

Date of Approval: **June 22, 2022**

PIA ID Number: **6893**

SYSTEM DESCRIPTION

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

Mail Labels and Media Support, MLMS

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?

Mail Labels and Media Support, MLMS, PIA #4142

What is the approval date of the most recent PCLIA?

6/11/2019

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.

Corporate Data Governance Board.

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.

Mail Labels and Media Support (MLMS) is a non-Major system/application sponsored by Wage and Investment. This system/application was initially deployed over 20 years ago and provides the following functionality: Mail Labels and Media Support (MLMS) consist of numerous independent batch applications for extracting and cleansing taxpayer addresses. This includes applying address cleansing software to domestic and international taxpayer addresses on the Individual Master File (IMF), Business Master File (BMF), and Employee Plans Master File (EPMF) databases. Additional address cleansing is conducted by MLMS through creating/maintaining the Location Code File (LCF), Deleted Zip Code Transactions, and the Location Code Assignment process. MLMS extracts the name and addresses of taxpayers for the 1040ES, and 1041ES tax package types. The taxpayer information for these mailings is extracted from the MLMS's QDAR (QRP Duplicate Address Refunds) supports the Criminal Investigation Division (CID) by creating a weekly listing of taxpayers who have filed for multiple tax refunds during the same year and have met predetermined criteria established by address and amount of refund. IRS associates use the Microfilm Replacement Systems (MRS) to request taxpayer account information for research and to respond to taxpayer related inquiries. MRS performs the extraction and reformatting of Masterfile account information for transmission to the campuses and subsequent edit into display and hardcopy transcripts. appropriate Masterfile based on criteria provided by Wage and Investment for the package target group. MLMS extracts taxpayer information for the Shared Secrets database, and then merges these records with data received from Tax Return Database/ Modernized Tax Return Database (TRDB/MTRDB). This merged taxpayer data file is then sent to National Account Profile (NAP) to be used when taxpayers enter their Personal Identification Number (PIN) during the efile process. MLMS's QDAR (QRP Duplicate Address Refunds) supports the Criminal Investigation Division (CID) by creating a weekly listing of taxpayers who have filed for multiple tax refunds during the same year and have met predetermined criteria established by address and amount of refund. IRS associates use the Microfilm Replacement Systems (MRS) to request taxpayer account information for research and to respond to taxpayer related inquiries. MRS performs the extraction and reformatting of Masterfile account information for transmission to the campuses and subsequent edit into display and hardcopy transcripts.

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:

Interfaces with external entities that require 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

Law enforcement and intelligence purposes

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

The MLMS system requires the use of SSNs because no other identifier can be used to uniquely identify a taxpayer at this time. The use of SSNs are permissible from Internal Revenue Code (IRC) 6109, which requires individual taxpayers to include their SSNs on their income tax returns.

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. MLMS 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
Place of Birth
Mother's Maiden Name
Protection Personal Identification Numbers (IP PIN)
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:

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.

The SSNs/EINs are used to determine which taxpayers are to receive the 1040ES or the 1041ES tax packages. The names and addresses of the selected taxpayers are sent to an approved printing contractor.

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

All data extracted is tested and quality reviewed to determine if the programs have selected the correct taxpayers. MLMS uses the Enterprise Life Cycle (ELC) methodology to move through the project lifecycle.

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
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

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: Location (LOC) - Location Code File (LCF) PCLIA 4697
Current PCLIA: Yes
Approval Date: 4/6/2020
SA&A: No

System Name: Transcript Research System (TRS) PCLIA 6505
Current PCLIA: Yes
Approval Date: 12/20/2021
SA&A: No

System Name: Financial Management Information System (FMIS) PCLIA#5386
Current PCLIA: Yes
Approval Date: 10/1/2020
SA&A: No

System Name: Business Master File (BMF)
Current PCLIA: Yes
Approval Date: 9/21/2021
SA&A: Yes
ATO/IATO Date: 11/12/2021

System Name: Employee Plans Master File (EPMF)
Current PCLIA: Yes
Approval Date: 1/31/2022
SA&A: Yes
ATO/IATO Date: 12/19/2013

System Name: Individual Master File (IMF)
Current PCLIA: Yes
Approval Date: 3/20/2020
SA&A: Yes
ATO/IATO Date: 11/26/2019

System Name: National Account Profile PCLIA 4747
Current PCLIA: Yes
Approval Date: 2/27/2020
SA&A: No

System Name: Modernized Tax Return Database (MTRDB)
Current PCLIA: Yes
Approval Date: 11/1/2021
SA&A: No

System Name: Individual Return Transaction File (IRTF) - PCLIA#4697
Current PCLIA: Yes
Approval Date: 4/6/2020
SA&A: No

Does the system receive SBU/PII from other federal agency or agencies?

Yes

For each federal interface, identify the organization that sends the SBU/PII, how the SBU/PII is transmitted and if there is an Inter-Agency Agreement (ISA) /Memorandum of Understanding (MOU).

