Date of Approval: **March 16, 2020**

PIA ID Number: **4696**

SYSTEM DESCRIPTION

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

Federal Payment Levy Program, FPLP

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?

Federal Payment Levy Program, FPLP, MS4B, Previous PCLIA: 2173

What is the approval date of the most recent PCLIA?

2/22/2017

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.

Management Level Governance Board (MLGB)

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?

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.

Federal Payment Levy Program (FPLP) is a systemic collection enforcement tool application where certain delinquent taxpayers are matched and levied for their Federal Payments disbursed by Treasury's Bureau of Fiscal Service (BFS) (Formerly Financial Management Service (FMS)). Each week, IRS Financial Systems creates a file of certain balance due accounts and transmits the file to BFS' Treasury Offset Program (TOP). BFS transmits daily and weekly files back to IRS listing those who matched. FPLP will subsequently transmit levies on accounts that had matched. On Social Security benefit payment matches, FPLP will send a transaction to the Individual Master File (IMF) which results in a special pre-levy collection notice to those taxpayers, copies of the notices are also transmitted to the Social Security Administration (SSA) for tax administration purposes. Due process is provided pursuant to 26 USC.

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

Legal/statutory basis (e.g. where collection is expressly required by statute)

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

Both systems are SSN and EIN driven. Use SSN's and EIN's to identify accounts that are delinquent tax debts. BFS uses SSN's and EIN's to make payment of benefits. IRS and BFS use SSN's and EIN's to match tax debt to the payments. SSNs are permissible from Internal Revenue Code 6109, which requires individual taxpayers to include their SSNs on their income tax returns.

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. FPLP requires the use of SSN's because no other identifier can be used to uniquely identify a taxpayer at this time.

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

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

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.

Are there other types of SBU/PII used in the system?

No

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.

For TIN, Masterfile Tax Code (MFT) and Tax Period, each is a piece that contributes to creating a unique debt number balance due, so BFS knows how much to send. The address is used to send follow-up notices and payment amounts; amount that is levied and credited on the delinquent taxpayer's account; and payor information which includes income and asset information of delinquent taxpayer from collection source. The data is stored in the delinquent taxpayer account record for future collection enforcement information. The IRS' taxpayer's SSN and debt are matched to the BFS payment. BFS sends the payment to the IRS and the IRS uses the SSN/EIN, MFT and the tax period to post the payment to the taxpayer's debt.

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

Each data element is taken directly from the current week's IRS Master File tapes. Data received from BFS is certified by the Federal agency providing it to BFS. Validity and accuracy of that data is the responsibility of the systems that provide data to FPLP. There is no direct user input to the FPLP system, All data is received from other systems, The forms are input into the feeder systems (IDRS/Masterfile). FPLP receives the data from the MITS-21 GSS. To ensure no data is lost, the Log Accounting Report System (LARS) is used to ensure that the number of records sent matches the number of records received by FPLP.

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 34.037   Audit Trail and Security Records

>   IRS 26.019   Taxpayer Delinquent Account 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?

>   Yes

Enter the files and databases:

>   System Name: Individual Master File (IMF)
>   Current PCLIA: Yes
>   Approval Date: 3/6/2017
>   SA&A: Yes
>   ATO/IATO Date: 9/22/2019

System Name: Business Master File (BMF)
Current PCLIA: Yes
Approval Date: 8/27/2018
SA&A: Yes
ATO/IATO Date: 11/12/2019

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: Bureau of Fiscal Services (BFS)
Transmission Method: Direct Connect
ISA/MOU: Yes

Name: Social Security Administration (SSA)
Transmission Method: ECC
ISA/MOU: Yes

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?

No

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: Individual Master File (IMF)
Current PCLIA: Yes
Approval Date: 3/6/2017
SA&A: Yes
ATO/IATO Date: 9/22/2019

System Name: Business Master File (BMF)
Current PCLIA: Yes
Approval Date: 8/27/2018
SA&A: Yes
ATO/IATO Date: 11/12/2019

Identify the authority

Tax Administration Title 26.

For what purpose?

For TIN, MFT, Tax Period, each is a piece that contributes to creating a unique debt number balance due, so BFS knows how much to send. The address is used to send follow-up notices and payment amounts; amount that is levied and credited on the delinquent taxpayer's account; and payor information which includes income and asset information of delinquent taxpayer from a collection source. The data is stored in the delinquent taxpayer account record for future collection enforcement information.

Does this system disseminate SBU/PII to other Federal agencies?

Yes

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

Organization Name: Bureau of Fiscal Service (BFS)
Transmission Method: Direct Connect
ISA/MOU: Yes

Organization Name: Social Security Administration (SSA)
Transmission Method: ECC
ISA/MOU: Yes

Identify the authority

IRC 6103.

Identify the Routine Use in the applicable SORN (or Privacy Act exception)

Match IRS debt to applicable Federal Payments process through Bureau of Fiscal Service.

For what purpose?

For TIN, MFT, Tax Period, each is a piece that contributes to creating a unique debt number balance due, so BFS knows how much to send. The address is used to send follow-up notices and payment amounts; amount that is levied and credited on the delinquent taxpayer's account; and payor information which includes income and asset information of delinquent taxpayer from a collection source. The data is stored in the delinquent taxpayer account record for future collection enforcement information.

