

*Estimated Number of Respondents/Recordkeepers:* 76,000.

*Estimated Burden Hours Per*

*Respondent/Recordkeeper:*

Recordkeeping—26 min.

Learning about the law or the form—7 min.

Preparing the form—26 min.

Copying, assembling, and sending the form to the IRS—20 min.

*Frequency of Response:* Annually.

*Estimated Total Reporting/*

*Recordkeeping Burden:* 101,080 hours.

*OMB Number:* 1545-0160.

*Form Number:* IRS Form 3520-A.

*Type of Review:* Extension.

*Title:* Annual Information Return of Foreign Trust with a U.S. Owner.

*Description:* Section 6048(b) requires that foreign trusts with at least one U.S. beneficiary must file an annual information return on Form 3520-A. The form is used to report the income and deductions of the foreign trust and provide statements to the U.S. owners and beneficiaries. IRS uses Form 3520-A to determine if the owner of the trust has included the net income of the trust in its gross income.

*Respondents:* Individuals or households, Business or other for-profit.

*Estimated Number of Respondents/Recordkeepers:* 500.

*Estimated Burden Hours Per*

*Respondent/Recordkeeper:*

Recordkeeping—37 hr., 18 min.

Learning about the law or the form—2 hr., 40 min.

Preparing and sending the form to the IRS—3 hr., 24 min.

*Frequency of Response:* Annually.

*Estimated Total Reporting/*

*Recordkeeping Burden:* 21,700 hours.

*OMB Number:* 1545-0192.

*Form Number:* IRS Form 4970.

*Type of Review:* Extension.

*Title:* Tax on Accumulation

Distribution of Trusts.

*Description:* Form 4970 is used by a beneficiary of a domestic or foreign trust to compute the tax adjustment attributable to an accumulation distribution. The form is used to verify whether the correct tax has been paid on the accumulation distribution.

*Respondents:* Individuals or households.

*Estimated Number of Respondents/Recordkeepers:* 30,000.

*Estimated Burden Hours Per*

*Respondent/Recordkeeper:*

Recordkeeping—1 hr., 12 min.

Learning about the law or the form—15 min.

Preparing the form—1 hr., 25 min.

Copying, assembling, and sending the form to the IRS—20 min.

*Frequency of Response:* Annually.

*Estimated Total Reporting/Recordkeeping Burden:* 96,600 hours.

*OMB Number:* 1545-1181.

*Form Number:* IRS Form 8752.

*Type of Review:* Extension.

*Title:* Required Payment or Refund Under section 7519.

*Description:* This form is used to verify that partnerships and S corporations that have made a section 444 election have correctly reported the payment required under section 7519.

*Respondents:* Business or other for-profit.

*Estimated Number of Respondents/Recordkeepers:* 72,000.

*Estimated Burden Hours Per*

*Respondent/Recordkeeper:*

Recordkeeping—5 hr., 44 min.

Learning about the law or the form—1 hr., 0 min.

Preparing, copying, assembling, and sending the form to the IRS—1 hr., 7 min.

*Frequency of Response:* Annually.

*Estimated Total Reporting/*

*Recordkeeping Burden:* 565,920 hours.

*Clearance Officer:* Glenn Kirkland (202) 622-3428, Internal Revenue Service, Room 6411-03, 1111 Constitution Avenue, NW., Washington, DC 20224.

*OMB Reviewer:* Joseph F. Lackey, Jr. (202) 395-7316, Office of Management and Budget, Room 10235, New Executive Office Building, Washington, DC 20503.

**Lois K. Holland,**

*Treasury PRA Clearance Officer.*

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**BILLING CODE 4830-01-P**

## DEPARTMENT OF THE TREASURY

### Privacy Act of 1974; System of Records

**AGENCY:** Treasury.

**ACTION:** Notice of alteration to a Privacy Act System of Records.

**SUMMARY:** The Department is altering its system of records Treasury .001-Treasury Payroll and Personnel System due to the recent upgrade of the automated, integrated human resources system (HRS) used by the Department.

