



Sage 300 U.S. Payroll

Q3 2025 Release Notes

September 2025

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Last updated: September 16, 2025

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Product update release notes

Important! All customers who update, maintain, and use Sage 300 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 300 U.S. Payroll

Version: Product Update Q3 2025

Software requirements

To use this product update, you must have Sage 300 U.S. Payroll 8.0, which is supported in Sage 300 2026, 2025, 2024 PU3, and 2023 PU7.

Note:

- If you are running Sage 300 2026 Payroll Web Screens, the Q3 2025 Payroll Tax Update is required for proper functionality.
- 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.
- If you are using the Sage HR Integration with Sage 300, you can only use the Sage 300 desktop interface to print checks. The 'Payroll Checks' screen is not available in 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.
- **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

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 300 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.

Indiana

If you have employees who calculate Indiana local tax but do not reside there, you now require Indiana State Income Tax (INSIT) added to your tax setup. Failure to include

INSIT will result in a payroll processing error.

For more information, please see Knowledgebase [250819183805490](#).

Kentucky

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

Code	Description	Rate	Effective Date
KY0123	Powell CO Regular IT	1.75%	07/01/2025
KY0287	Brandenburg CT Regular IT	0.33%	07/01/2025

Maryland

Maryland withholding tables and instructions, including rates on supplemental wages, have been updated for July 1, 2025. Refer to the state publication for more details.

The following Filing Statuses have been updated for Maryland State Income Tax (MDSIT):

1. Modified Filing Status

- Previous: Resident Working in Delaware
- Updated: Married Resident Working in Delaware

2. New Filing Status Added

- Single Resident Working in Delaware

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

Code	Description	Rate	Effective Date
MD3196	Dorchester, Maryland Regular IT	3.3%	07/01/2025

Ohio

Ohio withholding tables and instructions have been updated for October 1, 2025. Refer to the state publication for more details.

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

Code	Description	Rate	Effective Date
OH0069	Paulding CT Regular IT	1%	07/01/2025
OH1083	Jersey Heath Union JEDD 1 CT Regular IT	2%	06/01/2025

Pennsylvania

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

Code	Description	Rate	Effective Date
PA5793	Heidelberg TP, Conrad Weiser SD (NR) Regular IT	1%	06/15/2025
PA5833	Bally BO, Boyertown SD (NR) Regular IT	1%	06/15/2025
PA7093	Philadelphia CT, Philadelphia City SD (NR) Regular IT	3.43%	06/01/2025
PA7094	Philadelphia CT, Philadelphia City SD Regular IT	3.74%	06/01/2025
PA2335	Cassandra BO, Portage SD (NR) LST	\$5	06/15/2025

Virginia

Virginia withholding tables and instructions have been updated for July 1, 2025. Refer to the state publication for more details.

Product updates

The following product updates are included with this release.

Payroll product updates

U.S. Payroll product updates

The following new features and improvements to payroll are included in this update.

Uninstalling Payroll Web Screens

If you are running both Canadian and US Payroll, you must uninstall both Canadian and US Payroll Web Screens. Failing to do so may result in login issues or inability to access Web Screens.

New Accrual Limit for Sick and Vacation Accrual Codes

A new "Accrual Limit" field has been added to Sick and Vacation Accrual Earnings and Deductions Codes. You can specify the ceiling for the Accrual Limit.

This enhancement allows greater flexibility in managing accrual limits by enabling the maximum balance to be enforced at any time, rather than only during specific processing periods.

- Checkbox: Enables or disables the "Accrual Limit" feature.
- Edit Box: Allows entry of an accrual limit that will be enforced continuously.

New Payroll Web Screens for Sage 2026

Below is the new Payroll Web Screen included in this release, for Sage 2026 only.

- Payroll Employee Reports - Update Employee Earn/Ded Audit.

My Workforce Forms updates

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

To download and install My Workforce Forms, see Sage Knowledgebase article [250128222256470](#).

Sage Payroll Tax Forms and eFiling by Aatrix

Sage Payroll Tax Forms and eFiling by Aatrix is a feature included with Sage 300. 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/sage300>

Quarterly Wage on Disk(ette)

If you use Sage 300 U.S. Payroll, note that tax filing for Puerto Rico is not currently supported by Sage Payroll Tax Forms and eFiling by Aatrix. To produce State Unemployment Tax (SUTA) quarterly wage reports for Puerto Rico, use the Quarterly Wage on Disk(ette) feature.

For more information, see the following Sage Knowledgebase articles:

- [Producing Quarterly Wage Reports on Disk\(ette\) or Hard Disk \(Solution ID: 240315223951660\)](#)
- [State-Specific Information for Quarterly Wage on Disk\(ette\) \(Solution ID: 240315225836580\)](#)
- [Entering Employee Supplemental Information \(Solution ID: 223924350032880\)](#)

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**.

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**. The tax update version will be listed with a product update number.

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 300.
2. On the Local and Other Custom Taxes window, click the **Install Repository** button to update all of the local tax rates in the system.
3. When asked if you want to continue updating company-level local tax records with information from the local repository, click one of the following:
 - **Yes** to automatically update the company rates for all local taxes.
 - **No** to update local taxes individually (select each tax and click the Update button to apply the rate changes). Doing this enables you to validate rates before and after the changes.
4. Depending on your choice in the previous step, update employee-level local tax records as follows:
 - If you clicked **Yes** in the previous step, when asked if you want to continue updating employee local tax records from the local tax repository, click one of the following:
 - **Yes** to automatically update the employee-level rates for all local taxes.
 - **No** to select each employee or use the Update Taxes tax, then update each tax or employee individually.

- If you clicked **No** in the previous step, you must 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**.

Important! This process requires security permissions in Sage 300 to access all employees. Otherwise you may not receive the prompts as described above and employee rates will not be updated.