

**COMPUTER MATCHING AGREEMENT
BETWEEN
THE DEPARTMENT OF THE TREASURY/
THE INTERNAL REVENUE SERVICE
AND
THE SOCIAL SECURITY ADMINISTRATION
FOR THE DISCLOSURE OF INFORMATION
TO FEDERAL, STATE, AND LOCAL AGENCIES (DIFSLA)**

SSA Match #1016 – IRS Project #066

**Effective Date: January 1, 2026
Expiration Date: July 1, 2027**

I. PURPOSE

This computer matching agreement (Agreement) sets forth the terms and conditions under which the Internal Revenue Service (IRS) agrees, under the authority of 26 U.S.C. § 6103(l)(7), to disclose to the Social Security Administration (SSA) certain return information for use in verifying eligibility for, and the correct amount of, benefits provided under Title XVI of the Social Security Act (Act) to qualified aged, blind, and disabled individuals and for federally-administered supplementary payments as described in section 1616(a) of the Act (42 U.S.C. § 1382e(a)) (including payments pursuant to an agreement entered into under section 212(a) of Public Law (Pub. L.) 93-66 (87 Stat. 152)). 42 U.S.C. § 1382 note.

II. LEGAL AUTHORITY

This Agreement between IRS and SSA is executed pursuant to the Privacy Act of 1974, (5 U.S.C. § 552a), as amended by the Computer Matching and Privacy Protection Act of 1988, and otherwise; and the Office of Management and Budget (OMB) Final Guidance interpreting those Acts.

Section 6103(l)(7) of the Internal Revenue Code (IRC) (26 U.S.C. § 6103(l)(7)) authorizes IRS to disclose return information with respect to unearned income to federal, state, or local agencies administering certain federally-assisted benefit programs under the Act.

Section 1631(e)(1)(B) of the Act (42 U.S.C. § 1383(e)(1)(B)) requires verification of Supplemental Security Income (SSI) eligibility and benefit amounts with independent or collateral sources. This section of the Act provides that the “Commissioner of Social Security shall, as may be necessary, request and utilize information available pursuant to section 6103(l)(7) of the [IRC]” for purposes of Title XVI benefits and for federally-administered supplementary payments of the type described in section 1616(a) of the Act (including payments pursuant to an agreement entered into under section 212(a) of Pub. L. 93-66).

The legal authority for the disclosure of SSA data under this Agreement is section 1106 of the Act (42 U.S.C. § 1306), section (b)(3) of the Privacy Act (5 U.S.C. § 552a(b)(3)), and the regulations and guidance promulgated under these provisions.

III. JUSTIFICATION AND ANTICIPATED RESULTS

A. Justification

Computer matching is the most feasible method of access due to the volume of requests for return information, the volume of responses, and the method in which information documents are maintained.

B. Anticipated Results

IRS does not derive any benefit, direct or indirect, from this matching program, nor does IRS incur any unreimbursed costs associated with the Disclosure of Information to Federal, State, and Local Agencies (DIFSLA) Program.

SSA expects to recover SSI overpayments and to correct ongoing monthly payments, for a total SSI benefit of \$74,525,076 million, based on fiscal year (FY) 2023 figures. The FY 2023 cost for this match was \$18,066,496.89 million. The Benefit-to-Cost ratio is 4.13:1.

See Attachment A: SSA Cost Benefit Analysis, SSA Match #1016.

IV. RECORDS DESCRIPTION

A. Systems of Records

1. SSA will disclose certain information to IRS regarding aged, blind, or disabled individuals who are applicants for, or recipients (and their deemors) of, SSI benefits or federally-administered State supplementary payments, or both, as described in section I of this Agreement. Specifically, SSA will provide IRS with identifying information (described in D.1 of this section) from the Supplemental Security Income Record and Special Veterans Benefit, 60-0103, last fully published at 71 Federal Register (Fed. Reg.) 1830 (January 11, 2006), amended at 72 Fed. Reg. 69723 (December 10, 2007), 83 Fed. Reg. 31250-51 (July 3, 2018), 83 Fed. Reg. 54969 (November 1, 2018), 89 Fed. Reg. 825 (January 5, 2024), and 89 Fed. Reg. 14554 (February 27, 2024).
2. IRS will match SSA's information with its Information Return Master File (IRMF) [Treasury/IRS 22.061], as published at 80 Fed. Reg. 54063 (September 8, 2015) and amended at 85 Fed. Reg. 64227 (October 9, 2020), through the DIFSLA program. IRS will extract and disclose to SSA return information with respect to unearned income of applicants or recipients (and their deemors) identified by SSA. The

information IRS discloses to SSA is limited to unearned income reported on information returns.

