



SAFEGUARDING FEDERAL TAX INFORMATION (FTI)

Quick Reference Guide

WHAT IS FTI

- Tax return information from IRS
- Data received or derived from IRS
- Data received from a secondary source (e.g. SSA, OCSE, BFS, CMS ...) derived from IRS



KEY RULE:

If it comes from the IRS → it is FTI

TRACKING & LOGGING FTI

- Log all FTI received/created (paper & electronic)
- Track all FTI from receipt to destruction
- Destroy all FTI using approved shredders, with witness present



EMPLOYEE REQUIREMENTS

- Wear ID Badge above waist
- Complete all required quarterly and annually Safeguard Security Training (80% passing score)
- Sign the visitor log when visiting other worksites
- Maintain a clean desk/workspace



INCIDENT REPORTING

Report all breaches involving FTI to your supervisor immediately.

Provide detailed information:

- Nature of incident
- Types of FTI involved
- Individuals affected



IMPORTANT REMINDER

FTI remains protected even when copied to: spreadsheets, case notes, sticky notes, printed docs

IDENTIFYING FTI



IS FTI

- IRS tax returns or return data
- IRS sourced information
- Income Tax Intercept mail (offset notices)



NOT FTI

- Customer provided tax docs
- Data not sourced from IRS

DO NOT

- Share FTI with unauthorized individuals
- Send via fax/email/messaging
- Share login credentials or allow unauthorized viewing of your screen
- Access FTI or system without authorization
- Do not leave FTI visibly unattended



CRIMINAL VIOLATIONS

Unauthorized Disclosure: Willfully sharing

- **Penalty:** Felony
- Up to five (5) years in prison
- Up to \$5,000 fine, plus costs of prosecution

Unauthorized Access: Willful browsing without an authorized purpose

- **Penalty:** Misdemeanor
- Up to one (1) year in prison
- Up to \$1,000 fine, plus costs of prosecution

Taxpayers may also file a **civil action**

- **Fines:** Minimum \$1,000 per violation
- Punitive damages plus legal fees



BASIC RULES/PROTECT FTI

- Only access FTI when needed for your job
- Secure keys and badges
- Use approved devices only
- Lock screen when stepping away
- Store FTI using two layers of protection



NOTE

Locate information in AZCARES

A postal should not be generated using IRS as the source. An address provided by IRS should be verified by another source before sending the postal.



VISITOR REQUIREMENTS

- Sign in before entry & record departure times
- Visitor identity verified
- Wear visitor badge
- Escort non-DES visitors at all times
- No tailgating/piggyback or unauthorized entry

ADDITIONAL RESOURCES

- IRS Publications 1075: Details FTI handling and security requirements
- IRS Safeguards Security Training: DES DEFSG108 DES
- Internal Contact: DCSS Compliance: dcsscompliance@azdes.gov

Remember: Most unauthorized disclosure/access violations happen from carelessness –