

Date of Approval: **May 29, 2019**

PIA ID Number: **4083**

SYSTEM DESCRIPTION

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

Collection Activity Reports/Statutory Reports (CARSR), CARSR

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?

Collection Activity Reports/Statutory Reports, CARSR, PIA #1786, MS4B

What is the approval date of the most recent PCLIA?

8/9/2016

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.

Internal Management Level Government Board (IMGLB)

Current ELC (Enterprise Life Cycle) Milestones:

System Development/Milestone 4B

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 Collection Activity Reports / Statutory Reports (CARSR) system is set of Assembly Language Coded (ALC) programs run on an IBM mainframe Multiple Virtual Storage (MVS) system which generate files and reports from master file extracts. The primary objective of the Statutory Reports Section (CARSR) is to support the collection of revenue and to create Statutory Reports (STAT RPTS), which are mandated by law. The reports are used to help track collection activity, levies, statutes of limitation, and to create the IRS Data Book (formerly known as Pub 55 - the Commissioner's Annual Report). The majority of the work produced by CARSR is either in support of revenue collection, or statutory regulation.

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:

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

When there is no reasonable alternative means for meeting business requirements

Another compelling reason for collecting the SSN

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

The CARSR system requires the use of SSN's because no other identifier can be used to uniquely identify a taxpayer.

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 CARSR system 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

Date of Birth

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 (SBUList)

Proprietary data - Business information that does not belong to the IRS

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

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.

Federal Tax Information

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.

CARSR runs extract data for the IRS Government Liaison Data Exchange Program (GLDEP). They disseminate requested and approved portions of the extract data to other Federal and State (or City) agencies. The GLDEP was created with the specific intent of sharing Federal return and return information with state agencies to assist with state tax administration. The goals and benefits of the GLDEP is help the states as follows: to leverage resources, to increase revenue & compliance, and to provide opportunities for enhanced taxpayer outreach & education.

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

All CARSR System Reports and data files are generated by the IRS Enterprise Operations (EOPS) on a pre-determined schedule, then securely stored, maintained, and verified for accuracy with begin and end balancing. These reports and data files are then distributed by EOPS to the various CARSR customers; who in turn verify their applicable reports and related data files for accuracy, timeliness, and completeness.

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 System

IRS 26.019 Taxpayer Delinquent Account Files

RESPONSIBLE PARTIES

Identify the individuals for the following system roles:

For 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: Business Master File (BMF)

Current PCLIA: Yes

Approval Date: 8/27/2018

SA&A: Yes

ATO/IATO Date: 3/12/2019

System Name: Individual Master File (IMF)

Current PCLIA: Yes

Approval Date: 3/6/2017

SA&A: Yes

ATO/IATO Date: 9/22/2018

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?

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: Excise Files Information Retrieval System (ExFIRS)

Current PCLIA: Yes

Approval Date: 1/13/2017

SA&A: Yes

ATO/IATO Date: 3/28/2019

System Name: Automated Quarterly Excise Tax Liability (AQUETL)

Current PCLIA: Yes

Approval Date: 12/28/2016

SA&A: Yes

ATO/IATO Date: 2/11/2019

Identify the authority

The Governmental Liaison Data Exchange Program provides authority to exchange data that is used for enforcement of excise tax laws.

For what purpose?

These receiving systems update their applicable data bases which are used by revenue officers and agents dealing with excise tax issues.

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: Government Accountability Office (GAO)

Transmission Method: Email

ISA/MOU No

Identify the authority

The Governmental Liaison Data Exchange Program provides authority to exchange data that is used for enforcement of excise tax laws. These receiving systems update their applicable data bases which are used by revenue officers and agents dealing with excise tax issues.

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

The CARSR system disseminates requested and approved portions of extracted data to other Federal and State (or City) agencies.

For what purpose?

The Governmental Liaison Data Exchange Program provides authority to exchange data that is used for enforcement of excise tax laws. These receiving systems update their applicable data bases which are used by revenue officers and agents dealing with excise tax issues.

Does this system disseminate SBU/PII to State and local agencies?

Yes

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

Organization Name: State and Local Agencies

Transmission Method: EFTU

ISA/MOU Yes

Identify the authority

The Governmental Liaison Data Exchange Program.

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

The CARSR system disseminates requested and approved portions of extracted data to other Federal and State (or City) agencies.

For what purpose?

The Governmental Liaison Data Exchange Program provides authority to exchange data that is used for enforcement of excise tax laws. The CARSR system disseminates requested and approved portions of extracted data to other Federal and State (or City) agencies. This process enables the IRS to collect millions of dollars in delinquent taxpayer revenue.

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?

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.

CARSR extracts data files from IMF and BMF. We do not manipulate data or interact with individuals' data directly. "Notice, consent, and due process" are provided via BMF, IMF, and its related tax forms and instructions.

Do individuals have the opportunity to decline from providing information and/or from consenting to particular uses of the information?

No

Why not?

CARSR extracts data files from IMF and BMF. We do not manipulate data or interact with individuals' data directly. "Notice, consent, and due process" are provided via BMF, IMF, and its related tax forms and instructions.

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

CARSR extracts data files from IMF and BMF. We do not manipulate data or interact with individuals' data directly. "Notice, consent, and due process" are provided via BMF, IMF, and its related tax forms and instructions.

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

Developers: Read Only

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

The users must submit a special request via Online OL5081 to access the CARSR data. The request must be approved by the user's managers before being forwarded to the CARSR Business Unit. The CARSR BU are responsible for reviewing the request and ensuring the user is added to the appropriate access control list in order for the user to receive proper access to the CARSR data.

RECORDS SCHEDULE

Are these records covered under a General Records Schedule (GRS, IRS Document 12829), or has the National Archives and Records Administration (NARA) archivist 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.

CARSR is not the official records keeping repository of the extracted information in the system. All information in the system is properly scheduled in its original forms under the General Records Schedules and the Records Control Schedules of the IRS. Extracted Federal Tax Information is provided to State and Local agencies under the authority of IRC 6103d for purposes of State Taxes administration. All records housed in the system will be erased or purged from the system at the conclusion of their retention period(s) as required under IRM 1.15.6. For different data types, there are different retention periods. Retention schedules are documented in the Functional specification packages.

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.

The CARSR System runs on the Mainframe and we don't have control over the auditing/logging/etc. Any type of specific audit trail/logging/etc. would be handled by the process owner of those systems. Audit capabilities are inherited from the underlying infrastructure components.

PRIVACY TESTING

Does the system require a System Test Plan?

No

Please explain why:

CARSR does not have any System (SAT) testing, thus no STP is required. However, CARSR does have a Project Level Test Plan (TP) that is stored in the Documentum DocIT (web-based documents management system) and is estimated to be completed by 05/01/2019.

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.

4/4/2019 12:00:00 AM

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: 50,000 to 100,000

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?

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?

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