



Acknowledgment of Statement of Confidentiality

Authorization to access confidential information is limited to accounts or returns to which you are assigned for business purposes. Do not access, research, review, or change your own records. Do not access, research, review, or change the records of a relative, friend, neighbor, co-worker, celebrity, well-known taxpayer, or any other taxpayer, unless authorized to do so as part of your official duties. Disclosing or accessing confidential information, even your own, without authorization may result in immediate termination of employment as outlined in the Iowa Department of Revenue (IDR) Confidentiality Policy and Procedures.

Confidential Information: All information should be treated as confidential, unless specifically authorized by statute, rule, or regulation. Confidential information consists of both state and federal tax information, including personal data and personal information that is created, collected, handled, stored, processed, disseminated, and disposed of by IDR (hereinafter, collectively “confidential information”).

Policy Statement: Employees are strictly prohibited from accessing or disclosing any confidential information without a legitimate business purpose. Employees are expressly prohibited from accessing their own confidential information. Records of family members, relatives, friends, neighbors, ex-spouses, acquaintances, or any other person for whom a reasonable person would believe there is a conflict of interest or where a personal relationship or an outside business relationship could raise questions about impartiality in handling of a related tax matter should not be accessed unless there is a business purpose. This includes any information accessed or disclosed while performing official duties, including training, demonstration, or troubleshooting need.

If an employee has a business purpose to access records that could cause potential conflict of interest, they should notify their supervisor prior to accessing the record.

Scope: This policy applies, but is not limited to, the proper use and disclosure of confidential information. The appropriate use of the agency records is the responsibility of all IDR resource users, including full-time, part-time, and temporary employees; contractors; vendors; and other non-employees, who have access to IDR resources or are in a position to impact the security or integrity of information assets of the Department.

Penalties & Enforcement: Employees may be monitored for compliance with this policy. Non-compliance may result in disciplinary action up to and including termination. Criminal and/or civil action against users may be appropriate where laws are violated.

Release of Federal Tax Information

Pursuant to the agreement between the State of Iowa and the IRS, I realize that information provided to the IDR by the Department of Treasury is confidential in nature. I am also aware that the following is punishable:

- 1) The willful inspection (browsing) of information without authorization, or
- 2) The willful release of such information to persons other than that intended by Iowa Department of Revenue policy and procedures.

Federal Penalties for unauthorized disclosure/inspection of confidential information includes:

- Internal Revenue Code section 7213 – Felony, up to \$5,000 fine, imprisonment up to five years, cost of prosecution.
- Internal Revenue Code section 7213A – Misdemeanor, up to \$1,000 fine, imprisonment up to one year, cost of prosecution.
- Internal Revenue Code section 7431 - Damages may include \$1,000 per act, actual damages, punitive damages, cost of legal action, attorney fees.

Release of State Tax Information

Pursuant to the Code of Iowa, I understand the willful or reckless release of confidential information in a manner inconsistent with Iowa law is punishable as set forth below. I also understand that the willful inspection (browsing) of tax records is a violation of Iowa law.

State Penalties for willful browsing and unauthorized disclosure of confidential information includes:

- Iowa Code sections 422.20 and 422.72 – Serious misdemeanor, up to \$2,560 fine, imprisonment up to one year, loss of job, potential of personal liability in a lawsuit brought by the affected taxpayer.

I acknowledge that I am expected to:

- Be knowledgeable on the above policies and penalties;
- Speak with my supervisor if I have questions or need clarification; and
- Notify my supervisor immediately if I become aware of a possible compromise of confidential information.

Haywood Talcove

Print Name
CEO (LNSSI)

Signature

9/28/22

Date

LexisNexis Risk Solutions FL Inc.

IDR Division / Company Name

Contact IDRDisclosure@iowa.gov for information or assistance with this form.

