

Date of Approval: 02/03/2025
Questionnaire Number: 1925

Basic Information/Executive Summary

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

Direct File

Acronym:

DFSYS

Business Unit

Information Technology

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.

This is a change to the current Direct File PCLIA #1679 based on new functionality to include Information return data from Enterprise Data Platform (EDP) and interfaces (Datadog) being added for FS2025. The new EDP interface will be an outgoing data source from EDP Information Returns Data Access Service (IRDAS) to Direct File over Hypertext Transfer Protocol Service (HTTPS) and will allow for the primary Taxpayer to retrieve their W-2 as a data import feature to assist with completing their tax return, should they select the option to do so. The taxpayer may continue to manually provide their W-2 information, if they so choose. The Datadog interface is an outgoing interface from the Internal Revenue Service (IRS) to our Datadog cloud service. This traffic contains monitoring and performance data for the Direct File application and environment. It is routed via the IRS Integrated Enterprise Portal (IEP) and

through IRS proxy over approved secure Transport Layer Security protocols to Datadog. This data is then accessed by authorized Direct File personnel via the Datadog cloud service. All other functionality of Direct File from the previously approved PCLIA #1679 remains the same. Direct File comes out of Inflation Reduction Act of 2022 and the IRS's implementation via the Strategic Operating Plan. Direct File is a cloud-based application that enables qualified taxpayers to authenticate themselves and respond to an interview-style set of questions to complete their tax returns. This culminates with the ability of the tax filer to e-file their individual income tax return directly with the IRS's Modernized E-File (MeF), access their federal tax return information and provide it to a state tool in order to complete the filing of their state tax return. While Direct File does not disseminate Sensitive But Unclassified (SBU)/Personally Identifiable Information (PII) to state and local agencies, individual users of Direct File can use Direct File's Application Programming Interface (API) to transfer their data to a state filing tool. The taxpayer, after accessing their federal return information, makes a voluntary disclosure of their information to the state tool (the taxpayer is given a secure token which they take with them to the state tool, and that token allows the state tool access to the information, as opposed to the IRS making the disclosure. The API uses industry-standard encryption to protect the taxpayer's data in transit and verifies the authenticity of the state tool to protect taxpayer data from data theft. Direct File will include customer support through unauthenticated and authenticated chat and secure messaging offered by the IRS eGain platform. Direct File will expand with 13 new states this year, totaling 25 states for Filing Season 2025.

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).

Direct File collects tax filer provided FTI that is used to complete the filer's return, which they can chose to submit to the IRS via Modernized eFile (MeF).

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

Address

Email Address

Employer Identification Number

Family Members

Federal Tax Information (FTI)

Individual Taxpayer Identification Number (ITIN)
Internet Protocol Address (IP Address)
Language
Name
Online Identifiers
Social Security Number (including masked or last four digits)
Tax ID Number
Telephone Numbers
Universal Unique Identifier (UUID)

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 Is this PCLIA a result of the Inflation Reduction Act (IRA)?

Yes

1.1 What is the IRA Initiative Number?

1. 5 Explore Direct File

2 What type of project is this (system, project, application, database, pilot/proof of concept/prototype, power platform/visualization tool)?

System, application

3 What Tier designation has been applied to your system?

1

4 Is this a new system?

No

4.1 Is there a previous Privacy and Civil Liberties Impact Assessment (PCLIA) for this project?

Yes

4.11 What is the previous PCLIA number?

1679

4.2 You have indicated this is not a new system; explain what has or will change and why. (Expiring PCLIA, changes to the PII or use of the PII, etc.)

Information Returns data (i.e. W-2) will now be imported from a new application programming interface (API) to Direct File for taxpayers who choose to use this feature, originating from the Enterprise Data Platform (EDP). Direct File will be

one of the first applications integrated and using DataDog for FS2025 for proactive monitoring and alerting. Direct File as a new connection from the IRS Integrated Enterprise Portal (IEP) Amazon Web Service (AWS) GovCloud to the IRS's Cloud Security Boundary-External Partner Zone (CSB-EPZ).