The information in these systems of records may be updated during the effective period of this Agreement as required by the Privacy Act. The systems of records involved in this Agreement have routine uses permitting the disclosures needed to conduct this match.

B. Routine Use Publication

SSA's routine use(s) for disclosures to IRS for this match is published at 71 Fed. Reg. 1830 (January 11, 2006).

IRS' routine use(s) for disclosures to SSA for this match is published at 80 Fed. Reg. 54081-082 (September 8, 2015).

C. Number of Records

1. In FY 2023, SSA submitted about 18 million finder file records to IRS. SSA expects to submit approximately 18 million finder file records during each fiscal year covered by this Agreement. SSA will notify IRS if there is any substantial change in the estimate.
2. IRS will provide a response record for each individual identified by SSA. The total number of records will be equal to or greater than the number of records submitted by SSA. It may be greater because, in some instances, an individual may have more than one record on file.

D. Specified Data Elements

1. SSA will furnish IRS with the Social Security number (SSN) and name control (first four characters of the surname) for each individual for whom unearned income information is being requested in accordance with current IRS Publication 3373, *Disclosure of Information to Federal, State, and Local Agencies (DIFSLA) Handbook*.
2. When there is a match of an individual identifier, IRS will disclose to SSA the following:
 - a. Payee Account Number,
 - b. Payee Name and Mailing Address,
 - c. Payee Taxpayer Identification Number (TIN),
 - d. Payer Name and Address,
 - e. Payer TIN, and
 - f. Income Type and Amount.

E. Starting and Completion Dates

The computer matching program will be conducted monthly beginning January 1, 2026, through June 30, 2027, in accordance with schedules published in the current revision of IRS Publication 3373, *DIFSLA Handbook*.

V. NOTICE PROCEDURES

- A. SSA will publish notice of the matching program in the *Federal Register* as required by the Privacy Act (5 U.S.C. § 552a(e)(12)).
- B. SSA will notify SSI recipients once during the life of the Agreement and, of any extension to the Agreement, of the comparison of records against those of other agencies to verify their eligibility or payment amounts. SSA's notice to SSI recipients is included in mailings pertaining to redetermination actions and to the annual cost-of-living adjustment notice to all recipients.

VI. VERIFICATION AND OPPORTUNITY TO CONTEST

A. Verification of Match Information

SSA will take appropriate steps to independently verify all unearned income information received from IRS to determine the validity or applicability of the information obtained through this matching program prior to the termination, denial, suspension, or reduction of any benefits. SSA will verify information as set forth in subsection B of this section. 5 U.S.C. § 552a(p).

B. Notice and Opportunity to Contest

1. Where adverse information is present, SSA will notify the applicant or recipient¹ and provide an opportunity to explain the circumstances prior to making a final eligibility determination or adjustment to current benefits.
2. Under applicable SSI regulations (20 C.F.R. § 416.1336), 10 days prior to taking any adverse action affecting an individual's payment status, SSA will notify the applicant or recipient, in writing, of the proposed adverse action. The notice will contain the following information:
 - (a) that SSA has received information which indicates that the proposed adverse action is necessary; and
 - (b) that the individual has 10 days to contest the proposed adverse action or SSA will conclude that the information upon which that decision is based is correct and will make necessary payment adjustments.

¹ References to an eligible applicant or recipient include the individual's representative payee, where applicable.

VII. DISPOSITION OF MATCHED ITEMS

A. SSA will:

1. Not create a separate file or system of records consisting of information concerning only those individuals who are involved in this specific matching program except as is necessary in controlling and/or verifying the information for purposes of this program; and
2. Destroy the matching file generated through this matching operation as soon as the information has served the matching program's purpose and all legal retention requirements established in conjunction with the National Archives and Records Administration under applicable procedures have been met.

B. IRS will:

1. Retain SSA's input/tickler file submission with identifying information for approximately 90 days. The information provided by SSA will not be used by the IRS for any purpose other than this matching program. The IRS Office of Records & Information Management has deemed this information to be of a transitory nature, or 'transitory records,' specifically 'intermediate input files' as defined in General Records Schedule 5.2, Item 010. IRS will protect transitory records in the same manner that it protects IRS records. IRS will destroy the input/tickler file when it is no longer needed for this computer matching program.

