

.07 Federal Tax Information (FTI) Report

REVISION 33
(12/01/15 – 01/31/15)

The Internal Revenue Service (IRS) provides Arizona with a Federal Tax Information (FTI) report that identifies individuals who have had income reported to the IRS.

FAA cross matches the report to identify participants in AZTECS.

The FTI report is currently worked by the Tucson Processing Center, site code 280, mail drop 3396, unless the case is in received or renewal status.

When the participant contacts the local office because they received the Income/Resource Match (FTI Use Only) Notice (C061), advise them to call the number on the notice. Explain that if the participant does not contact the FTI worker, the case may be denied or benefits stopped.

When the FTI – Information Needed Notice (C062) is returned by the participant to the local office, the local office needs to complete the following:

- Confirm with the participant that the proper verification is provided.
- Upload the information into OnBase.
- Document the [case file\(g\)](#).
- Email the FTI team at faaftrinfo@azdes.gov with the case name and number and confirmation that the verification requested is in OnBase.

If the case is in received or renewal status, the verification from the C062 must be received before the participant can receive benefits. When the verification is received the local office must determine the following:

- What information is needed (Email or call the FTI worker to determine this)
- Was any income received countable as a resource or income
- Will the income continue
- Was the income previously reported
- If income was not reported does an overpayment exist

Once any discrepancies have been verified and any potential overpayments are written, document the case file and continue with normal processing.

NOTE When case is denied or closed, do not approve until verification from the C062 notice is received.

WARNING

Due to the confidential nature of the information contained in reports generated by the cross match, the reports must be maintained with the highest possible degree of SECURITY. Release or misuse of confidential IRS information is punishable by law. Penalties can result in fines up to \$5,000 and up to five years in prison.

When an [FTI Security Incident\(g\)](#) occurs, complete the following:

- Immediately report the security incident to the Local Office Manager (LOM).
- The LOM completes the Notice of Security Incident, (J-126) form.
- The LOM immediately reports the security incident to the appropriate Program Security Analyst Manager and Internal Risk Management.

The Program Security Analyst Manager follows reporting requirements set forth by IRS and reports to IRS within 24 hours.

The FTI Report may not be accessed by an employee working from any of the following:

- Virtual office
- Telecommuting
- An alternate worksite

Do not send FTI information via FAX or email. (This includes FAA and other departments within DES.)

FAA Data Security is responsible for ensuring User Affirmation Statements (J129) are obtained from designated primary and secondary staff on an annual basis.