

Tax Return Database (TRDB) – Privacy Impact Assessment

PIA Date – Dec. 11, 2009

System Overview:

The Tax Return Database (TRDB) contains tax return source information for all electronically filed (1040, 1041, 1065, 941 and 940) tax returns. It also contains electronically filed tax forms. It is the legal repository for all electronically filed returns for Tax Year 1998 and beyond. Beginning with Tax Year 2002, it also contains copies of the transcribed portions of paper returns. These files are accessed via TRDB maintained CICS command codes TRDBV and TRERS using IRS developed software called TRDB Graphics (TRDGRA). TRDB replaced the now retired Archive and Retrieve Facility electronic tax return data stores. Transcribed Form 8453 (Paper Signature) data is likewise stored on TRDB and is available through command code R8453. In January 2006, TRDB began aging expired (inactive CSED) returns from the data base. Beginning with Tax Year 2006, Modernized e-File (MeF) began processing electronically filed 1065 tax returns which are stored on Modernized Tax Return Database Data Store (M-TRDB DS). Beginning with Tax Year 2007, Electronic Filing System –1065 (EFS-1065) and TRDB will no longer process electronically filed 1065 Tax Returns, however, previously filed returns will remain on TRDB until they expire.

Systems of Records Notice (SORN):

- IRS 24.046--CADE Business Master File
- IRS 24.030--CADE Individual Master File
- IRS 34.037--IRS Audit Trail and Security Records System
- IRS 22.063--Electronic Filing Records
- IRS 34.020--IRS Audit Trail Lead Analysis System (ATLAS)

Data in the System

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

A. Taxpayer:

- Form 1040, 1040A, 1040EZ – U.S. Individual Tax Returns
 - Taxpayers Name, Address, Phone Number, Social Security Number (SSN)
 - Spouse's Name, Address, Phone Number, SSN
 - Dependents Name and SSN
 - Bank Routing Number
 - Bank Account Number
 - Preparer's Name, Address, Phone Number
- Business Form 940 – Employer's Annual Federal Unemployment Tax.
 - Employer Identification Number (EIN)
 - Phone Number
 - Address
 - Designee's Phone Number
 - Preparer's SSN
- Return Business Form 941 – Employer's Quarterly Federal Tax Return
 - Employer Identification Number (EIN)
 - Phone Number

- Address
 - Designee's Phone Number
 - Preparer's SSN
- Business Form 1041 – U.S. Income Tax Return for Estates and Trusts
 - Taxpayers Name, Address, Phone Number, Social Security Number (SSN)
 - Spouse's Name, Address, Phone Number, SSN
 - Dependents Name and SSN
 - Bank Routing Number
 - Bank Account Number
 - Preparer's Name, Address, Phone Number
 - Form 1041 (Schedule K–I) – Beneficiary's Share of Income, Deductions, Credits, etc.
 - EIN
 - Fiduciary's Name and Address
 - Beneficiary's Identification Number and Address
 - Business Form 1065 – U.S. Partnership Return of Income
 - Partnership Name and Address
 - EIN
 - Preparer's Name Address
 - Tax Matters Partner Name, Address, and Identifying Number
 - Form 1065 (Schedule K–I) – Partner's Share of Income, Credit, Deductions, etc.
 - Partnership Name and Address
 - EIN
 - Preparer's Name Address
 - Tax Matters Partner Name, Address, and Identifying Number
 - Form 9465 – Installment Agreement Request
 - Taxpayer's Name, Address, Phone Number, SSN
 - Bank's Name, Address,
 - Employer's Name Address
 - Form 4868 – Application for Automatic Extension of Time to File U.S. Income Tax Return
 - Taxpayers Name, Address, Phone Number, Social Security Number (SSN)
 - Spouse's Name, Address, Phone Number, SSN
 - Form 4506 – Request for Copy or Transcript of Tax Return
 - Taxpayers Name, Address, Phone Number, Social Security Number (SSN)
 - Spouse's Name, Address, Phone Number, SSN
 - Form 2350 – Application For Extension of Time To File U.S. Income Tax Return
 - Taxpayers Name, Address, Phone Number, Social Security Number (SSN)
 - Spouse's Name, Address, Phone Number, SSN
 - Form 8453 – U.S. Individual Income Tax Declaration for an IRS e–file Return
 - Taxpayers Name, Address, Phone Number, Social Security Number (SSN)
 - Spouse's Name, Address, Phone Number, SSN

