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**A. SYSTEM DESCRIPTION**

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1. Enter the full name and acronym for the system, project, application and/or database. Expatriate Database, EXPAT DB

2. Is this a new system? No

2a. If **no**, is there a PIA for this system? Yes

If **yes**, enter the full name, acronym, PIA ID Number and milestone of the most recent PIA.

Expatriate Database, EXPAT DB, PIA ID Number 675

Next, enter the **date** of the most recent PIA. 3/13/2015

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

- No Addition of PII
- 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

Were there other system changes not listed above? No

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? No

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## A.1 General Business Purpose

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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 Expatriate Database (Expat DB) provides a repository for information associated with U.S. citizens or permanent long-term residents abandoning their U.S. citizenship or terminating their long-term U.S. residency status. The database includes taxpayer information received from the Department of State (for individuals abandoning their U.S. citizenship), the Department of Homeland Security (for individuals terminating their long-term resident status), the expatriates themselves (via Form 8854, Initial and Annual Expatriation Information Statement), and the corresponding research results from the Integrated Data Retrieval System (IDRS) and the Audit Information Management System (AIMS). The Expat DB provides compliance tracking information and workload identification information. The filing information is used to comply with the quarterly Federal Register reporting requirements per IRC 6039G(d).

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## B. PII DETAIL

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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            Yes    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)  
No     Employer Identification Number (EIN)  
Yes    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).

The Office of Management and Budget memorandum M-17-12 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. The Expatriate Database 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.

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	Yes	No
Yes	Mailing address	No	No	No
No	Phone Numbers	No	No	No
No	E-mail Address	No	No	No
Yes	Date of Birth	Yes	Yes	No
Yes	Place of Birth	No	No	No
Yes	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
Yes	Tax Account Information	Yes	Yes	No

6c. 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
Yes	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.

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

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## **B.1 BUSINESS NEEDS AND ACCURACY**

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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.

All of the following PII items are required for the business purpose of the system. The system is designed to collect, validate, and track information submitted by each source listed. Taxpayer (TP) Name – From other federal agencies submitting expatriate information and from the taxpayer via a Form 8854. Taxpayer (TP) SSN/TIN – From the taxpayer via a Form 8854 or from internal Master File searches based on information provided by other federal agencies. Taxpayer (TP) Address – From the taxpayer via a Form 8854 or from internal Master File searches based on information provided by other federal agencies. Taxpayer (TP) Date of Birth – From the taxpayer via a Form 8854 or from internal Master File searches based on information provided by other federal agencies. Taxpayer (TP) Tax Return Liability for 5 Tax Years – From the taxpayer via a Form 8854 or from internal Master File searches based on information provided by other federal agencies. Taxpayer (TP) Expatriation Information – From the other federal agencies, namely Department of State (for former U.S. citizens) and Department of Homeland Security (for former U.S. lawful permanent residents).

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. Information received by external federal agencies and/or from the taxpayer are cross-checked against each other and matches are input as one record. Information from the taxpayer is verified through information received from an external federal agency and from existing IRS internal master file systems.

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## **C. PRIVACY ACT AND SYSTEM OF RECORDS**

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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>
Treasury/IRS 42.021	Compliance Programs and Project Files
Treasury/IRS 34.037	IRS Audit Trail and Security Records System

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

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#### D. RESPONSIBLE PARTIES

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

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#### E. INCOMING PII INTERFACES

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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</u>	<u>PIA Approval</u>	<u>SA &amp;</u>	<u>Authorization</u>
	<u>PIA?</u>	<u>Date</u>	<u>A?</u>	<u>Date</u>
Integrated Data Retrieval System (IDRS)	Yes	08/29/2017	Yes	12/21/2016
Audit Information Management System (AIMS)	Yes	10/09/2015	Yes	09/02/2015

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

If **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).

<u>Organization Name</u>	<u>Transmission method</u>	<u>ISA/MOU</u>
Department of State	Hard copy via manual shipment	Yes
Department of Homeland Security-USCIS	Spreadsheet via secured transmission	Yes

11c. Does the system receive SBU/PII from State or local agencies? 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>
8854	Initial and Annual Expatriation Statement

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

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**F. PII SENT TO EXTERNAL ORGANIZATIONS**

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12. Does this system disseminate SBU/PII? Yes

12a. Does this system disseminate SBU/PII to other IRS Systems? Yes

If **yes**, identify the full name and acronym of the IRS system(s) that receive SBU/PII from this system.

