



Sage 300 U.S. Payroll

Q4 2019 Release Notes

December 2019

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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 2019

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 product update, you must have Sage 300 U.S. Payroll 7.3, which is supported in Sage 300 2020, 2019, 2018, and 2017.

Note: Effective February 28, 2020, Sage 300 U.S. Payroll 7.3 will no longer be supported for Sage 300 2017.

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 2019.

- **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

Federal Withholding Tax Changes for 2020

The IRS released new withholding and allowance amount tables for wages paid on or after January 1, 2020.

Social Security Wage Base Changes for 2020

For 2020, the maximum amount of earnings subject to the Social Security tax (taxable maximum) is \$137,700.

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.

Alaska

The Unemployment Insurance wage base limit changes to \$41,500 for 2020.

Arkansas

The Unemployment Insurance wage base limit changes to \$7,000 for 2020.

California

- California withholding tables and instructions have been updated for 2020. Refer to the state publication for more details.
- State disability insurance tax (CASDI) information is updated for 2020. Effective for wages paid on or after January 1, 2020:
 - The withholding rate is 1%.
 - The taxable wage limit is \$122,909 for each employee per calendar year.

Colorado

The Unemployment Insurance wage base limit changes to \$13,600 for 2020.

Illinois

The Unemployment Insurance wage base limit changes to \$12,740 for 2020.

Indiana

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

Code	Description	Rate	Effective Date
IN0002	Whitley 92 CO Regular (NR) IT	1.6829%	10/1/2019
IN0017	Sullivan 77 CO Regular (NR) IT	1.7%	10/1/2019
IN0027	Putnam 67 CO Regular (NR) IT	2.1%	10/1/2019
IN0034	Owen 60 CO Regular (NR) IT	1.4%	10/1/2019

Code	Description	Rate	Effective Date
IN0036	Ohio 58 CO Regular (NR) IT	1.5%	10/1/2019
IN0052	Johnson 41 CO Regular (NR) IT	1.2%	10/1/2019
IN0061	Hendricks 32 CO Regular (NR) IT	1.7%	10/1/2019
IN0063	Hancock 30 CO Regular (NR) IT	1.94%	10/1/2019
IN0065	Greene 28 CO Regular (NR) IT	1.95%	10/1/2019
IN0072	Fayette 21 CO Regular (NR) IT	2.57%	10/1/2019
IN0074	Dubois 19 CO Regular (NR) IT	1.2%	10/1/2019
IN0081	Clinton 12 CO Regular (NR) IT	2.45%	10/1/2019
IN0082	Clay 11 CO Regular (NR) IT	2.35%	10/1/2019
IN0093	Whitley 92 CO Regular IT	1.6829%	10/1/2019
IN0108	Sullivan 77 CO Regular IT	1.7%	10/1/2019
IN0118	Putnam 67 CO Regular IT	2.1%	10/1/2019
IN0125	Owen 60 CO Regular IT	1.4%	10/1/2019
IN0127	Ohio 58 CO Regular IT	1.5%	10/1/2019
IN0144	Johnson 41 CO Regular IT	1.2%	10/1/2019
IN0153	Hendricks 32 CO Regular IT	1.7%	10/1/2019
IN0155	Hancock 30 CO Regular IT	1.94%	10/1/2019
IN0157	Greene 28 CO Regular IT	1.95%	10/1/2019
IN0164	Fayette 21 CO Regular IT	2.57%	10/1/2019
IN0166	Dubois 19 CO Regular IT	1.2%	10/1/2019
IN0173	Clinton 12 CO Regular IT	2.45%	10/1/2019
IN0174	Clay 11 CO Regular IT	2.35%	10/1/2019

Iowa

- The Unemployment Insurance wage base limit changes to \$31,600 for 2020.
- Iowa withholding tables and instructions have been updated for 2020. Refer to the state publication for more details.

