Sage HRMS

U.S. Payroll
Q4 SR1 2020 Release Notes

January 2021

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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 U.S. Payroll and Sage Employee Self Service

Version: Product Update Q4 SR1 2020

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.

Sage Employee Self Service product updates include the full product build.

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 the **Product Documents** website at http://cdn.na.sage.com/docs/en/customer/hrms/documentation.htm 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 HRMS Payroll and Year End 2020.

- **Customer Support:** For support resources, visit the Sage City Customer Resources page, select your country, and then select your product.

- **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.

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.

Arkansas

Arkansas withholding tables and instructions have been further updated (since the previous Q4 update) for 2021. Refer to the state publication for more details.

California

Effective January 1, 2021, the following local tax has been expired:

Code	Description
CA0001	San Francisco CT Payroll Expense Tax

Illinois

Illinois withholding tables and instructions have been updated for 2021. 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
IN0013	Union 81 CO Regular (NR) IT	2%	1/1/2021
IN0016	Switzerland 78 CO Regular (NR) IT	1.25%	1/1/2021
IN0022	Shelby 73 CO Regular (NR) IT	1.6%	1/1/2021
IN0026	Randolph 68 CO Regular (NR) IT	2.5%	1/1/2021
IN0034	Owen 60 CO Regular (NR) IT	1.6%	1/1/2021
IN0042	Martin 51 CO Regular (NR) IT	2.5%	1/1/2021
IN0104	Union 81 CO Regular IT	2%	1/1/2021
IN0107	Switzerland 78 CO Regular IT	1.25%	1/1/2021
IN0113	Shelby 73 CO Regular IT	1.6%	1/1/2021
IN0117	Randolph 68 CO Regular IT	2.5%	1/1/2021
IN0125	Owen 60 CO Regular IT	1.6%	1/1/2021
IN0134	Martin 51 CO Regular IT	2.5%	1/1/2021

Kentucky

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

Code	Description	Rate	Wage Base Limit	Effective Date
KY0028	Augusta CT Regular IT	1.3%	the previous limit has been removed, so there is no longer a limit	1/1/2021
KY0040	Tompkinsville CT Regular IT	1.75%	no change	1/1/2021

- A wage base limit has been added for the following local tax:

Code	Description	Wage Base Limit
KY0096	Warsaw CT Regular IT	$142,800

Michigan

Michigan withholding tables and instructions have been updated for 2021. Refer to the state publication for more details.

Minnesota

Minnesota withholding tables and instructions have been updated for 2021. Refer to the state publication for more details.

Mississippi

Mississippi withholding tables and instructions have been updated for 2021. Refer to the state publication for more details.

New Mexico

New Mexico withholding tables and instructions have been updated for 2021. Refer to the state publication for more details.

North Dakota

- The Unemployment Insurance wage base limit changes to $38,500 for 2021.
- North Dakota withholding tables and instructions have been updated for 2021. Refer to the state publication for more details.

Ohio

- Effective January 1, 2021, the following local tax has been expired:

Code	Description
OH0975	Amelia VI Regular IT

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

Code	Description	Rate	Effective Date
OH0820	Waynesville VI Regular IT	0.75%	1/1/2021
OH0848	Tri-Way 8509 SD Regular IT	1%	1/1/2021
OH1024	Ridgedale 5104 SD Regular IT	1%	1/1/2021

Oregon

- Oregon withholding tables and instructions have been updated for 2021. Refer to the state publication for more details.
- The following local taxes have been added in the supported tax tables.

  These taxes have variable rates based on income level. You can see details on the Brackets tab of the Local/Other Tax Codes window.

Code	Description	Rate	Effective Date
OR0011	Multnomah CO Regular (NR) IT (Filing single)	variable	1/1/2021
OR0012	Multnomah CO Regular IT (Filing single)	variable	1/1/2021
OR0013	Multnomah CO Regular (NR) IT (Filing jointly)	variable	1/1/2021
OR0014	Multnomah CO Regular IT (Filing jointly)	variable	1/1/2021

Pennsylvania

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

Code	Description	Rate	Effective Date
PA0863	Glen Hope BO, Moshannon Valley SD (NR) LST	$52	1/1/2021
PA1412	Delaware TP, Juniata SD (NR) LST	$52	1/1/2021
PA1556	Kennett TP, Kennett SD (NR) LST	$52	1/1/2021
PA4506	Greenville BO, Greenville SD Regular IT	1.5%	1/1/2021
PA5483	Franklin BO, Conemaugh Valley SD (NR) Regular IT	1.1%	1/1/2021
PA5484	Franklin BO, Conemaugh Valley SD Regular IT	1.2%	1/1/2021
PA5931	Rochester BO, Rochester SD (NR) Regular IT	1%	1/1/2021
PA5932	Rochester BO, Rochester SD Regular IT	1.5%	1/1/2021
PA7054	Rankin BO, Woodland Hills SD Regular IT	1%	1/1/2021
PA7611	Braddock BO, Woodland Hills SD (NR) Regular IT	1.2%	1/1/2021

Rhode Island

- The Unemployment Insurance wage base limit changes to $24,600 for 2021.
- Rhode Island withholding tables and instructions have been updated for 2021. Refer to the state publication for more details.
- State disability insurance tax (RISDI) information is updated for 2021. Effective for wages paid on or after January 1, 2021:
    - The withholding rate is 1.3%.
    - The taxable wage limit is $74,000 for each employee per calendar year.

Vermont

Vermont withholding tables and instructions have been updated for 2021. Refer to the state publication for more details.

