



Sage 300 Canadian Payroll

January 1, 2025 Release Notes

December 2024

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Contents

Product update release notes	1
Product update information	1
Software requirements	1
Support and resources	2
Payroll Tax Updates	3
Federal Legislative Updates	3
Provincial and Territorial Legislative Updates	4
Québec	7
Product updates	9
Payroll product updates	9
Canadian Payroll Product Updates	9
Preparing for Year-end Processing	12
Product update installation instructions	13
Installing the product update	13
Activating the tax update	13
Verifying the product update	14

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, 2025

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 8.0, which is supported in Sage 300 2025, 2024 PU3, 2023 PU7, and 2022 PU8.

Note: If running Sage 2025 and Payroll Web Screens,

- Sage 2025 PU1 is required.
- If Canadian and US Payroll are installed, you must install the same Payroll Tax Update otherwise you will not be able to login to Sage 300 Web Screens.

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.
- **Community Hub Year-end Center:** Visit <https://communityhub.sage.com/p/yearend> for help, guidance, documents, and downloads specific to Sage 300 Payroll and Year end 2024.
- **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, 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 2025

For Employment Insurance, the annual maximum insurable earnings for 2025 is \$65,700.

The premium rates are:

- 1.64% for residents of provinces without a provincial plan (all of Canada except Québec)
- 1.31% for residents of Québec
- 2.296% for non Québec employers
- 1.834% for Québec employers

The annual maximum contributions for the general rate are:

- Employee contributions - \$1,077.48
- Employer contributions - \$1,508.47

The annual maximum contributions for Québec are:

- Employee contributions - \$860.67
- Employer contributions - \$1,204.94

Canada Pension Plan (CPP) Rates and Maximum Pensionable Earnings for 2025

The maximum pensionable earnings under the Canada Pension Plan (CPP) for 2025 is \$71,300. Additionally, for 2025:

- The basic exemption amount remains unchanged at \$3,500.
- The maximum contributory earnings increase to \$67,800.
- The employee and employer contribution rates remain unchanged at 5.95%.
- The maximum employee and employer contribution to the plan increases to \$4,034.10 each.

Additional Canada Pension Plan (CPP2) Rates and Maximum Pensionable Earnings for 2025

The maximum pensionable earnings under the additional Canada Pension Plan (CPP2) for 2025 is \$71,300 - \$81,200. Additionally, for 2025:

- The maximum contributory earnings is \$9,900.
- The employee and employer contribution rate is 4%.
- The maximum employee and employer contribution is \$396.00.

Federal Indexation for 2025

The federal indexation factor effective January 1, 2025 is 2.70%.

Provincial and Territorial Legislative Updates

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

To confirm the amounts and to receive the forms for 2025, 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 2025

The 2025 Workers Compensation Board Maximum Assessable Earnings are:

	2025	2024
Alberta	\$106,400	\$104,600
British Columbia	\$121,500	\$116,700
Manitoba	\$167,050	\$160,510
New Brunswick	\$84,200	\$76,900
Newfoundland and Labrador	\$79,345	\$76,955
Northwest Territories	\$112,600	\$110,600
Nova Scotia	\$76,300	\$72,500
Nunavut	\$113,900	\$110,600
Ontario	\$117,000	\$112,500
Prince Edward Island	\$82,900	\$78,400
Québec	\$98,000	\$94,000
Saskatchewan	\$104,531	\$99,945
Yukon	\$104,975	\$102,017

Personal Tax Credits for 2025

Effective January 1, 2025, the provincial and territorial personal tax credits that employees can claim have changed. These changes are reflected in the new 2025 provincial and territorial TD1 forms, and the Québec TP-1015.3-V form. The basic personal amounts have changed as listed below.

	2025	2024
Federal	\$16,129	\$15,705
Alberta	\$22,323	\$21,885
British Columbia	\$12,932	\$12,580
Manitoba	\$15,969	\$15,780
New Brunswick	\$13,396	\$13,044

	2025	2024
Newfoundland and Labrador	\$11,067	\$10,818
Northwest Territories	\$17,842	\$17,373
Nova Scotia	\$11,744 (BPANS)	\$11,481 (BPANS)
Nunavut	\$19,274	\$18,767
Ontario	\$12,747	\$12,399
Prince Edward Island	\$14,250	\$13,500
Québec	\$18,571	\$17,183
Saskatchewan	\$18,991	\$18,491
Yukon	\$16,129 (BPAYT)	\$15,705 (BPAYT)

Provincial and Territorial Indexation for 2025

Effective January 1, 2025, the following provinces and territories have released updated indexing factors:

	2025	2024
Alberta	2.00%	4.20%
British Columbia	2.80%	5.00%
Manitoba	1.20%	5.20%
New Brunswick	2.70%	4.70%
Newfoundland and Labrador	2.30%	4.20%
Northwest Territories	2.70%	4.70%
Nova Scotia	3.10%	n/a
Nunavut	2.70%	4.70%
Ontario	2.80%	4.50%
Prince Edward Island	n/a	n/a
Québec	2.85%	4.70%

