Electronic Tax Administration Marketing Database (ETA MDB) – Privacy Impact Assessment

PIA Approval Date: Dec. 23, 2008

System Overview

Electronic Tax Administration Marketing Database (ETA MDB) is a market research database developed to support the overall ETA marketing effort of expanding each annual campaign for informing and educating taxpayers and practitioners about the benefits of electronic filing.

Systems of Records Notice (SORN):

- IRS 22.062 – Electronic Filing Records
- IRS 34.037 – 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 –
- Name
- Address
- Taxpayer Identification Number (TIN)
- Social Security Number (SSN)
- Employer Identification Number (EIN),
- Liability amount
- Tax payments
- Credits claimed
- Tax refunds
- Balance due
- Filing type.

C. Audit Trail Information –
- Name
- Date of Access
- Data Accessed
- Copy of Query

D. Other – Information collected from third parties filing on behalf of taxpayers:
- Preparer ID
- EIN
- SSN
- PTIN
- Name
- Address
- Phone Number
- Type of preparer (Electronic Return Originator, Software Developer, Transmitter, Reporting Agent or On-Line Provider)

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

  A. IRS – The taxpayer information listed in Question 1a of this PIA is obtained from the following IRS applications:
  - Third Party Data Store (TPDS)
  - Business Master File (BMF- Entities and Payments)
  - Modernized Tax Return Database (MTRDB)
  - Payer Master File (PMF)
  - Electronic Tax Administration Research and Analysis System (ETARAS)
  - Individual Master File (IMF - Entities and Payments)
  - Legacy Tax Return Database (LTRDB)

  The information listed in Question 1d of this PIA is obtained from the Enrolled Agents Database and the Third Party Data Store.

  B. Taxpayer – All taxpayer information in ETA MDB is loaded into the IRS applications listed above and then imported into the ETA MDB application.

  C. Other Federal Agencies – Filing Type information is obtained from the Census Bureau

3. Is each data item required for the business purpose of the system? Explain.
Yes. These data items are used to conduct research to drive the electronic initiatives for all Business Operating Divisions (BODs) for their marketing strategies, product development or enhancements and make informed budget spending decisions.

4. How will each data item be verified for accuracy, timeliness, and completeness?
Validity checks are built into the program. End users of the applications bear responsibility for verifying data (e.g. against statistics of income reports. Statistical output is measured against electronic filing record counts, projections and forecasting volumes). Data in the system is partially updated twice a year and fully updated annually.

5. Is there another source for the data? Explain how that source is or is not used.
No. The systems listed in Questions 2a and 2b of this PIA have the most accurate and up-to-date taxpayer information.

6. Generally, how will data be retrieved by the user?
Users can access ETA MDB from the ECC-DET mainframe using SequeLink 5.3 and Hummingbird BI Query/BI Broker as they are installed on their personal workstations. Users attempting to access the data are identified and authenticated by the Resource Access Control Facility (RACF)

7. Is the data retrievable by a personal identifier such as name, SSN, or other unique identifier?
Yes. Data can be retrieved using the following personal identifiers:
  - Name
  - Address
  - Taxpayer Identification Number (TIN)
  - Social Security Number (SSN)
  - Employer Identification Number (EIN).

Access to the Data

8. Who will have access to the data in the system (Users, Managers, System Administrators, Developers, Others)?
Restricted access is available to various IRS personnel in the ETA, Strategic Services Division and various IRS Research Groups with approved ETA research projects. Contractors do not have access to the system.

> **Role:** Database Administrator
> **Permission:** Read/Write
>
> **Role:** BMF Analyst
> **Permission:** Read Only
>
> **Role:** IMF Analyst
> **Permission:** Read Only
>
> **Role:** Developers
> **Permission:** Read Only

9. How is access to the data by a user determined and by whom?
To apply for an account, an employee must complete an On Line (OL)5081 entitled "Automated Information System (AIS) User registration/Change Request" and obtain the appropriate electronic signatures. The Data Security Section of the Systems Operations Division, Systems Management Branch, Security Division is responsible for assignment of User IDs and passwords. RACF Security also applies to this database. Contractors do not have access to the ETA MDB application.

