Date of Approval: 09/12/2024 Questionnaire Number: 1444

Basic Information/Executive Summary

What is the name of your project (system, database, pilot, product, survey, social media site, etc.)?

Business Master File

Acronym:

BMF

Business Unit

Small Business and Self Employed

Preparer

For Official Use Only

Subject Matter Expert

For Official Use Only

Program Manager

For Official Use Only

Designated Executive Representative

For Official Use Only

Executive Sponsor

For Official Use Only

Executive Summary: Provide a clear and concise description of your project and how it will allow the IRS to achieve its mission.

Business Master File is an IRS Critical Infrastructure asset. All tax data and related information pertaining to individual business income taxpayers are posted to the BMF so that the file reflects a continuously updated and current record of each taxpayer's account. All settlements with taxpayers are affected through computer processing of the BMF account and the data therein is used for accounting records, for issuance of refund checks, bills or notices, answering inquiries, classifying returns for audit, preparing reports and other matters concerned with the processing and enforcement activities of the Internal Revenue Service. Management Information System Reports (MIS RPTS), Business Return Transaction File (BRTF), Non-filer Tracking (*NFTRAC), and Exempt Org are a portion of BMF 701 Extract and Reports, which is a sub-project of BMF. Business Master File On-Line Processing (BMFOL), which provides internal-use

only access to BMF data, is also a sub-project of BMF. *NFTRAC also extracts data from Individual Master File (IMF) and should be covered under the IMF 701 Extracts separately.

Personally Identifiable Information (PII)

Will this project use, collect, receive, display, store, maintain, or disseminate any type of Sensitive but Unclassified (SBU), Personally Identifiable Information (PII), or Federal Tax Information (FTI)?

Yes

Please explain in detail how this project uses sensitive data from inception to destruction (data lifecycle).

The name, Taxpayer Identification Number (TIN), and address are required to identify the taxpayer's account. The income, deductions, credits, etc. reported on the tax return, as well as any payments received, are required to settle the taxpayer's account, and maintain a record of taxes assessed, abated and collected.

Please select all types of Sensitive but Unclassified data (SBU)/Personally Identifiable Information (PII)/Federal Tax Information (FTI) that this project uses.

Individual Taxpayer Identification Number (ITIN) Social Security Number (including masked or last four digits)

Cite the authority for collecting SBU/PII/FTI (including SSN if relevant).

PII for federal tax administration - generally IRC Sections 6001 6011 or 6012

SSN for tax returns and return information - IRC section 6109

Product Information (Questions)

- 1.1 Is this PCLIA a result of the Inflation Reduction Act (IRA)?
 No
- 1.3 What type of project is this (system, project, application, database, pilot/proof of concept, power platform/visualization tool)?

Application

- 1.35 Is there a data dictionary for this system? Yes

production and ECC-XXX (XXXXXXX, XX) for disaster recovery hosting centers on IBM z9/2094 Tier 1 Plug-Compatible Mainframes using Version 9.1 (DB2 UDB). The GSS-21 General Support System (GSS) infrastructure is the primary GSS and supports BMF by providing Logical Partition (LPAR) storage and mainframe processing components. BMF information is stored on a DB2 database; updates occur on a weekly basis through batch runs of data. Since BMF is a master database of business taxpayer information, the files located on DB2 are used by IRS field examiners, business units, and staff throughout the United States to gather information for inquiries, reports, data analysis, and a variety of other purposes. Information stored by BMF is supplied to various IRS business units through reports requested through the Planning Coordination Asset Management (PCAM) group.

In addition to the hardware and storage devices that support the BMF, there are several software components that support the application. The Service Center Input Processing Automation System (SCIPAS) interface along with the Control-M interface are used to schedule and run the BMF batch scheduling jobs. SCIPAS is a tool used to schedule batch files. Data is imported into BMF as a flat file through the SCIPAS job scheduler. BMF batch jobs are scheduled in BMC Control-M Enterprise Manager and run under various Resource Access Control Facility (RACF) production IDs. Control-M sub GSS batch jobs to the BMF production system on a daily and weekly basis. These jobs are executed concurrently or in sequential order. All production and production support jobs are run through Control-M software.

An account on the BMF contains two types of data: taxpayer entity data and tax modular information. The taxpayer entity data contains an entity module, with taxpayer data relevant to the entire account such as the Taxpayer Identification Number (TIN), name, and address. The tax modular data contains tax liability and accounting information for a specific tax period for a specific type of tax, such as assessed tax liability, payments and other credits, balance due amounts, refund checks, and additional accounting information.

