Date of Approval: 10/28/2024
Questionnaire Number: 1411

# Basic Information/Executive Summary

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

Extraction as a Service (EaaS)

Acronym:

EaaS

Business Unit

Taxpayer Services

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.

Extraction as a Service (EaaS) will allow the Internal Revenue Service (IRS) to use managed services from contractors to receive digitized files allowing for the electronic file to be used for processing, via the Modernized e-File platform, and to serve as the official record. This will allow the IRS to move from a paper environment to an electronic record environment, in accordance with Office of Management and Budget (OMB) guidance to do so. Contracts have been awarded for scanning services (which include Federal Information Security and Management Act (FISMA) and Publication 4812 requirements). The IRS will electronically transfer digitized forms and/or documents to the contractors. The contractors will scan the paper into digitized files, adhering to IRS technical specifications. The contractors will transmit the electronic files to the IRS, in a method to be coordinated with the IRS Office of the Chief Information Officer.

The contractor will return the paper records to the IRS in real-time, via the MeF platform, balancing contractor and IRS workload and shipping cost efficiencies. The contractor will notify the IRS of documents that do not meet the criteria and provide IRS a listing to process the returns with established procedures via pipeline processing. The IRS will validate the quality of the scans and save the electronic files in a National Archives and Records Administration (NARA) compliant repository. This PCLIA is focused on the electronic transferring of digitized files to the contractors, including reducing shipping the paper documents and/or electronic delivery of the files to the scanning vendors to reduce cost from shipping the paper documents.

# 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 inclusion of Personally Identifiable Information (PII) and Federal Tax Information (FTI), such as TINs, SSNs, EINs, IP PINs, etc., is necessary because we are creating digital versions of paper tax returns, forms and documents. These electronic files will replace the paper files as the official record (upon being validated and stored in a NARA-compliant repository). The scanned electronic file must be an exact replica of the paper file. As a result, it will include the PII and FTI (TIN, name, mailing address, etc.) as shown on a given paper tax return, form or document. In addition, to become the official record, certain metadata elements must be captured from the returns, forms and documents. For our first use case, Form 709, United States Gift (and Generation-Skipping Transfer) Tax Return the PII is SSN, name, and mailing address found on the Form 709 itself and any PII contained in the attachments to the Form 709. The same PII will also be captured as part of the metadata elements. As the United States Gift (and Generation-Skipping Transfer) Tax Return is a tax return, the document itself is FTI. It is anticipated in the other use cases, similar PII, such as TIN, name and address will also be captured. For any paper document that is also a tax return, FTI will be copied, captured and/or extracted.

Please select all types of Sensitive but Unclassified data (SBU)/Personally Identifiable Information (PII)/Federal Tax Information (FTI) that this project uses.
　　　　Address
　　　　Citizenship or Migration Status
　　　　Email Address
　　　　Employer Identification Number

Family Members
Federal Tax Information (FTI)
Financial Account Number
Name
Personal Characteristics
Preparer Taxpayer Identification Number (PTIN)
Protected Information
Social Security Number (including masked or last four digits)
Tax ID Number
Telephone Numbers

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)?
Yes

1.2 What is the IRA Initiative Number?
1.2

1.3 What type of project is this (system, project, application, database, pilot/proof of concept, power platform/visualization tool)?
This is a system process change to an existing effort currently known as Digital Intake to Modernization e-File (DIME).

1.35 Is there a data dictionary for this system?
No

1.36 Explain in detail how PII and SBU data flow into, through and out of this system.
IRS employees currently pack and ship tax returns for which they already have access. IRS Submission Processing Center (SPC) personnel prepare the returns following Internal Revenue Manual (IRM) 10.5.1.6.9.3 & 3.10.72 to ship returns to the approved contractors. The contractors convert paper tax returns to digital records and transmit the electronic files to the IRS via a Secure Data Transfer (SDT). The tax returns include Personally Identifiable Information (PII) and Federal Tax Information (FTI). The external contracts contain Federal Information Security Modernization Act (FISMA) and Publication 4812 requirements. Contractor personnel working on the existing project must undergo a background clearance before accessing PII and FTI. The only change to the existing process is instead of shipping the contractors the paper documents, IRS will transmit them to the vendor contractor electronically and they will follow the

same processing procedures they are currently authorized to process the tax returns.