Name: Social Security Administration (SSA)
Transmission Method: Connect Direct (Agreement #357)
ISA/MOU: Yes

Name: United States Postal Service (USPS)
Transmission Method: Secure Data Exchange
ISA/MOU: 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: 1040ES

Form Name: Estimated Tax for Individuals

Form Number: 1041ES

Form Name: Estimated Income Tax for Estates and Trusts

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: Modernized Tax Returns Database (MTRDB)

Current PCLIA: Yes

Approval Date: 11/1/2021

SA&A: No

System Name: Individual Master File (IMF)

Current PCLIA: Yes

Approval Date: 3/20/2020

SA&A: Yes

ATO/IATO Date: 11/26/2019

System Name: Business Master File (BMF)

Current PCLIA: Yes

Approval Date: 9/21/2021

SA&A: Yes

ATO/IATO Date: 11/12/2021

System Name: National Account Profile (NAP)

Current PCLIA: Yes

Approval Date: 2/27/2021

SA&A: No

System Name: Employee Plans Master File (EPMF)
Current PCLIA: No
SA&A: No

System Name: Financial Management Information System (FMIS)
Current PCLIA: No
SA&A: No

System Name: Transcript Research System (TRS)
Current PCLIA: No
SA&A: No

System Name: IRS Internal (IRSINT)
Current PCLIA: No
SA&A: No

Identify the authority.

PII for federal tax administration - Internal Revenue Code Sections 6001, 6011, & 6012(a)
SSN for tax returns and return information is Internal Revenue Code section 6109

For what purpose?

Validating taxpayer addresses. The purpose of this Information Exchange Agreement (agreement) is to establish the terms, conditions, and safeguards under which the Social Security Administration (SSA) will disclose to the Internal Revenue Service (IRS) weekly additions, updates, and deletions to SSA's "Master File of Social Security Number (SSN) Holders and SSN Applications," systems of records notice 60-0058. IRS will use the information provided by SSA to confirm and verify information provided on taxpayer returns. IRS uses the parent and birth information to confirm and verify the dates of birth (DOB) and the relationship between the taxpayer and dependents claimed on taxpayer returns. IRS also uses the taxpayer DOB and dependent relationship to confirm or deny taxpayer requests for exemption(s) and standard deductions.

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: Criminal Investigation Division (CID)
Transmission Method: manual extraction
ISA/MOU: No

Organization Name: Social Security Administration
Transmission Method: Information Exchange (agreement#357)
ISA/MOU: No

Identify the authority.

Information exchange agreement, between SSA and Dept of Treasury/IRS, Agreement #357. PII for federal tax administration - Internal Revenue Code Sections 6001, 6011, & 6012(a) SSN for tax returns and return information is Internal Revenue Code section 6109 Title 26 IRC §6103(n) is the authority which relates to the disclosure of returns and return information to contractors.

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

IRS 00.001 Correspondence Files & Correspondence Control Files

For what purpose?

The purpose of this Information Exchange Agreement (agreement) is to establish the terms, conditions, and safeguards under which the Social Security Administration (SSA) will disclose to the Internal Revenue Service (IRS) weekly additions, updates, and deletions to SSA's "Master File of Social Security Number (SSN) Holders and SSN Applications," systems of records notice 60-0058. IRS will use the information provided by SSA to confirm and verify information provided on taxpayer returns. IRS uses the parent and birth information to confirm and verify the dates of birth (DOB) and the relationship between the taxpayer and dependents claimed on taxpayer returns. IRS also uses the taxpayer DOB and dependent relationship to confirm or deny taxpayer requests for exemption(s) and standard deductions.

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

No

Does this system disseminate SBU/PII to IRS or Treasury contractors?

Yes

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

Organization Name: Employment Retirement Income Security Act (ERISA) Filing Acceptance System (EFAST)
Transmission Method: Secure Data Exchange
ISA/MOU: No

Organization Name: Printing Contractors (Changes)
Transmission Method: Encrypted CDs
ISA/MOU: Yes

Identify the authority.

The printing contractor is handled by Media and Publishing. MLMS still sends encrypted CDs to the printing contractor(s) to provide the needed address information for both 1040ES and 1041ES tax packages. This is managed by Publishing Services by a contract to the printing vendor. No memorandum of understanding (MOU) has ever existed between MLMS and the vendor, all agreements and security reviews are handled by Publishing Services. Title 26 IRC §6103(n) is the authority which relates to the disclosure of returns and return information to contractors. PII for federal tax administration - Internal Revenue Code Sections 6001, 6011, & 6012(a) SSN for tax returns and return information is Internal Revenue Code section 6109.

For what purpose?

The SSNs/EINs are used to determine which taxpayers are to receive the 1040ES or the 1041ES tax packages. The names and addresses of the selected taxpayers are sent to an approved printing contractor.

