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| REQUEST FOR RECORDS DISPOSITION AUTHORITY | | JOB NUMBER N1-058-09-27 | |
| To: NATIONAL ARCHIVES & RECORDS ADMINISTRATION 8601 ADELPHI ROAD COLLEGE PARK, MD 20740-6001 | | Date received 5/18/09 | |
| 1 FROM (Agency or establishment) Department of Treasury | | NOTIFICATION TO AGENCY | |
| 2 MAJOR SUBDIVISION Internal Revenue Service (IRS) | | | |
| 3 MINOR SUBDIVISION SB/SE, National Tip Compliance Program | | | |
| 4 NAME OF PERSON WITH WHOM TO CONFER Daniel W. Bennett Tammy G. Wise | 5 TELEPHONE NUMBER (202) 435-6337 (702) 236-2477 | DATE 9/29/09 | ARCHIVIST OF THE UNITED STATES <i>Adrienne Thomas</i> |
| 6 AGENCY CERTIFICATION I hereby certify that I am authorized to act for this agency in matters pertaining to the disposition of its records and that the records proposed for disposal on the attached <u>4</u> page(s) are not needed now for the business for this agency or will not be needed after the retention periods specified, and that written concurrence from the General Accounting Office, under the provisions of Title 8 of the GAO Manual for Guidance of Federal Agencies, <input checked="" type="checkbox"/> is not required <input type="checkbox"/> is attached, or <input type="checkbox"/> has been requested | | | |
| DATE 5/13/2009 | SIGNATURE OF AGENCY REPRESENTATIVE <i>[Signature]</i> Daniel W. Bennett | | TITLE IRS Records Officer National Office, OS A RE SC Washington, DC 20224 |
| 7 ITEM NO | 8 DESCRIPTION OF ITEM AND PROPOSED DISPOSITION | 9 GRS OR SUPERSEDED JOB CITATION | 10 ACTION TAKEN (NARA USE ONLY) |
| | RCS 1.15.28 Records Control Schedule for Collection 1). Add new TIP Data Base (TIPDB), New Item 148. RCS 1.15.35 Records Control Schedule for Tax Administration – Systems (Electronic) 1). Add new pointer to Item 148 in RCS 1.15.28. The records are owned by the SB/SE National Tip Compliance Program. <i>See Attached.</i> | | |

Background:

The TIP Data Base (TIPDB) stores all tip rate agreement data for casinos that have signed on since 1992. This is matched against data received from casinos on venues and hours worked by non-participating workers to determine what their tips should be based on those agreements, then compared against what the worker actually reported. The Tip Database helps to quickly and more accurately identify non-filers or tip income under-reporters by eliminating errors from a previously manual process. This will simplify and speed the classification and examination process thereby reducing the burden on any taxpayers involved. The application currently serves the Las Vegas, Nevada Casino Gaming Industry but will be expanded nationally to Restaurateurs, Indian Gaming Industry and Cosmetology. Future expansion may include taxi and limousine drivers, cruise ship tour guides, golf course caddies and related field and service industries.

Note - TIPDB was retired on February 26th, 2009. The historical data from the TIPDB application is archived onto a secure drive on a single user's system in Las Vegas, NV for usage in closing any outstanding audits requiring this historical data. It is backed up on a regular schedule. The data previously stored on the system located in San Francisco, CA has been removed from that system following successful migration and off-site multi-user access to the archived data is not permitted.

TIP Data Base (TIPDB). The name "TIP" is not an acronym, but reflects "tips" received by employees in the Gaming/Casino Industry.

Tip Data Base (TIPDB)

Description:

The TIP Data Base (TIPDB) is a stand alone system that captures information from the Gaming Industry Tip Compliance Agreements (GITCA) and Tip Rate Determination Agreements (TRDA) on rates, venues, shifts, and casinos, as well as annual reports from

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casinos, restaurants, and taxi companies, etc., regarding the following information on tipped employees: occupation, venue, tip participation status, shift worked, total hours worked, total wages, total tips reported, employee name, SSN, address, termination date, and hire date. Once the information is captured, TIPDB merges the information and lists the potential unreported tip income for tipped individuals in descending order. The database is accessed by analysts to determine which tipped taxpayers need to be audited within any industry that has a tip agreement and established rates.

Note – TIPDB was retired on February 26, 2009. Archived data continues to be accessed to close accounts that are subject to audit.

Inputs:

TIPDB receives data from third party sources that is manipulated into a standard format and transferred into the TIPDB: Data includes tip rate agreement data for venue, positions, effective date (and potentially Employer Identification Number – EIN).

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Disposition: TEMPORARY. Destroy immediately after entry into TIPDB and validation.

Note – All data received from Third Party sources and used as inputs to TIPDB can be destroyed immediately. TIPDB was inactivated February 26, 2009.

a. System Data:

The Tip DB System Data Store includes tip rate agreement data on venue, positions, effective dates (and potentially Employer Identification Numbers – EIN, employee Social Security Numbers (SSN), occupations, tip participation status, shifts worked, total hours worked, total wages, total tips reported, employee's name, address, termination date, and effective hire date. The data is used to settle collection accounts, conduct audits, investigate fraud, measure compliance, and examine other tax related issues.

Disposition: TEMPORARY. Destroy 3 years after all accounts have been audited and settled, or when no longer need to research tax fraud and other compliance issues, whichever is later.

b. Outputs:

Internal Revenue Service employees use the TIPDB to retrieve data. There is a capability for users to query the database for historical information on individual taxpayers (through SSN) or establishments (through establishment name). The history of a taxpayer assists with determining tax fraud. Information can be queried on establishments for their tip rate history. Like-kind establishment indicators have been input on some entries (this has not been completed for all establishments) and queries can be conducted to pull all rates for a position with the same like-kind establishment indicator. System Administrators have the capability to query all information contained in TIPDB and generate reports of all data.

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Disposition: TEMPORARY. Outputs from inquiries are printed and filed in relevant case files. The case files are scheduled series including Examination Case Files (RCS/23, Items 42 A and B N1-058-88-04), Investigative Case Files (RCS/30, Item 15 N1-058-07-11), Tax Delinquency Investigations (TDI), Tax Delinquency Accounts (TDA), and 100% Penalty Case Files (RCS/28, Item 41 N1-058-90-3).

d. Data Base Documentation

TIP Data Base is a standard data base that requires no instructions. IRS employees enter establishment name or employee Social Security Number (SSN) to access account information. No formal instructions were created.

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Disposition: Not applicable.