

# Audit Information Management System Reference (AIMS–R) – Privacy Impact Assessment

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## **System Overview:**

Audit Information Management System Reference (AIMS–R) is a legacy Tier I system that processes information related to examinations of taxpayer accounts. Accounts can be established, updated, and closed online by authorized personnel using Integrated Data Retrieval System (IDRS) Real–time Command Codes. Discriminate Function (DIF) Orders and the Automatic Selection process also send accounts to AIMS, a subsystem of AIMS–R, to establish open cases in inventories. AIMS–R receives information from a number of entities including the Individual Master File (IMF), Business Master File (BMF), and Employee Plans Master File (EPMF) at the beginning of an audit and tracks the audit case through its various stages from beginning to end, and sends assessment information to Master file at the audit’s close. AIMS–R also controls non–master file (NMF) cases which support accounting for assessments, liabilities, payments, and credits for transactions that are not compatible with master file processing, timeliness or data. It produces taxpayer listings and statistical reports that enable the Area Offices to monitor and regulate their workload and their compliance with Examination's objectives. It also provides Examination data that is eventually incorporated into the Commissioner’s Annual Report.

## **Systems of Records Notice (SORN):**

- IRS 22.054--Subsidiary Accounting Files
- IRS 22.060-- Automated Non–Master File
- IRS 22.061--Information Return 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, formerly: Business Master File
- IRS 26.019--Taxpayer Delinquent Accounts Files
- IRS 42.001--Examination Administrative File
- IRS 42.008--Audit Information Management System
- 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 – AIMS–R contains:

- Taxpayer Identification Number (TIN)
- Social Security Number (SSN)
- Taxpayer Name
- Taxpayer Address
- Taxpayer Codes
- Exam Codes
- Master File Tax Account Code (MFT)
- Tax Period (TXPD)
- Type of Return

All data is derived from:

- Business Master File (BMF)

- Employee Plans Master File (EPMF)
- Generalized IDRS Interface (GII)
- Integrated Data Retrieval System (IDRS)
- Individual Master File (IMF)
- Reporting Compliance Case Management System (RCCMS)

Although, AIMS–R obtains information from IDRS, AIMS–R has its application boundary and its own data, for it is responsible. IDRS is a system of databases and operating programs that manages data that has been retrieved from IMF and BMF. IDRS allows IRS employees to take specific actions on taxpayer account issues, track status, and post transaction updates back to the Master File.

- B. Employee – AIMS–R contains IDRS user–ID and password.
- C. Audit Trail Information – The Security and Communications System (SACS) maintains audit trail information for AIMS–R. This includes: user login/logoff; date/timestamp; IDRS codes used and transaction results.

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

- A. IRS – Taxpayer Information File (TIF) is obtained from IDRS, which consists of TIF 80 (taxpayer name, address and TIN, as derived from TIF records). These TIF records vary by type/functionality, and depending upon their type is used by the Small Business/Self Employed (SB/SE) Operating Division, Large Business and International Division (LB&I) Operating Division, Tax Exempt and Government Entities (TE/GE) Operating Division and Wage & Investment (W&I) Operating Division.

AIMS–R also receives data from the following applications:

- Audit Information Management System (AIMS) – AIMS, a subsystem of AIM–R, is a computer system used by Appeals, Examination, and TE/GE to control returns, input assessment/adjustments to Master File and provide management reports.
- BMF – tax data and related information pertaining to business income taxpayers.
- EPMF – provides the EPMF OUTPUTS file.
- GII – Generalized IDRS Interface
  - Correspondence Examination Automation Support (CEAS) – CEAS applications satisfy Reports Generation Software (RGS) Client & RGS Batch requests to store/retrieve exam cases to/from the CEAS centralized database. CEAS also enables case assignment & transfer between examination groups and batch groups.
  - Examination Returns Control System (ERCS) – contains tax return case examination inventory information.
  - Returns Inventory and Classification System (RICS) – provides case selection functionality that is used to improve appropriate selection of cases for examination.
- IDRS – IDRS provides data to AIMS–R via Transmission Control Protocol/Internet Protocol (TCP/IP) through the following modules on a weekly basis and contains Master File data or AIMS Real–time program data.
- IMF – provides Refund data, Notice data, and Reports.
- RCCMS – supports audit selection, compliance case management, and analytical tools for determining voluntary compliance.

**3. Is each data item required for the business purpose of the system? Explain.**

Yes each data item is required for the business purpose of the system. AIMS–R allows the designated end–users/employees of the SB/SE Operating Division, LB&I Operating Division, TE/GE Operating Division, and W&I Operating Division within the IRS who have been assigned a caseload related to their specific function (examination, audit, collection) to access the data they need to conduct their review. The data is also required to create reports related to case results, and provided to management.

**4. How will each data item be verified for accuracy, timeliness, and completeness?**

The various programs and command codes within AIMS–R have built in validity checks to help ensure accuracy. For example, there are validity checks to ensure that an SSN/TIN entered into an on–line application contains all numeric data. A series of tests are performed on the data, such as a Unit Testing, Compatibility Testing, and Final Integration Testing to ensure the accuracy, timeliness and completeness of all IDRS data prior to its implementation during the annual Filing Season Start–up. If there is a discrepancy, an error record is generated. The error record is not included in the reports output.