VIII. INCIDENT REPORTING AND BREACH NOTIFICATION

A. IRS and SSA will:

1. Comply with OMB loss reporting guidelines per OMB M-17-12 (January 3, 2017). If either SSA or IRS experiences an incident involving the suspected or confirmed breach (i.e., loss) of PII provided by SSA or IRS under the terms of this Agreement, they will follow the reporting guidelines issued by OMB. In the event of a suspected or confirmed PII breach, the agency experiencing the breach is responsible for following its established procedures, including notification to the proper organizations, (i.e., Cybersecurity & Infrastructure Security Agency (CISA) and the agency's privacy office). Immediately upon discovery of a potential cybersecurity incident, the agency experiencing the suspected or confirmed breach will notify the other agency's point of contact named in this Agreement. If IRS is unable to speak with the SSA Office of Privacy and Disclosure Breach Contact within one hour or if for some other reason notifying the SSA Breach Contact is not practicable (e.g., it is outside of the normal business hours), IRS will call SSA's Enterprise-IT Customer Service Desk at 1-877-697-4889. SSA will contact the IRS Computer Security Incident Response Center (CSIRC) at 240-613-3606 (operational 24 hours per day, 7 days per week).

2. Comply with section 3544(a)(1)(A)(ii) of the Federal Information Security Modernization Act of 2002 (FISMA), as amended by the Federal Information Security Modernization Act of 2014, which requires agencies and their contractors to ensure their computer systems are FISMA compliant. In this regard, the National Institute of Standards and Technology standards and guidance must be implemented and adhered to by IRS' and SSA's contractor(s).
- B. If the agency that experienced the breach determines that the risk of harm requires notification to affected individuals or other remedies, that agency will conduct these remedies without cost to the other agency.

IX. SAFEGUARD REQUIREMENTS AND DISCLOSURE RESTRICTIONS

A. SSA's responsibilities include the following:

1. Comply with the requirements of IRC § 6103(p)(4). These requirements are defined in IRS Publication 1075, *Tax Information Security Guidelines for Federal, State, and Local Agencies*, and are the standards utilized by the IRS Office of Safeguards, Government Liaison, Disclosure and Safeguards, hereafter referred to as "IRS Safeguards", when conducting on-site reviews. SSA will have the opportunity to present alternative solutions and compensating controls where they are unable to meet specified requirements as part of the Corrective Action Plan response process.
2. Submit an updated Safeguard Security Report (SSR) to IRS Safeguards by January 31st annually. The head of SSA must certify the SSR fully describes the procedures established for ensuring the confidentiality of return information, addresses all outstanding actions identified by the IRS Safeguards from SSA's prior year's SSR submission; and accurately and completely reflects the current physical and logical environment for the receipt, storage, processing and transmission of return information. SSA will include a listing of any agreements executed by SSA with another federal agency that provides for disclosure of return information provided by IRS under this Agreement.
3. Allow IRS to conduct periodic safeguard reviews involving physical inspections of facilities where return information that SSA receives from IRS under a matching program is maintained as well as automated and manual testing of computer systems where return information that SSA receives from IRS under a matching program is maintained, to ensure IRS safeguarding requirements are met. SSA will permit IRS access to such facilities and computer systems as needed to review SSA compliance with IRC § 6103(p)(4) requirements.
4. Officers and employees of SSA who are entitled to access return information provided under this Agreement must not access this information except to the extent necessary to achieve the purpose of the match. They must not disclose this information to any other officer or employee of SSA whose official duties do not require this information to determine eligibility for, or the correct amount of, benefits

under the SSI program as identified in section I. Officers and employees of SSA must not disclose this information except as specifically authorized by IRC § 6103(l)(7).

5. Officers and employees of SSA who inspect or disclose return information obtained pursuant to this Agreement in a manner or for a purpose not authorized by IRC § 6103(l)(7) are subject to the criminal penalty provisions of IRC §§ 7213 and 7213A, and of 18 U.S.C. § 1030(a)(2). In addition, SSA could be required to assist the Department of Justice (DOJ) in defending a civil damages action under IRC § 7431.
6. Incidents of suspected unauthorized inspections or disclosures of return information must be reported to IRS Safeguards within 24 hours of discovery.
7. When a data incident results in SSA taking adverse or disciplinary action against an employee based on an unauthorized inspection or disclosure of return information in violation of SSA's procedures, SSA must notify each impacted taxpayer in writing. The notification letter must include the date of the unauthorized inspection or disclosure and notify the taxpayer of their rights to file a civil action under IRC § 7431. SSA must report to IRS Safeguards when taxpayer notification letters are issued, in accordance with IRS Publication 1075.
8. Conduct periodic internal inspections of SSA facilities where return information is maintained, to ensure IRS safeguarding requirements and SSA security policies and procedures are being followed.
9. If SSA receives a Freedom of Information Act (FOIA) request for safeguard reports required to be filed with IRS pursuant to IRS Publication 1075, SSA will consult with IRS to obtain its views on disclosure before responding to the request, in accordance with DOJ guidance. IRS will promptly provide its views on the disclosability of the contents of the records to SSA. If SSA receives a FOIA request for a document that wholly originated from IRS or any communication from IRS that describes the security procedures that protect the return information provided under this Agreement, SSA will refer the request to IRS for processing in accordance with DOJ guidance.
10. Approximately 120 days prior to a scheduled on-site safeguard review of SSA, IRS will send a notification and request for additional information required in preparation of the review. Ninety (90) days prior to the review, IRS Safeguards will host a preliminary security evaluation call to discuss systems and environment to determine the potential scope of the on-site review. IRS Safeguards will deliver the proposed review scope, including the anticipated expense of the review, approximately 60 days prior to the start of the on-site review.