**DATES:** Comments must be received by July 28, 2003. The proposed altered systems of records will become effective August 5, 2003 unless comments are received that would result in a contrary determination.

**ADDRESSES:** Comments should be sent to: Director, Office of Human Resources Enterprise Solutions, Department of the Treasury, 1500 Pennsylvania Ave., NW., Washington, DC 20220.

**FOR FURTHER INFORMATION CONTACT:** Kim Pridgen, Office of Human Resources Enterprise Solutions, (202) 622-1520.

**SUPPLEMENTARY INFORMATION:** In January 2001, the Human Resources System Program Office (HRSPPO) and the Treasury Integrated Management Information Systems (TIMIS) organizations were merged to create the Office of Human Resources Enterprise Solutions (HRES). The new structure, whose mission is to improve human resources systems and service delivery to Treasury through the application of innovative enterprise-wide technology, was designed to concentrate efforts and resources on Human Resource (HR) system modernization and to consolidate operations support into the future. Treasury and its bureaus have undertaken efforts to reengineer HR management and to design, develop and implement a new automated human resources system (HRS), which is based on a suite of commercial-off-the-shelf (COTS) products. The Departmental and bureau partnership formed to implement the new system will aid Treasury's bureaus in meeting their primary business need for an integrated HRS that will increase the timeliness and accuracy of personnel data, assist in streamlining personnel processes and enable users to directly and easily access and enter HR information in a secure environment. The basis for the Treasury initiative is to leverage COTS products to act as a catalyst to reengineer HR processes and practices at the Department. These improvements will reduce non-value added work so that resources can be redirected to value-added use.

The System name is being changed from Treasury Payroll and Personnel System to "Treasury Personnel and Payroll System". The address for each bureau is being added under "system location" to bring the notice into conformance with other Treasury-wide notices.

As a result of the establishment of the Department of Homeland Security and the transfer of four Treasury bureaus: Bureau of Alcohol, Tobacco and Firearms, United States Customs Service, Federal Law Enforcement Training Center and the United States Secret Service, the references to those bureaus are being removed from this system of records. In addition, pursuant to Treasury Order 120-01 dated January 21, 2003, the Alcohol and Tobacco Tax and Trade Bureau (TTB) was established and is being added to "System location" and "System manager".

The notice is also revised to add applicants and applicant data as new

categories under "Categories of individuals covered by the system," "Categories of records in the system" and "Purposes." "Retrievability" is being revised to add "employee identification" as a category. The "System manager(s)" is revised to identify the official responsible for the program at each bureau. The alterations also add new authority citations under "Authority for maintenance of the system," and adds routine use (17) as a new routine use to the notice.

The notice for the system of records was last published in its entirety on February 19, 2002 at 67 FR 7461.

The altered system of records report, as required by 5 U.S.C. 552a(r) of the Privacy Act, has been submitted to the Committee on Government Reform and Oversight of the House of Representatives, the Committee on Governmental Affairs of the Senate, and the Office of Management and Budget, pursuant to Appendix I to OMB Circular A-130, Federal Agency Responsibilities for Maintaining Records About Individuals, dated November 30, 2000.

The system of records, "Treasury .001—Treasury Personnel and Payroll System—Treasury" is published in its entirety below.

Dated: June 19, 2003.

**W. Earl Wright, Jr.,**

*Acting Chief Management and Administrative Programs Officer.*

#### **Treasury .001**

##### **SYSTEM NAME:**

Treasury Personnel and Payroll System—Treasury.

##### **SYSTEM LOCATION:**

The Shared Development Center of the Treasury Personnel/Payroll System is located at 1750 Pennsylvania Avenue NW., Suite 1300, Washington, DC 20220. The Treasury Personnel System processing site is located at the Internal Revenue Service Detroit Computing Center, 985 Michigan Avenue, Detroit, MI 48226. The Treasury Payroll processing site is located at the United States Department of Agriculture National Finance Center, 13800 Old Gentilly Road, New Orleans, LA 70129.

