

**Name of Project: Electronic Federal Tax Payment System**  
**Project's Unique ID: EFTPS**

**A. SYSTEM APPLICATION/GENERAL INFORMATION:**

**1) Does this system contain any information about individuals? Yes**

**a. Is this information identifiable to the individual<sup>1</sup>?**

Yes.

**Is the information about individual members of the public?**

Yes.

**c. Is the information about employees?**

No.

**2) What is the purpose of the system/application?**

The Electronic Federal Tax Payment System (EFTPS) is an electronic system for paying federal taxes. EFTPS-Online is an Internet web site that allows taxpayers to access EFTPS using their PC and an Internet Browser.

**3) What legal authority authorizes the purchase or development of this system/application?**

The Secretary of the Treasury has authority to designate financial institutions as depositories and financial agents of the United States to perform essential banking services pursuant to 12 United States Code (U.S.C.) §§ 90 and 265, 31 U.S.C. § 3303, and other authorities.

The Secretary of the Treasury has delegated to FMS the authority to select and designate depositories and financial agents for, among other purposes, providing EFTPS and related services.

**B. DATA in the SYSTEM:**

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<sup>1</sup> "Identifiable Form" - According to the OMB Memo M-03-22, this means information in an IT system or online collection: (i) that directly identifies an individual (e.g., name, address, social security number or other identifying number or code, telephone number, email address, etc.) or (ii) by which an agency intends to identify specific individuals in conjunction with other data elements, i.e., indirect identification. (These data elements may include a combination of gender, race, birth date, geographic indicator, and other descriptors).

**1) What categories of individuals are covered in the system?**

- Individual Taxpayers
- Business Taxpayers
- EFTPS employees (users)

**2) What are the sources of the information in the system?**

**a. Is the source of the information from the individual or is it taken from another source? If not directly from the individual, then what other source?**

IRS, Payroll providers, Taxpayers all provide information to the system

**b. What Federal agencies are providing data for use in the system?**

The Internal Revenue Service provides data for use in EFTPS.

**c. What State and local agencies are providing data for use in the system?**

No state or local agencies provide data for use in EFTPS.

**d. From what other third party sources will data be collected?**

Various Bulk & Batch Providers as identified by the IRS provide data to EFTPS.

**e. What information will be collected from the employee and the public?**

The following information is collected from the public:

- Federal Tax Information defined in 26 U.S.C. §6103(b).
- General system logging of user activity.

**3) Accuracy, Timeliness, and Reliability**

**a. How will data collected from sources other than FMS records be verified for accuracy?**

Data is validated against master source records at the IRS and financial institutions. Taxpayers are allowed to update and correct incorrect information.

**b. How will data be checked for completeness?**

Validation is performed on all required data elements, including validation against master source records.

**c. Is the data current?**

Taxpayers are responsible for maintaining any updates for their submitted data.

**d. Are the data elements described in detail and documented?**

Yes.

**C. ATTRIBUTES OF THE DATA:**

**1) Is the use of the data both relevant and necessary to the purpose for which the system is being designed?**

All data items are required for business purposes. All data is used to complete required fields for processing a federal tax payment.

**2) Will the system derive new data or create previously unavailable data about an individual through aggregation from the information collected, and how will this be maintained and filed?**

EFTPS will not derive new data or create previously unavailable data about an individual through aggregation from the information collected.

**3) Will the new data be placed in the individual's record?**

N/A

**4) Can the system make determinations about employees/public that would not be possible without the new data?**

N/A

**5) How will the new data be verified for relevance and accuracy?**

N/A

**6) If the data is being consolidated, what controls are in place to protect the data from unauthorized access or use?**

The system maintains significant and comprehensive security features that were designed into the WWW interface to ensure that risks posed by Internet threats are effectively countered.

**7) If processes are being consolidated, are the proper controls remaining in place to protect the data and prevent unauthorized access? Explain.**

The system maintains significant and comprehensive security features that were designed into the WWW interface to ensure that risks posed by Internet threats are effectively countered.

**8) How will the data be retrieved?**

- All users initiate a Secure Socket Layer (SSL) session and identify and authenticate themselves by using a Taxpayer Identification Number (EIN or SSN), PIN, and Internet password before they are given access to data within EFTPS-Online.
- Each individual maintains a unique identifier per all EFTPS-Online Security Requirements V2.0.
- For taxpayer access, subsequent to authentication with TIN, PIN and Password, only data pertaining to their own records is accessible.
- For internal users, there are policies in place, including Unauthorized Access (UNAX), as well as audit trails of who accesses the data.

