Sage HRMS 2017

U.S. Payroll
Q4 2017 SR1 Release Notes

January 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 Q4 2017 SR1

If we receive additional payroll tax changes for this period and/or this year, a new update will be made available.

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.

Important Information Regarding Future Updates

The following chart outlines the Sage HRMS product versions supported with Product Updates or Quarterly Tax Updates for each period this year.

Release	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Sage HRMS 2017	Yes	Yes	Yes	Yes

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 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 HRMS Payroll and Year End 2017.

- **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.

- **Tax forms:** Because all printed forms have variations, Sage HRMS 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 40182: 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.

About Federal Tax Tables Updates from the Tax Reform

We just received information from the U.S. federal government about updates to the 2018 tax tables as a result of the recent tax reform. However, at the time of this release, we are still implementing the updates for the new year. We will notify you and release another update (SR2) in early February 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.

Alaska

The Unemployment Insurance wage base limit changes to $39,500 for 2018.

Arkansas

The Unemployment Insurance wage base limit changes to $10,000 for 2018.

Colorado

- Colorado withholding instructions have been updated for 2018. Refer to the state publication for more details.
- The Unemployment Insurance wage base limit changes to $12,600 for 2018.

Delaware

The Unemployment Insurance wage base limit changes to $16,500 for 2018.

District of Columbia

District of Columbia withholding tables and instructions have been updated for 2018. Refer to the district publication for more details.

Illinois

Illinois withholding tables and instructions have been updated for 2018. Refer to the state publication for more details.

Indiana

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

Code	Description	Rate	Effective Date
IN0012	Vanderburgh 82 CO Regular (NR) IT	1.2%	1/1/2018
IN0023	Scott 72 CO Regular (NR) IT	2.16%	1/1/2018

Code	Description	Rate	Effective Date
IN0027	Putnam 67 CO Regular (NR) IT	2%	1/1/2018
IN0035	Orange 59 CO Regular (NR) IT	1.75%	1/1/2018
IN0039	Montgomery 54 CO Regular (NR) IT	2.3%	1/1/2018
IN0042	Martin 51 CO Regular (NR) IT	1.75%	1/1/2018
IN0059	Howard 34 CO Regular (NR) IT	1.75%	1/1/2018
IN0065	Greene 28 CO Regular (NR) IT	1.75%	1/1/2018
IN0077	Decatur 16 CO Regular (NR) IT	2.35%	1/1/2018
IN0079	Daviess 14 CO Regular (NR) IT	1.5%	1/1/2018
IN0085	Carroll 08 CO Regular (NR) IT	2.0733%	1/1/2018
IN0090	Bartholomew 03 CO Regular (NR) IT	1.75%	1/1/2018
IN0103	Vanderburgh 82 CO Regular IT	1.2%	10/1/2017
IN0114	Scott 72 CO Regular IT	2.16%	10/1/2017
IN0118	Putnam 67 CO Regular IT	2%	10/1/2017
IN0126	Orange 59 CO Regular IT	1.75%	10/1/2017
IN0131	Montgomery 54 CO Regular IT	2.3%	10/1/2017
IN0134	Martin 51 CO Regular IT	1.75%	10/1/2017
IN0151	Howard 34 CO Regular IT	1.75%	10/1/2017
IN0157	Greene 28 CO Regular IT	1.75%	10/1/2017
IN0169	Decatur 16 CO Regular IT	2.35%	10/1/2017
IN0171	Daviess 14 CO Regular IT	1.5%	10/1/2017
IN0177	Carroll 08 CO Regular IT	2.0733%	10/1/2017
IN0182	Bartholomew 03 CO Regular IT	1.75%	10/1/2017

Iowa

The Unemployment Insurance wage base limit changes to $29,900 for 2018.

Kentucky

Kentucky withholding tables and instructions have been updated for 2018. Refer to the state publication for more details.

Maryland

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

Code	Description	Rate	Effective Date
MD3194	Cecil, Maryland Regular IT	3%	1/1/2018

Mississippi

Mississippi withholding tables and instructions have been updated for 2018. Refer to the state publication for more details.

Missouri

The Unemployment Insurance wage base limit changes to $12,500 for 2018.

Montana

The Unemployment Insurance wage base limit changes to $32,000 for 2018.

Nevada

The Unemployment Insurance wage base limit changes to $30,500 for 2018.

New Jersey

The Unemployment Insurance wage base limit changes to $33,700 for 2018.

New Mexico

The Unemployment Insurance wage base limit changes to $24,200 for 2018.

New York

The Unemployment Insurance wage base limit changes to $11,100 for 2018.

North Carolina

- The Unemployment Insurance wage base limit changes to $23,500 for 2018.
- Effective January 1, 2018, the child tax credit is replaced with a new child deduction. Refer to the state publication for more details.

North Dakota

The Unemployment Insurance wage base limit changes to $35,500 for 2018.

