



Sage 300 U.S. Payroll

Q4 2021 Release Notes

December 2021

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Contents

- Product update release notes 1
 - Product update information 1
 - Software requirements 1
 - Support and resources 1

- Payroll Tax Updates 3
 - Federal Legislative Updates 3
 - State and Local Legislative Updates 3
 - Alaska 4
 - California 4
 - Colorado 4
 - Connecticut 4
 - Georgia 4
 - Hawaii 4
 - Idaho 5
 - Indiana 5
 - Iowa 5
 - Kentucky 5
 - Maine 6
 - Massachusetts 6
 - Michigan 6
 - Minnesota 6
 - Missouri 7
 - Montana 7
 - Nebraska 7
 - Nevada 7
 - New Jersey 7

Contents

New Mexico	8
New York	8
North Carolina	8
North Dakota	8
Ohio	9
Oklahoma	9
Oregon	10
Pennsylvania	10
Rhode Island	10
South Carolina	10
Utah	11
Washington	11
Wisconsin	11
Product updates	12
Payroll product updates	12
My Workforce Forms updates	13
Sage Payroll Tax Forms and eFiling by Aatrix	14
Supported W-2 Forms	14
Quarterly Wage on Disk(ette)	15
Preparing for Year-End Processing	16
Product update installation instructions	17
Installing the product update	17
Activating the tax update	17
Verifying the product update	18
Updating the local tax repository and rates	18

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 2021

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 2022, 2021, 2020, and 2019.

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. Visit the [Sage 300 Product Documents website](#) for access to more documents.
- **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 2021.
- **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 2022

The IRS released draft withholding and allowance amount tables for wages paid on or after January 1, 2022.

Social Security Wage Base Changes for 2022

For 2022, the maximum amount of earnings subject to the Social Security tax (taxable maximum) is \$147,000.

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 \$45,200 for 2022.

California

- California withholding tables and instructions have been updated for 2022. Refer to the state publication for more details.
- State disability insurance tax (CASDI) information is updated for 2022. Effective for wages paid on or after January 1, 2022:
 - The withholding rate is 1.1%.
 - The taxable wage limit is \$145,600 for each employee per calendar year.

Colorado

- The Unemployment Insurance wage base limit changes to \$17,000 for 2022.
- Colorado withholding tables and instructions have been updated for 2022. Refer to the state publication for more details.
- Effective January 1, 2022, you can file withholding taxes for employees using form DR 0004 (Colorado Employee Withholding Certificate). To do so, on the Payroll Employees window specify a filing status of **None - form DR 0004 used instead**, and then specify the amount from the form in the **Amt from line 2 on form DR 0004** field which appears.

Connecticut

For the Connecticut Paid Family and Medical Leave plan, the wage base limit changes to \$147,000 for 2022.

For more information, including details about setting up payroll codes, see Sage Knowledgebase article [108247](#).

Georgia

Georgia withholding tables and instructions have been updated for 2022. Refer to the state publication for more details.

Hawaii

The Unemployment Insurance wage base limit changes to \$51,600 for 2022.

Idaho

The Unemployment Insurance wage base limit changes to \$46,500 for 2022.

Indiana

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

Code	Description	Rate	Effective Date
IN0007	Warrick 87 CO Regular (NR) IT	1%	10/1/2021
IN0034	Owen 60 CO Regular (NR) IT	2.5%	10/1/2021
IN0098	Warrick 87 CO Regular IT	1%	10/1/2021
IN0125	Owen 60 CO Regular IT	2.5%	10/1/2021

Iowa

- The Unemployment Insurance wage base limit changes to \$34,800 for 2022.
- Iowa withholding tables and instructions have been updated for 2022. Refer to the state publication for more details.

Kentucky

- The Unemployment Insurance wage base limit changes to \$11,100 for 2022.
- The following local taxes have either been added or have updated rates in the supported tax tables:

Code	Description	Rate	Effective Date
KY0044	Daviess CO Regular IT	1%	1/1/2022
KY0268	Glendale Megasite TD Regular IT	1%	1/1/2022

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

Code	Description	Wage Base Limit	Effective Date
KY0009	Highland Heights CT Regular IT	\$147,000	1/1/2022
KY0013	Newport CT Regular IT	\$147,000	1/1/2022

