



PRIVACY ACT OF 1974; MATCHING PROGRAM

AGENCY: Department of Veterans Affairs (VA)

ACTION: Notice of a New Matching Program

SUMMARY: This computer matching agreement sets forth the terms, conditions, and safeguards under which the Internal Revenue Service (IRS) will disclose tax return information to the Department of Veterans Affairs, Veterans Health Administration (VA/VHA). VA/VHA will use the tax return information to verify veterans' employment status and earnings to determine eligibility for its health benefit programs.

DATES: Comments on this matching program must be received no later than 30 days after the Date of Publication in the Federal Register. If no public comment is received during the period allowed for comment or unless otherwise published in the Federal Register by VA, the new agreement will become effective a minimum of 30 days after date of publication in the Federal Register. If VA receives public comments, VA shall review the comments to determine whether any changes to the notice are necessary. This matching program will be valid for 18 months from the effective date of this notice.

ADDRESSES: Comments may be submitted through www.Regulations.gov or mailed to VA Privacy Service, 810 Vermont Avenue, NW, (005X6F), Washington, DC 20420.

Comments should indicate that they are submitted in response to the Computer Matching Agreement Between the Department of Treasury Internal Revenue Service and the Department of Veterans Affairs Veterans Health Administration for the Disclosure of Information to Federal, State and Local Agencies (DIFSLA) Program.

Comments received will be available at regulations.gov for public viewing, inspection or copies.

FOR FURTHER INFORMATION CONTACT: Ryan Heiman, Acting Executive Director, Member Services, Veterans Health Administration, 3401 SW 21st St, Bldg. 9, Topeka,

KS 66604 Telephone: 785-409-2318, Email: ryan.heiman@va.gov.

SUPPLEMENTARY INFORMATION: This Computer Matching Agreement (CMA) re-establishes the terms, conditions, and safeguards under which the Internal Revenue Service (IRS) will disclose to the Department of Veterans Affairs (VA), Veterans Health Administration (VHA) certain tax return information. The purpose of this CMA is to make available to VA certain tax return information of VA applicants and beneficiaries of need-based benefits and to adjust income-dependent benefit payments as prescribed by law. VA/VHA will use the tax return information to verify veterans' employment status and earnings to determine eligibility for its health benefit programs.

PARTICIPATING AGENCIES: Department of Veterans Affairs, Veterans Health Administration (VA/VHA) and the Internal Revenue Service (IRS)

AUTHORITY FOR CONDUCTING THE MATCHING PROGRAM:

The legal authorities for IRS to conduct this computer matching are sections 38 U.S.C. §§ 5106, 5317, 1710, and 26 U.S.C. § 6103(l)(7)(B). 38 U.S.C. §§ 5106 and 5317 requires Federal agencies to furnish VA with information the VA Secretary may request for determining eligibility for or the amount of VA benefits.

38 U.S.C. § 1710 requires VA/VHA to collect income information from certain applicants for medical care and to use that income data to determine the appropriate eligibility category for the applicant's medical care.

26 U.S.C. § 6103(l)(7)(B) authorizes the disclosure of tax return information with respect to net earnings from self-employment and wages, as defined by relevant Internal Revenue Code (IRC) sections, to Federal, state, and local agencies administering certain benefit programs under Title 38 of the U.S.C.

Section 7213 of the Intelligence Reform and Terrorism Prevention Act of 2004 provides IRS authority to add a death indicator to verification routines that the agency determines to be appropriate.

PURPOSE(S): This computer matching agreement re-establishes the terms, conditions, and safeguards under which the Internal Revenue Service (IRS) will disclose to the Department of Veterans Affairs (VA), Veterans Health Administration (VHA), and certain tax return information. The purpose of this matching program is to make available to VA

certain tax return information of VA applicants and beneficiaries of need-based benefits and to adjust income-dependent benefit payments as prescribed by law.

CATEGORIES OF INDIVIDUALS: Veterans applying for VA Health Care Benefits as well as their spouses and any disabled dependents under the age of 18 for total household income information

CATEGORIES OF RECORDS: VA provides the IRS with a list of Veterans who have self-reported their household income as being below the income national threshold established yearly by the U.S. Department of Housing and Urban Development.

VAVHA will provide the IRS with Social Security number (SSN) and name control (first four characters of the surname) for each individual for whom unearned income information is requested. VAVHA will provide the requested tax report year for which data is being requested.

IRS provides return information with respect to unearned income extracted from the Information Return Master File (IRMF), Treas/IRS 22.061, through the DIFSLA program. When there is a match, IRS will disclose to VAVHA: **(a)** Payee account number; **(b)** Payee name and mailing address; **(c)** Payee taxpayer identification number (TIN); **(d)** Payer name and address; **(e)** Payer TIN; and **(f)** Income type and amount. The total number of records will be equal to or greater than the number of records submitted by VA. In some instances, an individual may have more than one record on file.

SYSTEM(S) OF RECORDS: IRS will extract tax return information with respect to unearned income from the Information Return Master File (IRMF), Treas/IRS 22.061, as published at 80 FR 54081 (September 8, 2015), through the Disclosure of Information to Federal, State and Local Agencies (DIFSLA) Program. IRC/26 U.S.C. 6103 provides the authority for return/return-information disclosures. VA will match IRS information with information extracted from its "Income Verification Records -VA" system of records, 88

FR 17639 (March 23, 2023). Routine use #13 Federal Agencies, for Computer Matches is the applicable routine use that allows for this disclosure to determine or verify eligibility of Veterans receiving VA benefits or medical care under title 38,U.S.C.

Signing Authority

The Senior Agency Official for Privacy, or designee, approved this document and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs. Merissa Larson, Chief Privacy Officer and Chair of the Data Integrity Board, Department of Veterans Affairs approved this document on November 18, 2025 for publication.

Dated: January 6, 2026

Saurav Devkota,

Government Information Specialist,

VA Privacy Service,

Office of Compliance, Risk and Remediation,

Office of Information and Technology,

Department of Veterans Affairs.

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