

Date of Approval: **July 10, 2020**

PIA ID Number: **5183**

## **SYSTEM DESCRIPTION**

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

Ministerial Waiver, Min Waiv

*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?*

Ministerial Waivers, Min Waiv, 2693, Operations and Maintenance

*What is the approval date of the most recent PCLIA?*

7/19/2017

*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.*

SB/SE IT 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?*

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.*

The Minister Waiver (MIN WAIV) application improves the response time and processing of Minister Waiver forms. The database contains taxpayer data transcribed from Form 4361 (Application for Exemption from Self-Employment Tax for Use by Ministers, Members of Religious Orders and Christian Science Practitioners) and Form 4029 (Application for Exemption From Social Security and Medicare Taxes and Waiver of Benefits). The application takes a paper process and automates it into a research tool for approved and denied Minister Waivers.

## 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:*

When there is no reasonable alternative means for meeting business requirements

Delivery of governmental benefits, privileges, and services

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

Taxpayers are requesting a waiver of Self-Employment and Medicare tax due to their status as a Minister. In order to provide this waiver and to notify the Social Security Administration of the approval of the Waiver, the taxpayer's social security number is required.

*Describe the planned mitigation strategy and forecasted implementation date to mitigate or eliminate the use of SSN's (or tax identification numbers).*

There is no plan to change the usage of the social security number.

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

Certificate or License Numbers

*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.*

The Minister Waiver application improves the response time and processing of Minister Waiver forms. The database contains taxpayer data transcribed from Form 4361 (Application for Exemption from Self-Employment Tax for Use by Ministers, Members of Religious Orders and Christian Science Practitioners) and Form 4029 (Application for Exemption From Social Security and Medicare Taxes and Waiver of Benefits). The application uses the collected information to allow users to pull up cases when needed using the SSN query function.

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

The examiner assigned to each case will manually compare collected data from the taxpayer to the history file.

## **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 24.046 Customer Account Data Engine Business Master File

IRS 34.037 Audit Trail and Security Records

## 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?*

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: 4029 Form Name: Application for Exemption From Social Security and Medicare Taxes and Waiver of Benefits

Form Number: 4361 Form Name: Application for Exemption from Self-Employment Tax for Use by Ministers, Members of Religious Orders

*Does the system receive SBU/PII from Employee forms (e.g. the I-9)?*

No

## **DISSEMINATION OF PII**

*Does this system disseminate SBU/PII?*

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?*

Notice provided within the tax form instructions.

*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):*

Requesting the Exemption from Self-Employment and Medicare tax is voluntary.

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

Minister Waivers ensures "due process" by allowing taxpayers to correct erroneous information by following the guidelines established by the Internal Revenue Code (IRC). The taxpayer is contacted during the process if additional information is required. IRC Sections 1402(g) and 3127 authorize this exemption process. There are no "appeal rights" to the Form 4029 election decision. A taxpayer may use normal appeal rights to protest an assessment of tax.

## **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 Write

Managers: Read Write

System Administrators: Read Write

Developers: Read Only

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

The Tax Examiner (User), Manager and System Administrator will have access to data in Min Waiv based on a need to know basis. The user must complete an Online Form 5081, Information System User Registration/Change Request, to request access to the application. The approval manager then requests that the user be added to the system. A user's access to the data terminates when it is no longer required. Criteria, procedures, controls, and responsibilities regarding access are documented in the Information Systems Security Rules on Form 5081. There is no contractor access to Min Waiv. The Systems Administrator determines how data is accessed by a user.

## **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.*

Disposition instructions for MIN WAIV inputs, system data, outputs and system documentation are published in Document 12990 under Records Control Schedule 29 for Submissions Processing Campus Records (item 77) and supersedes disposition authorities previously approved for a paper-based process. A 75-year retention is required for system data. Procedures for eliminating data after the retention period are automatically executed by shell scripts that analyze the data for retention according to IRM requirements and delete qualifying data accordingly.

## **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.*

Employee Tax Examiner assigned to the case (User ID) Audit Trail Information Tax Examiner Assigned to the case (User Time and Date of access (Note: Each file has a history section where all correspondence, phone calls and other actions are recorded. Only tax examiners with passwords have access to these files. Reviewing the history section derived from Forms 4029 and 4361 and correspondence provides the status of the case.)



## **PRIVACY TESTING**

*Does the system require a System Test Plan?*

No

*Please explain why:*

System is in use year-round. Any problems would be found while processing work, no test needed. No changes to the system have been planned or have been made to the system which would require testing.

## **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: Under 50,000

Contractors: Not Applicable

Members of the Public: 100,000 to 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?*

Yes

*Explain the First Amendment information being collected and how it is used.*

Religious affiliation information is collected on Forms 4361 and 4029. This information is needed to ensure that taxpayers are complying with legal requirements and to allow IRS to figure and collect the right amount of tax. Applying for an exemption from self-employment tax is voluntary. However, providing the requested information is mandatory if you apply for the exemption. IRC sections 1402(e), 6001, 6011, 6012(a), and 6109 and their regulations gives us the legal right to ask for information.

*Please list all exceptions (any one of which allows the maintenance of such information) that apply:*

The individual about whom the information was collected or maintained expressly authorizes its collection/maintenance (as noted in Q17).

There is a statute that expressly authorizes its collection (identified in Q6).

*Will the First Amendment information be used as the basis to make any adverse determination about an individual's rights, benefits, and/or privileges under Federal programs?*

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