**9) What kinds of reports can be produced on individuals? What will be the use of these reports? Who will have access to them?**

Some application activity logs (audit trails) are maintained that can monitor the activity of taxpayers. These logs are maintained for security purposes and are protected against unauthorized access. Users, Managers, System Administrators and Developers will have access to this information. Other reports generated by EFTPS do not contain information specific to individuals.

**10) What opportunities do individuals have to decline to provide**

**information (i.e., where providing information is voluntary) or to consent to particular uses of the information (other than required or authorized uses), and how individuals can grant consent.)**

- Individuals may choose to use or not use EFTPS.
- EFTPS provides privacy notices, accessibility statements and agreement notices that individuals can accept or decline prior to providing and/or submitting information.
- Warning notices are used to inform taxpayers that activity monitoring may occur.

**D. MAINTENANCE AND ADMINISTRATIVE CONTROLS:**

**1) If the system is operated in more than one site, how will consistent use of the system and data be maintained in all sites?**

EFTPS utilizes replication technology and mirroring to ensure sufficient reliability of the system

**2) What are the retention periods of data in this system?**

EFTPS retains data for seven (7) years, seven (7) months.

**3) What are the procedures for disposition of the data at the end of the retention period? How long will the reports produced be kept? Where are the procedures documented?**

Data is validated prior to be eliminating.

**4) Is the system using technologies in ways that the FMS has not previously employed (e.g., monitoring software, Smart Cards, Caller-ID)?**

EFTPS is not using technologies in new ways that FMS has not previously employed.

**5) How does the use of this technology affect public/employee privacy?**

N/A.

**6) Will this system provide the capability to identify, locate, and monitor individuals? If yes, explain.**

EFTPS maintains and monitors audit logs of user activity while accessing the system .

**7) What kinds of information are collected as a function of the monitoring of individuals?**

Audit logs of user activity while accessing the site.

**8) What controls will be used to prevent unauthorized monitoring?**

Access to audit logs are strictly controlled to limited authorized personnel

**9) Under which Privacy Act systems of records notice does the system operate? Provide number and name.**

Number: TREASURY/FMS.017

System Name: Collections Records--Treasury/Financial Management Service.

**10) If the system is being modified, will the Privacy Act system of records notice require amendment or revision? Explain.**

The latest modification to EFTPS Online did not require a change to the Privacy Act system of records. The Privacy Act notice is reviewed for any necessary change with each revision.

**E. ACCESS TO DATA:**

**1) Who will have access to the data in the system?**

Taxpayers, the IRS, and EFTPS personnel.

**2) How is access to the data by a user determined?**

- For taxpayer access, only data pertaining to their own records is accessible.
- For EFTPS personnel, there are policies in place, including UNAX, as well as audit trails of who accesses the data.
- Access is not governed by form 5081 for EFTPS-Online processing.

**3) Will users have access to all data on the system or will the user's access be restricted? Explain.**

Taxpayers will only have access to their own records. For internal users, access control is based on least privilege.

**What controls are in place to prevent the misuse (e.g., unauthorized browsing) of data by those having access?**

EFTPS maintains audit trails of who accesses data. In addition, all employees and contractors are made aware of security, confidentiality and "unauthorized access of taxpayer data" (UNAX) violations through mandatory annual security awareness training. Security, UNAX, and confidentiality information is also distributed to all employees and contractors during training. Each employee and contractor is required to sign a security training and compliance acknowledgment form, which is maintained on file by Human Resources. All employees and contractors are made aware that the penalties for knowingly violating these policies can include dismissal from the company and possibly criminal prosecution that may include fines and imprisonment.

**4) Are contractors involved with the design and development of the system and will they be involved with the maintenance of the system?**

EFTPS was designed, developed and maintained by a United States Treasury designated Financial Agent.

**Do other systems share data or have access to the data in the system? If yes, explain.**

Other systems do not share data or have access to the data within EFTPS.

**5) Who will be responsible for protecting the privacy rights of the public and employees affected by the interface?**

FMS and the Financial Agent are responsible for the protection.

**6) Will other agencies share data or have access to the data in this system (Federal, State, Local, Other)?**

Other agencies will not share data or have access to the data in EFTPS.

**7) How will the data be used by the other agency?**

N/A

**8) Who is responsible for assuring proper use of the data?**

FMS and the Financial Agent are responsible for assuring proper use of the data.