Date of Approval: **October 28, 2020**

PIA ID Number: **5572**

SYSTEM DESCRIPTION

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

Error Resolution System, ERS

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?

Error Resolution System, ERS, 3094

What is the approval date of the most recent PCLIA?

12/18/2017

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.

Wage & Investment (W&I) Risk Committee

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.

The Error Resolution System (ERS) provides for the correction of errors associated with input submissions. The Error inventory is managed on an ERS database and corrected documents are validated by Generalized Mainline Framework (GMF) modules. The ERS database contains tax forms that require correction. As tax forms go through the paper or E-file process, they are validated by "Doc-Specific." Doc-Specific is a calculation process and a component of the Generalized Mainline Framework (GMF) that checks tax forms for errors. Errors can either be problems with the tax form, or errors in the information on the form. Once they are corrected, tax forms go back through GMF to respective Master Files (MF). If Doc-Specific detects an error on a form, then that form must be reviewed by a Tax Examiner. The Tax Examiner reviews the error code displayed in ERS and then pulls up the full form through the Integrated Data Retrieval System (IDRS) using the Command Code "GTREC". ERS also creates two additional components: Management Error Reports (MER) and Quality Review (QR). MER counts all errors identified by mainline processing. These errors are accumulated for each tax class and document code on a daily basis. The totals are used to print a daily report and build a cumulative file which is printed monthly. The MER reports are used by ERS tax examiners to determine the types of errors that are entered into ERS. MER is classified as a component of ERS and not a separate subsystem/module.

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:

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).

The ERS system requires the use of SSN's because no other identifier can be used to uniquely identify a taxpayer for intergovernmental communications.

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 Social Security Numbers (SSN)s, 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. The ERS system requires the use of SSN's because no other identifier can be used to uniquely identify a taxpayer for intergovernmental communications. SSNs are permissible from Internal Revenue Code (IRC) 6109, which requires individual taxpayers to include their SSNs on their income tax returns. There is no known mitigation strategy planned to eliminate the use of SSNs for the system. The SSN is required for the use of this system. The SSN number is needed to research and locate records in response to the request.

Employer Identification Number

Other Taxpayer 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

Standard Employee Identifier (SEID)

Protection Personal Identification Numbers (IP PIN)

Financial Account Numbers

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

Official Use Only (OUO) or Limited Official Use (LOU)   Information designated as OUO or LOU is information that: is exempt under one of the statutory Freedom of Information Act exemptions; is prohibited by other laws or regulations; would significantly impede the agency in carrying out a responsibility or function; or would constitute an unwarranted invasion of privacy.

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.

Taxpayer information stored within ERS includes all information listed on a taxpayer's tax return.

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

SSN for personnel administration (IRS Employees) is 5 USC & Executive Order 9397

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.

Tax returns, remittances, information returns, and adjustment and update transactions are controlled, validated, corrected, and passed on for posting to the Master File. The use of the data is relevant and necessary for the ERS system. ERS is the pipeline for many systems that transform batches of data into individual and business returns for posting to the Master File to conduct tax administration.

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

Data validation is performed, and then various validation procedures are used to ensure the accuracy of the returns. There are internal programming consistency checks and a record count to validate the data that is loaded into the ERS system is accurate. The data that ERS receives is from internal IRS systems which are deemed reliable and the data is validated for accuracy by the system sending the data as described in that system's PCLIA. Any determinations made are validated during ERS (e.g. Examination, Collection etc.) process and the taxpayer has appeal rights for any determinations made from the data.

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 22.054   Subsidiary Accounting Files

IRS 22.060   Automated Non-Master File

IRS 22.062   Electronic Filing Records

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: National Account Profile (NAP)
Current PCLIA: Yes
Approval Date: 2/27/2020
SA&A: No

System Name: DLY09
Current PCLIA: No
SA&A: No

System Name: Electronic Tax Administration Research and Analysis System
Current PCLIA: Yes
Approval Date: 10/10/2019
SA&A: Yes
ATO/IATO Date: 1/6/2020

System Name: Fact of Filing (FOF)
Current PCLIA: No
SA&A: No

System Name: Generalized Mainline Framework (GMF)
Current PCLIA: Yes
Approval Date: 10/6/2017
SA&A: Yes
ATO/IATO Date: 10/10/2019

System Name: Notice Review Processing System (NRPS)
Current PCLIA: Yes
Approval Date: 7/5/2018
SA&A: No

System Name: Service Center Control File Processing (SCCF)
Current PCLIA: No
SA&A: No

System Name: Tax Return Database (TRDB)
Current PCLIA: Yes
Approval Date: 10/30/2018
SA&A: No

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: 706   Form Name: United States Estate Tax Return

Form Number: 709   Form Name: United States Gift Tax Return

Form Number: 720   Form Name: Quarterly Federal Excise Tax Return

Form Number: 940   Form Name: Employer's Annual Federal Unemployment (FUTA) Tax
Return

Form Number: 941   Form Name: Employer's Quarterly Federal Tax Return

Form Number: 943   Form Name: Employer's Annual Federal Tax Return for Agricultural Employees

Form Number: 990   Form Name: Return of Organization Exempt Form Income Tax

Form Number: 1040   Form Name: Individual Income Tax Return

Form Number: 1041   Form Name: U.S. Income Tax Return for Estates and Trusts

Form Number: 1042   Form Name: Annual Withholding Tax Return for U.S. Income of Foreign Persons

