Mail Labels and Media Support (MLMS) – Privacy Impact Assessment

PIA Approval Date – Oct. 7, 2008

Requested Operational Date – Nov. 3, 2008

System Overview

The purpose of Mail Label and Media Support (MLMS) is to provide the name and addresses of taxpayers for numerous tax package types. The taxpayer information is extracted from the IMF, BMF and EPMF Masterfiles based on set criteria determined by Wage and Investment for the package target group. Once the data has been extracted, MLMS processes it through address hygiene software to prepare the data for shipment to the printing contractor. This system has been operational for 15+ years, and is moving from SDLC to ELC.

Systems of Records Numbers

- Treas/IRS 24.030—Customer Account Data Engine Individual Master File
- Treas/IRS 24.046—Customer Account Data Engine Business Master File
- IRS 34.037—IRS Audit Trail and Security Records System

Data in the System

1. Describe the information (data elements and fields) available in the system in the following categories:

A. Taxpayer.

Taxpayer address information is extracted from the IMF, BMF, and EPMF Mastefiles based on selection criteria provided to MLMS by W&I. This data is needed by printing contractors for the following tax packages:

- 720 – Quarterly Federal Excise Tax Return
- 730 – Tax on Wagering
- 940 – Employers Annual Federal Unemployment Tax Return
- 940PR – Puerto Rico Federal Unemployment Tax Return
- 941 – Employers Quarterly Federal Tax Return
- 941PR – Puerto Rico Employers Quarterly Federal Tax Return
- 941SS – Employers Quarterly Federal Tax Return (Virgin Islands, Guam, American Samoa)
- 943 – Employers Federal Income Tax Return for Agricultural Employees
- 943PR – Puerto Rico Employers Federal Income Tax Return for Agricultural Employees
- 944 – Employers Annual Federal Tax Return
- 944PR – Puerto Rico Employers Annual Federal Tax Return
- 944SS – Employers Annual Federal Tax Return (Virgin Island and Guam)
- 945 – Annual Return of Withheld Federal Income Tax
- 990 – Return of Organization Exempt from Income Tax
- 990-PF – Return of Private Foundation
- 990-POL – Political Organizations
- 1020H – US Income Tax Return for Homeowners Association
- 1020S – US Small Business Corporation Income Tax Return
- 1041ES – Payment Voucher, Estimated Tax
- 1042 – Annual Withholding Tax Return for US Source Income of Foreign Persons
- 1065 – US Partnership Return of Income

- 1099 – Annual Summary and Transmittal of US Information Returns
- 1120 – US Corporation Income Tax Return
- 2290 – Heavy Highway Vehicle Use Tax
- 5227 – Split Interest Trust Information Return
- 11C – Special Tax Return and Application for Registry Wagering
- CT1 – Employers Annual RR Retirement and Unemployment Return
- Pub 15 – Employers Tax Guide
- Pub 51 – Agricultural Employers Tax Guide
- Pub 80 – Federal Tax Guide for Employers in the Virgin Islands, Guam, American Samoa and the Commonwealth of the Northern Mariana Islands
- Pub 179 – Federal Tax Guide for Employers in Puerto Rico
- Pub 393 – Federal Employment Tax Forms
- 1040 – Individual Income Tax Return
- 1040ES – Estimated Tax for Individuals
- 1040NR – Nonresident Alien Income Tax Return
- 1040SS – Self-Employed Tax Return
- 1040 Schedule H – Household Employment Tax

B. Employee – None

C. Audit Trail Information - All online data access is through batch files. The data viewed by authorized IRS employees or printing contractors is a copy of the MLMS data loaded onto encrypted CD's or production files. The CD's are password protected and the online files are protected by the Mainframe authentication and authorization process, including the use of audit trail information.

D. Other - None

2. Describe/identify which data elements are obtained from files, databases, individuals, or any other sources.

A. IRS.
Mail Label data is obtained through batch extract programs from IMF, BMF, and EPMF. Data received from these masterfiles may include: Taxpayer Name, Address, Business Name.

B. Taxpayer – None

C. Employee – None

D. Other Federal Agencies - None

E. State and Local Agencies – None

F. Other third party sources - None

3. Is each data item required for the business purpose of the system? Explain.
Yes, the Taxpayer Name , Address, Business Name is required to mail the appropriate tax package to the Taxpayer.

4. How will each data item be verified for accuracy, timeliness, and completeness?
There are several validation procedures to ensure that batches have run properly and contain properly formatted information; some of these are:
- Control codes are used to verify complete files are transmitted
- The Log Analysis and Reporting Services (LARS) system performs run-to-run balancing for each batch job run to ensure that no data is lost
- Run to run balancing is used to verify that all files are processed through the complete input system and extract system as appropriate
- Unit testing, system acceptability testing, and integration testing are used to ensure runs process data correctly
- Validity checks are in place using the previously mentioned entity data to insure that if multiple taxpayers have the same first and last name that they are properly distinguished one from the other via the entity check information
- There are a series of tests performed on data such as the Compatibility Tests and the Final Integration tests to ensure the accuracy, timeliness and completeness of all Mail Label processing.
- The data is processed through an address hygiene software to verify that the addresses are deliverable.

5. Is there another source for the data? Explain how that source is or is not used.
No. No other source is needed for the data.

6. Generally, how will data be retrieved by the user?
Data is written to an encrypted/password protected CD and shipped to the printing contractor. The password is secure e-mailed to the IRS contact for each appropriate contractor. The masterfile data is only retrievable by IRS personnel with the required security using batch processes.

7. Is the data retrievable by a personal identifier such as name, SSN, or other unique identifier?
The data can be viewed by the printing contractor only after receiving the password from their IRS Publishing Services contact.

Access to the Data

8. Who will have access to the data in the system (Users, Managers, System Administrators, Developers, Others)?
MLMS data on the mainframe system is only accessible by those developers with the appropriate RACF security.

9. How is access to the data by a user determined and by whom?
Only MLMS developers have mainframe access to the data. The data that is shipped to the printer contractor is password protected, Publishing Services will provide that password to the contractor.

10. Do other IRS systems provide, receive, or share data in the system?
No.

11. Have the IRS systems described in Item 10 received an approved Security Certification and Privacy Impact Assessment?
N/A

12. Will other agencies provide, receive, or share data in any form with this system?
No.

Administrative Controls of Data

13. What are the procedures for eliminating the data at the end of the retention period?
The mainframe files will be scratched when the retention period has expired. The CD's that are provided to the printing contractor are destroyed after printing.

14. Will this system use technology in a new way?
No.

15. Will this system be used to identify or locate individuals or groups? If so, describe the business purpose for this capability.
Yes, this allows for taxpayers to receive the tax package that meets their filing requirements.

16. Will this system provide the capability to monitor individuals or groups?
No, this is used as a means to provide tax packages.

17. Can use of the system allow IRS to treat taxpayers, employees, or others, differently?
No, tax packages are sent to the taxpayer strictly based on the filing requirements of that taxpayer.

18. Does the system ensure "due process" by allowing affected parties to respond to any negative determination, prior to final action?
N/A, this only provides tax packages to individuals and businesses that meet specific filing requirements.

19. If the system is Web-based, does it use persistent cookies or other tracking devices to identify Web visitors?
N/A

View other PIAs on IRS.gov