

Data Files Provided to the Internal Revenue Service as Part of the Third Round of Economic Impact Payments A-06-21-51095



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Office of Audit Report Summary

Background

We conducted this review to determine the extent to which the data files the Social Security Administration (SSA) provided the Internal Revenue Service (IRS) to facilitate economic impact payments (EIP) under the *American Rescue Plan Act of 2021 (ARPA)* were accurate and complete when they were transmitted.

ARPA became law on March 11, 2021 and authorized a third round of IRS-administered EIPs (EIP3). To assist in identifying Old-age, Survivors and Disability Insurance (OASDI) beneficiaries and Supplemental Security Income (SSI) recipients potentially eligible for EIP3s, the IRS requested SSA provide beneficiary and recipient data.

On March 25, 2021, SSA completed delivery of OASDI and SSI production data that provided IRS with information on approximately 72 million beneficiaries and recipients.

Conclusion

The data files SSA sent IRS were not always complete or accurate.

- SSA's methodology for identifying beneficiaries who received payments in Calendar Year (CY) 2020 or 2021 resulted in the erroneous (1) exclusion of information for 73,541 beneficiaries who received OASDI payments in CYs 2020 and/or 2021 and (2) inclusion of information for 308,603 OASDI beneficiaries who did not receive an OASDI payment in CY 2020 or 2021.
- SSA also erroneously included information on approximately 177,000 beneficiaries and recipients who died before January 1, 2021 and were not likely eligible for payments.
- Finally, SSA included 4,173,293 individuals' information 2 or more times in the data files provided to the IRS, including instances where duplicate records included different residential address or bank account information for the same individual.

We did not have access to the IRS' EIP3 payment information. As a result, we could not determine whether these errors resulted in any duplicate payments, non-payment to eligible individuals, deposits into incorrect bank accounts, or mailing of paper checks to incorrect addresses. While we are not making any recommendations, we believe the information discussed in this report may be useful to prevent similar errors if SSA is required to provide similar information in the future.