



Sage HRMS 2017

U.S. Payroll

Q1 2018 Release Notes

March 2018

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Product Update Release Notes

Important! All customers who update, maintain, and use Sage HRMS 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 HRMS 2017 U.S. Payroll

Version: Product Update Q1 2018

About Product Updates for Sage HRMS

Sage HRMS Payroll product updates are cumulative. This means that supported taxes, rates, and forms, all previous updates for this product and version, and any hot fixes or patches previously released are incorporated into this update.

Note: Sage HRMS 2017 is the only product version that is currently supported. Product Updates or Quarterly Tax Updates are not available for earlier versions of Sage HRMS.

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 HRMS. Visit <http://cdn.na.sage.com/docs/en/customer/hrms/documentation.htm> for more.
- **Sage City:** Visit <https://sagecity.na.sage.com> for blogs, tips, and guidance specific to Sage HRMS.
- **Customer Support:** For additional articles and resources, visit the Sage Knowledgebase at <https://support.na.sage.com> or contact Customer Support at 800-829-0170 (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

This section lists federal legislative updates available with this release.

EEO-1 Report

Effective for the 2017 reporting due on March 31, 2018, employers must submit EEO-1 report data via a file uploaded to the EEOC's online system or must manually enter the data. With this release, we have added the ability to create an electronic file of the EEO-1 Headcount Summary information on the **EEO Reports** window.

Updated Instructions for Claiming Moving Expenses on Form W-2

For 2018, Code P can be used to report only excludable moving expense reimbursements paid directly to a member of the U.S. Armed Forces. For more information, refer to the IRS instructions for form W-2 for 2018.

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 HRMS 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.

California

The following local tax has an updated rate in the supported tax tables:

Code	Description	Rate	Effective Date
CA0001	San Francisco CT Payroll Expense Tax	0.448%	1/1/2018

Kentucky

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

Code	Description	Rate	Effective Date
KY0008	Hodgenville CT Regular IT	1%	1/1/2018
KY0021	Estill CO Regular IT	2%	1/1/2018
KY0256	Grant CO Regular IT	1.5%	4/1/2018
KY0260	Fountain Run CT Regular IT	1%	1/1/2009

Louisiana

Louisiana withholding tables and instructions have been updated for 2018. The updates are effective February 16, 2018. Refer to the state publication for more details.

Michigan

Michigan withholding tables and instructions have been updated for 2018. The updates are effective January 1, 2018. Refer to the state publication for more details.

New Jersey

The following local tax has been added in the supported tax tables:

Code	Description	Rate	Effective Date
NJ0002	New York-New Jersey Waterfront Payroll Tax	1.85%	7/1/2017

New York

The following local tax has been added in the supported tax tables:

Code	Description	Rate	Effective Date
NY0008	New York-New Jersey Waterfront Payroll Tax	1.85%	7/1/2017

North Dakota

North Dakota withholding tables and instructions have been updated for 2018. The updates are effective January 1, 2018. 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
OH0097	Bath-Akron-Fairlawn JEDD CT Regular IT	2.5%	1/1/2018
OH0188	Springfield-Akron JEDD CT Regular IT	2.5%	1/1/2018
OH0200	Coventry-Akron JEDD CT Regular IT	2.5%	1/1/2018
OH0201	Copley-Akron JEDD CT Regular IT	2.5%	1/1/2018
OH0844	Caldwell VI Regular IT	1%	1/1/2018
OH0969	Freeport VI Regular IT	1%	1/1/1999
OH0970	Colerain-Liberty Nursing JEDD CT Regular IT	2%	3/27/2015
OH0971	UDF-North Bend JEDD V CT Regular IT	1%	4/1/2018

Code	Description	Rate	Effective Date
OH0972	Zanesville-Washington TP JEDD CT Regular IT	1.9%	1/11/2001
OH0973	Turtlecreek-Monroe Raceway JEDD CT Regular IT	1.5%	1/1/2015
OH0974	Amherst TP-Amherst CT JEDD CT Regular IT	1.5%	7/24/2017

