Date of Approval: 11/16/2017 PIA ID Number: **3051**

A. SYSTEM DESCRIPTION

1. Enter the full name and acronym for the system, project, application and/or database. Filling Information Returns Electronically, FIRE

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.

    FIRE, PIAMS

    Next, enter the **date** of the most recent PIA.   12/14/2014

    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?   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 primary purpose of FIRE is to enable the IRS to reconcile income tax documents (e.g. income from dividends, interest, etc.) filed by taxpayers against those that were provided via forms such as 1099-DIV.1 FIRE receives approximately 1.8 billion records every year. The users who submit their files electronically are called Business Trading Partners (trading partner). If a person or organization submits less than 250 information returns annually and still wishes to create an account in FIRE, they may do so. They can create an account within FIRE by going to Fire.irs.gov (no www), where an account can be created. Creating an account involves setting up a user ID, password and Personal Identification Number (PIN). Once an account is created, the next step is the completion of Form 4419, Application for Filing Information Returns Electronically. Upon approval, the IRS assigns a Transmitter Control Code (TCC) for the trading partner and they can start transmitting files to FIRE. When FIRE receives incoming electronic files from external trading partners' files are passed to programs downstream. FIRE then receives statistics back from these downstream programs. The statistical information informs FIRE of the transmission status. (For example, if a file was sent from FIRE to the mainframe and was successful or unsuccessful, this would be contained in the statistical information. When FIRE receives the statistical information back from the mainframe, it posts the data to the FIRE database.)

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)
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 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. The FIRE system requires the use of SSN's because no other identifier can be used to uniquely identify a taxpayer for intergovernmental communications. SSNs are permissible from Internal Revenue Code (IRC) 6109, which requires individual taxpayers to include their SSNs on their income tax returns. There is no known mitigation strategy planned to eliminate the use of SSNs for the system. The SSN is required for the use of this system. The SSN number is needed to research and locate records in response to the request.

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.

Selected	PII Element	On Primary	On Spouse	On Dependent
Yes	Name	Yes	No	No
Yes	Mailing address	No	No	No
No	Phone Numbers	No	No	No
Yes	E-mail Address	No	No	No
No	Date of Birth	No	No	No
No	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
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)
No	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

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. For Tax Administration Purposes. The application allows users who electronically submit 250 or more files electronically to become a Business Trading Partners (trading partner) which streamlines their process. If a person or organization submits less than 250 information returns annually and still wishes to create an account in FIRE, they may do so. They can create an account within FIRE by going to Fire.irs.gov (no www), where an account can be created.

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. Creating an account involves setting up a user ID, password and Personal Identification Number (PIN). Once an account is created, the next step is the completion of Form 4419, Application for Filing Information Returns Electronically. Upon approval, the IRS assigns a Transmitter Control Code (TCC) for the trading partner and they can start transmitting files to FIRE. The TCC identifies the user/filer.

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.

SORNS Number	SORNS Name
Treas/IRS 24.030	IMF
Treas/IRS 24.046	BMF
Treas/IRS 22.062	Electronic Filing Records

   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. ## Official Use Only

E. INCOMING PII INTERFACES

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

F. PII SENT TO EXTERNAL ORGANIZATIONS

12. Does this system disseminate SBU/PII?   No

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

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H. INDIVIDUAL NOTICE AND CONSENT

17. Was/is notice provided to the individual prior to collection of information?   No

> 17b. If **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.
> Essentially, FIRE is a pass thru system. No information is collected directly from individual taxpayers. Individual taxpayer data is collected and submitted by the Business Trading Partners. However, when the data is sent to FIRE, the application tracks the TCC and the number of records in the file. The FIRE application performs preprocessing edits to ensure the data is properly formatted prior to sending it to the mainframe. FIRE then archives the file in the event it is needed later. The data elements consist of items recorded on each of the tax forms sent to FIRE by the trading partners.

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?   Essentially, FIRE is a pass thru system. No information is collected directly from individual taxpayers. Individual taxpayer data is collected and submitted by the Business Trading Partners. However, when the data is sent to FIRE, the application tracks the TCC and the number of records in the file. The FIRE application performs preprocessing edits to ensure the data is properly formatted prior to sending it to the mainframe. FIRE then archives the file in the event it is needed later. The data elements consist of items recorded on each of the tax forms sent to FIRE by the trading partners.

