



Sage 300 U.S. Payroll

Q1 2024 Release Notes

March 2024

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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.

Important! If you are using Sage 300 Web Screens AND you install Sage 300 version 2024 Product Update 1 after the US or Canadian Q4 2023 Payroll Tax Update, make sure you apply the recent hotfix. For more information, see Sage Knowledgebase article: [Hot Fix Q4 tax update \(solution ID 231213165156483\)](#).

Product update information

Product: Sage 300 U.S. Payroll

Version: Product Update Q1 2024

Software requirements

To use this product update, you must have Sage 300 U.S. Payroll 7.3 or 8.0, which is supported in Sage 300 2024, 2023, 2022, and 2021.

Payroll 8.0

As of Sage 300 2024 in September 2023, there is a new version of Payroll, 8.0. The tax tables for Payroll 7.3 will be available until March 2024. After this date, tax tables and support will only be available for Payroll 8.0.

Important! If you are upgrading from Payroll 7.3 to Payroll 8.0, make sure you have the latest Payroll 8.0 Tax Update. There might be an activation issue if not using the latest Payroll 8.0 Tax Update.

Note: If you are using an older version of Sage 300, please reach out to your Business Partner for your upgrade options.

	Sage 300 2024	Sage 300 2023	Sage 300 2022	Sage 300 2021
Payroll versions supported up to March 2024	7.3 & 8.0	7.3 & 8.0	7.3 & 8.0	7.3 & 8.0
Payroll versions supported after March 2024	8.0	8.0	8.0	8.0

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.
- **Community Hub:** Visit <https://communityhub.sage.com/us> for blogs, tips, and guidance specific to Sage 300.
- **Customer Support:** For additional articles and resources, visit the Sage Knowledgebase at <https://us-kb.sage.com/portal/ss/> 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, 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.

Illinois

- The Illinois law requires private businesses with 100 or more local employees to submit an application to obtain an Equal Pay Registration Certificate (EPRC).
- The application requires these companies to provide certain pay, demographic, and other data to the Illinois Department of Labor (IDOL) by March 24, 2024, and to update every two years after the first submission.
- For more information, see Knowledgebase article: [Illinois Equal Pay Act reporting due by March 24, 2024 \(Solution ID: 240304192239537\)](#).

Iowa

- Effective January 1, 2024, the IA W-4 only allows for withholding amounts on Line 6.
- The Iowa State Income Tax (IASIT) now has a new field (**Allowances IA W-4 2024 or later**), which allows the entry of the 2024 allowance amount.
- Exemptions have been updated to **Exemptions IA W-4 prior to 2024**.

Kentucky

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

Code	Description	Rate	Effective Date
KY0284	Hardin County Industrial TD Regular IT	1%	01/01/2024
KY0285	Buckhorn CT Regular IT	1%	01/01/2024

Maryland

- Maryland withholding tables and instructions have been updated for 2024. Refer to the state publication for more details.
- There may be local income bracket changes. For example, Frederick Co:
 - 0.0225 for taxpayers who have a net taxable income between \$1 and not exceeding \$25,000.
 - 0.0275 for taxpayers who have a net taxable income between \$25,001 and not exceeding \$50,000.

North Dakota

- 0.0296 for taxpayers who have a net taxable income between \$50,001 and not exceeding \$150,000.
- 0.0320 for taxpayers who have a net taxable income of \$150,001 or more.

For more information, see Knowledgebase article: [How to handle withholding for Maryland counties with local tax brackets \(Solution ID: 240311184255530\)](#).

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

Code	Description	Rate	Effective Date
MD3189	Anne Arundel, Maryland Regular IT	2.7%	01/01/2024
MD3194	Cecil, Maryland Regular IT	2.75%	01/01/2024
MD3197	Frederick, Maryland Regular IT	2.25%	01/01/2024

North Dakota

North Dakota withholding tables and instructions have been updated for 2024. 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
OH0942	Lebanon-Turtle Creek TP JEDD CT Regular IT	1.5%	01/01/2024
OH0968	Washingtonville VI Regular IT	1%	04/01/2024
OH1066	Marengo-Bennington TP JEDD CT Regular IT	1%	01/01/2024

Pennsylvania

- Effective January 1, 2024, under Act 34 of 2023 (HB 1300), amounts paid or incurred by an employer for dependent care assistance provided to an employee are now

excluded from the employee’s Pennsylvania Personal Income Tax obligation.

- For 2024, stop withholding tax on dependent care benefits (up to \$5,000). For more information, visit:
<https://www.revenue.pa.gov/TaxTypes/EmployerWithholding/Pages/Dependent-Care-Assistance.aspx>.
- The following local taxes have either been added or have updated rates in the supported tax tables:

Code	Description	Rate	Effective Date
PA4905	Newville BO, Big Spring SD (NR) Regular IT	2.5%	01/01/2024
PA4906	Newville BO, Big Spring SD Regular IT	3.15%	01/01/2024
PA6021	Aliquippa CT, Aliquippa SD (NR) Regular IT	1.2%	01/01/2024
PA6022	Aliquippa CT, Aliquippa SD Regular IT	1.2 %	01/01/2024
PA6175	Narberth BO, Lower Merion SD (NR) Regular IT	0.75%	02/01/2024
PA6176	Narberth BO, Lower Merion SD Regular IT	0.75%	02/01/2024
PA6527	Jackson TP, Southern Tioga SD (NR) Regular IT	0%	01/01/2024
PA6528	Jackson TP, Southern Tioga SD Regular IT	1.2%	01/01/2024
PA7319	Homestead BO, Steel Valley SD (NR) Regular IT	1%	01/01/2024
PA7333	Hazleton CT, Hazleton SD (NR) Regular IT	1.5%	01/01/2024
PA7334	Hazleton CT, Hazleton SD Regular IT	2.125%	01/01/2024
PA7630	Bethel Park BO, Bethel Park SD Regular IT	1.5%	01/01/2024
PA7828	Lansdowne BO, William Penn SD (NR) Regular IT	1%	01/01/2024

Pennsylvania

Code	Description	Rate	Effective Date
PA7829	Lansdowne BO, William Penn SD Regular IT	1%	01/01/2024
PA0302	Cressona BO, Blue Mountain SD (NR) LST	\$52	01/01/2024
PA2488	Homestead BO, Steel Valley SD (NR) LST	\$52	01/01/2024
PA1573	Harrisville BO, Slippery Rock SD (NR) LST	\$52	01/01/2024

Product updates

The following product updates are included with this release.

Payroll product updates

- We have added a new field (**County**), to the Employee screen in the Work Location tab.
- We have also added a new option (**Form W-2-Exempt Overtime Pay**), for selection at the **Report as** field in the **Earnings and Deductions** window.
 - This applies to **Alabama only** and will allow the reporting of an exempt overtime pay to the Alabama Department of Revenue.
 - For more information, see Knowledgebase article: [Alabama Overtime Pay Exemption \(Solution ID: 231211185204510\)](#).

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>

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://us-kb.sage.com/portal/ss/>:

- [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

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.