- Form 8453–OL – U.S. Individual Income Tax Declaration for an IRS e–file Online Return
 - Taxpayers Name, Address, Phone Number, Social Security Number (SSN)
 - Spouse’s Name, Address, Phone Number, SSN

B. Audit Trail Information – The IRS Audit Trail Lead Analysis System (ATLAS) provides keystroke level auditing of end user actions. Keystroke auditing captures every keystroke by the user. Audit logs are reviewed by the appropriate unit managers

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

A. IRS – Taxpayer information that is required on each of the forms listed in question 1 above is collected and maintained by the TRDB system. Refer to Section 1 for a complete list of all data elements collected on each form. TRDB receives tax return data from legacy e–file systems (ELF and EFS) as well as Individual Master File and Business Master File systems.

B. Taxpayer:

- Form 1040, 1040A, 1040EZ – U.S. Individual Tax Returns
 - Taxpayers Name, Address, Phone Number, Social Security Number (SSN)
 - Spouse’s Name, Address, Phone Number, SSN
 - Dependents Name and SSN
 - Bank Routing Number
 - Bank Account Number
 - Preparer’s Name, Address, Phone Number
- Business Form 940 – Employer's Annual Federal Unemployment Tax.
 - Employer Identification Number (EIN)
 - Phone Number
 - Address
 - Designee’s Phone Number
 - Preparer’s SSN
- Return Business Form 941 – Employer's Quarterly Federal Tax Return
 - Employer Identification Number (EIN)
 - Phone Number
 - Address
 - Designee’s Phone Number
 - Preparer’s SSN
- Business Form 1041 – U.S. Income Tax Return for Estates and Trusts
 - Taxpayers Name, Address, Phone Number, Social Security Number (SSN)
 - Spouse’s Name, Address, Phone Number, SSN
 - Dependents Name and SSN
 - Bank Routing Number
 - Bank Account Number
 - Preparer’s Name, Address, Phone Number

- Form 1041 (Schedule K-1) – Beneficiary's Share of Income, Deductions, Credits, etc.
 - EIN
 - Fiduciary's Name and Address
 - Beneficiary's Identification Number and Address

- Business Form 1065 – U.S. Partnership Return of Income
 - Partnership Name and Address
 - EIN
 - Preparer's Name Address
 - Tax Matters Partner Name, Address, and Identifying Number

- Form 1065 (Schedule K-1) – Partner's Share of Income, Credit, Deductions, etc.
 - Partnership Name and Address
 - EIN
 - Preparer's Name Address
 - Tax Matters Partner Name, Address, and Identifying Number

- Form 9465 – Installment Agreement Request
 - Taxpayer's Name, Address, Phone Number, SSN
 - Bank's Name, Address,
 - Employer's Name Address

- Form 4868 – Application for Automatic Extension of Time to File U.S. Income Tax Return
 - Taxpayers Name, Address, Phone Number, Social Security Number (SSN)
 - Spouse's Name, Address, Phone Number, SSN

- Form 4506 – Request for Copy or Transcript of Tax Return
 - Taxpayers Name, Address, Phone Number, Social Security Number (SSN)
 - Spouse's Name, Address, Phone Number, SSN

- Form 2350 – Application For Extension of Time To File U.S. Income Tax Return
 - Taxpayers Name, Address, Phone Number, Social Security Number (SSN)
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- Form 8453 – U.S. Individual Income Tax Declaration for an IRS e-file Return
 - Taxpayers Name, Address, Phone Number, Social Security Number (SSN)
 - Spouse's Name, Address, Phone Number, SSN

- Form 8453-OL – U.S. Individual Income Tax Declaration for an IRS e-file Online Return
 - Taxpayers Name, Address, Phone Number, Social Security Number (SSN)
 - Spouse's Name, Address, Phone Number, SSN

Note: Only information submitted on the afore-mentioned IRS forms by the taxpayer or designated preparer is maintained. The taxpayer, designated preparer, or an IRS employee may supply any corrections to the information.

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

Yes. The TRDB serves as the IRS's legal repository for all electronically and manually filed tax returns. Prior to entering the TRDB, original tax return data is first pre-processed at the Submission Processing Centers, formerly known as the Service Centers. Data maintained on the TRDB is within a minimum seven-year timeframe, therefore all data maintained on the TRDB is relevant. The purpose of the TRDB is to have a central location for all business and personal filed tax returns within a seven-year period, for ease of retrieval, examination, and record keeping.