**1.4 Is this a new system?**
No

**1.5 Is there a Privacy and Civil Liberties Impact Assessment (PCLIA) for this system?**
Yes

**1.6 What is the PCLIA number?**
7306, 7307, 7308, 8505

**1.7 What are the changes and why?**
O&M - A large amount of the resources and funding is currently used for shipping the papers to the vendors and having the vendors do the document preparation and extraction. Implementation of Extraction as a Service (EaaS) will expedite the digitalization of these forms, reduce shipping cost as well as free up resources while still utilizing the current existing Modernized e-File Intake channel.

**1.9 What OneSDLC State is the system in (Allocation, Readiness, Execution)?**
O&M - The OneSDLC team advised us that we do not need to start a new process, but we do need to update any models and processes to capture and reflect any changes in scope.

**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".**
Yes

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

4.1 Who owns and operates the system (IRS Owned and Operated, IRS Owned and Contractor Operated, Contractor Owned and Operated)?

   IRS owned and contractor operated.

4.2 If a contractor owns or operates the system, does the contractor use subcontractors?

   No

4.5 Identify the roles and their access level to the PII data. For contractors, indicate whether their background investigation is complete or not.

   Due to the nature of the project, all work involves access to PII and FTI. IRS employees will sort, scan and electronically transfer tax returns for which they already have access. The contractors will in turn scan, perform extraction and transmit the extracted data to the IRS via the Modernized e-File (MeF) platform. The contracts contain FISMA and Publication 4812 requirements. Contractor personnel working on the project must undergo a background clearance before accessing PII and FTI.

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

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

   Due to the nature of the project, all work involves access to SBI and PII. IRS employees already have the required access for SBU and PII, they are cleared IRS personnel. The contracts contain FISMA and Publication 4812 requirements. Contractor personnel working on the project must undergo a background clearance before accessing SBU and PII.

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?

   No.

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?
No

# Interfaces

**Interface Type**
Forms
Agency Name
709, 1040, 940, 941, 4868, 2350, 7004, 8868
Incoming/Outgoing
Outgoing (Sending)
Transfer Method
Kiteworks

# Systems of Records Notices (SORNs)

**SORN Number & Name**
IRS 00.001 - Correspondence Files and Correspondence Control Files
Describe the IRS use and relevance of this SORN.
This represents correspondence received and sent with respect to matters under the jurisdiction of the IRS. Correspondence includes letters, telegrams, memoranda of telephone calls, email, and other forms of communication. Correspondence may be included in other systems of records described by specific notices.

**SORN Number & Name**
IRS 00.002 - Correspondence Files: Inquiries about Enforcement Activities
Describe the IRS use and relevance of this SORN.
This represents applicable fields found on the forms such as taxpayer name, address, and, if applicable, Taxpayer Identification Number (TIN) (e.g., Social Security Number (SSN), Employer Identification Number (EIN), or similar number assigned by the IRS); chronological investigative history; other information relative to the conduct of the case; and/or the taxpayer's compliance history.

# Records Retention

What is the Record Schedule System?
> General Record Schedule (GRS)

What is the retention series title?
> IRS Records Control Schedule (RCS) Document 12990

What is the GRS/RCS Item Number?
> RCS 29, Item 65

What type of Records is this for?
> Both (Paper and Electronic)

Please provide a brief description of the chosen GRS or RCS item.
> Tax Administration - Wage and Investment (W&I) Records

What is the disposition schedule?
> The Form 1040 has a 6-year retention period, found in Item 56, Form 940 has a 6-year retention period, found in Item 48. Form 941 has a 6-year retention period, found in Item 48. The Forms 2350, 4868, 7004 and 8868 has a 6-year retention period, found in Item 68.

# Data Locations

What type of site is this?
> System

What is the name of the System?
> Iron Mountain

What is the sensitivity of the System?
> Federal Tax Information (FTI)

Please provide a brief description of the System.
> Third party scanning and extraction company.

What are the incoming connections to this System?
> Kiteworks connection from IRS.

What type of site is this?
> System

What is the name of the System?
> Resultant LLC

What is the sensitivity of the System?
> Federal Tax Information (FTI)

Please provide a brief description of the System.
> Third party scanning and extraction company.

What are the incoming connections to this System?
> Kiteworks connection from IRS.

What type of site is this?
>
> System

What is the name of the System?
>
> 22nd Century Technologies

What is the sensitivity of the System?
>
> Federal Tax Information (FTI)

Please provide a brief description of the System.
>
> Third party scanning and extraction company.

What are the incoming connections to this System?
>
> Kiteworks connection from IRS.