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?

The IRS notifies all individuals who file tax returns of such collection via the Privacy Act Notice in tax return instructions. When a return is selected for Examination, Collection etc., the taxpayer is sent the Privacy Act Notice, Your Appeals Rights and How to Prepare a Protest and Overview of the Appeals Process. Authority: Tax Administration. Notice, consent and due process are provided in the tax forms instructions filed by the taxpayer, 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?

Yes

Describe the mechanism by which individuals indicate their consent choice(s):

Notice, consent and due process are provided in the tax forms instructions filed by the taxpayer, and pursuant to 5 USC.

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

IRS sends the taxpayer a certified return receipt requested Collection Due Process notice advising taxpayers of their appeals rights before any collection action is taken. Legislation allows collection on federal contractors before due process. Notice, consent and due process are provided in the tax forms instructions filed by the taxpayer, 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

Users: Read Only

Managers: Read Only

System Administrators: Read Only

Developers: Read Only

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

FPLP is a batch program with restricted Internal IRS access and no end-user capabilities. There are Information Technology (IT) programmers who work on FPLP providing software maintenance support. The IT programmers do not have write permissions to the production application. Support personnel at the Enterprise Computing Center also have access to the application in mainframe to provide processing operations support, computer facilities, equipment and data storage on the MITS 21 (IBM Master File) General Support System which has its own security support plan. This is in compliance with the Privacy Act of 1974. A potential user will request access via the OL5081 system. This request has to be approved by the potential user's manager based on a user's position and need-to-know.

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.

FPLP taxpayer collection notices are scheduled under Records Control Schedule (RCS) 29, Item 38 for Certified and Registered Mail Records (disposition instructions published in Document 12990). FPLP delinquent taxpayer account information is only necessary to maintain until it is transferred to/verified by IMF for recordkeeping purposes and other outside data stakeholders. All records housed in the FPLP system will be erased or purged from the system in accordance with approved retention periods. It is not the official repository for data and documents. GRS 5.1 Item 020-Non-recordkeeping copies of electronic records-Destroy immediately after copying to a recordkeeping system or otherwise preserving, but longer retention is authorized if required for business use. RCS 29 Item 38(a)-Certified and Registered Mail Records-(1) Registers and Receipts of incoming and outgoing certified and registered mail (except Statutory Notices)-Other Than Tax Related-Destroy after 1 year. RCS 29 Item 38(b)-Tax Related (except Statutory Notices)-Destroy after 3 years. RCS 29 Item 38(c)-Undeliverable 105C/106C Letters. IRS Letter 105C Claims Disallowed and 106C Claims Partially Disallowed which are returned as undeliverable and no current address can be located. (Job No. N1-58-08-14)-Note: Disposition is related to Questionable Refund Program (QRP) and successor functions returns only. -Destroy when no longer needed. RCS 29 Item 38(2)-Statutory Notices. Computerized certified mailing lists-Destroy 12 years after end of processing year. RCS 29 Item 38(3)-Registers and receipts of certified and registered mail for statutory "Notices of Intent to Levy" (issued pursuant to IRC 6331[d])-Destroy 12 years after the date of statutory notice. RCS 28 Item 39- Federal Payment Levy Program (FPLP) Weekly Inventory Report, Report Symbol-Destroy after 10 years from the server-Destroy after 20 years from the CD-ROM. RCS 28 Item 40-Federal Payment Levy Program (FPLP) IMF Disposition and Indirect Revenue Report, Report Symbol NO-5000-246-Destroy after 10 years from the server-Destroy after 20 years from the CD-ROM. RCS 28 Item 41-Federal Payment Levy Program (FPLP) BMF Disposition and Indirect Revenue Report, Report Symbol NO-5000-247-Destroy after 10 years from the server-Destroy after 20 years from the CD-ROM. RCS 28 Item 42-Federal Payment Levy Program (FPLP) Deposit Report, Report Symbol NO-5000- FPLP Deposit Report- Destroy after 10 years from the server-Destroy after 20 years from the CD-ROM. RCS 28 Item 43-Federal Payment Levy Program (FPLP) Fee Report, Report Symbol NO-5000-FPLP Fee Report-Destroy after 10 years from the server-Destroy after 20 years from the CD-ROM.

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.

FPLP audit trail protection is provided by the Modernization and Information Technology Service (MITS) - 21 General Support System (GSS), System of Records Notice Number: Treasury/IRS 34.037. FPLP is following the appropriate audit trail elements pursuant to current audit logging security standards.

PRIVACY TESTING

Does the system require a System Test Plan?

No

Please explain why:

Only one organization is completing one or more test types. Unit Testing only.

SBU DATA USE

Does this system use, or plan to use SBU Data in Testing?

Yes

Was permission granted per the requirements of Form 14664, SBU Data Use Questionnaire or Form 14665, SBU Data Use Request?

Yes

Provide the date the permission was granted.

12/11/2017

Was testing performed in conformance with IRM 10.8.8 Information Technology (IT) Security, Sensitive But Unclassified (SBU) Data Policy?

Yes

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?

Yes

Does your matching meet the Privacy Act definition of a matching program?

Yes

Can the business owner certify that it meets requirements of IRM 11.3.39, Disclosure of Official Information, Computer Matching & Privacy Protection Act?

Yes

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.

Yes