STORTZ AND ASSOCIATES

The path for a better business and a better life

Sage 50 Payroll Users

This notice is intended for all Sage 50 payroll users only.

The following pages include general guidance and instructions on how to check, download and install Sage 50 updates and manually update a few of your tables.

NOTICE: Many of you will still need to update certain USER-MAINTAINED formulas that are not part of the Sage 50 payroll subscription. These formulas include the local earned income tax, local services tax, PA unemployment employer rates (EIT, LST, PA UC 'ER). We've provided general instructions for this on the following pages.

We are here for you. Please contact us if you have any questions related to this notice.

Your Team at,

Stortz & Associates

Check for Sage 50 Updates

Use this procedure to connect to the Internet and check for periodic updates to Sage 50 applications, tax formulas, and add-on products.

1. From the Services menu, select Check for Updates. Sage 50 displays the Sage 50 Online Update - Check for Updates window.

   Tip: If you want Sage 50 to remind you to check for product updates periodically, select that option in this window. Note that this setting works independently of the Sage 50 Online Update Reminder message, which automatically informs you when updates are available.

2. To connect to the Internet and start checking for available product updates, select the Check Now button. If you want to check for updates later, or if you do not have access to the Internet at this time, select Close.

   - If updates are available for the products that are currently installed on your computer, Sage 50 displays the Sage 50 Online Update List window.
   - If no product updates are available, Sage 50 displays a brief message stating that no updates are available and exits the online update process.

3. From the list, select each product update you want to download and install.

   To learn more about the particular update, click the Read More link. Sage 50 opens your default Web browser and displays additional information about the update at Sage 50's Web site at www.sage50accounting.com.

4. When you have finished selecting the updates that you want to download and install, select the Download button. If you do not want to download updates at this time, select the Close button.

   If you chose to download and install one or more product updates, a download progress window appears.

   Important: Do not interrupt the download process. If you select the Cancel button during a download session, you must download the update(s) again.

5. Once the download is complete, Sage 50 Online Update prompts you to close Sage 50 and installs the update(s) for you. Follow the onscreen instructions as they are presented to you.

Note: All update files downloaded from Sage 50's Online Update utility are copied to an Updates folder located in your data path. The data path is where your company data is located. You can go to Maintain Company information to see your company's data path.

PA Local Income Tax Formulas (EIT, LST):

Your payroll tax subscription does not update any user maintained tax formulas. You must update these tax formulas yourself so they properly calculate for the new payroll tax year.

As a reminder, all employers are to maintain compliance with Act 32.

Under Act 32, employers are required to withhold the higher of the employee's resident earned income tax amount (rate of total resident **EIT where they *reside*) vs. the employees' municipal non-resident earned income tax amount (rate of** non-resident **EIT where they are *employed*). Employers are required to obtain information in the Residency Certification Form for every employee on an annual basis.**

Visit www.newpa.com, click on "local government" at the top of the page, then click on "withholding rates by address" that is under the heading "Municipal Statistics". Enter the employee's home address and work address, then click "View Information" to verify the 2027 rates that are required under Act 32 regulation.

To update your PA local formulas in Sage 50 User Maintained tax tables, follow these instructions:

1. Click on 'File', choose Payroll Formulas and choose User-Maintained.
2. Click on the Formula ID scroll down arrow. Find and click on the tax item PALIT26 on the list. Once highlighted the formula for this item will show on the bottom of the screen.
   - Change the 26 to a 27 **(twenty-seven)** in the Formula ID, hit TAB to move to the next field.
   - Place the cursor at the end of the Name field and change the 26 to a **27**.
   - Verify the percent in the formula is correct based on your locality, then click SAVE.
   - If you have more than 1 local formula to be in compliance with Act 32 repeat above for each formula. Contact our office if you need assistance.

Formula ID: PALIT27
Name: PA LIT 27
Formula: (Where X = your Local rate) ANSWER = -ADJUSTED_GROSS*X% (or your local rate)

3. **Only if LST for your locality is $52.00:** Find and click on the tax item LST26. Once highlighted the formula for this item will show on the bottom of the screen.
   - Change the 26 to a 27 **(twenty-seven)** in the Formula ID, hit TAB to move to the next field.
   - Place the cursor at the end of the Name field and change the 26 to a **27**.
   - Verify the limit and prorate amount is the correct amount for your locality and click SAVE.

Formula ID: LST27
Name: LST 27
Formula: (WHERE X = your LST rate) LIMIT=X; A=PRORATE(X); B=-YTD(LST)+LST; C=A-((A+B)-LIMIT); D=IF((A+B)<LIMIT,A,C); ANSWER=-D

PA Unemployment Tax Formulas (PASUI ER):

Find and click on the tax item PASUI26 on the list. Once highlighted the formula for this item will show on the bottom of the screen.

- Change the 26 to a 27 **(twenty-seven)** in the Formula ID, hit TAB to move to the next field.
- Place the cursor at the end of the Name field and change the 26 to a **27**.
- Change the percent amount to your PA Employer Contribution rate for 2027, this is found on the rate notice from PA Department of Labor & Industry;
- Your limit should be **$10,000**; then click SAVE.

Note: The number on the rate notice is formatted as a decimal (ex: 0.037030), you must convert to a percent for your formula (ex: 3.7030), but do not type the percent sign (%).

Formula ID: PASUI27
Name: PA SUI ER 27
Formula: (Where X.XXXX = your 2027 PA UC rate) LIMIT = 10,000.00; PERCENT = X.XXXX, TAXABLE_GROSS = YTD_LIMIT (ADJUSTED_GROSS,LIMIT); ANSWER = -TAXABLE_GROSS * PERCENT%