Form Number: 1065   Form Name: U.S. Return of Partnership Income

Form Number: 1120   Form Name: U.S. Corporation Income Tax Return

Form Number: 3177   Form Name: Notice of Action for Entry on Master File

Form Number: 2290   Form Name: Heavy Highway Vehicle Use Tax Return

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: Notice Review Processing System (NRPS)
Current PCLIA: Yes
Approval Date: 7/5/2018
SA&A: No

System Name: Tax Return Database (TRDB)
Current PCLIA: Yes
Approval Date: 10/30/2018
SA&A: No

System Name: Service Center Control File Processing (SCCF)
Current PCLIA: No
SA&A: No

System Name: Taxpayer Notice Code (TPNC)
Current PCLIA: No
SA&A: No

System Name: Document Control System (DCS)
Current PCLIA: No
SA&A: No

System Name: Individual Master File (IMF)
Current PCLIA: Yes
Approval Date: 3/4/2020
SA&A: Yes
ATO/IATO Date: 9/19/2020

System Name: DLY09
Current PCLIA: No
SA&A: No

System Name: Integrated Data Retrieval System (IDRS)
Current PCLIA: Yes
Approval Date: 3/4/2020
SA&A: Yes
ATO/IATO Date: 8/18/2020

System Name: Business Master File (BMF)
Current PCLIA: Yes
Approval Date: 8/27/2018
SA&A: Yes
ATO/IATO Date: 8/18/2020

System Name: Management Error Reports (MER)
Current PCLIA: No
SA&A: No

System Name: Quality Review (QR)
Current PCLIA: No
SA&A: No

System Name: Employee Plan Master File (EPMF)
Current PCLIA: Yes
Approval Date: 12/15/2018
SA&A: Yes
ATO/IATO Date: 8/18/2020

System Name: Information Return Processing (IRP)
Current PCLIA: Yes
Approval Date: 3/16/2020
SA&A: No

System Name: Generalized Mainline Framework (GMF)
Current PCLIA: Yes
Approval Date: 10/6/2017
SA&A: Yes
ATO/IATO Date: 10/10/2019

System Name: Fact of Filing (FOF)
Current PCLIA: No
SA&A: No

Identify the authority

Authority is pursuant to section 6103(h)(1) of the Internal Revenue Code (IRC). IRC
6103(h)(1)

For what purpose?

Purpose provides for disclosure of returns and return information to officers and employees
of the Department of the Treasury (including IRS) whose official duties require access for
tax administration.

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?

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?

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?

The system uses data entered from tax returns filed by taxpayers. They are notified of such collection by the Privacy Act Notice in the tax return instructions. The other systems the application is interconnected to or shares information with uses data entered from tax returns filed by taxpayers. They are notified of such collection by the Privacy Act Notice in the tax return instructions. Notice, consent and due process are provided pursuant to 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?

ERS 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 in the tax forms instructions filed by the taxpayer, and pursuant to Title 5 United States Code (USC). The IRS has the legal right to ask for information per Internal Revenue Code 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 ERS process and procedures are dictated by the Internal Revenue Manual guidelines. IRS policy allows individuals whose data is in the system the opportunity to clarify or dispute negative determinations through the appeals process. "This can be changed to match your specific application. Is there a customer satisfaction unit, a complaint process etc. by which the individual may request access to and/or correction of their information and/or dispute adverse determinations about denial of their rights, benefits, and privileges under Federal programs (e.g. decisions about whether the individual will receive a financial benefit etc.) opportunity to clarify or dispute negative determinations through the appeals process."

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 Write

Managers: Read Write

System Administrators: Read Write

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

The ERS system utilizes the IRS On-Line application OL-5081 to document approvals for access. Data access is granted on a need-to-know basis. A potential user must submit a request for access via IRS OL5081 to their local management for approval consideration. Users are not permitted access without a signed 5081 form from an authorized management official. Specific permissions (Read, Write, Modify, Delete, and/or Print) are defined on the OL5081 form 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.

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.

ERS master data files are approved for destruction when 1 year old or when no longer needed for administrative, legal, audit or other operational purposes (Job No. N1-58-97-13), as published under IRM 1.15.35 Records Control Schedule (RCS) for Tax Administration Systems (Electronic), Item 16 (soon to be re-published in Document 12990 under RCS 35). The Computing Centers are responsible for erasing tapes or deleting files at the end of the retention periods. Disk files are deleted according to parameters set up for each file in accordance with IRM 1.15.8-1.

SA&A OR ASCA

Has the system been through SA&A (Security Assessment and Authorization) or ASCA (Annual Security Control Assessment)?

Yes

What date was it completed?

2/14/2012

Describe the system's audit trail.

The IRM states that all IRS information systems, applications, and databases capture and record the auditable events. overall system security categorization. Every interaction with Taxpayer Data through an application is an auditable event and shall be audited. The ERS application does not have auditing capability and does not have any end-users; therefore, no human input takes place in ERS. ERS relies on the UNISYS Platform to record and process mainframe-level audit information, including the retention of audit records. ERS is following the appropriate audit trail elements pursuant to current Audit Logging Security Standards.

PRIVACY TESTING

Does the system require a System Test Plan?

No

Please explain why:

Federal Information Systems Management Act (FISMA) states Continuous Monitoring (eCM)(now called Annual Security Control Assessment (ASCA)) occurs annually to ensure that controls remain in place to properly safeguard PII. The ERS application has been classified as a Non FISMA Reportable Due to the nature of this classification there is no security risk or impact to the organization and therefore does not require documentation within a FISMA boundary.

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: Under 50,000

Contractors: Under 5,000

Members of the Public: 100,000 to 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