X. RECORDS USAGE AND DUPLICATION

A. IRS

1. Records provided by SSA will not be used to extract information concerning individuals therein for any purpose not specified in this Agreement.
2. Records provided by SSA will not be duplicated or disseminated within or outside the IRS, except as required by federal law, without the written permission of SSA.
3. IRS will retain SSA's input file(s) with identifying information for approximately 90 days or until no longer needed for this matching program. After that time, the file(s) will be electronically erased. This file is the only identifiable record IRS uses in the course of the matching program. SSA's files are not incorporated into IRS record keeping and are not used by IRS for any purpose other than this matching program.

B. SSA

SSA agrees to the following limitations on access to, and use of, return information provided by IRS:

1. Officers and employees of SSA may use the return information provided by IRS only for the purposes of, and to the extent necessary in, establishing eligibility for, or the correct amount of, benefits under the SSI program as identified in section I. of this Agreement. SSA may not use the information in any manner or for any purpose not authorized under IRC § 6103(l)(7). Any secondary use is specifically prohibited and may subject offending officers and employees to the imposition of civil or criminal penalties, or both.

SSA will not disclose to any person in any manner, return information received pursuant to this Agreement except as necessary to determine eligibility for, or the correct amount of, benefits under the program(s) specified in this Agreement.

2. IRC § 6103(a) prohibits disclosure of return information except as authorized in the IRC. IRC § 6103(l)(7) does not authorize recipient agencies to disclose return information obtained under this matching program to any contractor, Native American tribal governments, nor to another federal or state agency for any purpose not covered by this Agreement.
3. SSA will restrict access to return information solely to its officers and employees whose duties require access for the purposes for which the return information is disclosed to SSA under this Agreement. IRC § 6103(l)(7) does not authorize SSA to disclose returns or return information in a forum open to the public, such as a hearing before an Administrative Law Judge (ALJ) or a judicial proceeding. SSA's disability hearings before an ALJ are not in a forum open to the public.

XI. ACCURACY ASSESSMENTS

- A. IRS will initially validate all SSNs and name controls provided by SSA against the National Account Profile (NAP)-DM1 file prior to matching the records against the IRMF. The correctness of the return information provided to SSA is generally contingent upon the correctness of the information provided by the payer of the income.
- B. Supplemental Security Income Record and Special Veterans Benefit Database: SSA does not have an accuracy assessment specific to the data elements listed in this Agreement. However, SSA conducts assessments of the data in its Systems of Records as part of its ongoing financial integrity and internal control reviews in accordance with the guidelines established in OMB Management Procedures Memorandum No. 2016-03 – *Additional Guidance for DATA Act Implementation: Implementing Data-Centric Approach for Reporting Federal Spending Information*; OMB M-17-04 – *Additional Guidance for DATA Act Implementation: Further Requirements for Reporting and Assuring Data Reliability*; and OMB M-18-16 – Appendix A to OMB Circular No. A-123, *Management of Reporting and Data Integrity Risk*. Based on these reviews, which are certified by the agency’s Senior Accountable Official (agency Chief Financial Officer) and by the unqualified audit opinion rendered by the agency’s financial statement auditor, the agency has a reasonable assurance as to the accuracy and reliability of these data.