Pennsylvania

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

Code	Description	Rate	Effective Date
PA0018	Silverdale BO, Penridge SD (NR) LST	\$52	1/1/2018
PA0722	Le Boeuf TP, Fort Leboeuf SD (NR) LST	\$52	1/1/2018
PA0725	Greene TP, Wattsburg SD (NR) LST	\$52	1/1/2018
PA2911	Lehigh TP, North Pocono SD (NR) Regular IT	0.5%	1/1/2018
PA3437	Kline TP, Hazleton SD (NR) Regular IT	0.5%	1/1/2018
PA3939	Young TP, Apollo-Ridge SD (NR) Regular IT	0.5%	1/1/2018
PA3941	Young TP, Blairsville-Saltsburg SD (NR) Regular IT	0.5%	1/1/2018
PA3957	Saltsburg BO, Blairsville-Saltsburg SD (NR) Regular IT	1%	1/1/2018
PA3961	Plumville BO, Marion Center SD (NR) Regular IT	0.5%	1/1/2018
PA3979	Glen Campbell BO, Purchase Line SD (NR) Regular IT	0.5%	1/1/2018
PA3995	Cherryhill TP, Penns Manor SD (NR) Regular IT	0.5%	1/1/2018
PA4007	Brush Valley TP, United SD (NR) Regular IT	0.5%	1/1/2018
PA4235	Antrim TP, Greencastle-Antrim SD (NR) Regular IT	0.5%	1/1/2018
PA4257	St Clair TP, Ligonier Vly SD (NR) Regular IT	0.5%	1/1/2018
PA4261	South Huntingdon TP, Yough SD (NR) Regular IT	0.5%	1/1/2018
PA4263	S Greensburg BO, Greensburg Salem SD (NR) Regular IT	0.5%	1/1/2018
PA4273	Salem TP, Greensburg Salem SD (NR) Regular IT	1%	1/1/2018

Code	Description	Rate	Effective Date
PA4285	North Huntingdon TP, Norwin SD (NR) Regular IT	1%	1/1/2018
PA4297	Murrysville BO, Franklin Regional SD (NR) Regular IT	0.5%	1/1/2018
PA4325	Hyde Park BO, Kiski SD (NR) Regular IT	0.5%	1/1/2018
PA4347	Derry TP, Derry SD (NR) Regular IT	0.5%	1/1/2018
PA4601	Green TP, Forest SD (NR) Regular IT	1%	1/1/2018
PA5171	Covington TP, Clearfield SD (NR) Regular IT	0.5%	1/1/2018
PA5947	New Sewickley TP, Freedom SD (NR) Regular IT	1%	1/1/2018
PA6073	Kittanning TP, Armstrong SD (NR) Regular IT	1%	1/1/2018
PA6097	Cadogan TP, Armstrong SD (NR) Regular IT	1%	1/1/2018
PA6251	Hartley TP, Mifflinburg SD (NR) Regular IT	1%	1/1/2018
PA7898	S Greensburg BO, Hempfield SD (NR) Regular IT	0.5%	1/1/2018

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

Code	Description
PA1712	Center TP, Central Valley SD (NR) LST
PA2437	Potter TP, Central Valley SD (NR) LST
PA5937	Potter TP, Central Valley SD (NR) Regular IT
PA5938	Potter TP, Central Valley SD Regular IT
PA6005	Center TP, Central Valley SD (NR) Regular IT
PA6006	Center TP, Central Valley SD Regular IT
PA7167	Mt Pleasant TP, Conewago Valley SD (NR) Regular IT
PA7168	Mt Pleasant TP, Conewago Valley SD Regular IT

South Dakota

A new administrative fee has been added for the State Unemployment Program. The rate for this fee varies based on an employer's experience rating and industry, so if you want to calculate and report this fee, you must set up a custom tax. To determine the rate that applies to you, visit <http://dlr.sd.gov/ui/businesses/faq.aspx>.

Vermont

Vermont withholding rates on supplemental wages have been updated for 2018. 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.

Georgia State Tax Reporting

We have fixed a problem that could cause an incorrect personal allowance amount to be calculated when filing a joint tax return for a married couple. Each spouse can claim \$3,700, so when filing jointly, this amount is doubled for a total personal allowance of \$7,400. Previously, this combined total of \$7,400 was treated as the amount for each spouse, and an incorrect personal allowance amount of \$14,800 was calculated.

