



Sage 300 U.S. Payroll

Q4 SR2 2017 Release Notes

February 2018

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Product Update Release Notes

Important! All customers who update, maintain, and use Sage 300 U.S. Payroll should read these release notes to obtain valuable information about changes to the software program and payroll legislative database.

Product Update Information

Product: Sage 300 U.S. Payroll

Version: Product Update Q4 SR2 2017

If we receive additional payroll tax changes for this period and/or this year, a new update will be made available.

Software Requirements

To use this update for Sage 300 U.S. Payroll, you must have:

- The most current product update for your version of Sage 300.
To check that you have the most current product update, see [Knowledgebase article 45415](#).
- The correct version of Sage 300 U.S. Payroll for your version of Sage 300:
 - Sage 300 U.S. Payroll 7.3 is supported in Sage 300 2018 and 2017.
 - Sage 300 U.S. Payroll 7.2 is supported in Sage 300 2016.

Support and Resources

Sage strives to provide you with the best help and support in the industry. If you have a question, we're here to help!

- **Help and documentation:** Many answers to common questions can be found in the help and documentation included with Sage 300.
- **Sage University:** Learn pro tips for year-end processing in online or classroom courses. Visit <http://SageU.com> and log on or create an account to register for training.

- **Sage City Year-End Center:** Visit <http://sagecity.na.sage.com/p/yearend> for help, guidance, documents, and downloads specific to Sage 300 Payroll and Year End 2017.
- **Customer Support:** For additional articles and resources, visit the Sage Knowledgebase at <https://support.na.sage.com> or contact Customer Support at 800-253-1372 (U.S. and Canada). Please have your Sage Customer Number handy when contacting Support.
- **Tax forms:** Because all printed forms have variations, Sage 300 Payroll only supports forms printed by Sage Checks and Forms. Call Sage Checks and Forms at 800-617-3224 or order online at www.SageChecks.com.

Tip: For information about ordering W-2 forms, see Knowledgebase article 40172: [Which forms should I order for year-end?](#)

Payroll Tax Updates

The following federal, state, and local tax changes are included in this update.

Federal Legislative Updates

This section lists federal legislative updates available with this release.

Federal Withholding Tax Changes for 2018

The IRS released new withholding and allowance amount tables for wages paid on or after January 1, 2018.

Federal Supplemental Rate Changes for 2018

Effective January 1, 2018, the federal supplemental withholding rate changes to 22%.

For more details about federal tax changes, refer to the IRS publication.

State and Local Legislative Updates

This section lists state and local legislative updates available with this release. If a state or locality is not listed in this section, there are currently no tax updates or product modifications for that state or locality.

Note: Sage 300 U.S. Payroll includes some system-supported State Disability Insurance (SDI) codes, which are updated automatically (for example, with rate changes) when you install product updates. To use these codes, your SDI codes must match the system-supported codes.

If you use custom tax codes to capture SDI taxes, note the following:

- If your codes match the system-supported tax codes, you should review the tax code setup before processing payroll.
- If your codes do not match the system-supported tax codes, you can switch to using the system-supported codes. To do this, you must deactivate your custom tax codes, and then set up the system-supported tax codes.
- Regardless of whether or not your codes match the system-supported tax codes, you must follow your existing procedures for reporting and filing SDI taxes as custom taxes.

Information about changes to specific system-supported SDI codes is included in the sections for the related states.

Kentucky

The following local taxes have updated rates in the supported tax tables:

Code	Description	Rate	Effective Date
KY0039	Martin CT Regular IT	1.5%	1/1/2012
KY0050	Mt Olivet CT Regular IT	2%	1/1/2014

Michigan

The following local taxes have been added in the supported tax tables:

Code	Description	Rate	Effective Date
MI0045	Benton Harbor CT Regular IT	1%	1/1/2018
MI0046	Benton Harbor CT Regular (NR) IT	0.5%	1/1/2018

Missouri

- Missouri withholding tables and instructions have been updated for 2018. Refer to the state publication for more details.
- Effective January 1, 2018, the supplemental withholding rate changes to 5.9%.

Ohio

Effective December 31, 2017, the following local tax has been expired:

Code	Description
OH0923	Milford JEDD V CT Regular IT

Oregon

Oregon withholding tables and instructions have been updated, effective February 1, 2018. Refer to the state publication for more details.

Pennsylvania

The following local taxes have updated rates in the supported tax tables:

Code	Description	Rate	Effective Date
PA0108	West Pike Run TP, California SD (NR) LST	\$52	1/1/2018
PA1891	Northumberland BO, Shikellamy SD (NR) LST	\$52	1/1/2018
PA2935	Washington CT, Washington SD (NR) Regular IT	1.4%	1/1/2018
PA2936	Washington CT, Washington SD Regular IT	1.4%	1/1/2018
PA6539	Eldred TP, Montoursville SD (NR) Regular IT	0.5%	1/1/2018
PA7080	Pittston CT, Pittston SD Regular IT	1.95%	1/1/2018

Product Updates

The following product updates are included with this release.