XII. ACCESS BY AUDITORS

- A. The Government Accountability Office (Comptroller General) may have access to IRS and SSA records, to the extent authorized by 26 U.S.C. § 6103 and 5 U.S.C. § 552a(o)(1)(K), for purposes of monitoring and verifying compliance with this Agreement.
- B. Only auditors or quality reviewers who are employees of the agency are authorized to access return information contained in agency files for purposes related to an audit of the agency’s determination of the correct amount of benefits or eligibility for benefits under plans administered by the agency. Contractors or agents of the agency (including contractors conducting independent assessments) may not have access to return information in agency eligibility files, except as authorized by IRS. Officers and employees of the Office of the Inspector General may only have access to return information contained in agency files for purposes of an audit directly related to the agency’s determination of the correct amount of benefits or eligibility for benefits under plans administered by the agency. Audits pertaining to general program operations or compliance with other federal programs or laws must not include access to return information. In those situations, any return information in electronic or paper format must be removed in accordance with IRS Publication 1075.

XIII. REIMBURSEMENT

All work done by IRS for SSA under this Agreement will be performed on a cost reimbursable basis. IRS will recover all reasonable direct and indirect costs, including overhead, associated with performing services for SSA under this Agreement. Pursuant to IRC § 6103(p)(2)(B), IRS may prescribe a reasonable fee for furnishing return information.

The cost estimates will be detailed on an executed Fiscal Service (FS) Forms 7600A and FS 7600B. IRS administers the computer matching program for the benefit of the agencies that participate in it. Accordingly, IRS expects to recover 100 percent of the costs it incurs to administer this program. In the unlikely event actions by one or more agencies significantly alter the total cost incurred by IRS or the calculation of the agencies' pro rata share of program costs, IRS may need to adjust the computation of annual costs. If this occurs, IRS will notify SSA.

Costs associated with this program are primarily related to the actions by IRS required to make the data sharing program available to SSA for the performance of the computer matching. These costs include personnel in place to administer the program, setup and testing of the matching system by the Office of the Chief Information Officer personnel, and the Safeguards program and personnel necessary to ensure protection of the associated federal tax information.

Billing will be prepared by IRS at least monthly and may be more frequent based on the work performed. Actual costs may be higher or lower than the estimate. SSA will transfer funds to IRS, in the form of progress or periodic payments, to support IRS' activities under this Agreement. IRS will collect funds from SSA during fiscal year 2026 and beyond through Bureau of Fiscal Service's G-Invoicing system, which will generate an Intragovernmental Payment and Collection (IPAC) bill, sufficient to reimburse IRS for the costs it has incurred for performing services through the date of billing. Additionally, no later than 30 days after an accountable event, IRS must provide SSA with a performance report (e.g., billing statement) that details all work performed to date. Additionally, the parties will reconcile balances related to revenue and expenses for work performed under the Agreement. If it becomes apparent that original cost estimates will be exceeded, modification through G-Invoicing will be required.

SSA may incur costs under this Agreement on a federal fiscal year basis only. Since this Agreement spans multiple fiscal years, SSA's ability to incur costs for fiscal years beyond FY 2026 is subject to the availability of funds. If funds are not available for reimbursement, IRS is not required to perform this match.

XIV. DURATION OF AGREEMENT

A. Matching Agreement

The effective date of this Agreement is January 1, 2026, provided that SSA reports the proposal to reestablish this matching program to the Congressional committees of jurisdiction and OMB in accordance with 5 U.S.C. § 552a(o)(2)(A) and OMB Circular A-108 (December 23, 2016), and SSA publishes notice of the matching program in the *Federal Register* in accordance with 5 U.S.C. § 552a(e)(12).

The initial term of this Agreement is eighteen (18) months.

Ninety (90) days prior to the expiration of this Agreement, the parties to this Agreement may request a 12-month extension in accordance with 5 U.S.C. § 552a(o)(2)(D). If either agency does not want to extend this Agreement, the agency should notify the partnering agency in writing at least 90 days prior to the expiration of this Agreement.

B. Modification and Termination of the Agreement

The parties may modify this Agreement at any time by a written modification, which satisfies both parties and is approved by the Data Integrity Board (DIB) of each agency. Any modification will be effective only after approval by the DIBs of both agencies.

The parties may terminate this Agreement at any time with the consent of both parties. Either party may unilaterally terminate this Agreement upon written notice to the other party, in which case the termination will be effective 90 days after the date of the notice, or at a later date specified in the notice, provided the termination date does not exceed the original or the extended completion date of the match.

Either SSA or IRS may immediately and unilaterally suspend the data flow of this Agreement or terminate this Agreement if there has been:

1. an unauthorized use of information obtained under this Agreement by a party;
2. a violation of, or failure to follow, the terms of this Agreement by a party;
3. an occurrence of non-payment by SSA to IRS in accordance with the parties' reimbursable agreement.

Any party may make an immediate, unilateral suspension of this Agreement if they suspect that a party has breached the terms for security of data until such time as the party suspecting the breach and the party suspected of making the breach reach a definite determination regarding a breach. Reimbursement for services provided will be paid regardless of any such suspension.

