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No, Your IRS Data Isn't Safe...

I recently asked if <u>your IRS data is at risk</u>. I suggested it might not be, but I didn't tell you to start worrying. Now I'm not so sure.

It turns out the IRS watchdog with the unfortunate acronym "TIGTA"—for <u>Treasury Inspector General for Tax Administration</u>—has released a rather bleak report: <u>Security Over Databases Could Be Enhanced to Ensure Taxpayer Data Are Protected</u>. Despite this glass half-full title, it reveals more of a glass getting toward empty in the security department.

Prepare to be depressed. The report suggests that:

- 1. 100% of IRS Databases TIGTA tested are vulnerable to hackers.
- 2. Some of the 2,200 databases the IRS uses to manage and process taxpayer data are not configured securely, are running out-of-date software, and no longer receive security patches.
- 3. The IRS has spent more than \$1.1 million in software licenses and support costs for a database vulnerability scanning and compliance assessment tool.
- 4. Despite its expenditures, the IRS has not fully implemented its plans to complete vulnerability scans of its databases.

TIGTA used database vulnerability assessment software to conduct remote scans of the primary databases for 13 applications supporting critical tax administration business processes. It found high and medium risk vulnerabilities in each of the 13 databases.

The better news is that the IRS has agreed with TIGTA's recommendations and is taking steps to develop strategies to deal with these issues. This will include developing a strategic plan for obsolescence of technology. According to a statement from IRS spokesperson Julianne Fisher Breitbeil:

"The IRS takes the security of our databases very seriously. We want to be very clear that while this report points out a number of technical issues, many of which have been resolved, there is no direct assertion that any taxpayer data is at risk. In fact, it should be noted that many of the databases referenced in this report don't store any taxpayer data at all. The IRS emphasizes these databases are used internally and are not directly accessed by the public.

Security enhancement is an ongoing investment as the external world changes. We continue to make substantial investments, and test our capabilities on an ongoing basis. It's also important to note there have been no actual data breaches involving these databases."

Meantime, you might also get nervous about all the phishing and other scams being pushed on unsuspecting taxpayers. The IRS hates these too, and is doing its best to weed them out. See <u>Tax Scams Making The Rounds Again</u>.

Be careful out there.

For more, see:

Avoid IRS Hit List Of Tax Scams

APNewsBreak: Taxpayer identity theft is soaring

Publication 4535, Identity Theft Protection and Victim Assistance

Publication 4524, Security Awareness-Identity Theft Flyer

Publication 4523, Beware of Phishing Schemes

Top 10 Things Every Taxpayer Should Know about Identity Theft

How to report and identify phishing, e-mail scams and bogus IRS Web sites

<u>Internal Revenue Manual 10.5.3 (Identity Protection Program) – Procedural guidance on issues related to identity theft</u>

Repository of IRS messages related to suspicious e-mails and identity theft

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