The locations at which the system is maintained by all Treasury components, except the Office of Thrift Supervision, and their associated field offices are:

- (1) Departmental Offices (DO):
  - a. 1500 Pennsylvania Ave., Washington, DC 20220.
  - b. The Office of Inspector General (OIG): 740 15th Street, NW., Washington, DC 20220.
  - c. Treasury Inspector General for Tax Administration (TIGTA): 1125 15th

Street, Suite 700A, NW., Washington, DC 20005.

(2) Alcohol and Tobacco Tax and Trade Bureau (TTB): 650 Massachusetts Avenue, NW., Washington, DC 20226.

(3) Office of the Comptroller of the Currency (OCC): 250 E Street, SW., Washington, DC 20219-0001.

(4) Bureau of Engraving and Printing (BEP): 14th & C Streets, SW., Washington, DC 20228.

(5) Financial Management Service (FMS): 401 14th Street, SW., Washington, DC 20227.

(6) Internal Revenue Service (IRS): 1111 Constitution Avenue, NW., Washington, DC 20224.

(7) United States Mint (MINT): 801 9th Street, NW., Washington, DC 20220.

(8) Bureau of Public Debt (BPD): 999-E Street, NW., Washington, DC 20239.

(9) Financial Crimes Enforcement Network (FinCEN), PO Box 39, Vienna, VA 22183-0039.

##### **CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:**

Employees, former employees, and applicants for employment, in all Treasury Department bureaus and offices, except the Office of Thrift Supervision.

##### **CATEGORIES OF RECORDS IN THE SYSTEM:**

Information contained in this system include such data as: (1) Employee identification and status data such as name, social security number, date of birth, sex, race and national origin designator, awards received, suggestions, work schedule, type of appointment, education, training courses attended, veterans preference, and military service; (2) Employment data such as service computation for leave, date probationary period began, date of performance rating, and date of within-grade increases; (3) Position and pay data such as position identification number, pay plan, step, salary and pay basis, occupational series, organization location, and accounting classification codes; (4) Payroll data such as earnings (overtime and night differential), deductions (Federal, state and local taxes, bonds and allotments), and time and attendance data; (5) Employee retirement and Thrift Savings Plan data; (6) Employment history, and (7) Tables of data for editing, reporting and processing personnel and pay actions. These include nature of action codes, civil service authority codes, standard remarks, signature block table, position title table, financial organization table, and salary tables.

##### **AUTHORITY FOR MAINTENANCE OF THE SYSTEM:**

5 U.S.C. 301; 31 U.S.C. 321; Treasury Directive 80-05, Records and Information Management Program.

##### **PURPOSE(S):**

The purposes of the system include, but are not limited to: (1) Maintaining current and historical payroll records that are used to compute and audit pay entitlement; to record history of pay transactions; to record deductions, leave accrued and taken, bonds due and issued, taxes paid; maintaining and distributing Leave and Earnings statements; commence and terminate allotments; answer inquiries and process claims; and (2) maintaining current and historical personnel records and preparing individual administrative transactions relating to education and training; classification; assignment; career development; evaluation; promotion, compensation, separation and retirement; making decisions on the rights, benefits, entitlements and the utilization of individuals; providing a data source for the production of reports, statistical surveys, rosters, documentation, and studies required for the orderly personnel administration within Treasury; and (3) maintaining employment history.