An account on BMF contains a single entity module and multiple tax modules. The entity module contains identification information (business name and address) that describes the taxpayer. This data is applied to all records associated with a particular taxpayer.

The tax modules contain records of tax liability and accounting information pertaining to the tax for one tax period and one particular type of tax (MFT). Data contained in the modules includes balance due amounts, refund checks sent, and other accounting information relating to a specific tax period.

The BMF is a recirculating flat file that is updated weekly with transactions that were processed in the IRS Campuses and are ready to post to the master file. The BMF includes an IBM DB2 component (the BMF Large Tax Module Database) that contains tax modules that are too large for the IBM operating system to handle. Each week, changes to BMF are used to update an IBM DB2 version of the BMF. The BMF DB2 file is used by the BMF On-Line component of the BMF Application to provide timely account information to the field through the Integrated Data Retrieval System (IDRS) application.

Business taxpayer data is transmitted from various IRS remote campuses/service centers to the BMF using two primary methods: electronically through Electronic Filing System (ELF) runs, or via traditional paper forms. Using the electronic method, initial inputs to BMF are processed by a front-end input system (i.e. Integrated Submission and Remittance Processing (ISRP), e-file, TeleFile, etc.). These systems interface with the Generalized Mainline Framework (GMF), which provides data to the BMF processing system. Subsequent inputs can originate from any number of IRS processing systems. BMF data is read-only; service center users such as tax examiners, managers, and additional personnel are prohibited from accessing BMF directly. All examiners access BMF data via IDRS and/or the Integrated Case Processing (ICP) system through the Security and Communications System (SACS). BMF Online data requests are made using command codes in an IDRS session. IDRS requests are processed by the SACS which queries BMF data stored in the BMF DB2 database based on the requestor's privileges.

Data posted to the BMF is replicated for use in other IRS processing systems. The entire BMF is replicated for Corporate Files On-line (CFOL), which provides online read-only access for authorized IRS employees. There are several files that contain extracts of entity data that are used in validation for processing or for employee access as a research tool in answering taxpayer inquiries or resolving compliance issues. These include the National Account Profile (NAP), the Taxpayer Index File (TIF) and the Name Search Facility (NSF). Each January, BMF is processed through a conversion program that creates new fields required for the filing season. The conversion program also performs housekeeping chores as needed. The DB2 version of the BMF is deleted and reloaded with data from the converted BMF.

The schedule of runs is updated with specific runs throughout the year and processed by the schedulers at ECC-MTB using Control M programming language and the SCIPAS tool. Runs of data complete on a weekly basis through pre-posting and are posted each weekend to create an updated BMF. The BMF is comprised of several sub-systems responsible for performing specific sub-functions and are referenced by their Applications Development Project Names.

1.4 Is this a new system?

- 1.5 Is there a Privacy and Civil Liberties Impact Assessment (PCLIA) for this system? Yes
- 1.6 What is the PCLIA number? PCLIA # 6288, approved 8/22/2021
- 1.7 What are the changes and why?
 PCLIA is due for BMF application on 22 Sept 24.

1.8 If the system is on the As-Built-Architecture, what is the ABA ID of the system? If this PCLIA covers multiple applications shown on the ABA, please indicate the ABA ID for each application covered separated by a comma.

210124, 210134, 210135, 210136, 210137

- 1.9 What OneSDLC State is the system in (Allocation, Readiness, Execution)? Execution
- 2.1 If this system discloses any PII to any third party outside the IRS, 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. Enter "Yes" or "No". If Exempt, type "Exempt".

 No

2.2 Please provide the full name of and acronym of the governance board or Executive Steering Committee (ESC) this system reports to.

Small Business Self Employed, Information Technology Governance Board (SB/SE IT Governance Board)

3.1 Does your project/system involve any use of artificial intelligence (AI), including virtual assistant, chat bot, and robotic process automation, as defined in Executive Order 13960?

No

3.3 Does this system use cloud computing?

- 3.6 Does this system interact with the public through a web interface?
- 4.1 Who owns and operates the system (IRS Owned and Operated, IRS Owned and Contractor Operated, Contractor Owned and Operated)?

 IRS Owned and Operated.
- 4.2 If a contractor owns or operates the system, does the contractor use subcontractors?
- 4.5 Identify the roles and their access level to the PII data. For contractors, indicate whether their background investigation is complete or not.

Roles and access levels are determined by role-based access control system and entitlement are approved using BEAR system. Contractors follow the same procedures as employees.