Iowa Department of Revenue
Confidential Information Requirements for Contractors

- I. Access to Confidential Information. The contractor's officers, employees, agents, and subcontractors may have access to federal tax information (FTI) and state tax information, including returns and return information maintained by the Iowa Department of Revenue (IDR). Access is granted only to the extent necessary to carry out the contractor's responsibilities under the contract.
- II. Performance. In performance of this contract, the Contractor agrees to comply with and assume responsibility for compliance by officers or employees with the following requirements:
 1. All work will be performed under the supervision of the contractor.
 2. The contractor shall presume all information received from IDR pursuant to this contract is confidential under Internal Revenue Code section 6103 and Iowa Code sections 422.20 and 422.72, unless otherwise designated by IDR.
 3. The contractor and contractor's officers or employees to be authorized access to FTI or state tax information must meet background check requirements defined in Internal Revenue Service (IRS) Publication 1075. The contractor will maintain a list of officers or employees with authorized access to FTI or state tax information. Such list will be provided to IDR and, upon request, to the IRS.
 4. The contractor will employ a formal sanction process for officers or employees failing to comply with established information security policies and procedures for handling FTI and state tax information. The contractor will notify IDR of any sanctions issued under this process within 72 hours of issuance.
 5. FTI or state tax information, in hardcopy or electronic format, shall be used only for the purpose of carrying out the provisions of this contract. FTI or state tax information, in any format, shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Inspection or disclosure of FTI or state tax information to anyone other than the contractor or the contractor's officers or employees authorized is prohibited.
 6. FTI and state tax information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, any related output and products require the same level of protection as required for the source material.
 7. No FTI or state tax information may be accessed by contractor or contractor's officers, employees, agents, or subcontractors located offshore or via any information systems located offshore.
 8. The contractor will certify that FTI and state tax information processed during the performance of this contract will be completely purged from all physical and electronic data storage with no output to be retained by the contractor at the time the work is completed. If immediate purging of physical and electronic data storage is not possible, the contractor will certify that any FTI or state tax information in physical or electronic storage will remain safeguarded to prevent unauthorized disclosures.
 9. Any spoilage or any intermediate hard copy printout that may result during the processing of FTI or state tax information will be given to IDR. When this is not possible, the contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts and will provide IDR with a statement containing the date of destruction, description of material destroyed, and the destruction method.

10. All computer systems receiving, processing, storing, or transmitting FTI or state tax information must meet the requirements in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to FTI or state tax information.
11. No work involving FTI or state tax information furnished under this contract will be subcontracted without the prior written approval of the IRS and IDR.
12. Any FTI or state tax information supplied by the Department to the contractor or contractor's officers, employees, agents, or subcontractors or created by the contractor or contractor's officers, employees, agents, or subcontractors in the course of the performance of its duties under this Contract shall be considered the property of the Department.
13. Contractor will ensure that the terms of FTI and state tax information safeguards described herein are included, without modification, in any approved subcontract for work involving FTI or state tax information.
14. To the extent the terms, provisions, duties, requirements, and obligations of this contract apply to performing services with FTI or state tax information, the contractor shall assume toward the subcontractor all obligations, duties, and responsibilities that the agency under this contract assumes toward the contractor, and the subcontractor shall assume toward the contractor all the same obligations, duties and responsibilities which the contractor assumes toward the agency under this contract.
15. In addition to the subcontractor's obligations and duties under an approved subcontract, the terms and conditions of this contract apply to the subcontractor, and the subcontractor is bound and obligated to the contractor hereunder by the same terms and conditions by which the contractor is bound and obligated to the agency under this contract.
16. In the event that a subpoena or other legal process is served upon the contractor for records containing FTI or state tax information, the contractor shall promptly notify IDR and cooperate with IDR in any lawful effort to protect the FTI or state tax information.
17. The contractor shall immediately report to the Department any unauthorized disclosure or security breach of FTI or state tax information or any security incident. A security incident is a discovery of a data breach, loss of device, compromise of system or web site. A security incident includes, but is not limited to the following events:
 - i. Loss of hardware or paper documents containing FTI or state tax information;
 - ii. Evidence of tampering with FTI or state tax information;
 - iii. Denial of service attack on the contractor;
 - iv. Web site defacement;
 - v. Unauthorized access or repeated attempts at unauthorized access (from either internal or external sources);
 - vi. Social engineering incidents;
 - vii. Virus attacks which adversely affect servers or multiple workstations;
 - viii. Other incidents that could undermine confidence and trust in FTI or state tax information
18. The contractor shall provide to the Department a written description of its policies and procedures to safeguard FTI or state tax information upon request. Policies of confidentiality shall address, as appropriate, FTI or state tax information conveyed in verbal, written, and electronic formats.