##### **ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:**

These records may be used to:

(1) Furnish data to the Department of Agriculture, National Finance Center (which provides payroll and personnel processing services for Treasury under a cross-servicing agreement) affecting the conversion of Treasury employee payroll and personnel processing services; the issuance of paychecks to employees and distribution of wages; and the distribution of allotments and deductions to financial and other institutions, some through electronic funds transfer;

(2) Furnish the Internal Revenue Service and other jurisdictions which are authorized to tax employees' compensation with wage and tax information in accordance with a withholding agreement with the Department of the Treasury pursuant to 5 U.S.C. 5516, 5517, and 5520, for the purpose of furnishing employees with IRS Forms W-2 that report such tax distributions;

(3) Provide records to the Office of Personnel Management, Merit Systems Protection Board, Equal Employment Opportunity Commission, and General Accounting Office for the purpose of properly administering Federal personnel systems or other agencies'

systems in accordance with applicable laws, Executive Orders, and regulations;

(4) Furnish another Federal agency with information necessary or relevant to effect interagency salary or administrative offset, except that addresses obtained from the Internal Revenue Service shall not be disclosed to other agencies; to furnish a consumer reporting agency information to obtain commercial credit reports; and to furnish a debt collection agency information for debt collection services. Current mailing addresses acquired from the Internal Revenue Service are routinely released to consumer reporting agencies to obtain credit reports and are arguably relevant to debt collection agencies for collection services;

(5) Disclose information to a Federal, state, local, or foreign agency maintaining civil, criminal, or other relevant enforcement information or other pertinent information, that has requested information relevant to or necessary to the requesting agency's hiring or retention of an individual, or issuance of a security clearance, license, contract, grant, or other benefit;

(6) Disclose information to a court, magistrate, or administrative tribunal in the course of presenting evidence, including disclosures to opposing counsel or witnesses in the course of civil discovery, litigation or settlement negotiations in response to a subpoena where arguably relevant to a proceeding, or in connection with criminal law proceedings;

(7) Disclose information to foreign governments in accordance with formal or informal international agreements;

(8) Provide information to a congressional office in response to an inquiry made at the request of the individual to whom the record pertains;

(9) Provide information to the news media in accordance with guidelines contained in 28 CFR 50.2, which relates to civil and criminal proceedings;

(10) Provide information to third parties during the course of an investigation to the extent necessary to obtain information pertinent to the investigation;

(11) Provide information to unions recognized as exclusive bargaining representatives under the Civil Service Reform Act of 1978, 5 U.S.C. 7111 and 7114;

(12) Provide wage and separation information to another agency, such as the Department of Labor or Social Security Administration, as required by law for payroll purposes;

(13) Provide information to a Federal, state, or local agency so that the agency may adjudicate an individual's

eligibility for a benefit, such as a state employment compensation board, housing administration agency, and Social Security Administration;

(14) Disclose pertinent information to appropriate Federal, state, local or foreign agencies responsible for investigating or prosecuting the violation of, or for implementing, a statute, regulation, order, or license, where the disclosing agency becomes aware of a potential violation of civil or criminal law or regulation;

(15) Disclose information about particular Treasury employees to requesting agencies or non-Federal entities under approved computer matching efforts, limited only to those data elements considered relevant to making a determination of eligibility under particular benefit programs administered by those agencies or entities or by the Department of the Treasury or any constituent unit of the Department, to improve program integrity, and to collect debts and other money owed under those programs (*e.g.*, matching for delinquent loans or other indebtedness to the government);

(16) Disclose to the Office of Child Support Enforcement, Administration for Children and Families, Department of Health and Human Services, the names, social security numbers, home addresses, dates of birth, dates of hire, quarterly earnings, employer identifying information, and State of hire of employees, for the purposes of locating individuals to establish paternity, establishing and modifying orders of child support, identifying sources of income, and for other child support enforcement activities as required by the Personal Responsibility and Work Opportunity Reconciliation Act (Welfare Reform Law, Pub. L. 104-193);

(17) Disclose information to contractors, grantees, experts, consultants, students, and others performing or working on a contract, service, grant, cooperative agreement, or other assignment for the Department of the Treasury, when necessary to accomplish an agency.