Code	Description	Wage Base Limit	Effective Date
KY0020	Florence CT Regular IT	\$147,000	1/1/2022
KY0022	Crestview Hills CT Regular IT	\$147,000	1/1/2022
KY0023	Covington CT Regular IT	\$147,000	1/1/2022
KY0024	Cold Spring CT Regular IT	\$147,000	1/1/2022
KY0027	Boone CO Regular IT	\$67,179	1/1/2022
KY0029	Alexandria CT Regular IT	\$147,000	1/1/2022
KY0093	Wilder CT Regular IT	\$147,000	1/1/2022
KY0096	Warsaw CT Regular IT	\$147,000	1/1/2022
KY0161	Jackson CT Regular IT	\$147,000	1/1/2022
KY0178	Fort Wright CT Regular IT	\$147,000	1/1/2022
KY0188	Edmonton CT Regular IT	\$147,000	1/1/2022

Maine

Maine withholding tables and instructions have been updated for 2022. Refer to the state publication for more details.

Massachusetts

For 2022, there are changes for Massachusetts Paid Family Leave, and there is a new Massachusetts Paid Medical Leave. Refer to the state publication for more details.

For details about setting up related local tax codes, see Sage Knowledgebase article [95277](#).

Michigan

Michigan withholding tables and instructions have been updated for 2022. Refer to the state publication for more details.

Minnesota

The Unemployment Insurance wage base limit changes to \$38,000 for 2022.

Missouri

Missouri withholding tables and instructions, including rates on supplemental wages, have been updated for 2022. Refer to the state publication for more details.

Montana

The Unemployment Insurance wage base limit changes to \$38,100 for 2022.

Nebraska

Nebraska withholding tables and instructions have been updated for 2022. Refer to the state publication for more details.

Nevada

The Unemployment Insurance wage base limit changes to \$36,600 for 2022.

New Jersey

- The Unemployment Insurance wage base limit changes to \$39,800 for 2022.
- State disability insurance tax information is updated for 2022. Effective for wages paid on or after January 1, 2022:
 - For employees:
 - The Disability Insurance rate is 0.14%.
 - The Family Leave Insurance rate is 0.14%.
 - The taxable wage limit is \$151,900 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 \$39,800 for each employee per calendar year.

For more information about setting up state disability and family leave insurance taxes for 2022, see Sage Knowledgebase articles [102273](#) and [108199](#).

New Mexico

- The Unemployment Insurance wage base limit changes to \$28,700 for 2022.
- New Mexico withholding tables and instructions have been updated for 2022. Refer to the state publication for more details.

New York

- The Unemployment Insurance wage base limit changes to \$12,000 for 2022.
- New York withholding tables and instructions, including rates on supplemental wages, have been updated for 2022. Refer to the state publication for more details.
- City of Yonkers Income Tax and instructions, including rates on supplemental wages, have been updated for 2022. Refer to the state publication for more details.
- There are changes for New York Paid Family Leave for 2022. Refer to the state publication for more details.

For details about setting up related local tax codes, see Sage Knowledgebase article [88150](#).

North Carolina

North Carolina withholding tables and instructions, including rates on supplemental wages, have been updated for 2022. Refer to the state publication for more details.

North Dakota

- The Unemployment Insurance wage base limit changes to \$38,400 for 2022.
- North Dakota withholding tables and instructions have been updated for 2022. Refer to the state publication for more details.

Ohio

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

Code	Description	Rate	Effective Date
OH0286	Riverside CT Regular IT	2.5%	1/1/2022
OH0466	Hilliard CT Regular IT	2.5%	1/1/2022
OH0490	Powell VI Regular IT	2%	1/1/2022
OH0595	Preble Shawnee 6804 SD Regular IT	1.75%	1/1/2022
OH1034	Sidney 7508 SD Regular IT	0.75%	1/1/2022
OH1035	Pike-Delta-York 2605 SD Regular IT	1%	1/1/2022
OH1036	Sharon TP JEDD CT Regular IT	2.5%	10/1/2021
OH1037	Etna-Reynoldsburg JEDD 7 CT Regular IT	2%	8/31/2021
OH1038	Lockington VI Regular IT	1%	1/1/2022
OH1039	Nashville VI Regular IT	1%	1/1/2022

- 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	\$118,712	1/1/2022
OH0892	Green TP Western Ridge JEDD CT Regular IT	\$125,323	1/1/2022
OH0948	Harrison Greene JEDD IV CT Regular IT	\$115,343	1/1/2022
OH0971	UDF-North Bend JEDD V CT Regular IT	\$111,193	1/1/2022
OH1007	McAlisters JEDD VI CT Regular IT	\$108,693	1/1/2022

Oklahoma

- The Unemployment Insurance wage base limit changes to \$24,800 for 2022.
- Oklahoma withholding tables and instructions, including rates on supplemental wages, have been updated for 2022. Refer to the state publication for more details.