Washington

Effective January 1, 2021, a new payroll expense tax applies to businesses that operate in Seattle. For more information, see Sage Knowledgebase article 108679.

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.

Specify corporate officers for businesses in Wyoming

For employees who are subject to Wyoming taxes, quarterly payroll reports indicate if the employees are corporate officers. On the Payroll Employee Supplemental Information window, if the Report Authority ID is for Wyoming:

- On the Employee tab, you can specify whether individual employees are corporate officers.
- On the Defaults tab, you can select the **Corporate Officer** option to specify that employees are corporate officers be default. The only exceptions will be employees who you've specified on the Employee tab are not corporate officers.

Report work location Zip codes for employees who work in Indiana

For employees who are subject to Indiana taxes, quarterly payroll reports include a work location Zip code if one is specified in either of the following places:

- For the employee on the Work Location tab of the Employee Payroll window.
- On the Company Profile window.

Benefits related to COVID-19 are extended until June 30

The CARES (Coronavirus Aid, Relief, and Economic Security) Act and FFCRA (Families First Coronavirus Response Act), which provide earnings/deductions/benefits related to COVID-19, have been extended until June 30, 2021. For more information, see Sage Knowledgebase article 104109.

Sage HRMS 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.

My Workforce Analyzer updates

This update does not include any new features or improvements to My Workforce Analyzer.

Sage 100 Payroll Link updates

This update does not include any new features or improvements to Sage 100 Payroll Link.

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.

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 2021 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-2 forms
- Entering employee supplemental information
- Information about processing year-end 2020 reports and forms with Sage Payroll Tax Forms and eFiling by Aatrix
- Preparing for your first payroll of 2021

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 Support Resources** page at https://www.sagecity.com/global-resources.
2. Select your **Country or Region** from the drop-down list.
3. Select **Sage HRMS and Sage Abra Suite** from the **Products** drop-down list.
4. In the **Solve** tile, click the **Search Sage Knowledgebase** link.
5. Click **Sign In**, and then sign into the site.
6. In the Support by product section, click **Select your product**, and then click **more products**.
7. Under Sage HRMS, click your product and version.
8. In the **Latest updates** section, click an update to download.
9. 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, 2021.

> **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.

Sage Employee Self Service update installation instructions

After you have downloaded the Sage Employee Self Service update from the Sage Knowledgebase, follow these instructions to install the update and to resume your payroll processing.

Before you start:

- Verify that Sage HRMS has been installed and is working correctly.
- Verify that you have Administrator access (Local Administrator access is preferred) and permissions to log on as a service, launch processes, and access Sage HRMS data.
- If you are using Sage Employee Self Service and/or Open Enrollment, make sure all enrollment periods are closed, and that all users have exited and logged off from Sage HRMS and Sage Employee Self Service.
- When the update is complete, you will be prompted to restart your system. Before you begin installing the update, make any necessary preparations for this required restart.

Downloading the update

1. Visit the **Sage Support Resources** page at https://www.sagecity.com/global-resources.
2. Select your **Country or Region** from the drop-down list.
3. Select **Sage HRMS and Sage Abra Suite** from the **Products** drop-down list.
4. In the **Solve** tile, click the **Search Sage Knowledgebase** link.
5. Click **Sign In**, and then sign into the site.
6. In the Support by product section, click **Select your product**, and then click **more products**.
7. Under Sage HRMS, click your product and version.
8. In the **Latest updates** section, click an update to download.
9. In the article, click **Download Now** to launch the Sage Download Manager, or click the **direct download** link to download the executable file.

Important! During this installation process you must enter your Sage Employee Self Service username, organization name, serial number, and install code. You can find this information in System Maintenance under **Start** > **All Programs** > **Sage Employee Self Service** > **System Maintenance**.

Once you start the installation, your customer information clears from System Maintenance, so please copy or save a screen shot of your company's product information to reference when prompted. Best practice is to collect this information before you start the update.

Installing the Sage Employee Self Service update

1. Using your external backup procedures, back up the Sage HRMS and Sage Employee Self Service databases to a media device that is external to your product servers:

   a. Log on to the Sage Employee Self Service server and select **Programs** > **Employee Self Service** > **System Maintenance** to open the Sage Employee Self Service System Maintenance window.

   b. On the Configuration and Settings tab, in the Employee Self Service section, select the **Locked** check box, and then click **Save**.

   c. On the SQL Maintenance tab, verify the Backup File Path is correct, and then click **Backup**.

   d. Prepare to update Sage Employee Self Service by closing all Windows applications.

   e. Run the setup.exe file provided with the installation package with Administrative privileges (right-click the file and select **Run as Administrator**).

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

2. The installation program detects that a previous version of Sage Employee Self Service has been installed. Click **Next**, and then follow the prompts on the InstallShield Wizard.

3. On the Ready to Install the Program window, click **Install** to proceed with the installation.

4. The system displays Installation windows indicating the progress of the installation. When the InstallShield Wizard Completed window appears, click **Finish**.

> **Note:** One installation window prompts you to enter your customer information (username, organization name, product serial number, and install code). After you start the update process, your customer information clears from System Maintenance. Best practice is to collect this information before you start the update.

5. When the update is complete, click **Yes** to restart your system.

6. After your Sage Employee Self Service server restarts, from the **Start** menu, select **All Programs** > **Sage Employee Self Service** > **System Maintenance** to open the System Maintenance page. Verify that all the information is correct.

7. On the **Configuration and Settings** tab, clear the **Locked** check box.

8. Exit System Maintenance.

9. Log on to Sage Employee Self Service as the MASTER user to complete the process.

The update is now complete and you are ready to start using Sage Employee Self Service.