#### **DISCLOSURE TO CONSUMER REPORTING AGENCIES:**

Disclosures may be made pursuant to 5 U.S.C. 552a(b)(12) and section 3 of the Debt Collection Act of 1982, Pub. L. 97-365; debt information concerning a government claim against an individual is also furnished, in accordance with 5 U.S.C. 552a(b)(12) and section 3 of the Debt Collection Act of 1982, to consumer reporting agencies to encourage repayment of an overdue debt. Disclosures may be made to a consumer reporting agency as defined in

the Fair Credit Reporting Act, 15 U.S.C. 1681a(f), or the Federal Claims Collection Act of 1966, 31 U.S.C. 701(a)(3).

#### **POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:**

##### **STORAGE:**

Electronic records, microfiche, and hard copy. Disbursement records are stored at the Federal Records Center.

##### **RETRIEVABILITY:**

Records are retrieved generally by social security number, position identification number within a bureau and sub-organizational element, employee identification or employee name. Secondary identifiers are used to assure accuracy of data accessed, such as master record number or date of birth.

##### **SAFEGUARDS:**

Entrances to data centers and support organization offices are restricted to those employees whose work requires them to be there for the system to operate. Identification (ID) cards are verified to ensure that only authorized personnel are present. Disclosure of information through remote terminals is restricted through the use of passwords and sign-on protocols, which are periodically changed. Reports produced from the remote printers are in the custody of personnel and financial management officers and are subject to the same privacy controls as other documents of similar sensitivity.

##### **RETENTION AND DISPOSAL:**

The current payroll and personnel system and the personnel and payroll system's master files are kept as electronic media. Information rendered to hard copy in the form of reports and payroll information documentation is also retained in an electronic media format. Employee records are retained in automated form for as long as the employee is active on the system (separated employee records are maintained in an "inactive" status). Files are purged in accordance with Treasury Directives 80-05, "Records and Information Management Program."

##### **SYSTEM MANAGER(S) AND ADDRESS:**

Department of the Treasury: Official prescribing policies and practices: Director, Office of Human Resources Enterprise Solutions, 1750 Pennsylvania Avenue NW., Washington, DC 20220.

The systems managers for the Treasury components are:

(1) a. DO: Chief, Personnel Resources, 1500 Pennsylvania Avenue, NW., Washington, DC 20220.

b. OIG: Personnel Officer, 740 15th Street NW., Suite 500, Washington, DC 20220.

c. TIGTA: National Director, Human Resources, 1111 Constitution Avenue, NW., Room 6408, TIGTA: MRS, Washington, DC 20224.

(2) TTB: Chief, Personnel Division, 650 Massachusetts Ave., NW., Washington, DC 20226.

(3) OCC: Director, Human Resources, 250 E Street, SW., Washington, DC 20219.

(4) BEP: Chief, Office of Human Resources, 14th & C Streets, SW., Room 202-13A, E&P Annex, Washington, DC 20228.

(5) FMS: Director, Personnel Management Division, 3700 East West Hwy, Room 115-F, Hyattsville, MD 20782.

(6) IRS: Associate Director, Transactional Processing Operations, 1111 Constitution Avenue, NW., CP6, A:PS:TP, 2nd Floor, Washington, DC 20224.

(7) MINT: Assistant Director for Human Resources, 801 9th Street, NW., 6th Floor, Washington, DC 20220.

(8) BPD: Director, Human Resources Division, 999-E Street, NW., Washington, DC 20239.

(9) FinCEN: Chief of Personnel and Training, P.O. Box 39, Vienna, VA 22183-0039.

**NOTIFICATION PROCEDURE:**

Individuals seeking notification and access to any record contained in the system of records, or seeking to contest its content, may inquire in accordance with instructions pertaining to

individual Treasury components appearing at 31 CFR part 1, subpart C, appendices A-L.

**RECORD ACCESS PROCEDURES:**

See "Notification procedure" above.

**CONTESTING RECORD PROCEDURES:**

See "Notification procedure" above.

**RECORD SOURCE CATEGORIES:**

The information contained in these records is provided by or verified by the subject of the record, supervisors, and non-Federal sources such as private employers.

**EXEMPTIONS CLAIMED FOR THE SYSTEM:**

None.

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**BILLING CODE 4810-25-P**