Did the contract include the appropriate 6103(n) clauses for tax return and return information, and Federal Acquisition Regulations privacy clauses?

Yes

Does this system disseminate SBU/PII to other Sources?

Yes

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

Organization Name: Social Security Administration
Transmission Method: Information Exchange(agreement#357)
ISA/MOU: Yes

Identify the authority.

The printing contractor is handled by Media and Publishing. MLMS still sends encrypted CDs to the printing contractor(s) to provide the needed address information for both 1040ES and 1041ES tax packages. Reports are filed on DocIt for QRP. This is managed by Publishing Services by a contract to the printing vendor. No memorandum of understanding (MOU) has ever existed between MLMS and the vendor, all agreements and security reviews are handled by Publishing Services. Title 26 IRC §6103(n) is the authority which relates to the disclosure of returns and return information to contractors. PII for federal tax administration - Internal Revenue Code Sections 6001, 6011, & 6012(a) SSN for tax returns and return information is Internal Revenue Code section 6109.

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

The SSNs/EINs are used to determine which taxpayers are to receive the 1040ES or the 1041ES tax packages. The names and addresses of the selected taxpayers are sent to an approved printing contractor.

For what purpose?

The purpose of this Information Exchange Agreement (agreement) is to establish the terms, conditions, and safeguards under which the Social Security Administration (SSA) will disclose to the Internal Revenue Service (IRS) weekly additions, updates, and deletions to SSA's "Master File of Social Security Number (SSN) Holders and SSN Applications," systems of records notice 60-0058. IRS will use the information provided by SSA to confirm and verify information provided on taxpayer returns. IRS uses the parent and birth information to confirm and verify the dates of birth (DOB) and the relationship between the taxpayer and dependents claimed on taxpayer returns. IRS also uses the taxpayer DOB and dependent relationship to confirm or deny taxpayer requests for exemption(s) and standard deductions.

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.

The information within MLMS comes from various IRS Systems and forms. Those systems and forms provide the Privacy Act Notice to individuals. MLMS does not directly provide individuals the opportunity to decline from providing information and/or from consenting to particular uses of the information. Notice, consent, and due process are provided via the IRS systems and their related tax forms instructions, and pursuant to Title 5 USC.

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

No

Why not?

The information within MLMS comes from various IRS Systems and forms. Those systems and forms provide the Privacy Act Notice to individuals. MLMS does not directly provide individuals the opportunity to decline from providing information and/or from consenting to particular uses of the information. Notice, consent, and due process are provided via the IRS systems and their related tax forms instructions, and pursuant to 5 USC. Published System of Records Notice in the Federal Register. The IRS has the legal right to ask for information per IRC sections 6001, 6011, and 6012(a), and their regulations. The regulations state that "taxpayers must file a return or statement with IRS for any tax they are liable for". Their response is mandatory under these sections.

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

The information within MLMS comes from various IRS Systems and forms. Those systems and forms provide the Privacy Act Notice to individuals. MLMS does not directly provide individuals the opportunity to decline from providing information and/or from consenting to particular uses of the information. Notice, consent, and due process are provided via the IRS systems and their related tax forms instructions. Publication 1 "Your Rights as a Taxpayer" explains the rights of the taxpayer, which includes the right to challenge the IRS' position and be heard; and the right to appeal an IRS decision in an independent forum.

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

Developers: Read Only

IRS Contractor Employees

Contractor System Administrators: Read Only

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

Access to MLMS is requested via Online (OL) Form 5081 or Business Entitlement Access Request System (BEARS). Data access is granted on a need-to-know basis. The OL5081/BEARS enrollment process requires that an authorized manager approve access requests on a case-by-case basis. Access approval is based on the Users 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 to the Database. Deletion from the active access role is also performed through the OL5081/BEARS. Only MLMS developers have mainframe access to the data. A potential user will request access via the BEARS system. This request must be approved by the potential user's manager based on a user's position and need-to-know. The data that is shipped to the printing contractor is password protected. Publishing Services will provide that password to the contractor.

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.

MLMS is non-record keeping. It is not the official repository for any data or documents and does not require a NARA-approved records control schedule to affect data disposition. MLMS is a batch processing application of taxpayer identification information (names/addresses). It does not generate, alter, or store any unique records. Data retention requirements for data enlisted by MLMS are defined in accordance with the recordkeeping systems.

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.

Audit Trail Information: All online data access is through batch processing. Data needed for taxpayer mailings are viewed by authorized IRS employees or printing contractors via a copy of the MLMS data loaded onto encrypted CDs. The CDs are password protected and the online files are protected by the Mainframe authentication and authorization process, including the use of audit trail information.

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?

9/2/2022

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?

Since the system is modified every filing season, the current test plan to test the system is scheduled to be produced on 9/2/2022. Each system is validated using unit testing & Internal System Acceptability Testing (iSAT). The test results are also peer reviewed before system deployment.

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: Not Applicable

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.

Not Applicable