

Date of Approval: **September 28, 2020**

PIA ID Number: **5457**

SYSTEM DESCRIPTION

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

Affordable Care Act Information Returns, AIR

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?

ACA Information Returns/Information Returns Intake System (AIR/IRIS), MS 4b, # 3790

What is the approval date of the most recent PCLIA?

12/21/2018

Changes that occurred to require this update:

Addition of Personally Identifiable Information (PII)

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.

Submission Processing 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.

Partnership Bipartisan Budget Act (PBBA) is a program that will implement solutions for Large Business and International (LB&I) customer support representatives and tax examiners. The program will facilitate partnership filing compliance workflows including electronic registration of taxpayers and representatives; partnership elections, applications, or waivers; electronic filing of partnership information returns (IRs) with data perfection; and taxpayer correspondence. Additionally, the PBBA program will implement capable solutions to support revenue agents in creating reporting compliance workflows, including evaluations or examinations of partnership; computing partnership taxes; preparing reports; and tracking compliance and reporting discrepancies. The PBBA 2015 Modification and Push Out Solution addresses legislative mandates for 2019, including new partnership audit procedures. A primary driver of the PBBA 2015 legislation is to enable the IRS to audit more partnerships and to make these audits easier and quicker. ACA Information Returns (AIR)/Information Returns Intake System (IRIS) is of EIN, SSN and Audit Control Number (ACN) on twelve (12) forms-ten (12) evaluation forms and two (2) IRs. AIR/IRIS will also be responsible for submitting the data to the Correspondence Examination Automation Support (CEAS) system and database rather than the Information Returns Database (IRDB). CEAS will transmit the IRs to the IRDB as required. currently envisioned as the intake system for all PBBA forms. AIR/IRIS will perform document acceptance and validation There are two changes to this PCLIA from the last version. The first is driven by the PBBA requirement for AIR to validate electronic signatures. The process for validating electronic signatures approved by Office of Privacy, Governmental Liaison and Disclosure (PGLD) and IRS Counsel requires AIR to match the name and PIN on several PBBA Forms to IRS data. The only second change to this PCLIA from the last is the interconnection with the more modern Negative Taxpayer Identification Number (NTIN) system.

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

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

SSNs are provisioned for Business Units (BU) access to accomplish their compliance related activities.

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

Employer 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

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

Agency Sensitive Information Information which if improperly used or disclosed could adversely affect the ability of the agency to accomplish its mission

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.

AIR processes Transmitter Control Codes (TCC). The TCC is used to identify transmitters and track their Information Return files through processing. A transmitter must submit an application for electronic filing, and must be approved, in order to be assigned a TCC. A TCC is required to transmit ACA information Returns directly to the IRS and EXAM related document directly to the IRS via electronic methods (i.e., the Internet).

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 data elements are required by the information reporting requirements of Public Law 111-148: Patient Protection and Affordable Care Act (March 23, 2010), IRC Section 36B (Health Insurance Premium Tax Credit), IRC Section 6055 (Reporting of Health Insurance Coverage), and IRC Section 6056 (Large Employers Required to Report on Health Insurance Coverage). The data is required on ACA Information Returns.

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

Healthcare coverage information may sometimes be transmitted by third parties authorized to submit forms on behalf of the health care coverage providers. It is the responsibility of the business trading partner who sends the data to ensure it is correct, timely, and complete, but the Provider is responsible for the accuracy of the return and is liable for any penalties. As AIR makes no changes to data, the data will be as accurate, relevant, timely, and complete as it was when the business trading partner sent it to AIR. Information coming from IRS systems will be assumed to be accurate. Taxpayer identification number data may be validated and perfected against existing tax records. TIN data may be validated for a match to the TIN Validation Enterprise Common Services (TINV-ECS) to ensure it is a valid TIN prior to sending downstream. The TIN submitted by the external entities are not changed.

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 24.030 Customer Account Data Engine Individual Master File

IRS 24.046 Customer Account Data Engine Business Master File

IRS 34.037 Audit Trail and Security Records

IRS 42.021 Compliance Programs and Projects 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?

