



DEPARTMENT OF DEFENSE
DEFENSE PRIVACY AND CIVIL LIBERTIES OFFICE
241 18TH STREET SOUTH, SUITE 101
ARLINGTON, VA 22202-4512

April 29, 2013

MEMORANDUM FOR THE DEFENSE FINANCE & ACCOUNTING SERVICE PRIVACY
OFFICE

SUBJECT: Justification for the Continued Use of Social Security Numbers in DITPR System
Number 1666 – Accepted

Thank you for completing your review of Social Security Number (SSN) use within your system. After review, the Defense Privacy and Civil Liberties Office has accepted your justification for continued use of the SSN for the purpose of (7) Federal Taxpayer Identification Number. Further review of this system will not be required under DoD's current SSN Reduction plan. While this system has been identified as still requiring collection, maintenance, and use of the SSN, you must continue to ensure that this data is afforded the highest protections practicable through use of appropriate administrative, technical and physical safeguards. Please maintain a copy of your justification and this memo in your records.

If you have any questions, please contact Ms. Viki Halabuk at (703) 571-0070 or e-mail viki.halabuk@osd.mil.

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Date: 2013.05.10 08:51:45 -04'00'

Samuel P. Jenkins
Director for Privacy



DEFENSE FINANCE AND ACCOUNTING SERVICE
8899 EAST 56TH STREET
INDIANAPOLIS, INDIANA 46249

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MEMORANDUM FOR DEFENSE PRIVACY AND CIVIL LIBERTIES OFFICE

SUBJECT: Justification for the Use of the Social Security Number (SSN) – 1099 Tax Reporting Program

The Defense Finance and Accounting Service utilizes a program called the 1099 Tax Reporting Program (1099TRP) to capture calendar year payment data for vendors, contractors and individuals. This data contains social security numbers (SSNs) required for issuance of IRS Form 1099 Miscellaneous tax documents.

The justification for the use of the SSN is DoDI 1000.30, Enclosure 2, Paragraph 2.c.(7) "Federal Taxpayer Identification Number". The application of Federal and State income tax programs rely on the use of the SSN. As such, systems that have any function that pertains to the collection, payment, or record keeping of this use may contain the SSN. Additionally, individuals who operate businesses under their own name may use their SSN as the tax identification number for the business entity.

The authority for this DoD information system to collect, use, maintain and/or disseminate Personally Identifiable Information is found in the following: Internal Revenue Code (IRC) Title 31 U.S.C. Subtitle III, Chapter 33, Subchapter II Money and Finance Section 3325; Internal Revenue Code (IRC) Title 26 U.S.C. Subtitle F: 6041, 6041A, 6041-3, 6050, 6050M; Department of Defense Financial Management Regulation (DoDFMR) 7000.14-R, Volume 10, Chapter 6, 12, 18 & 23; Federal Acquisition Regulation 4.9, 52.204; and Internal Revenue Publication 1220 and 1099 General Instructions. DFAS has documented the requirement to collect SSN in its System of Records Notice and Privacy Impact Assessment as referenced in DoDI 1000.30, DOD IT Portfolio Repository 1666 (DITPR) applies to this system.

Justification for the use of the SSN does not constitute blanket permission to use the SSN. Because the 1099TRP application supports Federal income tax programs, the SSN must continue to be collected and stored in order to print the SSN on tax documents and to pass them onto the Internal Revenue Service. The 1099TRP has taken the following steps to safeguard the SSNs by masking portions of the SSN on reports, limiting the access to SSNs through user roles, Common Access Card enabling the application, limiting the access to .mil, .gov or specific .edu traffic, monitoring and removing access in a timely manner, and by maintaining the application at a Defense Information Systems Agency location.

Gregory L. Schmalfeldt
Director, Standards
Enterprise Solutions and Standards