IRS will monitor and enforce compliance with federal safeguards requirements applicable to return information. If IRS determines that SSA fails to meet the safeguarding requirements, IRS will take steps to ensure that SSA corrects the areas of noncompliance.

Such steps may include, as appropriate, suspension or termination of further disclosures to SSA of return information. Federal tax regulations (26 C.F.R. § 301.6103(p)(7)-1) provide for an administrative review of any determination of noncompliance with IRC § 6103(p)(4).

XV. PERSONS TO CONTACT

Any change of the information pertaining to any contact must be promptly provided, in writing, to the contacts of the other agency.

A. IRS Contacts:

1. Program Manager

Klaudia Villegas
Senior Analyst
Internal Revenue Service
Governmental Liaison, Disclosure and Safeguards
300 N. Los Angeles Street
Los Angeles, CA 90012
Telephone: (213) 372-4274
Email: Klaudia.K.Villegas@irs.gov

2. Safeguards and Recordkeeping Procedures

Kevin Woolfolk
Associate Director
Internal Revenue Service
Governmental Liaison, Disclosure and Safeguards
Office of Safeguards
550 Main Street
Cincinnati, OH 45202-3222
Telephone: (513) 975-6706
Email: Kevin.Woolfolk@irs.gov

B. SSA Contacts:

1. Matching Program

Sonia Robinson
Government Information Specialist
Electronic Interchange, Liaison, and Breach Division
Office of Privacy and Disclosure
Office of the General Counsel
Law and Policy
Social Security Administration
6401 Security Boulevard
Baltimore, MD 21235
Telephone: (410) 966-4115
Email: Sonia.V.Robinson@ssa.gov

2. Policy, Safeguards and Recordkeeping

Scott Logan
Team Leader
Office of SSI and Program Integrity Policy
Office of Income Security Programs
Law and Policy
Social Security Administration
6401 Security Boulevard
Baltimore, MD 21235
Telephone: (410) 966-5927
Email: Scott.Logan@ssa.gov

3. Systems Operations

Angil Escobar
Branch Chief
Office of Enterprise Information Systems
Verifications and Exchanges Analysis Branch
Office of the Chief Information Officer
Social Security Administration
6401 Security Boulevard
Baltimore, MD 21235
Telephone: (410) 965-7213
Email: Angil.Escobar@ssa.gov

4. Information Security

Andre Bousmog
Office of the Chief Information Officer
Office of Information Security
Security Planning & Oversight Branch
DCS Financial Statement Audit Liaison
IRS Safeguard Liaison
6401 Security Boulevard
Baltimore MD 21235
Telephone: (410) 965-2491
Email: Andre.Bousmog@ssa.gov

5. Data Exchange Liaison

Jamillah Jackson
Federal Agreements Branch
Office of Income and Security Programs
Law and Policy
Social Security Administration
6401 Security Boulevard
Baltimore, MD 21235
Telephone: (410) 965-3747
Email: Jamillah.N.Jackson@ssa.gov

6. Breach Contact

Andrea Huseth
Division Director
Electronic Interchange, Liaison and Breach Division
Office of Privacy and Disclosure
Office of the General Counsel
Law and Policy
Social Security Administration
6401 Security Boulevard
Baltimore, MD 21235
Telephone: (410) 608-9675
Email: Andrea.Huseth@ssa.gov

XVI. AUTHORIZED OFFICIALS

Any change of the information pertaining to any authorized official must be promptly provided, in writing, to the contacts of the other agency.

- A. The official with authority to request information under this Agreement on behalf of SSA is:

Jennifer Karangelen
Acting Deputy Executive Director
Office of Privacy and Disclosure
Office of the General Counsel
Law and Policy
Social Security Administration
6401 Security Boulevard
Baltimore, MD 21235
Telephone: (410) 966-0470
Email: Jennifer.Karangelen@ssa.gov

- B. The official with authority to disclose, or authorize the disclosure of, return information under this Agreement on behalf of IRS is:

Brytten M. Rice
Acting Director
Governmental Liaison, Disclosure and Safeguards
Internal Revenue Service
1550 American Blvd. East
Bloomington, MN 55425
Telephone: (763) 347-7366
Email: Brytten.M.Rice@irs.gov

XVII. INTEGRATION CLAUSE

This Agreement and the accompanying FS Form 7600A and FS Form 7600B constitute the entire agreement of the parties with respect to its subject matter. There have been no representations, warranties or promises made outside of this Agreement. This Agreement shall take precedence over any other documents that may be in conflict with it, including any conflicting terms in any Interconnection Security Agreement (ISA) entered into in accordance with NIST SP 800-47 governing the interconnections between information technology systems that will be utilized for the transfer of information under this Agreement.