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

Only information submitted on the afore-mentioned IRS forms is maintained. This information is supplied by the taxpayer or designated preparer. IRS employees, taxpayers, or preparers may supply corrections. Daily vouchers are used to verify all data intended for TRDB from the service centers has been sent. Control files are used to verify complete files are transmitted. Run to run balancing is used to determine that all files are processed through the complete input system and extract system as appropriate. Unit testing, system acceptability testing, and final integration testing are used to ensure the quality of all runs that process this data. Finally, a weekly reconciliation verifies all electronically filed returns processed in the master file system have also been processed on the TRDB system. When data is formatted into a batch job, the tax year is verified. Only data that is within a minimum 7-year period is maintained on the TRDB system.

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

No. TRDB is the only source and is considered the legal repository for tax return information. However, a new legal repository is being established (Modernized TRDB). The data is not replicated between the 2 sources. It will be stored in one or the other repository.

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

Employees sign on to their local XP LAN by entering their user-id and password, then users log on to the Integrated Data Retrieval System (IDRS). The Security and Communication System (SACS) is used by IDRS. SACS manages the logon and profiles of all users with a list of all command codes each user is authorized. TRDB recognizes SACS as a trusted server receiving and transmitting all communication through it. Once validated on the SACS system as an authorized user, the employee enters a CFOL command (as permitted by their SACS profile) to gain access to the TRDB. Administrative Users (System Administrators, Developers, Schedulers, etc.), after signing on to their local XP LAN, TRDB administrative personnel enter a user-id and password through the Info Connect Telnet utility. The Resource Access Control Facility (RACF) then validates the user and controls access based on the established user profile.

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

Yes. Data is retrieved through end user submission of a query containing either the taxpayer identification number (TIN), or Document Locator Number (DLN).

Access to the Data

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

All Access to TRDB is granted through the OL5081 process.

Role: Field Officers, Tax Examiners, and Revenue Agents

Permission: End user access to the TRDB is gained through Windows XP workstations via the Attachmate/Info-Connect client to IDRS. End users can query TRDB for specific information about the taxpayer(s) and view the information in electronic or printed format.

Role: Administrative (System Administrators, System Programmers, Database Administrators)
Permission: Administrator access to TRDB is gained primarily from Windows XP workstations via a 3270 emulator, Time Sharing Option (TSO) session that is controlled by IBM Resource Access Control Facility (RACF). Native Database 2 (DB2) security controls access to the tables stored within DB2 for access TRDB.

Role: TRDB Developers

Permission: TRDB developers do not have access to the production environment. Their access is restricted to the TRDB development environment.

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

OL5081 is used to document access requests, modifications, terminations for all types of users, including system administrators, system accounts requiring File Transfer Protocol (FTP) access, and test accounts. When a new user needs access to IRS systems or applications, the user's manager or designated official, access the Online 5081 (OL5081) application to request access for the new user. OL5081 is an online form, which includes information, such as the name of the system or application, type of access, and the manager's signature approving authorization of access. The completed OL5081 is submitted to the account administration approval group, who assigns a user ID and an initial password. Before access is granted, the user is required to digitally sign OL5081 acknowledging his/her security responsibilities when using the system. The user signs security rules of behavior provided in the OL5081.

When an existing user needs modifications to user access to IRS systems or applications, the user's manager or designated official, completes OL5081 requesting modifications to the user's access. The modification request includes information such as the name of the system or application, specific modifications requested, and the manager's signature approving modification of access. The completed OL5081 is submitted to the account administration approval group, who modifies the user's access based on the manager's request documented in the OL5081 form. Upon termination or when a user no longer needs access to the IRS systems or applications, the user's manager or designated official, completes OL5081 requesting termination of access for the user. OL5081 includes information, such as the name of the system or application and the manager's signature approving termination of access. The completed OL5081 is submitted to the account administration approval group, who terminates the user's access based on the manager's request documented on the form.

