



Sage 300 U.S. Payroll

Q4 SR1 2022 Release Notes

January 2023

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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 3
 - Arkansas 3
 - Connecticut 4
 - Illinois 4
 - Indiana 4
 - Kentucky 4
 - Michigan 5
 - North Carolina 5
 - North Dakota 5
 - Ohio 5
 - Oregon 5
 - Pennsylvania 6
 - Rhode Island 7
 - Vermont 7

- Product updates** 8
 - Payroll product updates 8
 - My Workforce Forms updates 8

Sage Payroll Tax Forms and eFiling by Aatrix 9

 Supported W-2 Forms 9

Quarterly Wage on Disk(ette) 10

Preparing for Year-End Processing 11

Product update installation instructions 12

 Installing the product update 12

 Activating the tax update 12

 Verifying the product update 13

 Updating the local tax repository and rates 13

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 SR1 2022

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 2023, 2022, 2021, and 2020.

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 2022.
- **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

There are no federal legislative updates with this release.

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 \$47,100 for 2023.

Arkansas

The Unemployment Insurance wage base limit changes to \$7,000 for 2023.

Connecticut

There are changes for the Connecticut Paid Family and Medical Leave for 2023.

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

Illinois

Illinois withholding tables and instructions have been updated for 2023. Refer to the state publication for more details.

Indiana

- Indiana withholding tables and instructions have been updated for 2023. 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
IN0032	Perry 62 CO Regular (NR) IT	1.4%	1/1/2023
IN0039	Montgomery 54 CO Regular (NR) IT	2.65%	1/1/2023
IN0065	Greene 28 CO Regular (NR) IT	2.15%	1/1/2023
IN0123	Perry 62 CO Regular IT	1.4%	1/1/2023
IN0131	Montgomery 54 CO Regular IT	2.65%	1/1/2023
IN0157	Greene 28 CO Regular IT	2.15%	1/1/2023

Kentucky

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

Code	Description	Rate	Effective Date
KY0042	Henderson CT Regular IT	1.65%	1/1/2023
KY0068	Park City CT Regular IT	2%	7/1/2022

- KY0272 has been delayed. For more information, see Sage Knowledgebase article [118185](#).

Michigan

Michigan withholding tables and instructions have been updated for 2023. Refer to the state publication for more details.

North Carolina

- North Carolina withholding tables and instructions, including rates on supplemental wages, have been updated for 2023. Refer to the state publication for more details.
- The Unemployment Insurance wage base limit changes to \$29,600 for 2023.

North Dakota

The Unemployment Insurance wage base limit changes to \$40,800 for 2023.

Ohio

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

Code	Description	Rate	Effective Date
OH0020	Cloverleaf 5204 SD Regular IT	1%	1/1/2023
OH1052	Somerset VI Regular IT	1%	1/1/2023

Oregon

- Oregon withholding tables and instructions have been updated for 2023. Refer to the state publication for more details.
- There are changes for Oregon Paid Family and Medical Leave for 2023.

For more information, including details about setting up related local tax codes, see Sage Knowledgebase article [117849](#).

- There are changes for the following local taxes for 2023. Refer to state publications for more details.
 - Metro Supportive Housing Services Income Tax
 - Multnomah County Preschool for All Personal Income Tax

For details setting up related local tax codes, see Sage Knowledgebase article [111399](#).

Pennsylvania

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

Code	Description	Rate	Effective Date
PA0015	Tullytown BO, Pennsbury SD (NR) LST	\$52	12/15/2022
PA0649	Wilmington TP, Wilmington SD (NR) LST	\$52	12/15/2022
PA0808	Conneautville BO, Conneaut SD (NR) LST	\$52	12/15/2022
PA1041	Athens BO, Athens SD (NR) LST	\$52	12/15/2022
PA1065	Upper Tulpehocken TP, Hamburg SD (NR) LST	\$52	12/15/2022
PA1073	Robesonia BO, Conrad Weiser SD (NR) LST	\$52	12/15/2022
PA1468	West Grove BO, Avon Grove SD (NR) LST	\$52	12/15/2022
PA1475	Washington TP, Upper Dauphin SD (NR) LST	\$52	12/15/2022
PA1531	Mifflin TP, Upper Dauphin SD (NR) LST	\$52	12/15/2022
PA2669	Langhorne BO, Neshaminy SD (NR) Regular IT	1%	12/15/2022
PA2670	Langhorne BO, Neshaminy SD Regular IT	1%	12/15/2022
PA4506	Greenville BO, Greenville SD Regular IT	1.75%	12/15/2022
PA4737	Greenfield TP, Wattsburg SD (NR) Regular IT	1%	12/15/2022
PA6792	Whitpain TP, Wissahickon SD Regular IT	1.06%	12/15/2022
PA6794	Plymouth TP, Colonial SD Regular IT	1.10%	12/15/2022
PA6850	Westtown TP, W Chester SD Regular IT	1.04%	12/15/2022
PA6928	Upper Saucon TP, Southern Lehigh SD Regular IT	1.10%	12/15/2022
PA7237	London Grove TP, Avon Grove SD (NR) Regular IT	0.75%	1/1/2023
PA7238	London Grove TP, Avon Grove SD Regular IT	1%	1/1/2023
PA7612	Braddock BO, Woodland Hills SD Regular IT	1.55%	12/15/2022
PA7963	Allentown CT, Parkland SD Regular IT	1.975%	1/1/2023
PA7964	Allentown CT, Parkland SD (NR) Regular IT	1.28%	1/1/2023

Code	Description	Rate	Effective Date
PA7965	Allentown CT, Parkland SD (NR) LST	\$52	1/1/2023

Rhode Island

- The Unemployment Insurance wage base limit changes to \$28,200 for 2023.
- Rhode Island withholding tables and instructions have been updated for 2023. Refer to the state publication for more details.
- State disability insurance tax (RISDI) information is updated for 2023. Effective for wages paid on or after January 1, 2023:
 - The withholding rate is 1.1%.
 - The taxable wage limit is \$84,000 for each employee per calendar year.

Vermont

Vermont withholding tables and instructions have been updated for 2023. 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.

Arizona Withholding Tax is not calculating for 2023

If an employee is using a withholding rate from 2022, the Arizona withholding tax will now be calculated using the 2023 default rate of 2%.

For more information, see Sage Knowledgebase Article [117850](#).

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 2023 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 2022 reports and forms with Sage Payroll Tax Forms and eFiling by Aatrix
- Preparing for your first payroll of 2023

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 asked if you want to continue updating company-level local tax records with information from the local repository, click one of the following:
 - **Yes** to automatically update the company rates for all local taxes.
 - **No** to update local taxes individually (select each tax and click the Update button to apply the rate changes). Doing this enables you to validate rates before and after the changes.
4. Depending on your choice in the previous step, update employee-level local tax records as follows:
 - If you clicked **Yes** in the previous step, when asked if you want to continue updating employee local tax records from the local tax repository, click one of the following:
 - **Yes** to automatically update the employee-level rates for all local taxes.
 - **No** to select each employee or use the Update Taxes tax, then update each tax or employee individually.
 - If you clicked **No** in the previous step, you must 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**.

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.