Date of Approval: **May 20, 2022**

PIA ID Number: **6952**

SYSTEM DESCRIPTION

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

IRMOD IRIS Application Services, IRIS

Is this a new system?

Yes

What governance board or Executive Steering Committee (ESC) does this system report to? Full name and acronym.

Submission Processing Governance Board (SPGB)

Current ELC (Enterprise Life Cycle) Milestones:

Vision & Strategy/Milestone 0

Project Initiation/Milestone 1

Domain Architecture/Milestone 2

Preliminary Design/Milestone 3

Detailed Design/Milestone 4A

System Development/Milestone 4B

Is this a Federal Information Security Management Act (FISMA) reportable system?

Yes

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.

Information Returns Intake System (IRIS) Application Services system supports the intake of Information Returns (IR)s, starting with 1099 forms (Phase 1), via web/mobile, A2A and SCRIPS (for paper forms), and the processing, validation and posting of Information Returns to downstream systems. Upon receiving the transmissions, the Intake Acceptance process performs initial validation, stores as-received transmissions and related operational data, and

creates and sends the transmission receipt to the transmitter. For all receipted transmissions, an acknowledgement is created once the validation process is completed, and a notification is sent to the transmitter based on the outcome of the validations. All features of the IRIS Application Services system will adhere to the established IRS security, audit, monitoring, and logging requirements.

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)

>>>   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).*

>>>   SSN is needed to validate information on information returns, IR 1099 forms.

>>   *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.

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
E-mail Address

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:

Agency Sensitive Information   Information which if improperly used or disclosed could adversely affect the ability of the agency to accomplish its mission.

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.

1099 Forms

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.

IRIS Application Services develops the backend microservices that enable the electronic filing of information returns. SSNs and TINs are provided by a payer to the IRS on an information return. The SSNs and TINs are used to associate the information submitted by the payer to the payee's account in the IRS systems of record.

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

There are electronic validations in place to ensure the accuracy of SBU and PII information provided. Data is moved to downstream systems where business rules are applied. The analysis is then returned notating 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 00.001   Correspondence Files and Correspondence Control 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: eServices (eSVS)
    Current PCLIA: Yes
    Approval Date: 11/16/2021
    SA&A: Yes
    ATO/IATO Date: 5/7/2020

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: 1099-MISC
    Form Name: Miscellaneous Income

    Form Number: 1099-NEC
    Form Name: Nonemployee Compensation

    Form Number: 1099-H
    Form Name: Health Coverage Tax Credit

    Form Number: 1099-INT
    Form Name: Interest Income

    Form Number: 1099-S
    Form Name: Proceeds From Real Estate Transactions

    Form Number: 1099-DIV
    Form Name: Dividends and Distributions

    Form Number: 1099-R
    Form Name: Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contract

Form Number: 1096
Form Name: Annual Summary and Transmittal of U. S. Information Returns

Form Number: 1099-B
Form Name: Proceeds From Broker and Barter Exchange Transactions

Form Number: 1099-PATR
Form Name: Taxable Distributions Received From Cooperative

Form Number: 1099-C
Form Name: Cancellation of Debt

Form Number: 1099-G
Form Name: Certain Government Payments

Form Number: 1099-K
Form Name: Payment Card and Third Party Network Transactions

Form Number: 1099-A
Form Name: Acquisition or Abandonment of Secured Property

Form Number: 1099-OID
Form Name: Original Issue Discount

Form Number: 1099-CAP
Form Name: Changes in Corporate Control and Capital Structure

Form Number: 1099-LTC
Form Name: Long-Term Care and Accelerated Death Benefits

Form Number: 1099-Q
Form Name: Payments From Qualified Education Programs

Form Number: 1099-SA
Form Name: Distributions From an HSA, Archer MSA, or Medicare Advantage MSA

Form Number: 1099-LS
Form Name: Reportable Life Insurance Sale

Form Number: 1099-QA
Form Name: Distributions from ABLE Accounts

Form Number: 1099-SB
Form Name: Seller's Investment in Life Insurance Contract

Form Number: 1099-F (LP)
Form Name: Certain Fishing Boat Crew Members (Tentative form, under OMB approval)

