Sage 300 ERP 2012
U.S. Payroll
Q2 2015 Release Notes

June 2015

Document version: June 15, 2015

This is a publication of Sage Software, Inc.

Copyright © 2015 Sage Software, Inc. All rights reserved.

Sage, the Sage logos, and the Sage product and service names mentioned herein are registered trademarks or trademarks of Sage Software, Inc. or its affiliated entities. All other trademarks are the property of their respective owners.

Windows ® and the Windows logo are either registered trademarks or trademarks of Microsoft Corporation in the United States and/or in other countries.

The names of all other products and services are property of their respective owners.

Your use of this document and the Sage product(s) described herein is governed by the terms and conditions of the Sage End User License Agreement ("EULA") or other agreement that is provided with or included in the Sage product. Nothing in this document supplements, modifies or amends those terms and conditions. Except as expressly stated in those terms and conditions, the information in this document is provided by Sage "AS IS" and Sage disclaims all express, implied or statutory warranties of any kind, including but not limited to the warranties of merchantability, fitness for a particular purpose or of non-infringement. No implied license is granted to you under any Sage intellectual property or trade secret right. Sage reserves the right to revise, supplement or remove information in this document at any time without notice to you or others.

Sage End User License: http://na.sage.com/us/legal/eula

Contents

Product Update Release Notes 2

Product Update Information 2

Support and Resources 2

Payroll Tax Updates 3

State and Local Legislative Updates 3

California 3

Kentucky 3

New York 4

Ohio 4

Pennsylvania 5

Sage Payroll Tax Forms and eFiling by Aatrix 6

Quarterly Wage on Disk(ette) 7

Product Update Installation Instructions 8

Installing the Product Update 8

Activating the Tax Update 8

Verifying the Product Update 8

Updating the Local Tax Repository and Rates 9

Product Update Release Notes

Important! All customers who update, maintain, and use Sage 300 ERP 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 ERP 2012 U.S. Payroll

Version: Product Update Q2 2015

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 ERP.
- **Customer Support:** For additional articles and resources, visit https://support.na.sage.com or contact Customer Support at 800-829-0170 (U.S. and Canada). Please have your Customer ID handy when contacting Customer Support.

Payroll Tax Updates

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

State and Local Legislative Updates

This section lists the state and local 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.

California

Effective July 1, 2015, California employers must show the number of available sick days each employee has on their pay stub or in a document issued the same day as their paycheck. Employers must also keep record of how many hours each employee earned and used for three years. This information may be stored on documents available to employees electronically.

Tip: You can use SAP® Crystal Reports to make the required edits to the payroll checks.

Kentucky

- A new tax code has been added for Pulaski County for employees working in Somerset so that the reduced tax rate for the county will be calculated. The new code is KY0250 - Pulaski (Som) CO Regular IT. There were no changes made to the existing code (KY0120 - Pulaski CO Regular IT). The new tax code rates are as follows:
    - For April 1, 2015 through June 30, 2015 individuals working in Somerset are to be withheld 0.9% for Pulaski County payroll occupational tax.
    - For July 1, 2015 through June 30, 2016 individuals working in Somerset are to be withheld 0.8% for Pulaski County payroll occupational tax.
    - There is a state mandated offset of 0.1% for the fiscal year ending 6/30/15 and a 0.2% offset for the fiscal year ending 6/30/16 for revenue sharing. After that the offset is no longer applicable and employees working in Pulaski County will be withheld 1% regardless of whether or not they work in Somerset.
- The following local taxes have either been added or have updated rates in the supported tax tables:

Tax code	Description	Rate	Effective Date
KY0079	Clinton CO Regular IT	1.25%	4/1/2015
KY0130	Owensboro CT Regular IT	1.39%	7/1/2015

Tax code	Description	Rate	Effective Date
KY0127	Paintsville CT Regular IT	1.25%	4/1/2015
KY0230	Raceland CT Regular IT	1.5%	4/1/2015
KY0249	Somerset CT Regular IT	0.6%	4/1/2015

New York

A recent legislative change to the New York City personal income tax for taxpayers with taxable income over $500,000 has caused New York City withholding tax changes (NYCIT - New York City Regular IT). Effective for payrolls made on or after June 1, 2015, employers who elect (or are required) to use Method II, Exact Calculation Method, must use the revised exact calculation method (s) due to changes in the line 7, Column 5 amounts in each of the tables.