<u>System Name</u>	<u>Current PIA?</u>	<u>PIA Approval Date</u>	<u>SA &amp; A?</u>	<u>Authorization Date</u>
Advanced Research Lab PCLIA 3122	Yes	02/13/2018	Yes	01/08/2010

Identify the authority and for what purpose? The Advanced Research Lab (ARL) gathers complete information on taxpayers, including their expatriation status. Please see the ARL PCLIA for more details.

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>
Federal Register	Signed hard copy and e-mail copy	No

Identify the authority and for what purpose? Section 6039G of the Internal Revenue Code requires IRS to publish, on a quarterly basis, the name of the individuals who expatriated from the United States (U.S.), both former U.S. citizens (per information received from the Department of State) and former U.S. long-term permanent residents (per information received from the Department of Homeland Security and the taxpayer on Form 8854).

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## G. PRIVACY SENSITIVE TECHNOLOGY

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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

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## H. INDIVIDUAL NOTICE AND CONSENT

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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?

Taxpayer must complete and file the tax information return Form 8854. For information from external federal agencies, such agencies must provide information to the taxpayer notifying them the information will be shared with the IRS.

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? Tax information return required to be filed with the taxpayer's individual income tax return. External federal agencies do not allow taxpayers to have information withheld from the IRS, as IRC 6039G requires the external federal agencies to share the information with the IRS.

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

Taxpayers have the address to file any corrections/updates on the Instructions to the Form 8854. Also, record fields included in the Expat DB to track missing Forms 8854 and any follow-up correspondence to secure missing information from the taxpayer. The system does not replace any individual taxpayer's right to due process, as dictated by the Internal Revenue Manual guidelines. IRS policy allows individual taxpayers whose data is in the system the opportunity to clarify or dispute negative determinations through the appeals process. Publication 1 "Your Rights as a Taxpayer" explains the rights of the taxpayer, which includes the right to challenge the IRS' position and be heard; and the right to appeal an IRS decision in an independent forum.

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## I. INFORMATION PROTECTION

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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 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 and Write
Managers	Yes	Read-Only
Sys. Administrators	Yes	Administrator
Developers	Yes	Administrator

Contractor Employees? No

21a. How is access to SBU/PII determined and by whom? Access limited to IRS employees in the Philadelphia Campus Compliance Services (PCCS) unit responsible for inputting, updating and/or maintaining the Expat DB. Access limited by system login Standard Employee Identifier (SEID). Access determined by the Low-Income Housing Credit (LIHC) Department Manager and the subject matter expert (SME) policy analyst. Requests to add/delete employees' access to Expat DB submitted by department manager to the administrator/SME of the system and location.

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

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## **I.1 RECORDS RETENTION SCHEDULE**

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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.

The Expatriate Database records are scheduled. The actual files related to the records are sent to the Federal Records Center after the statute of limitations tolls on the corresponding tax year. Some records must be maintained for 10 tax years, plus the statute of limitation period, and other records are only required to be maintained for 1 tax year, plus the statute of limitation period. Any records generated and maintained by the system will be managed according to requirements under Internal Revenue Manual (IRM) 1.15.1 and 1.15.6, and will be destroyed using IRS Records Control Schedule (RCS) 28, Item 151, and as coordinated with the IRS Records and Information Management (RIM) Program and IRS Records Officer.

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**I.2 SA&A OR ECM-R**

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23. Has the system been through SA&A (Security Assessment and Authorization) or ECM-R (Enterprise Continuous Monitoring Reauthorization)? No

23c. 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. Access to the Expat DB is tested on a regular basis. New employees to the LIHC unit are not automatically allowed to access the system. If an existing LIHC unit employee, or someone new to the unit, is assigned to work on the Expatriation Program, but has not been added to the list of SEIDs that can access the Expat DB, they cannot see or access the database. A request to the system administrator/SME is made whenever a user must be added or deleted from access to the Expat DB. Data integrity is checked by the unit manager and by the SME policy analyst on a periodic basis, with detailed review on a quarterly basis when the Federal Register list is due per IRC 6039G(d).

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**J. PRIVACY TESTING**

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

24c. If **no**, please explain why. Expat DB already housed within tested and approved Service wide system.

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**K. SBU Data Use**

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

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**L. NUMBER AND CATEGORY OF PII RECORDS**

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

26a. IRS Employees:	<u>Under 50,000</u>
26b. Contractors:	<u>Under 5,000</u>
26c. Members of the Public:	<u>100,000 to 1,000,000</u>
26d. Other:	<u>No</u>

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**M. CIVIL LIBERTIES**

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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

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**N. ACCOUNTING OF DISCLOSURES**

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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

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**End of Report**

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