Form Number: 8809
Form Name: Application for Extension of Time to File Information Returns

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: Information Returns Processing System (IRPS)
Current PCLIA: Yes
Approval Date: 9/21/2021
SA&A: Yes
ATO/IATO Date: 1/9/2021

System Name: Information Returns Database (IRDB)
Current PCLIA: Yes
Approval Date: 5/7/2021
SA&A: Yes
ATO/IATO Date: 4/29/2020

System Name: Payer Master File (PMF)
Current PCLIA: Yes
Approval Date: 6/4/2020
SA&A: No

Identify the authority.

Taxpayer First Act (TFA) 2102, IRMod Solution Engineering SDSR

For what purpose?

Data is sent to IRPS for certification, IRDB for posting, PMF for posting extensions data

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

No

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?

Yes

Is the cloud service provider (CSP) Federal Risk and Authorization Management Program (FedRAMP) certified?

Yes

Date Certified.

6/21/2016

Please identify the ownership of the CSP data.

IRS

Does the CSP allow auditing?

Yes

Who audits the CSP Data?

3rd Party

What is the background check level required for CSP?

Moderate

Is there a breach/incident plan on file?

Yes

Privacy laws (including access and ownership) can differ in other countries. This cloud will be Continental US (CONUS) only for:

Storage
Transmission
Maintenance

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 is provided via the information return form submitted by the individual.

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

No

Why not?

IRIS Application Services system only have the capability to receive the intake of information returns, starting with 1099 forms (Phase 1), via web/mobile, A2A and SCRIPS (for paper forms), and perform validation for correctness before sending them to other downstream systems for further processing. It doesn't have the capability to interact with end users.

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

Business requirements have been provided that enable capabilities for re-submission of data and corrections.

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: Administrator

Developers: Read Only

IRS Contractor Employees

Contractor Users: Read Only

Contractor Managers: Read Only

Contractor System Administrators: Read Write

Contractor Developers: Read Only

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

Internal users are subject to management, system administrator, data administrator, and security administrator approval via the Online BEARS system. No contractors have access to the system without going through BEARS and obtaining approval from IRS management. BEARS is used to document access requests, modifications, terminations for all types of users, including system administrators. Access to IEP Cloud environment is managed via IEP ServiceNow.

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.

IRIS Application Services is an IRS application. Information Return data is approved for destruction under National Archives and Records Administration (NARA) Job No. NC1-58-77-4 and published in IRS Document 12990 under Records Control Schedule (RCS) 29 for Submissions Processing Campus Records, item 85. In advance of its operational date, system administrators and business unit representatives will ensure IRIS Application Services system recordkeeping is in compliance with instructions outlined in RCS 29. Should any updates or modifications to approved retention requirements be necessary to meet or accommodate data collection and maintenance needs, the business owner/developer will coordinate with the IRS Records and Information Management (RIM) Program Office to discuss and seek approval for those changes, as appropriate. RCS 26 Item 48- RCS 29 Item 55- RCS 29 Item 56- RCS 29 Item 85-

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.

IRIS Application Services system doesn't have any end users; therefore, any audit requirements will be implemented at the Information Return Modernization (IRMOD) program level as specified in IRM 10.8.1.4.3.

PRIVACY TESTING

Does the system require a System Test Plan?

Yes

Is the test plan completed?

No

When is the test plan scheduled for completion?

8/31/2022

Describe what testing and validation activities have been conducted or are in progress to verify and validate that the applicable Privacy Requirements (listed in header) have been met?

Comprehensive functional and Integration testing will be conducted. IRIS Application Services system conducts file checks, initial manifest validations, and transmission validations as specified in the System Test Plan and all the customer configurable security controls will be implemented as intended and documented in the System Security Plan (SSP).

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: 50,000 to 100,000

Contractors: Under 5,000

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?

No