Ohio

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

Tax code	Description	Rate	Effective Date
OH0910	Holland-SpringfieldTP JEDZ CT Regular IT	2.25%	7/1/2015
OH0911	Wayne VI Regular IT	0.75%	1/1/2015

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

Tax code	Description	Rate	Effective Date
OH0446	Cedarville VI Regular IT	1.25%	7/1/2015
OH0505	Coshocton CT Regular IT	2.0%	7/1/2015
OH0522	New Carlisle CT Regular IT	1.5%	7/1/2015
OH0253	Ravenna CT Regular IT	2.25%	7/1/2015

- Effective June 30, 2015, the following local tax is expired:

Tax code	Description
OH0820	Waynesville VI Regular IT

After installing the Q2, 2015 tax update and after processing your last payroll for this quarter, you can inactivate the Waynesville VI Regular IT tax by following these steps:

1. Select the **Inactive** check box to inactivate the local tax code (Setup > Payroll > Local and Other Custom Taxes) and to prevent it from being added to employees.

2. Remove the local tax (OH0820) from each employee record (Payroll > Employees > Tax tab).

Note: If the local tax is not removed from the employees, it will continue to calculate when you process payroll.

- Effective July 1, 2015, the following Ohio localities will report to RITA:

Tax code	Description
OH0365	Eastlake CT Regular IT
OH0746	Holland VI Regular IT
OH0191	Peninsula VI Regular IT

Pennsylvania

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

Tax code	Description	Rate	Effective Date
PA4366	Arnold CT, New Kensington-Arnld SD Regular IT	1.0%	1/1/2015
PA4365	Arnold CT, New Kensington-Arnld SD (NR) Regular IT	1.0%	1/1/2015
PA2097	Scranton CT, Scranton SD (NR) LST	$156 annually	1/1/2015
PA6390	Shamokin CT, Shamokin SD Regular IT	2.0%	1/1/2015
PA7929	Westfall TP, Delaware Valley SD (NR) Regular IT	1.0%	5/15/2015
PA7930	Westfall TP, Delaware Valley SD Regular IT	1.0%	5/15/2015

Sage Payroll Tax Forms and eFiling by Aatrix

Sage Payroll Tax Forms and eFiling by Aatrix is a feature included with Sage 300 ERP 2012. This functionality provides updated reports and forms at no cost and enables you to fill out and file tax forms electronically for a small fee.

To begin using tax forms with Sage Payroll Tax Forms and eFiling by Aatrix, open one of the tax forms available in **Federal Tax Filing** or **State Tax Filing** from **Payroll** > **Government Reports** after installing this update. 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.

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/index.php/sage300erp

Quarterly Wage on Disk(ette)

If you use Sage 300 ERP 2012 U.S. Payroll, you can use the Quarterly Wage on Disk(ette) feature to produce the following quarterly wage reports:

- State Unemployment Tax (SUTA) quarterly wage reports on diskette or hard disk (for states or regions not supported by Sage Payroll Tax Forms and eFiling by Aatrix).

Note: As of tax year 2006, the Social Security Administration (SSA) no longer accepts W-2s on physical media (such as diskettes or CD), although some states still do. For more details about the submission methods that are acceptable for W-2 reporting and submission deadlines, consult your tax authorities.

For more information about using the Quarterly Wage on Disk(ette) feature, and on state-specific requirements for using the feature, see the following articles on the Sage Support website at https://support.na.sage.com:

- Knowledgebase article 32876 - State-Specific Information for Quarterly Wage on Disk(ette)
- Knowledgebase article 32880 - Entering Employee Supplemental Information

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.
- Download the Product Update from the Sage Customer Portal.
- 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 ERP.

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 ERP.
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**.

Note: After installing this update, under **System Information** in Sage 300 ERP, the tax update version will be listed with a product update number. This has no impact on the content delivered with the tax and product update.

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 ERP.
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. After the repository update finishes, click the Finder button and select each of your local tax codes individually. For each local tax code, click the **Update** button to update the company level tax rates with the information from the repository.

Important! If any of your local tax codes use the Percentage of Base calculation method, you must update each employee assigned that tax code to ensure that the rate at the employee level is correct.