No

Does the system receive SBU/PII from other federal agency or agencies?

Yes

For each federal interface, identify the organization that sends the SBU/PII, how the SBU/PII is transmitted and if there is an Inter-Agency Agreement (ISA) /Memorandum of Understanding (MOU).

Name: Centers for Medicare and Medicaid Services

Transmission Method: Electronic

ISA/MOU: Yes

Does the system receive SBU/PII from State or local agency (-ies)?

Yes

For each state and local interface identify the organization that sends the SBU/PII, how the SBU/PII is transmitted and if there is an Inter-Agency Agreement (ISA) /Memorandum of Understanding (MOU).

Organization Name: State Based Market Place

Transmission Method: Electronic

ISA/MOU 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: 1095-A Form Name: Health Insurance Marketplace Statement

Form Number: 1095-B Form Name: Health Coverage

Form Number: 1095-C Form Name: Employer-Provided Health Insurance Offer and Coverage

Form Number: 1094-C Form Name: Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns

Form Number: 1094-B Form Name: Transmittal of Health Coverage Information Returns

Form Number: 15028 Form Name: Certification of Publicly Traded Partnership to Notify Specified Partners and Qualified Relevant Par

Form Number: 8980 Form Name: Partnership Request for Modification of Imputed Underpayments

Form Number: 8981 Form Name: Waiver and Expiration for Modification Submissions

Form Number: 8982 Form Name: Affidavit for Partner Modification Amended Return or Partner Alternate Procedure

Form Number: 8984 Form Name: Extension of Taxpayer Modification Submission Period

Form Number: 8985 Form Name: Pass-Through Statement

Form Number: 8986 Form Name: Partner's Statement

Form Number: 8988 Form Name: Election for Alternative to Payment

Form Number: 8989 Form Name: Request to Revoke the Election for Alternative Payment of Imputed Underpayment

Form Number: 14726 Form Name: Waiver of the Notice of Final Partnership Adjustment

Form Number: 15027 Form Name: Certification of Publicly Traded Partnership to Notify Specified Partners and Qualified Relevant Par

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: TIN Validation - Information Returns Processing System (IRPS) IDQ TIN Validation

Current PCLIA: Yes

Approval Date: 9/20/2018

SA&A: No

System Name: Business Analytics (BA)

Current PCLIA: Yes

Approval Date: 5/31/2017

SA&A: No

System Name: Integrated Enterprise Portal (IEP)

Current PCLIA: Yes

Approval Date: 11/22/2019

SA&A: Yes

ATO/IATO Date: 12/19/2018

System Name: Enterprise Service Bus (ESB)

Current PCLIA: No

SA&A: No

System Name: Integrated Submission and Remittance Processing (ISRP)

Current PCLIA: Yes

Approval Date: 1/25/2017

SA&A: Yes

ATO/IATO Date: 8/23/2019

System Name: Insurance Provider Fee

Current PCLIA: Yes

Approval Date: 2/20/2020

SA&A: Yes

ATO/IATO Date: 5/31/2018

System Name: Tin Validation - Enterprise Common Service (TIN-ECS)

Current PCLIA: Yes

Approval Date: 2/5/2019

SA&A: Yes

ATO/IATO Date: 6/28/2018

System Name: Integrated Production Model (IPM)

Current PCLIA: Yes

Approval Date: 6/6/2019

SA&A: No

System Name: Security Audit and Analysis System (SAAS)
Current PCLIA: Yes
Approval Date: 4/13/2018
SA&A: Yes
ATO/IATO Date: 4/29/2020

System Name: Correspondence Examination Automated Support (CEAS)
Current PCLIA: Yes
Approval Date: 2/14/2018
SA&A: Yes
ATO/IATO Date: 10/3/2019

System Name: Information Returns Database (IRDB)
Current PCLIA: Yes
Approval Date: 5/3/2018
SA&A: Yes
ATO/IATO Date: 9/1/2018

System Name: Information Sharing Reporting - Analytics and Reporting (ISR AR)
Current PCLIA: Yes
Approval Date: 9/16/2019
SA&A: Yes
ATO/IATO Date: 3/7/2020