HR Product Updates

The following new features and improvements are included with this update to Sage HRMS.

Sage University Icon

Some pages now include a Sage University icon that you can click to go to the Sage University webpage. On Sage University, you can learn about various aspects of Sage HRMS, including:

- Employee Detail Pages
- Add New Hire
- Assign Leave of Absence
- Return from Leave of Absence
- Terminate Employee
- Rehire Employee
- Mass Update
- Update Benefits

Customize Menu

We have updated the Customize Menu (**System > Setup > Customize > Customize Menu**) so that any changes you make to the menu are saved.

Sage Employee Self Service Product Updates

This update does not include any new features or improvements to Sage Employee Self Service.

My Workforce Analyzer Updates

The following new features and improvements are included with this update to My Workforce Analyzer.

Updated Federal Poverty Level and Affordability Standard

For 2018, the federal poverty level is \$12,140, and the affordability standard specified in the Affordable Care Act is 9.56% of the employee's household income for the year. For more information, including penalty amounts, refer to the Affordable Care Act's employer shared responsibility provision (Code Sec. 4980H).

Sage Payroll Tax Forms and eFiling by Aatrix

Sage Payroll Tax Forms and eFiling by Aatrix is a feature included with Sage HRMS. 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.

Note: You must register your organization with Sage Payroll Tax Forms and eFiling by Aatrix each year.

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/sagehrms>

Product Update Installation Instructions

Follow the instructions in this section to download, install, apply, and verify this Product Update.

Before you start:

- Back up your data.
- Make sure all users have exited the program.

Downloading the Product Update

To download the update:

1. Visit the Sage Knowledgebase at <https://support.na.sage.com>, click **Log on**, and then log on to the site.
2. In the Support by product section, click **Select your product**, and then click **more products**.
3. Under Sage HRMS, click your product and version.
4. In the Latest updates section, click an update to download.
5. In the article, click **Download Now** to launch the Sage Download Manager, or click the **direct download** link to download the executable file.

Installing the Product Update

To install the Product Update:

Note: You should launch the product update on the server where Sage HRMS is installed.

1. To launch the installation program, right-click the Product Update file and run as administrator, or as the current user with administrator rights.
 - If applicable, make sure the **Protect my computer and data from unauthorized program activity** check box is *not* selected.
 - If there is no option to run as administrator, log on as an administrator, and then double-click the Product Update file.

Tip: Depending on your security system, you may need to right-click on the installation file and select Unblock.

2. After the InstallShield Wizard determines requirements, click **Next** to resume installing the Product Update.
3. Click **Finish** to finish the installation.
4. Click **Update**.
5. Click **Yes**. The system starts the installation.
6. Follow the instructions on the windows that follow, and then click **Finish**.
7. Open the Sage HRMS Client. A message prompts you to continue.

Updating Sage HRMS Client Files

To update Sage HRMS Client files:

1. Right-click on the Sage HRMS Client program and select **Run as administrator** to initiate the file update process.
2. Click **OK** to proceed and update your files.

A message displays that Sage HRMS could not detect the current version of one or more Payroll modules.

- If you have administrator privileges, click **Yes** to install the Payroll modules now.
- If you do *not* have administrator privileges, click **No**, and then contact your system administrator to proceed with the installation.

When installation of the Payroll modules is complete, you may be prompted to restart Sage HRMS.

Verifying the Product Update

After the update is complete, you can confirm that the update was installed successfully by selecting **Help > About Sage HRMS** and verifying that the version number corresponds with the version of the update .exe file.

You can also verify the latest tax update is applied to your system by selecting **Payroll > Process Payroll > Calculate Payroll** and the **Tax Version** listed on the window should display the date: March 31, 2018.

Tip: Now is a good time to update your Sage HRMS Payroll sample data. After installing the Product Update, the next time you log in to your Sample Data, you will be prompted to update files again. Click **OK** to proceed and update your sample data files.

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 HRMS.
2. On the Local/Other Tax Codes 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 HRMS to access all employees. Otherwise you may not receive the prompts as described above and employee rates will not be updated.