: 1041ES   Form Name: Estimated Income Tax for Estates and Trusts

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?

No

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?

Yes

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

Organization Name: Publishing Services

Transmission Method: encrypted CD's

ISA/MOU   No

Identify the authority

The printing contractor is handled by Media and Publishing. MLMS still sends encrypted CD's to the printing contractor(s) to provide the needed address information for both 1040ES and 1041ES tax packages. This is managed by Publishing Services by a contract to the printing vendor. No memorandum of understanding (MOU) has ever existed between MLMS and the vendor, all agreements and security reviews are handled by Publishing Services. Title 26 IRC Â§6103(n) is the authority which relates to the disclosure of returns and return information to contractors.

For what purpose?

The SSN's/EIN's are used to determine which taxpayers are to receive the 1040ES or the 1041ES tax packages. The names and addresses of the selected taxpayers are sent to an approved printing contractor.

Did the contract include the appropriate 6103(n) clauses for tax return and return information, and Federal Acquisition Regulations privacy clauses?

Yes

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?

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 MLMS comes from various IRS Systems and forms. Those systems and forms provide the Privacy Act Notice to individuals. MLMS 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 Title 5 USC.

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

No

Why not?

The information within MLMS comes from various IRS Systems and forms. Those systems and forms provide the Privacy Act Notice to individuals. MLMS 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.

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

The information within MLMS comes from various IRS Systems and forms. Those systems and forms provide the Privacy Act Notice to individuals. MLMS 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.

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

Developers: Read Only

IRS Contractor Employees

Contractor System Administrators: Read Only

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

Only MLMS developers have mainframe access to the data. A potential user will request access via the (Online) OL5081 system. This request has to be approved by the potential user's manager based on a user's position and need-to-know. The data that is shipped to the printing contractor is password protected. Publishing Services will provide that password to the contractor.

RECORDS SCHEDULE

Are these records covered under a General Records Schedule (GRS, IRS Document 12829), or has the National Archives and Records Administration (NARA) archivist 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.

MLMS is non-record keeping. It is not the official repository for any data or documents and does not require a NARA-approved records control schedule to affect data disposition. MLMS is a batch processing application of taxpayer identification information (names/addresses). It does not generate, alter, or store any unique records. Data retention requirements for data enlisted by MLMS are defined in accordance with the recordkeeping systems.

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.

Audit Trail Information: All online data access is through batch processing. Data needed for taxpayer mailings are viewed by authorized IRS employees or printing contractors via a copy of the MLMS data loaded onto encrypted CD's. The CD's are password protected and the online files are protected by the Mainframe authentication and authorization process, including the use of audit trail information.

PRIVACY TESTING

Does the system require a System Test Plan?

Yes

Is the test plan completed?

No

When is the test plan scheduled for completion?

9/2/2019 12:00:00 AM

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?

Since the system is modified every filing season, the current test plan to test the system is scheduled to be produced on 9/2/2019. Each system is validated using unit testing & Internal System Acceptability Testing (iSAT). The test results are also peer reviewed before system deployment.

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?

Yes

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.

Not Applicable

Explain the Exemption and/or Disclosure's response.

IRC §6103(n) disclosures are exempt from accounting requirements.