4.51 How many records in the system are attributable to IRS Employees? Enter "Under 50,000", "50,000 to 100,000", "More than 100,000" or "Not Applicable".

Not Applicable. The system doesn't have a correlation between EIN and SSN.

4.52 How many records in the system are attributable to contractors? Enter "Under 5,000", "5,000 to 10,000", "More than 10,000" or "Not Applicable".

Not Applicable. We do not perform mapping between vendor's EIN and overall EIN in the system.

- 4.53 How many records in the system are attributable to members of the public? Enter "Under 5,000", "5,000 to 10,000", "More than 10,000" or "Not applicable".

 More than 10,000.
- 4.6 How is access to SBU/PII determined and by whom?

 Through BEARS entitlement and an FTI form signed by an executive.
- 5.1 Please describe any privacy risks, civil liberties and/or security risks identified for the system that need to be resolved and what is the mitigation plan?

There are no current risks open on this subject. We hold annual training on unauthorized access (UNAX).

5.11 Is there a Risk Assessment Form and Tool (RAFT) associated with this system on file with your organization or the IRS Risk Office.

No

- 5.2 Does this system use or plan to use SBU data in a non-production environment?
- 5.3 Please upload the Approved Email and one of the following SBU Data Use Forms, Questionnaire (F14664) or Request(F14665) or the approved Recertification (F14659). Select Yes to indicate that you will upload the Approval email and one of the SBU Data Use forms.

Yes

Interfaces

Interface Type

Other Federal Agencies
Agency Name
Social Security Administration
Incoming/Outgoing
Incoming (Receiving)

Transfer Method Other

Interface Type

IRS Systems, file, or database Agency Name

Service Center Input Processing Automation System Incoming/Outgoing

Image Ouigoing

Incoming (Receiving)

Transfer Method

Other

Systems of Records Notices (SORNs)

SORN Number & Name

IRS 24.046 - Customer Account Data Engine Business Master File Describe the IRS use and relevance of this SORN.

The Privacy Act requires agencies to publish Systems of Records Notices (SORNs) that describe the categories of Personally Identifiable Information (PII) that they collect, maintain and use. BMF does require a SORN. BMF does require a System of Records Notice (SORN).

SORN Number & Name

IRS 34.037 - Audit Trail and Security Records Describe the IRS use and relevance of this SORN.

The Privacy Act requires agencies to publish Systems of Records Notices (SORNs) that describe the categories of Personally Identifiable Information (PII) that they collect, maintain and use. BMF does require a SORN. BMF does require a System of Records Notice (SORN).

Records Retention

What is the Record Schedule System?

Record Control Schedule (RCS)

What is the retention series title?

29 Tax Administration - Wage and Investment (W&I) Records

What is the GRS/RCS Item Number?

210

What type of Records is this for?

Both (Paper and Electronic)

Please provide a brief description of the chosen GRS or RCS item. BMF Retention Register. Contains all entity and tax modules removed from the master file. (1) Record copy. (Job No. NC1-58-82-9, Item 210)

What is the disposition schedule?

Destroy 75 years after end of processing year.

Data Locations

What type of site is this?

System

What is the name of the System?

Business Master File (BMF)

What is the sensitivity of the System?

Federal Tax Information (FTI)

Please provide a brief description of the System.

BMF is an International Business Machine (IBM) Master File (GSS-21) application that resides at the ECC-MTB (Martinsburg, WV) for production and ECC-MEM (Memphis, TN) for disaster recovery hosting centers on IBM z9/2094 Tier 1 Plug-Compatible Mainframes using Version 9.1 (DB2 UDB). The GSS-21 General Support System (GSS) infrastructure is the primary GSS and supports BMF by providing Logical Partition (LPAR) storage and mainframe processing components. BMF information is stored on a DB2 database; updates occur on a weekly basis through batch runs of data. Since BMF is a master database of business taxpayer information, the files located on DB2 are used by IRS field examiners, business units, and staff throughout the United States to gather information for inquiries, reports, data analysis, and a variety of other purposes. Information stored by BMF is supplied to various IRS business units through reports requested through the Planning Coordination Asset Management (PCAM) group.

What are the incoming connections to this System?

IDRS, MeF. All inputs come in on discreet files.

What are the outgoing connections from this System?

IDRS, Corporate Notices; Output files go to various internal systems or downstream processes. SSA, BFS; Output files go to some external partners. DB2 Database – accessed by BMFOL, BTA, EDW.