Identify the authority

The following systems are identified and approved by the IRS to process/transmit/store information from AIR: Integrated Submission and Remittance Processing (ISRP), Insurance Provider Fee (IPF), TIN Validation - Enterprise Common Service (TINV-ECS), and Information Returns Processing System (IRPS) IDQ TIN Validation, Integrated Production Model (IPM), Information Sharing Reporting - Analytics & Reporting (ISR AR), ISR - Sharing (ISR-S)/Enterprise Service Bus (ESB), Security Audit and Analysis System (SAAS), and Coverage Data Repository (CDR) also known as the Information Returns Database (IRDB). Tax administration authority.

For what purpose?

The purpose of these systems is to support the processing, transmitting, and storage of information returns sent to AIR by all the systems identified in this PCLIA.

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?

No

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?

All forms come with instructions on what is required. The information within AIR comes from various IRS Systems and forms. Those systems and forms provide the Privacy Act Notice to individuals. AIR 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?

No

Why not?

Reporting of health care insurance information is mandatory for all designated providers (Insurers and Employers).

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

After checking status to find out that their submission contains an error or was rejected, the submitter can correct the error(s) in their own environment and re-submit. The rejection response from the IRS to the submitter will include details as to why the submission was rejected. Likewise, in the case of incorrect information that does not cause a reject, the submitter will be informed as to exactly what elements are incorrect. Transmitters will have access to IRS personnel (dedicated phone lines), as well as documentation (published documents as well as material at IRS.gov) to assist them in interpreting the responses, making necessary corrections, and resubmitting the transmission.

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

Users: Read Only

Managers: Read Only

System Administrators: Read Write

Developers: Read Only

IRS Contractor Employees

Contractor Users: Read Only

Contractor Managers: Read Only

Contractor System Administrators: Read Write

Contractor Developers: Read Only

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

Internal Users (IRS Employees) - Internal Users are subject to management, system administrator, data administrator, and security administrator approval via the Online 5081 (OL5081) system. No contractors have access to the system without going through OL5081 and obtaining approval from IRS management. OL5081 is used to document access requests, modifications, terminations for all types of users, including system administrators. External Users do not have access to PII on AIR. Once users receive approval to access AIR, they can then view returns via the AIR Management Console (AMC) to check for any errors while being processed by the AIR application. AIR employees and contractors do not have direct or indirect access to AMC, only approved IRS employees.

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.

AIR is an IRS application. ACA Information Return data is approved for destruction under National Archives and Records Administration (NARA) Job No. NC1-58-77-4 and published in IRS Document 12990 under Records Control Schedule (RCS) 29 for Submissions Processing Campus Records, item 85. In advance of its operational date, system administrators and business unit representatives will ensure the AIR system recordkeeping is in compliance with instructions outlined in RCS 29. Should any updates or modifications to approved retention requirements be necessary to meet or accommodate AIR data collection and maintenance needs, the business owner/developer will coordinate with the IRS Records and Information Management (RIM) Program Office to discuss and seek approval for those changes, as appropriate. RCS 26 Item 48- RCS 29 Item 55- RCS 29 Item 56- RCS 29 Item 85-

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?

3/14/2020

Describe the system's audit trail.

All AIR auditable events are captured by the underlying infrastructure and sent to Hewlett Packard Enterprise (HPE) ArcSight. Unauthorized Access (UNAX)-related events are sent to the Security Audit and Analysis System (SAAS). AIR depends on the approved SAAS and Platform Level Audit Plans and associated events. The current Audit Plan identifies all applicable Platform Audit Plans where all infrastructure level audit events are detailed. AIR has auditing capabilities that conform to IRM 10.8.1. The AIR Audit Plan details how event log monitoring is performed.

PRIVACY TESTING

Does the system require a System Test Plan?

No

Please explain why:

Federal Information Systems Management Act (FISMA) states Continuous Monitoring (eCM) now called Annual Security Control Assessment (ASCA) occurs annually to ensure that controls remain in place to properly safeguard PII. AIR 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: 50,000 to 100,000

Contractors: More than 10,000

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