



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

JUN 23 2004

MEMORANDUM FOR DENNIS M. FERRARA, ASSOCIATE CHIEF COUNSEL
(FINANCE & MANAGEMENT)

FROM:

Maya A. Bernstein
Privacy Advocate

SUBJECT:

Privacy Impact Assessment for Tax Litigation – Counsel
Automated Tracking System

The Office of the Privacy Advocate has reviewed the Privacy Impact Assessment (PIA) for Tax Litigation – Counsel Automated Tracking System (TLCATS). Based on the information you provided, we do not have any privacy concerns that would preclude this system from operating. However, a revised PIA is required when considering any future upgrades or major modifications to the system.

Note that the Electronic Government Act of 2002 requires that the IRS make this PIA available to the public. If there is any portion of this PIA that you believe would cause harm to the IRS or any party if disclosed to the public, please mark those portions and return to our office within 10 days.

We will forward a copy of the PIA to the Director, Modernization and System Security, to be included in the Security Accreditation Package for formal acceptance for operation. If you have any questions, please contact me at (202) 927-5170, or your staff may call Dorothy D'Antoni at (202) 622-9466.

Attachment

cc: Director, Modernization and System Security OS:MA:M

April 1, 2004

MEMORANDUM FOR MAYA A. BERNSTEIN
PRIVACY ADVOCATE

FROM: Dennis M. Ferrara,
Associate Chief Counsel (Finance and Management),
CC:FM

SUBJECT: Request for Privacy Impact Assessment (PIA) –
Tax Litigation – Counsel Automated Tracking System
(TLCATS)

Purpose of the System: TLCATS is a key management information system used by the Office of Chief Counsel to track all aspects of Tax Litigation cases. It is an on-line interactive and batch processing system that allows Chief Counsel personnel to store and retrieve case data throughout all phases of the Tax Litigation process allowing for case coordination nationwide. TLCATS also tracks case events and due dates for items due to the taxpayer, Tax Court, Federal District Courts, Federal Court of Claims, Federal Courts of Appeals, Supreme Court. It tracks trial calendars and provides the U.S. Tax Court, through Chief Counsel, with a status of those cases on each trial calendar. TLCATS provides Chief Counsel management with case statistics at various organizational levels.

Name of Request Contact:

Name: John McGregor
Organization Name & Symbols: Counsel Information Systems Office,
OS:CIO:R:DIO:CC
Mailing Address: 950 L'Enfant Plaza, 4th Floor
Washington, DC 20024
Phone Number (with area code): (202) 874-1791

Name of Business System Owner:

Name: Dennis M. Ferrara, Associate Chief Counsel
Organization Name & Symbols: Office of Chief Counsel
Finance and Management, CC:FM
Mailing Address: 1111 Constitution Ave., NW.
Washington, DC. 20224
Phone Number (with area code): (202)622-3330

Requested Operational Date: System is currently operational.

Category: (Reason PIA is required--enter "y" or "n" and applicable dates)

New System?: No

Modification of existing system?: No

Other? No

Is this a National Standard Application (NSA)? No

Is this a Modernization Project or System? No

If yes, the current milestone?: No

System of Records Number(s) (SORN) #:

Treasury/IRS 90.16 Counsel Automated Tracking Systems (CATS)

Treasury/IRS 34.037 IRS Audit Trail & Security Records

Attachment: PIA

Data in the System

<p>1. Describe the information (data elements and fields) available in the system in the following categories:</p> <ul style="list-style-type: none"> A. Taxpayer B. Employee C. Audit Trail Information (including employee log-in info) D. Other (Describe) 	<ul style="list-style-type: none"> A. Taxpayer: entity and persons associated with case, system has name, SSN/TIN, Address, Tax Court Case Number) B. Employee: system has attorney's name working on case. C. A separate form 5081 must be recommended and approved by a senior executive service manager (SES). Users have access to the data in their functional area only on a need to know basis. All access requests and approvals are documented. A user's access to the data is terminated when that access is no longer required. D. For each case, system contains a record of judge's name.
<p>2. Describe/identify which data elements are obtained from files, databases, individuals, or any other sources.</p> <ul style="list-style-type: none"> A. IRS B. Taxpayer C. Employee D. Other Federal Agencies (List agency) E. State and Local Agencies (List agency) F. Other third party sources (Describe) 	<ul style="list-style-type: none"> A. Appeals Administrative file for the specific case or from a copy of the original return and examination. Local Chief Counsel manager assigns employee names (Attorney of record). (Related Parties) Entity or Persons associated with case. B. No data obtained directly from taxpayer. C. No employee data is collected directly from the employee. D. U.S. Tax Court, Federal Court or District Court – Taxpayer name, SSN/TIN, Judge's name, and Court Case Number, (Related Parties) Entity or Persons associated with case. E. No state of local agencies sources. F. No 3rd party sources.

