

REQUEST FOR RECORDS DISPOSITION AUTHORITY (See Instructions on reverse)		LEAVE BLANK (NARA use only)		
		JOB NUMBER N1-058-09-45		
TO NATIONAL ARCHIVES and RECORDS ADMINISTRATION (NWML) 8601 ADELPHI ROAD, COLLEGE PARK, MD 20740-6001		DATE RECEIVED 7/1/09		
1 FROM (Agency or establishment) Department of the Treasury		NOTIFICATION TO AGENCY		
2 MAJOR SUBDIVISION Internal Revenue Service		In accordance with the provisions of 44 U S C 3303a the disposition request, including amendments, is approved except for items that may be marked "disposition not approval" or "withdrawn" in column 10		
3 MINOR SUBDIVISION Small Business/Self Employed, Communications – Liaison and Disclosure, Data Services				
4 NAME OF PERSON WITH WHOM TO CONFER Daniel W Bennett, IRS Records Officer Carolyn B Dinkle Benita F Burton (MITS)		5 TELEPHONE 202-435-6337 202-412-4205 313-234-2157	DATE 9-18-09	ARCHIVIST OF THE UNITED STATES <i>Adrienne Thomas</i>
5 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>3</u> pages(s) are not now needed for the business of 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 type="checkbox"/> is not required, <input type="checkbox"/> is attached, or <input type="checkbox"/> has been requested				
DATE 7/1/2009	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7 ITEM NO	8 DESCRIPTION OF ITEM OF PROPOSED DISPOSITION	9 GRS OR SUPERSEDED JOB CITATION	10 ACTION TAKEN (NARA USE ONLY)	
	<p>RCS 1.15.18 for Records Control Schedule for the Enterprise Computing Center – Detroit (DCC)</p> <p>Future Updates:</p> <ul style="list-style-type: none"> • Adds new Item 62 for the Fed-State CP2000 Underreporter Notice Extract (KIRP) Process Records <p>Item 62 Fed-State CP2000 Underreporter Notice Extract (KIRP) Process Records</p> <p>Sub-Items</p> <ul style="list-style-type: none"> • a. Inputs b. Outputs c. Data d. Systems Documentation <p>RCS 1.15.35 Records Control Schedule for Tax Administration – Systems (Electronic)</p> <p>a.) Add new pointer to Item 62 in RCS 1.15.18</p> <p>The records are owned by the SB/SE, Communications – Liaison and Disclosure, Data Services and processed by the Detroit Computing Center (DCC).</p> <p>See the attached</p>			

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Background:

In February 2003, representatives from the W&I and SBSE operating divisions, along with their consultant, the Kleimann Communication Group (KCG), began an effort to redesign the CP2000, Underreporter Notice (CP2000). The CP2000 notice was one of IRS' more complex, problematic notices, driving many taxpayers to call or write the IRS for clarification. The team focused on creating a user friendly notice that would not only simplify the notice and better meet customer needs but also provide the IRS with the desired business outcomes such as quicker taxpayer response and voluntary compliance.

As a result of their efforts, the team met these goals and created the new CP2000. The new CP2000 is written in plain language, provides taxpayers with answers to frequently asked questions and has an entirely new layout that easily navigates taxpayers through this multi-page notice. The reinvented CP2000 went into production the week of Dec 13, 2004.

The CP 2000 (Computer Paragraph 2000) extract contains information from IRS Underreporter cases. IRS matches data from the IMF against the (Information Returns Master File (IRMF), and if a discrepancy is detected, an Underreporter Case with the potential discrepancy is created. An example is the comparing of Forms 1099 - DIV information found in the IRMF to the information provided by the taxpayer found in the Individual Master File (IMF/Individual Return Transaction File - IRTF). The extract is available in three forms. The state code extraction is for state agencies only. The cities can receive the extract by submitting pre-approved zip codes, and both the state/city agencies can submit SSN ticklers to obtain information on a taxpayer that is outside of their area but may potentially have a tax obligation to that state/city.