10. Do other IRS systems provide, receive, or share data in the system? If YES, list the system(s) and describe which data is shared.
Yes, other IRS systems provide data to the ETA MDB applications:

- Business Master File (BMF- Entities and Payments),
- Modernized Tax Return Database (MTRDB),
- Payer Master File (PMF), Individual Master File (IMF - Entities and Payments),
- Legacy Tax Return Database (LTRDB),
- Electronic Tax Administration Research and Analysis System (ETARAS) and
- Third Party Data Store (TPDS), provide the following data:
  - Name
  - Address
  - Taxpayer Identification Number (TIN)
  - Social Security Number (SSN)
  - Employer Identification Number (EIN),
  - Liability amount
  - Tax payments
  - Credits claimed
  - Tax refunds
  - Balance due
  - Filing type.

- Electronic Tax Administration Research and Analysis System (ETARAS) also provide Electronic Filing Statistics.

- Third Party Data Store (TPDS) also provides Authorized Electronic Return Originators (see question 1d for a listing of the information provided by TPDS)

- Enrolled Agents Database provides information on Enrolled Tax Preparers (see question 1d for a listing of the information provided by Enrolled Agents Database)

11. Have the IRS systems described in Item 10 received an approved Security Certification and Privacy Impact Assessment?
The following IRS Systems have:

Business Master File (BMF- Entities and Payments)
- Certification &Accreditation (C&A) – May 23, 2007

Payer Master File (PMF)
- Certification &Accreditation (C&A) – May 23, 2007

Electronic Tax Administration Research and Analysis System (ETARAS)
- Certification &Accreditation (C&A) – April 27, 2007

Individual Master File (IMF - Entities and Payments)
- Certification &Accreditation (C&A) – June 7, 2007

The following systems have not:
- Third Party Data Store (TPDS) –
- Legacy Tax Return Database (LTRDB)
- Modernized Tax Return Database (MTRDB) Enrolled Agents Database

12. Will other agencies provide, receive, or share data in any form with this system?
The Census Bureau shares taxpayer e-filing statistical data with the ETA MDB application. This data is manually downloaded from the Census Bureau website and input into ETA MDB on an annual basis.

Administrative Controls of Data

13. What are the procedures for eliminating the data at the end of the retention period?
Data will be deleted after 3 years by the Database Administrators. All data elimination procedures comply with the following:

- IRM 1.15.1 – The Records Management Program
- IRM 1.15.3 – Disposing of Records
- IRM 1.15.4 – Retiring and Requesting Records
- IRM 1.15.6 – Managing Electronic Records
- IRM 1.15.32 - Records Control Schedule for Electronic Tax Administration

14. Will this system use technology in a new way?
No, this system will not use technology in a new way.

15. Will this system be used to identify or locate individuals or groups? If so, describe the business purpose for this capability.

Yes, individual taxpayers, groups of taxpayers and e-file product users (i.e. tax payers, tax preparers) may be targeted as a specific market segment and identified through their address or demographic information. The business purpose is to introduce e-file or e-pay products and services to those most likely to use them, to measure outreach efforts or to obtain feedback on satisfaction levels of the products already used.

16. Will this system provide the capability to monitor individuals or groups? If yes, describe the business purpose for this capability and the controls established to prevent unauthorized monitoring.

Yes, the system provides the capability of monitoring individuals and groups for the purposes of determining e-product loyalty or migratory patterns between paper and electronic products for the purpose of better understanding how to market e-filing to taxpayers.

17. Can use of the system allow IRS to treat taxpayers, employees, or others, differently?

No. The system will be used for marketing purposes only.

18. Does the system ensure "due process" by allowing affected parties to respond to any negative determination, prior to final action?

N/A. This does not apply to ETA MDB, since the data storage on ETA MDB is used for statistical purposes and not for enforcement of any IRS regulations.

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

N/A. The system is not web-based.

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