19. The contractor shall complete, upon request, a security risk assessment questionnaire annually, or provide a third-party report, as part of a certification process with the Department.
20. The use of personally owned computers for accessing FTI or state tax information is strictly prohibited.
21. If there is a breach by the contractor of any “personal information” as that term is defined and governed by Iowa Code chapter 715C, the contractor shall be responsible for complying with any applicable provisions of Iowa Code chapter 715C, including but not limited to any applicable consumer notification requirements.
22. For purposes of this contract, the term “contractor” includes any officer or employee of the contractor with access to or who uses FTI or state tax information, and the term “subcontractor” includes any officer or employee of the subcontractor with access to or who uses FTI or state tax information.
23. The contractor’s confidentiality obligations under this section shall survive the termination of this contract.
24. IDR will have the right to void the contract if the contractor fails to meet the terms of FTI or state tax information safeguards described herein.

III. Criminal/Civil Sanctions

1. Each officer or employee of a contractor to whom FTI is or may be disclosed shall be notified in writing that FTI disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any FTI for a purpose not authorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution.
2. Each officer or employee of a contractor to whom FTI is or may be accessible shall be notified in writing that FTI accessible to such officer or employee may be accessed only for a purpose and to the extent authorized herein, and that access/inspection of FTI without an official need-to-know for a purpose not authorized herein constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution.
3. Each officer or employee of a contractor to whom FTI is or may be disclosed shall be notified in writing that any such unauthorized access, inspection, or disclosure of FTI may also result in an award of civil damages against the officer or employee in an amount equal to the sum of the greater of \$1,000 for each unauthorized access, inspection, or disclosure, or the sum of actual damages sustained as a result of such unauthorized access, inspection, or disclosure, plus in the case of a willful unauthorized access, inspection, or disclosure or an unauthorized access/inspection or disclosure which is the result of gross negligence, punitive damages, plus the cost of the action. These penalties are prescribed by IRC sections 7213, 7213A and 7431 and set forth at 26 CFR 301.6103(n)-1.
4. Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that

disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

5. Each officer or employee of a contractor to whom state tax information is or may be disclosed shall be notified in writing that state tax information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, that further disclosure of any state tax information for a purpose not authorized herein, and that access/inspection of state tax information without an official need-to-know for a purpose not authorized herein constitutes a serious misdemeanor punishable upon conviction by a fine of as much as \$2,560 or imprisonment for as long as one year, or both, together with the costs of prosecution.
 6. Granting a contractor access to FTI and state tax information must be preceded by certifying that each officer or employee understands IDR's security policy and procedures for safeguarding FTI and state tax information. A contractor and each officer or employee must maintain their authorization to access FTI and state tax information through annual recertification of their understanding of IDR's security policy and procedures for safeguarding FTI and state tax information. The initial certification and recertifications must be documented and placed in IDR's files for review. As part of the certification and at least annually afterwards, a contractor and each officer or employee must be advised of the provisions of IRC sections 7213, 7213A, and 7431, as well as Iowa Code sections 422.20 and 422.72. The training on IDR's security policy and procedures provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. The contractor may utilize IDR's security training. If the contractor has their own security training in lieu of IDR's security training, the contractor must receive written approval from IDR that the training meets IDR and IRS standards. For the initial certification and the annual recertifications, the contractor and each officer or employee must sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.
- IV. Inspection. The IRS and IDR, with 24-hour notice, shall have the right to send its inspectors into the offices and plants of the contractor to inspect facilities and operations performing any work with FTI or state tax information under this contract for compliance with requirements defined in IRS Publication 1075. The IRS' and IDR's right of inspection shall include the use of manual and/or automated scanning tools to perform compliance and vulnerability assessments of information technology (IT) assets that access, store, process or transmit FTI or state tax information. Based on the inspection, corrective actions may be required in cases where the contractor is found to be noncompliant with FTI or state tax information safeguard requirements.