Payroll Product Updates

Pennsylvania PSD reporting

We have fixed a problem that could cause an incorrect Political Subdivision (PSD) Code to be reported on the PA Act 32 Report Selection when the rate of the Non-Resident PA tax is greater than or equal to the Resident PA tax. The PA Act 32 Report will now print using the Resident PSD code regardless of which tax rate is higher.

My Workforce Forms Updates

This update does not include any new features or improvements to My Workforce Forms.

Sage Payroll Tax Forms and eFiling by Aatrix

Sage Payroll Tax Forms and eFiling by Aatrix is a feature included with Sage 300. This functionality provides updated reports and forms at no cost and enables you to fill out and file tax forms electronically for a fee.

To begin using tax forms with Sage Payroll Tax Forms and eFiling by Aatrix, open one of the tax forms available in **Payroll > Government Reports > Federal Tax Filing** or **State Tax Filing**. You will be prompted to register your organization with Sage Payroll Tax Forms and eFiling by Aatrix. After registering, you have the option to enroll your company (or companies) in the eFiling service.

Note: You must register your organization with Sage Payroll Tax Forms and eFiling by Aatrix each year.

For a detailed overview and a price structure of the Sage Payroll Tax Forms and eFiling by Aatrix options, visit our website here:

<https://partner.aatrix.com/partners/sage300>

Supported W-2 Forms

For information about ordering W-2 forms, see the article [Which forms should I order for year-end?](#) on the Sage Support website.

Quarterly Wage on Disk(ette)

If you use Sage 300 U.S. Payroll, note that tax filing for Puerto Rico is not currently supported by Sage Payroll Tax Forms and eFiling by Aatrix. To produce State Unemployment Tax (SUTA) quarterly wage reports for Puerto Rico, use the Quarterly Wage on Disk(ette) feature.

For more information, see the following Knowledgebase articles at <https://support.na.sage.com>:

- [Knowledgebase article 32877](#) - Producing Quarterly Wage Reports on Disk(ette) or Hard Disk
- [Knowledgebase article 32876](#) - State-Specific Information for Quarterly Wage on Disk(ette)
- [Knowledgebase article 32880](#) - Entering Employee Supplemental Information

Preparing for Year-End Processing

Before you start processing your 2018 payroll, visit the Sage City Year-End Center, where you can get fast answers from Sage support, peers, and product experts at the busiest time of year. You'll find helpful articles, discussion forums, and other links and resources to help your year-end processing go smoothly.

To get started, visit <http://sagecity.na.sage.com/p/yearend> and select Sage 300.

The Year-End Center provides you with information on the following topics:

- Printing and filing W-2s
- Entering employee supplemental information
- Frequently asked questions for year-end processes
- Information about processing year-end 2017 reports and forms with Sage Payroll Tax Forms and eFiling by Aatrix
- Preparing for your first payroll of 2018

Product Update Installation Instructions

Follow the instructions in this section to install, apply, and verify this Product Update.

Before you start:

- Back up your data.
- Make sure all users have exited the program.
- Verify your service pack or product update level. To verify what service pack or product update you have installed, click the **System Information** option on the **Help** menu in Sage 300.

Installing the Product Update

To install the Product Update:

1. Right-click the Product Update file to Run as Administrator (or make sure you have administrator rights to run the installation) and launch the installation program.
2. On the Welcome window, click **Next** to continue to the Software License Agreement window.
3. Select the features to install. Click **Next**, then **Install**.
4. On the Setup Complete window, click **Finish** to finish the installation.

Activating the Tax Update

To activate the Tax Update:

1. Start Sage 300.
2. In the **Administrative Services** folder, select **Data Activation**.
3. Select the current tax update, and then click **Activate**.
4. If you are prompted to convert a previous payroll tax update to the current version, click **Proceed**.

After you complete installation and activation, and after you have made any adjustments described in this document, you can resume processing payroll.

Verifying the Product Update

After the update is complete, you can confirm that the update was installed successfully by selecting **Help > System Information**. The tax update version will be listed with a product update number.

Updating the Local Tax Repository and Rates

This section applies only if you use local tax codes in U.S. Payroll.

To update the local tax repository and rates:

1. After the Product Update is complete, log in to Sage 300.
2. On the Local and Other Custom Taxes window, click the **Install Repository** button to update all of the local tax rates in the system.
3. When you receive the prompt "Install Repository completed. Do you want to continue updating company level local tax records with information from the local repository?":
 - Click **Yes** to automatically update the company rates for all local taxes, or
 - Click **No** if you prefer to select each local tax individually and click the Update button for each one in order to apply the rate changes. This gives you the opportunity to validate rates before and after the changes.

Note: If you click **No**, you will be required to manually update each employee-level tax. This can be done for all employees at once by tax from **U.S. Payroll > Update Taxes**, or by individual employee from **Employee Payroll > Taxes**.

4. If you click **Yes**, after the process completes a message displays: "Updating company level local tax records completed. Do you want to continue updating employee local tax records from the local tax repository?".
 - Click **Yes** to automatically update the employee-level rates for all local taxes, or
 - Click **No** if you want to select each employee or use the Update Taxes tax, then update each tax or employee individually.

Important! This process requires security permissions in Sage 300 to access all employees. Otherwise you may not receive the prompts as described above and employee rates will not be updated.