**5. Is there another source for the data? Explain how that source is or is not used.**

No, there is no other source for data. IDRS and its subset, AIMS, are the only sources for taxpayer data. This data for these sources was provided by the taxpayer and/or subsequent transactions and is considered authoritative and accurate.

**6. Generally, how will data be retrieved by the user?**

Data is retrieved by those granted access to a defined set of IDRS command codes. Most command codes are used for research only and do not alter the data. Address Resolution Protocol (ARP) tables are generated and e–mailed via secured e–mail to users through Outlook. This data is also available on Ctrl–D (formerly Electronic Online Output Network System [EONS]). ARP and Centralized Files & Scheduling (CF&S) reports are sent or retrieved by report type to the individual groups.

**7. Is the data retrievable by a personal identifier such as name, SSN, or other unique identifier?**

Yes. Data is retrievable by SSN or TIN, but the system is designed to retrieve data based on command codes. PCS data can only be retrieved using a partnership or partner TIN, MFT and tax year. ARP and CF&S reports are retrieved by report type or reporting criteria. However, data in listing tables is retrievable by SSN or taxpayer name.

**Access to the Data**

**8. Who will have access to the data in the system (Users, Managers, System Administrators, Developers, Others)?**

**Role:** Tax Analysts

**Permission:** Research

**Role:** Group Managers

**Permission:** Research

**Role:** Field Secretaries

**Permission:** Research, updates, closures, requisitions

**Role:** Revenue Agents

**Permission:** Research

**Role:** Tax Compliance Officers

**Permission:** Research

**Role:** Tax Examiners

**Permission:** Research, updates, closures, requisitions

**Role:** Audit Accounting Aides

**Permission:** Research

**Role:** Technical Services Personnel

**Permission:** Research, updates, closures, requisitions

**Role:** System Administrators

**Permission:** Access to the UNYSIS mainframe

*Note: Contractors do not have access to the application.*

### **9. How is access to the data by a user determined and by whom?**

Management determines which employees have access to AIMS–R and for what purposes. On Line (OL) Form 5081 documents at what levels users may view and use the data as a result of each employee who uses AIMS–R having a profile that determines this level of access.

### **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. The following systems provide and/or receive and/or share data with AIMS–R:

- Automated Insolvency System (AIS) – contains information that is used in processing of bankruptcy and other insolvency proceedings.
- AIMS Related Reports (ARR) – AIMS provides case information to ARR.
- Business Master File (BMF) – tax data and related information pertaining to business income taxpayers.
- Correspondence Examination Automation Support (CEAS) – facilitates universal view of the campus exam case inventory records and also allows the display of the client generated tax reports & letters associated with the exam case.
- EP/EO/GE AIMS Report Processing System (EARP) – AIMS–R provides in part, the taxpayer, the return, the agent and the results of examinations.
- Employee Plans Master File (EPMF) – Provides Master File data to AIMS–R.
- Examination Returns Control System (ERCS) – AIMS–R provides tax return case examination inventory information.
- Enforcement Revenue Information System (ERIS) – AIMS provides data used to analyze and track enforcement activities for ERIS users.
- Generalized IDRS Interface (GII) – Provides data to AIMS–R from CEAS, ERCS, RICS.
- Integrated Data Retrieval System (IDRS) – Provides Master File data and AIMS Real-time program data.
- Individual Master File (IMF) – provides Refund data, Notice data, and Reports.
- Appeals Docketed and Nondocketed Reporting System (LAND) – AIMS provides data related to open and closed Appeals cases. LAND is a non-app for FISMA related purposes and does not require a Certification & Accreditation.
- Large Business & International (LB&I) Workload Identification System (LWIS) – used by IRS Industry Planning and Special Programs (PSP) analysts to identify and send returns to audit team managers.

- Reporting Compliance Case Management System (RCCMS) – provides case management, inventory control, and routing capabilities.
- Returns Inventory and Classification System (RICS) – provides case selection functionality that is used to improve appropriate selection of cases for examination.
- Tax Return Database (TRDB) – data store for electronically filed tax returns for tax years 1998 and beyond.
- Customer Satisfaction Transaction Survey (CSTS) – ORC Macro and Pacific Consulting Group – AIMS–R provides these external organizations with taxpayer and statistical information for a CSTS.