<p>3. Is each data item required for the business purpose of the system? Explain.</p>	<p>Yes. An entity may have more than one legal case before the court with different persons associated with each case, the taxpayer data provides the means to identify parties to the legal case and the persons associated with a particular case. Legal addresses, Judge's and Chief Counsel Attorney names are needed for contacting the parties on a case before the court.</p>
<p>4. How will each data item be verified for accuracy, timeliness, and completeness?</p>	<p>Information is provided by Federal Courts and IRS. Each data item is reviewed by Chief Counsel personnel for accuracy, timeliness and completeness.</p>
<p>5. Is there another source for the data? Explain how that source is or is not used.</p>	<p>No, there is no other source for the data.</p>
<p>6. Generally, how will data be retrieved by the user?</p>	<p>TLCATS is a key management information system used by the Office of Chief Counsel to track all aspects of Tax Litigation cases. It is an on-line interactive and batch processing system that allows Chief Counsel personnel to store and retrieve case data throughout all phases of the Tax Litigation process allowing for case coordination nationwide. TLCATS also tracks case events and due dates for items due to the taxpayer, Tax Court, Federal District Courts, Federal Court of Claims, Federal Courts of Appeals, Supreme Court. It tracks trial calendars and provides the U.S. Tax Court, through Chief Counsel, with a status of those cases on each trial calendar. TLCATS provides Chief Counsel management with case statistics at various organizational levels.</p>

<p>7. Is the data retrievable by a personal identifier such as name, SSN, or other unique identifier?</p>	<p>Yes, data is stored and is retrievable by a unique case number assigned by the U.S. Tax Court (for docketed cases) or by a unique system-generated case number (for non-docketed or refund litigation cases), and can also be retrieved by taxpayer name and TIN.</p>
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Access to the Data

<p>8. Who will have access to the data in the system (Users, Managers, System Administrators, Developers, Others)?</p>	<p>Office of Chief Counsel personnel have access to TLCATS. Most have read-only access. Users with update authority are granted the access by a select set of management analysts who are responsible for training end users and monitoring the system data. Certain Appeals users are granted read-only access by the same set of management analysts. Systems administration and development is performed by a limited set of developers, who are granted access to the data by the same set of management analysts.</p>
<p>9. How is access to the data by a user determined and by whom?</p>	<p>User access requests are authorized by management and by a select set of management analysts in the Office of Chief Counsel. Access requests are processed using the On-Line 5081 system. These management analysts determine the level of access granted each user by the application.</p>

<p>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. If NO, continue to Question 12.</p>	<p>Yes. Each night text file containing standard data records, which contain CASE-TYPE, CASE-DATE, Docket Number, TIN, Taxpayer Name and Address and Assigned Attorney, is prepared for download to CASE-MIS (another case-tracking system used by the Office of Chief Counsel)—a subsystem of the Counsel Automated Systems Environment (CASE)--, Additionally, a second test file containing standard data records is prepared for download by Appeals for use in a subsystem of Appeals Centralized Database Systems (ACDS)--for use in distributing the "green sheet" (a list of newly docketed Tax Court cases) to the Service to prevent assessments being made to protected cases.</p>
<p>11. Have the IRS systems described in Item 10 received an approved Security Certification and Privacy Impact Assessment?</p>	<p>CASE was approved 5/2004. Appeals Centralized Database system (ACDS) was approved Nov. 7, 2003.</p>
<p>12. Will other agencies provide, receive, or share data in any form with this system?</p>	<p>Data is provided by Federal Court records. The system does not share data with other systems.</p>

Administrative Controls of Data

<p>13. What are the procedures for eliminating the data at the end of the retention period?</p>	<p>Records are maintained in accordance with IRM 1.15.13 "Records Control Schedule for the Chief Counsel" #1. "Destroy after two years or when material is obsolete or superseded."</p>
<p>14. Will this system use technology in a new way? If "YES" describe. If "NO" go to Question 15.</p>	<p>No.</p>

<p>15. Will this system be used to identify or locate individuals or groups? If so, describe the business purpose for this capability.</p>	<p>Yes, TLCATS is used to identify individuals or groups who have filed petitions with the U.S. Tax Court or other federal courts in which the IRS is a respondent. Such cases may be identified by common case elements (i.e. tax shelter involvement, issues, etc.) in order for the Office of Chief Counsel to develop fair and consistent litigation strategy.</p>
<p>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.</p>	<p>No, TLCATS is not used to monitor individuals or groups other than by monitoring the cases docketed with the U.S. Tax Court and other federal courts.</p>
<p>17. Can use of the system allow IRS to treat taxpayers, employees, or others, differently? Explain.</p>	<p>No.</p>
<p>18. Does the system ensure "due process" by allowing affected parties to respond to any negative determination, prior to final action?</p>	<p>TLCATS is a case tracking application. It does not make or track negative determinations against any party.</p>
<p>19. If the system is web-based, does it use persistent cookies or other tracking devices to identify web visitors?</p>	<p>TLCATS is not web-based.</p>