Kentucky

- Kentucky withholding tables and instructions have been updated for 2020. Refer to the state publication for more details.
- The following local taxes have been added in the supported tax tables:

Code	Description	Rate	Effective Date
KY0262	Crab Orchard CT Regular IT	1%	8/1/2019
KY0263	Smiths Grove CT Regular IT	1%	1/1/2020

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

Code	Description	Rate	Effective Date
KY0035	Pendleton CO Regular IT	1%	1/1/2020
KY0042	Henderson CT Regular IT	1.49%	1/1/2020
KY0044	Daviess CO Regular IT	0.7%	1/1/2020
KY0060	Mt Sterling CT Regular IT	2%	1/1/2020
KY0127	Paintsville CT Regular IT	1.25%	4/1/2017
KY0150	Ludlow CT Regular IT	2%	1/1/2020
KY0155	Lebanon Junction CT Regular IT	1.5%	1/1/2020
KY0169	Hancock CO Regular IT	1.6%	1/1/2020
KY0210	Benton CT Regular IT	0.6%	1/1/2020

- Wage base limits have been updated for the following local taxes:

Code	Description	Wage Base Limit	Effective Date
KY0009	Highland Heights CT Regular IT	\$137,700	1/1/2020

Code	Description	Wage Base Limit	Effective Date
KY0013	Newport CT Regular IT	\$137,700	1/1/2020
KY0020	Florence CT Regular IT	\$137,700	1/1/2020
KY0022	Crestview Hills CT Regular IT	\$137,700	1/1/2020
KY0023	Covington CT Regular IT	\$137,700	1/1/2020
KY0024	Cold Spring CT Regular IT	\$137,700	1/1/2020
KY0027	Boone CO Regular IT	\$63,136	1/1/2020
KY0029	Alexandria CT Regular IT	\$137,700	1/1/2020
KY0093	Wilder CT Regular IT	\$137,700	1/1/2020
KY0161	Jackson CT Regular IT	\$137,700	1/1/2020
KY0178	Fort Wright CT Regular IT	\$137,700	1/1/2020
KY0188	Edmonton CT Regular IT	\$137,700	1/1/2020

Massachusetts

For the Massachusetts Paid Family and Medical Leave plan, the wage base limit changes to \$137,700 for 2020.

For more information, including details about setting up deduction codes, see Sage Knowledgebase article [95277](#).

Minnesota

The Unemployment Insurance wage base limit changes to \$35,000 for 2020.

Missouri

The Unemployment Insurance wage base limit changes to \$11,500 for 2020.

Montana

The Unemployment Insurance wage base limit changes to \$34,100 for 2020.

Nebraska

Nebraska withholding tables and instructions have been updated for 2020. Refer to the state publication for more details.

Nevada

The Unemployment Insurance wage base limit changes to \$32,500 for 2020.

New Jersey

State disability insurance tax information is updated for 2020. Effective for wages paid on or after January 1, 2020:

- For employees:
 - The Disability Insurance rate is 0.26%.
 - The Family Leave Insurance rate is 0.16%
 - The taxable wage limit is \$134,900 for each employee per calendar year.
- For employers:
 - The Disability Insurance rate is set by the state for each employer individually.
 - The taxable wage limit is \$35,300 for each employee per calendar year.

For more information about setting up state disability insurance tax for 2020, see Sage Knowledgebase article [102273](#).

New Mexico

The Unemployment Insurance wage base limit changes to \$25,800 for 2020.

New York

- The Unemployment Insurance wage base limit changes to \$11,600 for 2020.
- New York withholding tables and instructions have been updated for 2020. Refer to the state publication for more details.
- City of Yonkers Income Tax and instructions have been updated for 2020. Refer to the state publication for more details.

North Carolina

The Unemployment Insurance wage base limit changes to \$25,200 for 2020.

Ohio

- The Unemployment Insurance wage base limit changes to \$9,000 for 2020.
- Ohio withholding tables and instructions have been updated for 2020. Refer to the state publication for more details.
- The following local taxes have been added in the supported tax tables:

Code	Description	Rate	Effective Date
OH1001	Clinton-Massie 1402 SD Regular IT	0.5%	1/1/2020
OH1002	Pleasant 5103 SD Regular IT	1%	1/1/2020
OH1003	River Valley 5105 SD Regular IT	1%	1/1/2020
OH1004	Northridge 4509 SD Regular IT	0.5%	1/1/2020
OH1005	Alexander 0501 SD Regular IT	1%	1/1/2020
OH1006	Jackson-Canton CD JEDD CT Regular IT	2.5%	1/1/2020
OH1007	McAlisters JEDD VI CT Regular IT	1%	1/1/2020
OH1008	Amanda-Clearcreek 2301 SD Regular IT	2%	1/1/2020
OH1009	Madison TP JEDD CT Regular IT	2.5%	6/30/2010
OH1010	Etna-Reynoldsburg JEDD 4 CT Regular IT	2%	8/30/2019
OH1011	Alexandria VI Regular IT	1%	1/1/2020