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. Two systems, the Statistics of Income Distributed Processing System (SOI DPS) and the Electronic Tax Administration Marketing Database (ETA MDB), receive periodic extracts from the TRDB. SOI DPS receives selected whole returns which are used for statistical analysis. ETA MDB receives selected preparer information communication and informational purposes. Posted data is replicated for use in other IRS processing systems. The entire BMF is replicated for Corporate Files On-line (CFOL), which provides on-line read-only access for authorized IRS employees. There are several files that contain extracts of entity data that are used in validation for processing or for employee access as a research tool in answering taxpayer inquiries or resolving compliance issues. These include the National Account Profile (NAP), the Taxpayer Index File (TIF) and the Name Search Facility (NSF). Other systems that provide, receive or share data with TRDB are:

- Business Master File (BMF) – Tax Return processing status and transcribed return data

- Electronic Filing System (EFS) – (See ELF–R) Original e–file tax returns and Code and Edit data
- Electronic Filing (ELF–R) – Original e–file tax returns and Code and Edit data
- Error Resolution System (ERS) –Tax return data correction information
- Electronic Tax Administration (ETA–MDB) – Tax return preparer information
- Electronic Transmitted Documents (ETD) – Taxpayer e–filed extensions and installment payment requests
- Generalized Mainline Framework (GMF) – Tax return data correction information
- Individual Master File (IMF) – Tax return processing status and transcribed return data.
- Integrated Data Retrieval System (IDRS) – Command codes used for the extraction and input of data.
- Modernized Tax Return Database (MTRDB) –Tax return status and data correction information for Modernized e–File returns

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

Yes.

Statistics of Income Distributed Processing System (SOI DPS)

- Certification & Accreditation (C&A) – May 7, 2009
- Privacy Impact Assessment (PIA) – April 4, 2008

Electronic Tax Administration Marketing Database (ETA MDB)

- Certification & Accreditation (C&A) – May 22, 2009
- Privacy Impact Assessment (PIA) – December 23, 2008

NSF:

- Not a FISMA Reportable Application

Business Master File (BMF)

- Certification & Accreditation (C&A) – May 29, 2007
- Privacy Impact Assessment (PIA) – April 10, 2007

Electronic Filing System (EFS)

- This is ELF–R, see below

Electronic Filing (ELF)

- Certification & Accreditation (C&A) – June 1, 2006
- Privacy Impact Assessment (PIA) – April 15, 2009

Error Resolution System (ERS)

- Certification & Accreditation (C&A) – June 1, 2006
- Privacy Impact Assessment (PIA) – February 27, 2009

Electronic Tax Administration (ETA–MDB)

- Certification & Accreditation (C&A) – February 16, 2006
- Privacy Impact Assessment (PIA) – December 23, 2008

Electronic Transmitted Documents (ETD)

- Certification & Accreditation (C&A) – June 13, 2008
- ETD is a sub-system of ELF-R, see above.

Generalized Mainline Framework (GMF)

- Certification & Accreditation (C&A) – June 1, 2006
- Privacy Impact Assessment (PIA) – October 31, 2008

Individual Master File (IMF)

- Certification & Accreditation (C&A) – June 12, 2007 (currently going through C&A)
- Privacy Impact Assessment (PIA) – June 7, 2007

Integrated Data Retrieval System (IDRS)

- Certification & Accreditation (C&A) – May 14, 2006
- Privacy Impact Assessment (PIA) – November 16, 2008

Modernized Tax Return Database (mTRDB)

- M-TRDB is a sub-system of MeF, currently going through C&A.

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

Yes. TRDB provides data extracts to USDA via Tumbleweed. (GSS-17) The data extracts consist of Taxpayer TIN, Name and Address and a USDA program qualifying indicator.

Administrative Controls of Data

13. What are the procedures for eliminating the data at the end of the retention period? All returns stored on TRDB generally have a retention period of a minimum 7 years. Returns with adjustments requiring additional retention are renumbered (new DLN) making the new DLN authoritative reference of the return. TRDB stores returns in database objects by processing year. The final procedure for eliminating or archiving returns based on the relevant retention period has been deferred based on the expectation that the technology available at the time this process is necessary may be significantly different than it is today. Returns with a minimum of a 7 year retention period are intended to remain available on line for the full 7 years or longer if retained by the Master File. The objects containing these returns will be dropped after that retention period has expired. IRM Section 1.15.29.

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

No. TRDB does 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.

No. TRDB will not be used to identify or locate groups or individuals.

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.

No. TRDB does not provide the capability to monitor individuals or groups.

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

No. TRDB is a data repository and does not allow treatment of taxpayers, employees, or others differently.

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

No. TRDB is a data repository and not used in any due process activities.

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

No. TRDB is not web accessible. TRDB is a DB2 database that is stored on the mainframe at Enterprise Computing Center – Martinsburg (ECC–MTB) and managed by database administrators.

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