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

Yes. The AIMS–R application shares information with the following applications/systems, each of which have an approved Security Certification and Privacy Impact Assessment:

Automated Insolvency System (AIS)

- Authority to Operate (ATO) – March 24, 2011
- Privacy Impact Assessment (PIA) – July 30, 2010

AIMS Related Reports (ARR)

- Authority to Operate (ATO) – May 28, 2009
- Privacy Impact Assessment (PIA) – April 8, 2009

Business Master File (BMF)

- Authority to Operate (ATO) – June 14, 2010
- Privacy Impact Assessment (PIA) – March 16, 2010

Correspondence Examination Automation Support (CEAS)

- Authority to Operate (ATO) – February 1, 2010
- Privacy Impact Assessment (PIA) – October 23, 2009

EP/EO/GE AIMS Report Processing System (EARP)

- Authority to Operate (ATO) – March 13, 2009
- Privacy Impact Assessment (PIA) – February 20, 2009

Employee Plans Master File (EPMF)

- Authority to Operate (ATO) – February 05, 2009
- Privacy Impact Assessment (PIA) – November 19, 2008

Examination Returns Control System (ERCS)

- Authority to Operate (ATO) – June 2, 2011
- Privacy Impact Assessment (PIA) – January 19, 2011

Enforcement Revenue Information System (ERIS)

- Authority to Operate (ATO) – May 7, 2009
- Privacy Impact Assessment (PIA) – March 5, 2009

Generalized IDRS Interface (GII)

- Authority to Operate (ATO) – Not Applicable
- Privacy Impact Assessment (PIA) – Not Applicable

#### Integrated Data Retrieval System (IDRS)

- Authority to Operate (ATO) – May 10, 2009
- Privacy Impact Assessment (PIA) – November 6, 2008

#### Individual Master File (IMF)

- Authority to Operate (ATO) – March 8, 2010
- Privacy Impact Assessment (PIA) – November 10, 2009

#### Appeals Docketed and Nondocketed Reporting System (LAND)

- Not Applicable
- Not Applicable

#### LB&I Workload Identification System (LWIS)

- Authority to Operate (ATO) – June 16, 2009
- Privacy Impact Assessment (PIA) – April 29, 2009

#### Reporting Compliance Case Management System (RCCMS)

- Authority to Operate (ATO) – March 25, 2010
- Privacy Impact Assessment (PIA) – December 8, 2010

#### Returns Inventory and Classification System (RICS)

- Authority to Operate (ATO) – April 17, 2009
- Privacy Impact Assessment (PIA) – January 13, 2010

#### Tax Return Database (TRDB)

- Authority to Operate (ATO) – March 10, 2010
- Privacy Impact Assessment (PIA) – December 11, 2009

#### Customer Satisfaction Transaction Survey (CSTS)

- Authority to Operate (ATO) – Not Applicable
- Privacy Impact Assessment (PIA) – Not Applicable

### **12. Will other agencies provide, receive, or share data in any form with this system?**

Yes, the Government Accountability Office (GAO) and the U.S. Treasury Inspector General for Tax Administration (TIGTA), in the course of their audit responsibilities, may be authorized to access IDRS and/or AIMS–R data.

### **Administrative Controls of Data**

### **13. What are the procedures for eliminating the data at the end of the retention period?**

The procedures/requirements for eliminating the electronic TIF data at the end of the retention period are found in IRMs (Records Control Schedules) 1.15.10 and 1. 1.15.23. Information ages off (is deleted from) the database at varying intervals. Current business practice is to retain data used for creating ARP and CF&S reports for a maximum of 365 days, after which data is erased from the cartridge. PCS is designed to ensure partnership adjustments are flowed through to the related partners. Once all the partners are adjusted, the partnership information will drop off the system.

For different data types, there are different retention periods. Retention schedules are documented in the Functional specification packages. Put out to a cartridge and kept for 7 years. After moving from the AIMS database, the data is moved to a cartridge and kept for 7 years.

The IRS Records and Information Management (RIM) Office has requested a follow-up review of current records disposition procedures to ensure that business unit practice (as outlined in Functional specification packages) is in line with NARA-approved records control schedules and/or if instructions need to be updated.

**14. Will this system use technology in a new way?**

No. AIMS-R is not using 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. The TIF records from IDRS allow designated and authorized IRS employees to identify and/or locate individuals and groups. For example, in an instance where a taxpayer applies for and is granted Innocent Spouse Relief, the data gleaned from a case where a couple filed their income tax return jointly would then be used to identify and locate the other spouse who is obligated to make the tax payment. PCS can be used to locate an individual associated with the partnership a user is working on.

**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 to monitor individuals and groups through individual command codes. The purpose is to track the status of a taxpayer's account after it has been assigned as a case for audit, collection or appeal. Reports created in ARP and CF&S are at the audit group level for monitoring an individual group's work process. PCS can also be used to monitor groups. Promoter codes can be assigned to identify unique partnerships and partners. Promoter codes are also used to track adjustment data from the groups. However, that data is maintained at the headquarters level and not shared or available to end users.

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

Yes. For example, special codes or processing parameters may be attached to taxpayer records in order to support a requirement for special processing, i.e., military personnel assigned to war zones; taxpayers located in disaster areas.

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

Yes. The IRS Agency ensures due process by advising the taxpayer of their rights in the notification letter (Publication 1) regarding the negative determination. The AIMS-R system does not generate this notification, but the IRS relies upon the system for data to ensure "due process". Affected parties are allowed to respond by letter and/or request an appeals conference. Affected parties are also allowed to contact the Taxpayer Advocate.

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

Not applicable. AIMS-R is not web-based.

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