	2025	2024
Saskatchewan	2.70%	4.70%
Yukon	2.70%	4.70%

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-24-01-042.
- The Relevé 1 - Paper forms authorization number is FS2401039.
- The maximum pensionable earnings amount for the Québec Pension Plan (QPP) for 2025 is \$71,300. Additionally:
 - The maximum contributory earnings for QPP increases to \$67,800.
 - The QPP rate remains the same at 6.40%.
 - The maximum employee and employer contributions for QPP are \$4,339.20 each.
 - The basic exemption amount is \$3,500.
- The maximum pensionable earnings amount for the additional Québec Pension Plan (QPP2) for 2025 is \$71,300 - \$81,200. Additionally:
 - The maximum contributory earnings for QPP2 is \$9,900.
 - The employee and employer contribution rate for QPP2 is 4.00%.
 - The maximum employee and employer contribution for QPP2 is \$396.00.
- The Québec Parental Insurance Plan (QPIP) rates have been updated for 2025 as follows:
 - Maximum insurable earnings: \$98,000
 - Employee premium rate: 0.494%
 - Employee maximum contributions: \$484.12

Québec

- Employer premium rate: 0.692%
- Employer maximum contributions: \$678.16

Product updates

The following product updates are included with this release.

Payroll product updates

Canadian Payroll Product Updates

Payroll Web Screens

Install the latest version Tax Update for Canada. Failure to do so may affect the functionality of Sage 300 web screens.

New Payroll Web Screens in version 2025

In Sage 300 version 2025, Payroll web screens are installed with the Q4 2024 Payroll Tax Update.

- Payroll Transactions - EFT File Generation
- Payroll Employees - Employee Selection
- Payroll Employees - Employee Activity

Payroll Earnings and Deduction

We have made the following changes to the T4 slip:

Box 38 - Security options benefits - Before June 25, 2024

If an employee received a taxable benefit under a corporation's agreement to issue its eligible shares or units of mutual fund trusts to the employee.

- **before June 25, 2024**, using Box 38 and Box 14.
- **on or after June 25, 2024**, do not use Box 38 to report the value of the taxable benefit received in this period, use Box 90 and Box 14.

Box 39 - Security options deduction - 110(1)(d) - Before June 25, 2024

If your employee is eligible for the option benefit deduction under 110(1)(d), report:

- **before June 25, 2024**, 1/2 of the value of the taxable benefit received from qualified securities in this period using Box 39.
- **on or after June 25, 2024**, do not use Box 39 to report the deduction associated with the taxable benefit received in this period, use Box 91.

Note: If you report an amount in Box 39, you have to report the total value of the security options benefit received using Box 38.

Box 41 - Security options deduction - 110(1)(d.1)

If your employee is eligible for the option benefit deduction under 110(1)(d.1), report:

- **before June 25, 2024**, 1/2 of the value of the taxable benefit received from qualified securities in this period using Box 41.
- **on or after June 25, 2024**, do not use Box 41 to report the deduction associated with the taxable benefit received in this period, use Box 92.

Note: If you report an amount in Box 41, you have to report the total value of the security options benefit received using Box 38.

Box 90 - Security options benefits - on or after June 25, 2024

If an employee received a taxable benefit under a corporation's agreement to issue its eligible shares or units of mutual fund trusts to the employee.

Box 91 - Security options deduction - 110(1)(d) - On or after June 25, 2024

If your employee is eligible for the option benefit deduction under 110(1)(d).

Box 92 - Security options deduction - 110(1)(d.1) - On or after June 25, 2024

If your employee is eligible for the option benefit deduction under 110(1)(d.1)

Box 94 - Indian (Exempt Income) RPP Contribution

If your employee is a registered or entitled to be registered under the Indian Act code 94, report only RPP contributions in this box.

Box 95 - Indian (Exempt Income) Union Dues

If your employee is a registered or entitled to be registered under the Indian Act code 95, report only union dues in this box.

To ensure correct amounts go to the right Boxes in T4, go Payroll Employee - Pay tab and update the **Starts** and **Ends** dates.

Example:

For an employee with Earnings/Deductions associated with Box 38, 39 or 41, set the **Ends** date to 6/24/2024..

For an employee with Earnings/Deductions associated with Box 90, 91 or 92, set the **Starts** date to 6/25/2024.

You can also use the Update Earn/Ded for All Employees screen to update the Starts and Ends dates for multiple employees.

T619 Electronic Transmittal for 2025

The T619 has been updated for tax year 2025. To accommodate these changes, new fields have been added to the T4s Electronic Filing and T4As Electronic Filing screens - Transmitter Info II tab.

The new fields are:

- Transmitter Account Number
- Rep ID
- Submission Reference ID

The Transmitter Account Number will have the following options available:

- BN9 account
- BN15 account
- Trust account
- NR4 account

Note: These fields are masked and must adhere to the format specified by Canada Revenue Agency (CRA).

Preparing for Year-end Processing

Before you start processing your 2025 payroll, visit the Community Hub 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 <https://communityhub.sage.com/p/yearend>, select your region, and then 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 Relevé 1s
- Frequently asked questions for year-end processes
- Preparing for your first payroll of 2025

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**.

Verifying the product update

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**.