Discrepancies are reviewed and if not resolved at the IRS Campus (Processing Center), an Automated Underreporter (AUR) case is generated. A CP 2000 Notice is automatically generated and sent to the taxpayer, proposing an adjustment to the account. Only information from closed cases which result in additional Federal assessments is provided in the extract.

This extract presents one of the easiest methods for state departments of revenue to generate correct assessments and increase collections. An automated program can be developed by the state to generate an assessment letter to the taxpayer based on the Federal assessment. When automation is used, few cases need to be worked manually. States are able to generate assessments and collect additional revenue based on the Federal assessment with minimal cost.

CP 2000 extract is distributed 6 times over an 18 month period for the state and zip code options. The 7th distribution is for the SSN tickler option only. The ticklers are run against all information accumulated during the 19 month distribution period for that tax year. The number of records in the CP 2000 extract varies each year as inventory levels of Automated Underreporter (AUR) cases worked at IRS Campuses fluctuate, due to workload priority and resource availability.

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IRM
1 15.18,
Item 62

**Fed-State CP2000 Underreporter Notice Extract (KIRP)
Process Records**

Description:

Fed-State CP2000 Underreporter Notice Extract (KIRP) - The CP 2000 (Computer Paragraph 2000) Underreporter Notice Extract contains information from IRS Underreporter cases IRS matches data from the IMF against the (Information Returns Master File - IRMF), and if a discrepancy is detected, an Underreporter Case with the potential discrepancy is created An automated CP2000 Notice is sent to the taxpayer proposing an adjustment to an item of income, deductions, and/or credit that includes an explanation of the adjustment and a tax computation reflecting the adjustment If the taxpayer fails to respond or if the response is insufficient, the Service sends a Statutory Notice of Deficiency

A. Inputs:

Inputs to the Fed-State CP2000 Notice Extract (KIRP) include information extracted from the IRS Underreporter (AUR) and Individual Returns Master File (IRMF)

Disposition TEMPORARY. Delete/destroy any cached input files and other data immediately following validation of receipt by the system

Note - Official records of AUR and IRMF are appropriately scheduled under IRS Records Control Schedules 18 and 29

B. System Data:

Contents of the Fed-State CP2000 Notice Extract (KIRP) include, but are not limited to the following Name of Issuing Organization, Address of Issuing Organization, AUR Control Number, Notice Number, Notice Date, Taxpayer Social Security Number, Form Number, Tax Year, Issuing Organization Point-of-Contact Name, Issuing Organization Point-of-Contact Phone Number, and Various Issues Pertaining to the Tax Submission

Disposition. TEMPORARY Cut off at end of the Processing Year Delete/destroy 6 years after cutoff

C. Outputs:

Outputs from the Fed-State CP2000 Notice Extract (KIRP) include Extracts Data extracted from the IRS Underreporter (AUR) File and the Individual Master File (IRMF) and Computer Paragraph Notices This file contains extracted information which is shared with the Revenue Authorities of various States through the State and Local Government System (STATES). Notices to taxpayers are also printed from the Extract

Disposition Disposition TEMPORARY Delete/destroy any cached files and data immediately following validation of printing of CP2000 Notices and output to the STATES System

NEW

QRS 20

QRS 20

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**Note - The data warehouse for STATES house the official records for all outputs from the KIRP These are appropriately scheduled under the approval cited in Records Control Schedule 29 of the Internal Revenue Service*

D. System Documentation

System Documentation for the Fed-State CP2000 Notice Extract (KIRP) consists of codebooks, records layout, Fed-State Extract Job Aid, and other related materials

Disposition TEMPORARY Delete/destroy when superseded or 5 years after the Extract Application is terminated, whichever is sooner

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**NSN 7450-00-634-4064
PREVIOUS EDITION NOT USABLE**

STANDARD FORM 115 (REV. 3-91)
Prescribed by NARA
36 CFR 1228