5 Is this system considered a child system/application to another (parent) system?
No

5.1 Identify the parent system's approved PCLIA number.
Direct File does not have a parent system.

5.2 Identify the parent system's name as previously approved.
Not Applicable, Direct File does not have a parent system.

6 Indicate what OneSDLC State is the system in (Allocation, Readiness, Execution) or indicate if you go through Information Technology's (IT) Technical Insertion Process and what stage you have progressed to.
Execution

7 Is this a change resulting from the OneSDLC process?
No

8 Please provide the full name and acronym of the governance board or Executive Steering Committee (ESC) this system reports to.
Web Applications Board, Strategic Development ESC

9 If the system is on the As-Built-Architecture (ABA), what is the ABA ID number of the system? If this PCLIA covers multiple applications shown on the ABA, please indicate the ABA ID number(s) for each application covered separated by a comma. If the system is not in the ABA, then contact the ABA (<https://ea.web.irs.gov/aba/index.html>) for assistance.
211495

10 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?
No

10.1 You have indicated that you do not have an "accounting of disclosures" process in place; please indicate a projected completion date or explain the steps taken to develop your accounting of disclosures process. Note: The Office of Disclosure should be contacted to develop this system's accounting of disclosures process.
No PII is disclosed to any third party outside of the IRS.

11 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 and 14110?

No

12 Does this system use cloud computing?

Yes

12.1 Please identify the Cloud Service Provider (CSP), FedRAMP Package ID, and date of FedRAMP authorization.

IRS IEP AWS GovCloud; 06/21/2016; F1603047866

12.2 Does the CSP allow auditing?

Yes

12.21 Who has access to the CSP audit data (IRS or 3rd party)?

3rd party

12.3 Please indicate the background check level required for the CSP (None, Low, Moderate or High).

Moderate

13 Does this system/application interact with the public?

Yes

13.1 If the system requires the user to authenticate, was a Digital Identity Risk Assessment (DIRA) conducted?

Yes

13.11 Please upload the approved DIRA report using the Attachments button. Select "Yes" to indicate that you have or will upload the signed DIRA form.

Yes

13.2 If individuals do not have the opportunity to give consent to collect their information for a particular use, why not?

Individuals have the opportunity to provide consent.

13.3 If the individual was not notified of the following items prior to the collection of information, why not? 1) Authority to collect the information 2) If the collection is mandatory or voluntary 3) The purpose for which their information will be used 4) Who the information will be shared with 5) The effects, if any, if they don't provide the requested information.

Individuals are notified.

13.4 If information is collected from third-party sources instead of the individual, please explain your decision.

Not Applicable

14 Describe the business process allowing an individual to access or correct their information. (Due Process)

Tax filers may edit their information in Direct File prior to filing. After filing, other IRS business units are responsible for facilitating information corrections.

15 Is this system owned and/or operated by a contractor?

IRS-owned and operated with contractors and sub-contractors supporting.

15.1 If a contractor owns or operates the system, does the contractor use subcontractors; or do you require multiple contractors to operate, test, and/or maintain this system?

Yes

15.2 What PII/SBU data does the subcontractor(s) have access to?

Select contractors and sub-contractors with approved Business Entitlement Access Request System (BEARS) access have access to SBU and PII data in system and application logs. They do not have access to a Taxpayer's tax submission.

16 Identify what role(s) the IRS and/or the contractor(s) performs; indicate what access level (to this system's PII data) each role is entitled to. (Include details about completion status and level of access of the contractor's background investigation was approved for.)

Customer Service Representatives (CSR) and managers to CSRs - read only to Direct File tax submission data. Administrators - read only to logs and monitoring data which may contain PII. All contractors who support the Direct File application have completed an IRS Minimum Background Investigation (MBI) and Public Trust.

17 The Privacy Act of 1974 (5 USC § 552a(e)(3)) requires each agency that maintains a system of records, to inform each individual requested to supply information about himself or herself. Please provide the Privacy Act Statement presented by your system or indicate a Privacy Act Statement is not used and individuals are not given the opportunity to consent to the collection of their PII.

Direct File uses the Privacy Act statement posted on IRS.gov.

<https://www.irs.gov/privacy-disclosure/irs-privacy-policy>

18 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

19 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

20 How many records in the system are attributable to members of the public? Enter "Under 100,000", "100,000 to 1,000,000", "More than 1,000,000" or "Not applicable".

More than 1,000,000

21 Identify any "other" records categories not attributable to the categories listed above; identify the category and the number of corresponding records, to the nearest 10,000; if no other categories exist, enter "Not Applicable".