XVIII. LIMITATIONS

The terms of this Agreement are not intended to alter, amend, or rescind any current agreement or provision of federal law now in effect. Any provision of this Agreement that conflicts with federal law is invalid.

XIX. LIABILITY

- A. Each party to this Agreement shall be liable for acts and omissions of its own employees.
- B. Neither party shall be liable for any injury to the other party's personnel or damage to the other party's property unless such injury or damage is compensable under the Federal Tort Claims Act (28 U.S.C. § 1346(b)), or pursuant to other federal statutory authority.
- C. Neither party shall be responsible for any financial loss incurred by the other party, whether directly or indirectly, through the use of any data furnished pursuant to this Agreement.

XX. CONTINGENCY CLAUSE

This Agreement is contingent on SSA meeting the Federal Safeguard requirements specified in section IX of this Agreement. Matches with SSA under this Agreement will be suspended or discontinued immediately if, at any time, IRS determines that SSA has failed to meet the Federal Safeguard requirements or any Privacy Act requirements. See the regulations at 26 C.F.R. § 301.6103(p)(7)-1 regarding procedures for administrative review of such a determination.

XXI. REPORT TO CONGRESS

When both the SSA DIB and the Treasury DIB have approved this Agreement, SSA will submit a report of the matching program to Congress and OMB for review and will provide a copy of such notification to IRS.

XXII. SIGNATURES OF AUTHORIZED OFFICIALS

The signatories below warrant and represent that they have the competent authority on behalf of their respective agencies to enter into the obligations set forth in this Agreement.

Electronic Signature Acknowledgement: The signatories may sign this document electronically by using an approved electronic signature process. By signing this document electronically, the signatories agree that the signature they provide has the same meaning and legal validity and effect as a handwritten signature.

Social Security Administration

Jennifer Karangelen Digitally signed by Jennifer Karangelen
Date: 2025.08.01 12:10:05 -04'00'

Jennifer Karangelen
Acting Deputy Executive Director
Office of Privacy and Disclosure
Law and Policy
Social Security Administration

The Social Security Administration DIB has reviewed this matching agreement and finds it in compliance with relevant statutes, regulations and guidelines. We, therefore, approve the conduct of the aforementioned matching program.

Matthew Ramsey Digitally signed by Matthew Ramsey
Date: 2025.08.22 14:12:28 -04'00'

Matthew D. Ramsey
Chair
Data Integrity Board
Social Security Administration

Electronic Signature Acknowledgement: The signatories may sign this document electronically by using an approved electronic signature process. By signing this document electronically, the signatories agree that the signature they provide has the same meaning and legal validity and effect as a handwritten signature.

Department of Treasury, Internal Revenue Service

**Brytten M.
Rice**

Digitally signed by Brytten
M. Rice
Date: 2025.08.05 12:21:35
-05'00'

Date: 08/05/2025

Brytten M. Rice
Acting Director
Governmental Liaison, Disclosure and Safeguards
Internal Revenue Service

The Treasury Data Integrity Board has reviewed this matching agreement and finds it in compliance with relevant statutes, regulations and guidelines. We, therefore, approve the conduct of the aforementioned matching program.

for Ryan Law
Chair

Treasury Data Integrity Board
Deputy Assistant Secretary for Privacy, Transparency, and Records

Date: _____

XXIII. EFFECTIVE DATE

This agreement is effective the 1st day of January, 2026.

It expires on the 30th day of June, 2027.

Attachments:

A. SSA Cost Benefit Analysis, SSA Match #1016

**Cost Benefit Analysis (CBA)
for the Computer Matching Operation Between
Social Security Administration (SSA) and Internal Revenue Service (IRS)
Match #1016**

Study Objective

To determine the cost-effectiveness of the SSA/IRS computer matching operation.

Background

SSA conducts the matching operation three times a year, with the IRS furnishing SSA with the amounts and types of non-wage income for Supplemental Security Income (SSI) recipients. This information provides leads on unreported or underreported resources or income. The IRS interface with the Supplemental Security Record (SSR) represents a cooperative effort between SSA and the IRS to prevent SSI overpayments.

IRS uses data from Form 1099 and similar reports of financial transactions to match against an SSR finder file submitted by SSA. SSA then uses the returned file of IRS-matched records to identify potentially overpaid cases for field office (FO) development.