Oregon

- The Unemployment Insurance wage base limit changes to \$47,700 for 2022.
- Oregon withholding tables and instructions have been updated for 2022. Refer to the state publication for more details.
- The following local taxes have updated rates in the supported tax tables:

Code	Description	Rate	Effective Date
OR0005	Tri-Met Transit District Excise Tax	0.7937%	1/1/2022
OR0006	Lane County Transit District Excise Tax	0.77%	1/1/2022

- The following local taxes which previously existed in supported tax tables must now be set up as custom taxes:
 - Portland Metro Supportive Housing Services Income Tax
 - Multnomah County Preschool for All Personal Income Tax

For more information, see Sage Knowledgebase article [111399](#).

Pennsylvania

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

Code	Description	Rate	Effective Date
PA7848	Milford BO, Delaware Valley SD (NR) Regular IT	1%	10/1/2021
PA7849	Milford BO, Delaware Valley SD Regular IT	1%	10/1/2021

Rhode Island

Rhode Island withholding tables and instructions have been updated for 2022. Refer to the state publication for more details.

South Carolina

South Carolina withholding tables and instructions have been updated for 2022. Refer to the state publication for more details.

Utah

The Unemployment Insurance wage base limit changes to \$41,600 for 2022.

Washington

- The Unemployment Insurance wage base limit changes to \$62,500 for 2022.
- For quarterly reports, you are now required to report an occupational code for each employee. You do so on the **Employee Supplemental Information** window, in the **Occupational Code** field.
- Effective January 1, 2022, a new Washington Cares Fund Tax (WA0004) of 0.58% applies to employees working in Washington, except those who are exempt.
- There are changes for Washington Paid Family and Medical Leave for 2022.

Also, you are now required to indicate if a person is exempt from the WA Cares Tax. You specify this on the **Employee Supplemental Information** window using FML-WA as the reporting authority ID. You must also set up a new local tax code.

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

- Effective January 1, 2022, there are changes to the payroll expense tax for businesses that operate in Seattle. For more information, see Sage Knowledgebase article [108679](#).

Wisconsin

Wisconsin withholding tables and instructions have been updated for 2022. Refer to the state publication for more details.

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.

Include Taxes for Employees by Default

You can now set up taxes to be included for employees by default when you create new employee records. To do this, specify the following settings on the Federal and State Taxes window:

- On the Basic Info tab, select the **Include for Employees by Default** option.
- On the G/L Dist tab, specify Yes in the **Default** field for a distribution code.

Note: You must do this even if there is only one distribution code for the tax.

Add Comments for Employees

The Payroll Employees window has a new **Comments** tab where you can enter comments for employees. You can include these comments on the Employee Information Report.

You can enter a follow-up date for each comment. To set up your system so default follow-up dates are automatically entered, specify a number of days in the **Default Number of Days for Follow Up on Employee Comments** field on the Payroll Options window.

Save settings for calculating payroll

On the Calculate Payroll window, you can now save your settings so they will be used by default the next time you open the window. Saved settings are personal to each Sage 300 user, so each user can save different defaults.

To save your settings, click **Save Settings as Default** on the **Settings** menu at the top of the Calculate Payroll window. (You can also clear your saved settings, by clicking **Clear Saved Settings** on the same menu.)

Streamlined process for getting to Pre-Check Payroll Register after calculating payroll

After calculating payroll, an improved "processing completed" message appears, which allows you to open the Pre-Check Payroll Register window directly, instead of having to open the window from the desktop. The improved message also allows you to print a report of processing exceptions (if there were any).

Fix for Employee Activity and Transaction History

We have fixed two similar problems that occurred for employees with certain specific employee numbers. For these employees:

- On the Employee Activity window, check information is now displayed on the Checks tab.
- On the Transaction History window, Finders work correctly in the tables on the Earnings/Deductions tab and the Taxes tab.

Fix for reversed checks on Form 941

If you reverse a check that was paid in a previous quarter, the amount of the reversed check is not included on the 941 for the current quarter.

Fix for printing Aatrix forms

We have fixed a problem that occurred when printing Aatrix forms if you were signed in to Microsoft Windows as a user without administration security rights, which caused a message to appear asking you to allow the **AatrixForms** app to make changes to your device.

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 2022 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-2 forms
- Entering employee supplemental information
- Frequently asked questions for year-end processes
- Information about processing year-end 2021 reports and forms with Sage Payroll Tax Forms and eFiling by Aatrix
- Preparing for your first payroll of 2022

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.