Not Applicable

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

Access to the Integrated Enterprise Portals (IEP) is requested via an IEP enterprise ticketing process. Access is granted on a need-to-know basis (audit logs and/or IEP data). The enrollment process requires that an authorized manager approve access requests on a case-by-case basis. Access approval is based on the user's role(s) and responsibilities. Users are given the minimum set of privileges required to perform their regular and recurring work assignments; they are restricted from changing the boundaries of their access without management approval. The employee's access will be terminated once they no longer require access. Access to Business and Customer Service Representative (CSR) Portals are determined by the roles of the employees and maintained through BEARS (Business Entitlement Access Request System), which is approved by managers and system administrators. Access is based on hierarchy roles and permissions. Access to IRIS Portal is determined by the roles of the employees and maintained through BEARS (Business Entitlement Access Request System), which is approved by managers and system administrators. Access is based on hierarchy roles and permissions. Access to the data is determined by the System Administrator based on a user's position and need-to-know. The contractors administer the portal/cloud infrastructure, but the SBU/PII is not disseminated to them. Only IRS System Administrators will have access to the production environment. Information requested by the Treasury Inspector General for Tax Administration must be properly vetted and cleared for release. Access to the eGain platform for chat and secure messaging will be provided to customer support representatives, via BEARS entitlements, and related managers to provide customer support to taxpayers.

23 Is there a data dictionary on file for this system? Note: Selecting "Yes" indicates an upload to the Attachment Section is required.

No

- 24 Explain any privacy and civil liberties risks related to privacy controls.
Direct File does have multiple Risk Assessment Form and Tool (RAFT)s on file documenting associated risks and mitigation plans.
- 25 Please upload all privacy risk finding documents identified for the system (Audit trail, RAFT, POA&M, Breach Plan, etc.); click "yes" to confirm upload(s) are complete.
Yes
- 26 Describe this system's audit trail in detail. Provide supporting documents.
All auditing is compliant with IRM 10.8.1 and Direct File has an approved Enterprise Security Audit Trail (ESAT) worksheet on file providing all details. Audit logs are captured in IEP Splunk and sent to IRS Splunk for Cyber analysis and alerting, if necessary. Direct File does not have any outstanding audit-related Plan of Actions and Milestones (POA&M).
- 27 Does this system use or plan to use SBU data in a non-production environment?
No

Interfaces

Interface Type

IRS Systems, file, or database

Agency Name

Identity Protection Personal Identification Number (IP PIN)

Incoming/Outgoing

Incoming (Receiving)

Transfer Method

Other

Other Transfer Method

Application Programming Interface (API)

Interface Type

IRS Systems, file, or database

Agency Name

Enterprise Security Audit Trails (ESAT)

Incoming/Outgoing

Outgoing (Sending)

Transfer Method

Secured channel via HTTPS

Interface Type

IRS Systems, file, or database

Agency Name

Enterprise Data Platform (EDP)

Incoming/Outgoing
 Incoming (Receiving)
Transfer Method
 Other
Other Transfer Method
 Application Programming Interface (API)

Interface Type

 IRS Systems, file, or database
Agency Name
 Secure Access Digital Identity (SADI)
Incoming/Outgoing
 Incoming (Receiving)
Transfer Method
 Secured channel via HTTPS

Interface Type

 IRS Systems, file, or database
Agency Name
 Enterprise Consolidated Legacy Access System (ECLAS)
Incoming/Outgoing
 Incoming (Receiving)
Transfer Method
 Other
Other Transfer Method
 Application Programming Interface (API)

Interface Type

 IRS Systems, file, or database
Agency Name
 Enterprise Data Platform (EDP)
Incoming/Outgoing
 Outgoing (Sending)
Transfer Method
 Electronic File Transfer Utility (EFTU)

Interface Type

 IRS Systems, file, or database
Agency Name
 Electronic Signature Storage and Retrieval Service (ESSAR)
Incoming/Outgoing
 Both
Transfer Method
 Secured channel via HTTPS

Interface Type

Other Organization

Agency Name

Datadog (managed service provider for the IRS for Cloud Software as a Service [SaaS])

Incoming/Outgoing

Outgoing (Sending)

IRS contract with Datadog as a managed service provider

Transfer Method

Secured channel via HTTPS

Interface Type

IRS Systems, file, or database

Agency Name

Individual Online Account (IOLA)

Incoming/Outgoing

Incoming (Receiving)

