Date of Approval: 03/10/2025 Questionnaire Number: 1773

Basic Information/Executive Summary

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

Business Master File Statistics of Income

Acronym:

BMFSOI

Business Unit

Research Applied Analytics and Statistics

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.

The Business Master File Statistic of Income (BMF SOI) project extracts data from the Business Master File. It delivers output files to the RAAS (Research, Applied Analytics & Statistics) division on a weekly, monthly, and yearly basis. The data (extracts) sent are utilized internally for statistical analysis by RAAS and certain data is also shared with the Human Health & Services, Treasury, Census and Congressional committees. These are the 7 main extractions performed by BMFSOI: 1. BMF SOI Sample Selection 2. Tax-Exempt Bond Amended Return Extract 3. SOI Special 990T Extract 4. Department of Health and Human Services (HHS) 1120/1065 Data extracts 5. SOI Form 8752 Extract 6. Entity Classification Study extracts 7. Parent/Subsidiary information Extracted from Transaction Code (TC) 590's for Census.

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).

BMFSOI project is a mainframe batch application that extracts taxpayer data from the Business Master File (BMF) as per the requirements developed by the Business Owner (RAAS/SOI/Distributed Processing System (DPS)). Though the primary consumer of this data is our business client, the IT developers at the BMFSOI project team verify the data for its correctness at different phases of development or for issue resolution. The BMFSOI project Information Technology (IT) developers use the extracted PII data in the following manner: 1. During development and testing, the programmers verify and validate, if the PII data is formatted correctly on the output extract fields. 2. On application failure and during service restoration (P2, P4 tickets as example), BMFSOI application will undergo troubleshooting. During these incidents, the data will be verified to restore the service. 3. The data would be available for 21 days before it gets migrated to tapes.

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

Address

Employer Identification Number

Federal Tax Information (FTI)

Name

Other

Social Security Number (including masked or last four digits)

Tax ID Number

Please explain the other type(s) of PII that this project uses.

Total Assets Net Receipts Schedule H Rental Income Gross Income Ordinary Income Net Income Balance Net Income Portfolio Interest Income Dividend Income Royalty Income Net Long Term Capital Gain/Loss Depreciation Deductions Total Deductions NET-SALARY-AND-WAGE Purchases Balance Cost of Goods Sold Date of Death

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)?

 System
- 1.35 Is there a data dictionary for this system?
- 1.36 Explain in detail how PII and SBU data flow into, through and out of this system. The BMFSOI programs extracts PII and SBU data from the Masterfile data sources on mainframe. Once extracted the data extracts will remain on mainframe until, IRS Electronic File Transfer Unit (EFTU) Office moves it to the Ogden EFTU server. Our business customer, Research, Analysis, and Applied Statistics (RAAS)/SOI retrieves this data and loads them onto their SOI database and uses the data for different analytical purposes.
- 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? 5684
- 1.7 What are the changes and why? PCLIA is expiring.
- 1.8 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.

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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.

Corporate Data 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?

No

3.6 Does this system interact with the public through a web interface?

No

3.7 Describe the business process allowing an individual to access or correct their information.

BMF SOI uses batch applications to extract taxpayer data from the BMF. Requirements are provided by the business owner. This system uses statistical gathering of return information for tax administration purposes under IRC 6103(b)(4)(B). Notice, consent and due process are provided pursuant to 5 USC.

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.

IRS User - Read Access

IRS Manager - Read Access

IRS System Admin - No access

IRS Developers - Read Access

Contractor User - Read Access - Completed Background Investigation

Contractor Manager - Read Access - Completed Background Investigation

Contractor System Admin - No access

Contractor Developer - Read Access - Completed Background Investigation

- 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
- 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
- 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
- 4.54 If records are attributable to a category not mentioned above in 4.51 through 4.53, please identify the category and the number of corresponding records to the nearest 10,000. If none, enter "Not Applicable".

Not Applicable

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

BMFSOI system utilizes Business Entitlement Access Request System (BEARS) application to document approvals for access to the IBM Mainframe. Data access is granted on a need-to-know basis. A potential user must submit a request for access via BEARS to their local management for approval consideration. Users are not permitted access without BEARS approval from an authorized management official. Specific permissions (Read, Write, Modify, Delete, and/or Print) are defined in BEARS and set (activated) by the System Administrator prior to the user being allowed access. User privileges and user roles determine the types of data that each user has access to. Management monitors system access and removes permissions when individuals no longer require access. Users are assigned to specific modules of the application and specific roles within the modules and accounts follow the principle of least privilege which provide them the least amount of access to PII data that is required to perform their business function after receiving appropriate approval. Data access is also Resource Access Control Facility (RACF) protected and is granted on a need-to-know basis.

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?

The application does not have any privacy risks, civil liberties or security risks.

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? Yes

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

IRS Systems, file, or database

Agency Name

Statistics of Income Distributed Processing System (SOI DPS)

Incoming/Outgoing

Outgoing (Sending)

Transfer Method

Electronic File Transfer Utility (EFTU)

Interface Type

IRS Systems, file, or database

Agency Name

Executive Control Program for BMF Extract (BMF701EXEC)

Incoming/Outgoing

Incoming (Receiving)

Transfer Method

Electronic File Transfer Utility (EFTU)

Interface Type

IRS Systems, file, or database

Agency Name

Business Return Transaction File (BRTF)

Incoming/Outgoing

Incoming (Receiving)

Transfer Method

Electronic File Transfer Utility (EFTU)

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.

This system provides statistical tax information to Treasury and Congressional committees.

Records Retention

What is the Record Schedule System?

Record Control Schedule (RCS)

What is the retention series title?

Enterprise Computing Center - Martinsburg (ECC-MTB)

What is the GRS/RCS Item Number?

RCS 30

What type of Records is this for?

Electronic

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

Business Master File. A magnetic tape file containing current records on business or corporation taxpayers.

What is the disposition schedule?

(1) Final updated tape of each calendar year (cycle 52)

AUTHORIZED DISPOSITION Scratch after 6 months.

(2) All other weekly updated tapes. AUTHORIZED

DISPOSITION Scratch after successful completion of third update cycle.

Data Locations

What type of site is this?

System

What is the name of the System?

IBM Mainframe - ECC-MRB IBM AIX 7.2

What is the sensitivity of the System?

Personally Identifiable Information (PII) including Linkable Data

Please provide a brief description of the System

IBM Mainframe

What are the incoming connections to this System?

The IBM Mainframe holds the BMFSOI Load Modules and is located at the Enterprise Computing Center, Martinsburg, WV. The BMFSOI data processing and the data flow occurs internally within the mainframe. The BMF701EXEC the Executive Control System (also located on the mainframe) reads all the business master file accounts and passes the control to a series of BMFSOI load modules to extract data. The BMFSOI data extracted remains

on the mainframe and the files are picked up by the SOI-DPS of RAAS. Hence the BMFSOI data source, data processing and the output (extracted data as files), all remain on the mainframe.

What are the outgoing connections from this System?

The BMFSOI data extracted remains on the mainframe and the files are picked up by the SOI-DPS of RAAS by utilizing the file transfer utilities, which the BMFSOI is not part of.