



# Sage 300 Canadian Payroll

## January 1, 2021 Release Notes

January 2021

This is a publication of Sage Software, Inc.

© 2021 The Sage Group plc or its licensors. All rights reserved. Sage, Sage logos, and Sage product and service names mentioned herein are the trademarks of The Sage Group plc or its licensors. All other trademarks are the property of their respective owners.

Last updated: January 4, 2021

# Contents

- Product update release notes** ..... 1
  - Product update information ..... 1
  - Software requirements ..... 1
  - Support and resources ..... 1
  
- Payroll Tax Updates** ..... 2
  - Federal Legislative Updates ..... 2
  - Provincial and Territorial Legislative Updates ..... 3
  - Québec ..... 6
  
- Product updates** ..... 7
  - Payroll product updates ..... 7
  
- Preparing for Year-End Processing** ..... 8
  
- Product update installation instructions** ..... 9
  - Installing the product update ..... 9
  - Activating the tax update ..... 9
  - Verifying the product update ..... 10

# Product update release notes

**Important!** All customers who update, maintain, and use Sage 300 Canadian 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 Canadian Payroll

**Version:** Product Update January 1, 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 Canadian Payroll 7.3, which is supported in Sage 300 2021, 2020, 2019, and 2018.

## 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 2020.
- **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.

# Payroll Tax Updates

The following federal, provincial, and territorial tax changes are included in this update.

You may need to adjust your employee records to reflect these tax changes.

## Federal Legislative Updates

This section lists federal legislative updates available with this release.

**Note:** Pre-printed T4 forms obtained from the CRA are not supported. You can print on plain paper only.

## EI Maximum Insurable Earnings and Premium Rates for 2021

For Employment Insurance, the annual maximum insurable earnings for 2021 is \$56,300.

The premium rates are:

- 1.58% for residents of provinces without a provincial plan (all of Canada except Québec)
- 1.18% for residents of Québec

The annual maximum contributions for the general rate are:

- Employee contributions - \$889.54
- Employer contributions - \$1,245.36

The annual maximum contributions for Québec are:

- Employee contributions - \$664.34
- Employer contributions - \$930.06

## Pension Plan Rates and Maximum Pensionable Earnings for 2021

The maximum pensionable earnings under the Canada Pension Plan (CPP) for 2021 is \$61,600. Additionally, for 2021:

- The basic exemption amount remains unchanged at \$3,500.
- The maximum contributory earnings increase to \$58,100.
- The employee and employer contribution rates increase to 5.45%.
- The maximum employee and employer contribution to the plan is \$3,166.45 each.

## Federal Indexation for 2021

The federal indexation factor effective January 1, 2021 is 1%.

## Provincial and Territorial Legislative Updates

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

To confirm the amounts and to receive the forms for 2021, contact your tax services office or visit the government websites:

- CRA: <http://www.cra-arc.gc.ca/>
- Revenu Québec: <https://www.revenuquebec.ca/fr/>

## WCB Maximum Assessable Earnings for 2021

The 2021 Workers Compensation Board Maximum Assessable Earnings are:

	2021	2020
Alberta	98,700	98,700
British Columbia	\$100,000	87,100
Manitoba	\$127,000	127,000
New Brunswick	\$67,100	66,200
Newfoundland and Labrador	\$67,985	66,980
Northwest Territories	\$97,300	94,500
Nova Scotia	\$64,500	62,000
Nunavut	\$97,300	94,500
Ontario	\$102,800	95,400
Prince Edward Island	\$55,300	55,300
Québec	\$83,500	78,500
Saskatchewan	\$91,100	88,906
Yukon	\$91,930	90,750

## Personal Tax Credits for 2021

Effective January 1, 2021, the provincial and territorial personal tax credits that employees can claim have changed. These changes are reflected in the new 2021 provincial and territorial TD1 forms, and the Québec TP-1015.3-V form. The basic personal amounts have changed as listed below.

	2021	2020
Federal	Use CRA worksheet <a href="#">TD1-WS</a>	Use CRA worksheet <a href="#">TD1-WS</a>
Alberta	19,369	19,369
British Columbia	11,070	10,949
Manitoba	9,936	9,838
New Brunswick	10,459	10,459
Newfoundland and Labrador	9,498	9,498
Northwest Territories	15,243	15,093
Nova Scotia	Use CRA worksheet <a href="#">TD1NS-WS</a>	Use CRA worksheet <a href="#">TD1NS-WS</a>
Nunavut	16,467	16,304
Ontario	10,880	10,783
Prince Edward Island	10,500	10,000
Québec	15,728	15,532
Saskatchewan	16,225	16,065
Yukon	13,808	12,298

## Provincial and Territorial Indexation for 2021

Effective January 1, 2021, the following provinces and territories have released updated indexing factors:

	2021	2020
Alberta	0%	0%
British Columbia	1.1%	2.5%

	2021	2020
Manitoba	1%	2.2%
New Brunswick	1%	1.9%
Newfoundland and Labrador	0.4%	0.9%
Northwest Territories	1%	1.9%
Nova Scotia	n/a	n/a
Nunavut	1%	1.9%
Ontario	0.9%	1.9%
Prince Edward Island	n/a	0%
Québec	1.26%	1.72%
Saskatchewan	1%	0%
Yukon	1%	1.9%

## Provincial and Territorial Tax Brackets for 2021

Provincial/territorial tax brackets are indexed and have changed for 2021, for the following provinces and territories:

- British Columbia
- Manitoba
- New Brunswick
- Newfoundland and Labrador
- Northwest Territories
- Nunavut
- Ontario
- Québec
- Saskatchewan
- Yukon

To confirm the amounts, contact your tax services office or visit the government websites.

## Québec

- The authorization (certification) number is assigned by Revenu Québec, and it identifies the developer of the software that is used to produce the Relevé 1 data file. In Payroll Government Reports > Relevé 1s Electronic Filing > Transmitter Info II tab, confirm the last three numbers of the authorization number: RQ-20-01-089.
- The maximum pensionable earnings amount for the Québec Pension Plan for 2021 is \$61,600. Additionally:
  - The maximum contributory earnings for QPP increases to \$58,100.
  - The QPP rate increases to 5.9%.
  - The maximum employee and employer contributions for QPP are \$3,427.90 each.
- The Québec Parental Insurance Plan (QPIP) rates have been updated for 2021 as follows:
  - Maximum insurable earnings: \$83,500
  - Employee premium rate: 0.494%
  - Employee maximum contributions: \$412.49
  - Employer premium rate: 0.692%
  - Employer maximum contributions: \$577.82

# 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.

### Reporting for COVID-19 pay periods

Employment income for the COVID-19 pay periods defined by the CRA for tax year 2020 is reported in the correct boxes (57-60) on T4 forms.

# Preparing for Year-End Processing

Before you start processing your 2021 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:

- Using the Update TD1 Claim function
- Printing and filing T4s and Releve 1s
- Frequently asked questions for year-end processes
- Preparing for your first payroll of 2021

# 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**.