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

Code	Description	Rate	Effective Date
OH0036	Ross 0908 SD Regular IT	1.25%	1/1/2020
OH0186	Tallmadge CT Regular IT	2.25%	1/1/2020
OH0214	Canal Fulton VI Regular IT	2%	1/1/2020
OH0215	Brewster VI Regular IT	2%	1/1/2020

Code	Description	Rate	Effective Date
OH0218	Sidney CT Regular IT	1.65%	1/1/2020
OH0263	Circleville CT Regular IT	2.5%	1/1/2020
OH0510	Lisbon VI Regular IT	2%	1/1/2020
OH0512	East Palestine VI Regular IT	1.5%	1/1/2020
OH0603	Mount Gilead 5903 SD Regular IT	1.5%	1/1/2020
OH0617	Riverside 4604 SD Regular IT	1.5%	1/1/2020
OH0645	Evergreen 2602 SD Regular IT	1.5%	1/1/2020
OH0649	Hicksville 2004 SD Regular IT	1.5%	1/1/2020
OH0651	Central 2002 SD Regular IT	1.25%	1/1/2020
OH0779	Union CT Regular IT	1.5%	1/1/2020
OH0848	Tri-Way 8509 SD Regular IT	1.75%	1/1/2020
OH0946	Circleville-Pickaway TP JEDD CT Regular IT	2.5%	1/1/2020

- Wage base limits have been updated for the following local taxes:

Code	Description	Wage Base Limit	Effective Date
OH0891	Green TP JEDD II CT Regular IT	\$111,075	1/1/2020
OH0892	Green TP Western Ridge JEDD CT Regular IT	\$117,260	1/1/2020
OH0948	Harrison Greene JEDD IV CT Regular IT	\$107,923	1/1/2020
OH0971	UDF-North Bend JEDD V CT Regular IT	\$104,039	1/1/2020

- The following local tax has an updated description:

Code	Description
OH0837	Miami Crossing JEDD CT Regular IT

- Effective December 31, 2019, the following local tax has been expired:

Code	Description
OH0830	Mifflin VI Regular IT

Oklahoma

The Unemployment Insurance wage base limit changes to \$18,700 for 2020.

Oregon

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

Code	Description	Rate	Effective Date
OR0005	Tri-Met Transit District Excise Tax	0.7737%	1/1/2020
OR0006	Lane County Transit District Excise Tax	0.75%	1/1/2020

Rhode Island

- The Unemployment Insurance wage base limit changes to \$24,000 for 2020.
- State disability insurance tax (RISDI) information is updated for 2020. Effective for wages paid on or after January 1, 2020:
 - The withholding rate is 1.3%.
 - The taxable wage limit is \$72,300 for each employee per calendar year.

Utah

The Unemployment Insurance wage base limit changes to \$36,600 for 2020.

Vermont

The Unemployment Insurance wage base limit changes to \$16,100 for 2020.

Washington

- The Unemployment Insurance wage base limit changes to \$52,700 for 2020.
- For the Washington Paid Family and Medical Leave plan, the wage base limit changes to \$137,700 for 2020.

For more information, including details about setting up deduction codes, see Sage Knowledgebase article [95277](#).

West Virginia

The following local taxes have either been added or have updated rates in the supported tax tables:

Code	Description	Rate	Effective Date
WV0009	Madison CT Service Fee	\$156	1/1/2020
WV0011	Wheeling CT Service Fee	\$104	1/1/2020

Wyoming

The Unemployment Insurance wage base limit changes to \$26,400 for 2020.

Product updates

The following product updates are included with this release.

Payroll product updates

The following new features and improvements to payroll are included with this update.

New Fields for Form W-4 for 2020

To support changes to form W-4 for 2020, we've updated the Payroll Employees Tax Info window. In the Additional Tax Information table:

- New statuses are available in the Filing Status field
- The following fields have been added:
 - W-4 Line 3 Dependent Amount
 - W-4 Line 4a Other Income Amount
 - W-4 Line 4b Deductions Amount

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.

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 2020 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 2019 reports and forms with Sage Payroll Tax Forms and eFiling by Aatrix
- Preparing for your first payroll of 2020

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.