Transfer Method

Secured channel via HTTPS

Interface Type

IRS Systems, file, or database

Agency Name

Tableau

Incoming/Outgoing

Incoming (Receiving)

Transfer Method

Integrated Enterprise Portal (IEP)

Interface Type

IRS Systems, file, or database

Agency Name

eGain

Incoming/Outgoing

Outgoing (Sending)

Transfer Method

Other

Other Transfer Method

Direct File does not connect directly to eGain. Rather there is an eGain "button" or "link" within Direct File which allows IRS Customer Service Representatives (CSRs) to engage with eGain for the purpose of assisting the taxpayer. All interaction with eGain after selecting the option to open is outside of Direct File.

Interface Type

IRS Systems, file, or database

Agency Name

Integrated Enterprise Portal (IEP)

Incoming/Outgoing

Both

Transfer Method

Integrated Enterprise Portal (IEP)

Interface Type

IRS Systems, file, or database

Agency Name

Modernized eFile (MeF)

Incoming/Outgoing

Both

Transfer Method

Application to Application (A2A)

Interface Type

IRS Systems, file, or database

Agency Name

Integrated Enterprise Portal (IEP) Amazon Web Service (AWS)

GovCloud

Incoming/Outgoing

Both

Transfer Method

Amazon Web Services Platform (AWS)

Systems of Records Notices (SORNs)

SORN Number & Name

IRS 34.037 - Audit Trail and Security Records

Describe the IRS use and relevance of this SORN.

System and return information collected in accordance with audit, security standards.

SORN Number & Name

IRS 22.062 - Electronic Filing Records

Describe the IRS use and relevance of this SORN.

Direct File System allows tax filers to provide their tax information and file their return electronically via IRS's modernized eFile.

SORN Number & Name

IRS 24.030 - Customer Account Data Engine Individual Master
File

Describe the IRS use and relevance of this SORN.
Filed return information is stored against IMF.

Records Retention

What is the Record Schedule System?

Record Control Schedule (RCS)

What is the retention series title?

RETURNS PROCESSING RECORDS

What is the GRS/RCS Item Number?

29, Item 55

What type of Records is this for?

Electronic

Please provide a brief description of the chosen GRS or RCS item.

Electronically Filed Individual, Partnership and Fiduciary Income
Tax Returns. Includes all tax returns which are filed with the
Service through any type of electronic means.

What is the disposition schedule?

Retire to Records Center beginning January 2 through March 31
following the year in which the returns were numbered and
processed. Destroy on or after January 16, 6 years after the end of
the processing year unless needed for Collection Statute Expiration
Date (CSED) Extract due to a balance due.

Data Locations

What type of site is this?

Environment

What is the name of the Environment?

IRS IEP AWS GovCloud - Ohio + Oregon

What is the sensitivity of the Environment?

Sensitive But Unclassified (SBU)

What is the URL of the item, if applicable?

www.directfile.irs.gov

Please provide a brief description of the Environment.

Cloud service provider for Direct File.

What are the incoming connections to this Environment?

The incoming connections to the IRS IEP AWS GovCloud hosting platform for Direct File come from the IRS Registered User Portal (RUP) to receive the tax submission return status from MeF via the IRS API Public Gateway. Direct File is a public facing application and as such, all SADI-registered and authenticated Taxpayers have access from their personal computers to Direct File, also through the IRS API Public Gateway. Lastly, the integrated State Partners have access to Direct File based on an approved State registration and certificate exchange to retrieve accepted or pending Federal Returns, if elected by the Taxpayer in support of preparing their state return.

What are the outgoing connections from this Environment?

The outgoing connections are all bi-directional of the incoming connections. The outgoing connections to the IRS IEP AWS GovCloud hosting platform for Direct File go to the IRS Registered User Portal (RUP) to submit the tax return to MeF via the IRS API Public Gateway. Direct File is a public facing application and as such, all SADI-registered and authenticated Taxpayers have access from their personal computers to Direct File, also through the IRS API Public Gateway. Direct File interacts with the Taxpayer's browser. Lastly, the integrated State Partners have access to Direct File based on an approved State registration and certificate exchange to retrieve accepted or pending Federal Returns, if elected by the Taxpayer in support of preparing their state return. Add for FS2025, there is now an outbound connection to Datadog, our new monitoring and alerting cloud platform.