19. How does the system or business process ensure due process regarding information access, correction and redress? Account creation: User creates their own unique user id and the internal table used for authentication is then updated. FIRE Log ON: Trading partners are required to have an user id and password to access the application which is authenticated via the Internal table. CSR's are granted access via the 5081 system which is authenticated using SEID via the Windows platform. (CSR's do not log on). Password Changes are identified by the designation "Action=Change Password" shown on the internal table or Source log named "LOG". Batch File changes -When FIRE receives the statistical information back from the mainframe, it posts the data to a SQL database on a Wintel Server. FIRE also receives updated TCC information from Information Returns Branch (TSO). The updated TCC information is necessary, because without the updated or correct TCC in FIRE, a trading partner will not be recognized as a user and their data transmission will not be submitted.

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). <u>IRS Owned and Operated</u>

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

      IRS Employees?   <u>Yes</u>

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

21a. How is access to SBU/PII determined and by whom? <u>Access to the data is determined by the manager based on a user's position and need-to-know. The manager will request a user to be added. They must submit the request via the Online 5081 process to request access to the System.</u>

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?

      <u>Not Applicable</u>

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?   <u>No</u>

22b. If **no**, how long are you proposing to retain the records? Please note, if you answered no, you must contact the IRS Records and Information Management Program to initiate records retention scheduling before you dispose of any records in this system. <u>FIRE is unscheduled. The business unit has proposed a data retention of at least three years, but not longer than four years A request for records disposition authority for FIRE and associated records will be drafted with the assistance of the IRS Records and Information Management (RIM) Program Office. When approved by the National Archives and Records Administration (NARA), disposition instructions for FIRE inputs, system data, outputs and system documentation will be published in Records Control Schedule (RCS) Document 12990 under RCS 29 for Submissions Processing Campus Records, item number to be determined. Current business practice dictates that FIRE data be archived to the Storage Area Network (SAN).</u>

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?   1/31/2018

23.1 Describe in detail the system s audit trail.   No information is collected directly from individual taxpayers. However, when the data is sent to FIRE, the application tracks the TCC and the number of records in the file. The FIRE application performs preprocessing edits to ensure the data is properly formatted prior to sending it to the mainframe. FIRE then archives the file in the event it is needed later. Individual taxpayer data is collected and submitted by the Business Trading Partners. The data elements consist of items recorded on each of the tax forms sent to FIRE by the trading partners. Essentially, FIRE is a pass thru system. Account creation - User creates own user id and the internal table used for authentication is then updated. FIRE Log ON: Trading partners are required to have user id and password to access which is authenticated via the Internal table. CSR's are granted access via the 5081 system which is authenticated using SEID via the Windows platform. (CSR's do not log on). Trading Partner Log off not captured Password Changes are identified by the designation "Action=Change Password" shown on the internal table or Source log named "LOG". Batch File changes -When FIRE receives the statistical information back from the mainframe, it posts the data to a SQL database on a Wintel Server. FIRE also receives updated TCC information from Information Returns Branch (TSO). The updated TCC information is necessary, because without the updated or correct TCC in FIRE, a trading partner will not be recognized as a user and their data transmission will not be submitted. FIRE is following the appropriate audit trail elements pursuant to current Audit Logging Security Standards.

J. PRIVACY TESTING

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

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

24b.1. If **completed**, where are the test results stored (or documentation that validation has occurred confirming that requirements have been met)?   Treasury FISMA Inventory Management System

24b.2. If **completed**, were all the Privacy Requirements successfully tested?   Yes

24.2 If **completed**, are there any residual system privacy, civil liberties, and/or security risks identified that need to be resolved? Yes

If **yes**, please describe the outstanding issues. FIRE does not require an administrator to release the lock from users who are locked out of their accounts when the number of unsuccessful attempts is exceeded. When a FIRE user is locked out of his/her account due to # of unsuccessful logins, they are prompted to call 1-866-455-7438 which takes them to the Information Returns Customer Service Site which will unlock account

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: Under 50,000
    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