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**To:** NATIONAL ARCHIVES & RECORDS ADMINISTRATION  
8601 ADELPHI ROAD COLLEGE PARK, MD 20740-6001

**Date received:** 12-26-06

**NOTIFICATION TO AGENCY**

In accordance with the provisions of 44 USC 3303a, the disposition request, including amendments, is approved except for items that may be marked "disposition not approved" or "withdrawn" in column 10.

**NAME OF PERSON WITH WHOM TO CONFER**

Tracee Taylor

**TELEPHONE NUMBER**

(202) 283-9291

**DATE**

12/20/2006

**SIGNATURE OF AGENCY REPRESENTATIVE**

**TITLE**

IRS Records Officer

**DESCRIPTION OF ITEM AND PROPOSED DISPOSITION**

IRM 1 15 29 Records Control Schedule for Service Center Operations

New Item 415, Dependent Database (DDb)

See attached.

**PREVIOUS EDITION NOT USABLE**

STANDARD FORM 115 (REV. 3-91)

Prescribed by NARA 36 CFR 1228
**Dependent Database (DDb)**

**Description:**

DDb contains taxpayer return information and child custody information used to determine the validity of dependent and Earned Income Tax Credit (EITC) claims.

**Background:**

The Dependent Database was a new program for FY 2001. The database is a combination of taxpayer return information from the IRS, and child custody information from the Department of Health and Human Services (HHS) and the Social Security Administration (SSA) used to determine the validity of dependent and EITC claims.

DDb is rule driven. If a rule condition is met as returns are processed through the DDb rule filtering process, the rule "fires" and the return is flagged for examination. Most of the selected returns are worked as pre-refund audits, which involve EITC. However, the DDb also identifies non-EITC issues that are worked as post-refund audits, such as the duplicated dependent issue. Out of approximately 18 million EITC returns that are entered, the DDb identifies about 3 million as non-compliant. Out of the 3 million non-compliant returns, approximately 300,000 are examined or audited. The data stored in the DDb only contains information on the 3 million returns that are found to be non-compliant.

**A. Inputs:**

Includes IRS taxpayer return information and transactions, and data electronically received from the Department of Health and Human Services (HHS) and the Social Security Administration (SSA). Data includes social security usage, child/parental custody information, and vital statistics for the entire population.

**Disposition:** Temporary. Delete when superseded or obsolete or when no longer needed to support the reconstruction of the master file, whichever is later.
B. System Data:

Maintains data extracted/received from IRS, HHS and SSA relevant to those returns tagged as non-compliant, including taxpayer return information, custody orders, name and SSN of custodial and non-custodial parties as well as dependents, and audit trail information. The system contains KIDLINK data for all new births and new issues of SSNs since 1998. Most records date from tax year 2000.

1. KIDLINK Database. Cross-reference information that links birth parents and children by SSN.

Disposition: Temporary. Close out at end of SSN cycle year. Delete 30 years after close-out.

2. Federal Case Registry (FCR). Information received from HHS relating to custody. Used to determine residency requirement for EITC.

Disposition: Temporary. Close out at end of processing year. Delete 3 years after close-out.


Disposition: Temporary. Close out at end of processing year. Delete 3 years after close-out.

4. National Account Profile (NAP) Data Master 1 (DM1) File Data Store. DOB, DOD, and name controls on all valid SSNs.

Disposition: Temporary. Delete when superseded or obsolete.


Disposition: Temporary. Close out at end of processing year. Delete 5 years after close-out.

C. Outputs:

Reports pertaining to non-compliant returns case information including the rules broken, types of cases, tolerance ranges (based on EITC amount), campus type (W&I or SBSE), and Pre/Post refund amounts.
**Disposition:** Temporary. Delete/destroy when superseded or no longer needed for administrative, legal, audit or other operational purposes.

**D. System Documentation:**

Functional Specification Package, codebooks, and user guide.

**Disposition:** Temporary. Delete/destroy when superseded or obsolete.