Ohio

- The Unemployment Insurance wage base limit changes to $9,500 for 2018.
- The following local taxes have been added in the supported tax tables:

Code	Description	Rate	Effective Date
OH0967	Williamsport VI Regular IT	0.5%	1/1/2018
OH0968	Washingtonville VI Regular IT	1%	1/1/2018

Oklahoma

The Unemployment Insurance wage base limit changes to $17,600 for 2018.

Oregon

The Unemployment Insurance wage base limit changes to $39,300 for 2018.

Pennsylvania

- For 2018, the Unemployment Insurance wage base limit changes to $10,000 and the rate changes to 0.06%.

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

Code	Description	Rate	Effective Date
PA0051	North Codorus TP, Spring Grove SD (NR) LST	0	1/1/2018
PA0155	Pleasant TP, Warren SD (NR) LST	$52	1/1/2018
PA0158	Mead TP, Warren SD (NR) LST	$52	1/1/2018
PA0160	Glade TP, Warren SD (NR) LST	$52	1/1/2018
PA0167	Clarendon BO, Warren SD (NR) LST	$52	1/1/2018
PA0362	Ringgold TP, Punxsutawney SD (NR) LST	$52	1/1/2018
PA0462	Black Lick TP, Blairsville-Saltsburg SD (NR) LST	$52	1/1/2018
PA0551	Peters TP, Tuscarora SD (NR) LST	$52	1/1/2018
PA0553	Montgomery TP, Tuscarora SD (NR) LST	$52	1/1/2018
PA0581	Ligonier BO, Ligonier Valley SD (NR) LST	$52	1/1/2018
PA0773	Woodcock TP, Penncrest SD (NR) LST	$52	1/1/2018
PA0950	Emporium BO, Cameron SD (NR) LST	$52	1/1/2018
PA1050	North Woodbury TP, Spring Cove SD (NR) LST	$52	1/1/2018
PA1066	Upper Bern TP, Hamburg SD (NR) LST	$52	1/1/2018
PA1084	Leesport BO, Schuylkill Valley SD (NR) LST	$52	1/1/2018
PA1157	Darlington TP, Blackhawk SD (NR) LST	$26	1/1/2018
PA1216	Pennsburg BO, Upper Perkiomen SD (NR) LST	$52	1/1/2018
PA1306	Delaware TP, Warrior Run SD (NR) LST	$10	1/1/2018
PA1907	Lower Saucon TP, Saucon Valley SD (NR) LST	$52	1/1/2018
PA2117	Young TP, Punxsutawney SD (NR) LST	$52	1/1/2018
PA2673	Hulmeville BO, Neshaminy SD (NR) Regular IT	1%	1/1/2018
PA2674	Hulmeville BO, Neshaminy SD Regular IT	1%	1/1/2018
PA3997	Center TP, Homer-Center SD (NR) Regular IT	1%	1/1/2018
PA4003	Burrell TP, Blairsville-Saltsburg SD (NR) Regular IT	0.5%	1/1/2018
PA5685	Altoona CT, Altoona SD (NR) Regular IT	1.4%	1/1/2018

Code	Description	Rate	Effective Date
PA6009	Bridgewater BO, Beaver SD (NR) Regular IT	1%	1/1/2018
PA6892	W Bradford TP, Downingtown SD Regular IT	1.25%	1/1/2018
PA6965	Sugar Notch BO, Hanover SD (NR) Regular IT	1%	1/1/2018
PA7065	Plymouth TP, Greater Nanticoke SD (NR) Regular IT	1%	1/1/2018
PA7727	Black Lick TP, Apollo-Ridge SD (NR) LST	$52	1/1/2018

Tennessee

The Unemployment Insurance wage base limit changes to $7,000 for 2018.

Vermont

The Unemployment Insurance wage base limit changes to $17,600 for 2018.

Washington

The Unemployment Insurance wage base limit changes to $47,300 for 2018.

West Virginia

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

Code	Description	Rate	Effective Date
WV0002	Charleston CT Service Fee	$3.00 / week	1/1/2018

Wyoming

The Unemployment Insurance wage base limit changes to $24,700 for 2018.

Product Updates

The following product updates are included with this release.

Payroll Product Updates

We have fixed a problem that could cause earnings, deductions, or taxes to be calculated incorrectly for employees who are paid hourly overtime. This problem occurred because the calculations excluded overtime hours.

HR Product Updates

This update does not include any new features or improvements to HR.

Sage Employee Self Service Product Updates

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

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

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.

Preparing for Year-End Processing

Before you start processing your 2018 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 HRMS.

The Year-End Center provides you with information on the following topics:

- Printing and filing W-2s
- Entering employee supplemental information
- Information about processing year-end 2017 reports and forms with Sage Payroll Tax Forms and eFiling by Aatrix
- Preparing for your first payroll of 2018

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 <u>Log on</u>, 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: January 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.