SSA uses established criteria, such as tolerances and exclusion of certain types of income, to eliminate cases less likely to be overpaid and identifies the above tolerance cases. Then, through the application of a profiling module developed by the Office of Quality Improvement (OQI), SSA further reduces the number of alerts released to the FOs for development. This maximizes the cost-effectiveness of the alert process and minimizes the burden on FO staff, as well as SSI recipients, of addressing unproductive alerts.

This cost benefit analysis focuses on the effectiveness of the matching operation using the current tolerances.

Methodology

The Office of Data Exchange and International Agreements (ODXIA) reviewed a sample of 400 IRS alerts of the 86,987 alerts completed by FOs in fiscal year (FY) 2023. The amount of change in the recurring monthly payment or the amount of overpayment attributable to the detection of unreported income and or resources provide the outcome for the ODXIA cost benefit determination. The findings from the study sample are projected to the universe of 86,987 completed alerts.

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Benefits of the Match

The benefits realized in the development of the alerts from this matching operation include the detection and recovery of retroactive overpayments and the avoidance of future overpayments due to changes in the recurring monthly benefit amount.

ODXIA found overpayments in 30.5 percent of the sample cases. The average overpayment was approximately \$1,424.00. Projecting these results to the universe of alerts completed in FY 2023, the total number of records with overpayments was 26,531, which makes the total overpayments detected from the match to be approximately \$37,780,144. Using the average historical overpayment recovery rate for Title XVI recipients, we would expect 65 percent of the overpaid dollars to be recovered for a total of approximately **\$24,557,094** in benefits.

There was a decrease in the recurring monthly payment in 28.75 percent of the sample cases. Projecting these findings to the 86,987 alerts for FY 2023, we determined that 25,009 records involved a decrease in monthly payment amount. The average monthly decrease was approximately \$666.00, so the estimated total decrease in monthly payment amount was approximately \$16,655,994. If the match had not occurred, we assume that this incorrect payment would have continued for three additional months. Therefore, the estimated savings due to the reduction in future monthly payments would be approximately **\$49,967,982** when projected to the universe of completed alerts.

Combining the overpayment recoveries and the future overpayment preventions, we estimate the total benefits from this matching operation in FY 2023 to be approximately **\$74,525,076**.

Costs of the Match

The matching agreement and operation

The FY 2023 interagency agreement estimated cost of services for the SSA/IRS data exchange is **\$716,541.06**.

For this data exchange in FY 2023, the Office of Systems estimated a cost of **\$18,009.83**.

FO Development

Using the average development time of 97.35 minutes per alert provided by the Office of Operations, we estimate the FO development costs for the 86,987 alerts completed in FY 2023 to be approximately **\$14,988,463**.

In addition, the FO incurs costs in incorrect payment development and recovery processing for cases identified with an overpayment. The FY 2023 cost per case of this development, established by the Division of Cost Analysis in the Office of Financial Policy and Operations, is

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\$88.33. Using \$88.33 for each overpaid recipient, the total additional development and recovery costs for 26,531 cases were **\$2,343,483**.

The total costs for this matching operation was **\$18,066,496.89**.

Conclusion

The benefit to the United States Treasury of this matching operation is the correction of those cases where there is a decrease in the recurring monthly payment amount and the recovery of detected overpayments, which totals approximately **\$74,525,076**. The total costs are projected to be approximately **\$18,066,496.89**. Thus, the actual benefit-to-cost ratio of this match in FY 2023 was **4.13 to 1**. Accordingly, we recommend the continuance of this matching activity.

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Number of Alerts Released to the FO in FY 2023: 86,987

Number of FO Alerts included in ODXIA Sample: 400

Benefits

Retroactive Overpayments

Percent of Alerts with Retroactive Overpayments	30.50%
Estimated Number of Alerts with Overpayments	26,531
Average Overpayment	\$1,424
Total Overpayment (Projected)	\$37,780,144
Amount Expected to Recover (65%)	\$24,557,094

Decrease in Monthly Payment Amount

Percent of Alerts with Decrease in Monthly Payment	28.75%
Number of Alerts with Decrease in Monthly Payment	25,009
Average Decrease in Monthly Payment Amount	\$666
Total Decrease in Ongoing Monthly Payment	\$16,655,994
Projected for 3 months	\$49,967,982

Total Benefits	\$74,525,076
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Costs

IAA	\$716,541.06
Systems Costs	\$18,009.83
FO Alert Development Costs	\$14,988,463.00
SSI Overpayment Development/Recovery Processing Costs	\$2,343,483.00

Total Costs	\$18,066,496.89
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Benefit-to-Cost Ratio	4.13 : 1
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