



Sage 300 Canadian Payroll

July 1, 2026 Release Notes

June 2026

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Product update release notes

Important! All customers who update, maintain, and use Sage 300 Canadian 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 Canadian Payroll

Version: Product Update July 1, 2026

Software requirements

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

Note: Sage 300 2023 will no longer be supported following this tax update. Please reach out to your Business Partner for your upgrade options.

Note:

- 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 cheques. The 'Print Cheque' function 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

The following federal, provincial, and territorial tax changes are included in this update.

Federal Legislative Updates

There are no federal legislative updates with this release.

Provincial and Territorial Legislative Updates

This section lists provincial and territorial legislative updates available with this release. If a province and territory is not listed in this section, there are currently no tax updates or product modifications for that province and territory.

British Columbia

On February 17, 2026, the Government of British Columbia announced a change to the lowest personal income tax rate and the BC tax reduction.

For 2026 and subsequent years, the lowest personal tax rate is increased from 5.06% to 5.60%.

Since the employers have used a lower tax rate for the first six months of the year, a prorated lowest personal income tax rate of 6.14% will apply for the remaining six months commencing with the first payroll in July.

The tax rates and brackets are as follows:

- For income under \$50,363, the tax rate is 6.14% (prorated)
- For income from \$50,363 to \$100,728, the tax rate is 7.70%
- For income from \$100,728 to \$115,648, the tax rate is 10.50%
- For income from \$115,648 to \$140,430, the tax rate is 12.29%

- For income from \$140,430 to \$190,405, the tax rate is 14.70%
- For income from \$190,405 to \$265,545, the tax rate is 16.80%
- For income of \$265,545 and over, the tax rate is 20.50%

In addition, for 2026 and subsequent years, the basic reduction is increased from \$562 to \$690.

The basic reduction amount was indexed to \$575 effective January 1, 2026.

Since this amount was used for the first six months of the year, a prorated basic reduction amount of \$805 will apply for the remaining six months.

Prince Edward Island

On April 14, 2026, the Government of Prince Edward Island introduced a new income tax bracket.

For 2026 and subsequent years, taxable income above \$200,000 is subject to a 20% tax rate.

Since the employers have used a lower tax rate for the first six months of the year, a prorated rate of 21% will apply for the remaining six months commencing with the first payroll in July.

The tax brackets and rates are as follows:

- For income under \$33,928, the tax rate is 9.50%
- For income from \$33,928 to \$65,820, the tax rate is 13.47%
- For income from \$65,820 to \$106,890, the tax rate is 16.60%
- For income from \$106,890 to \$142,520, the tax rate is 17.62%
- For income from \$142,520 to \$200,000, the tax rate is 19.00%
- For income of \$200,000 and over, the tax rate is 21.00% (prorated).

Personal Tax Credits for the 2026 mid-year release

Effective July 1, 2026, the provincial and territorial personal tax credits that employees can claim have changed. These changes are reflected in the new 2026 provincial and territorial TD1 forms, and the Québec TP-1015.3-V form. The basic personal amounts that have changed are listed below.

	January 2026	July 2026	July 2026 (Prorated Amount)
Newfoundland and Labrador	\$11,188	\$13,094	\$15,000

Product updates

The following product updates are included with this release.

Payroll product updates

Canadian Payroll product updates

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

Transaction History

Fixed an issue in Transaction History where the warning message displayed incorrect contribution limits when taxes (such as CPP and CPP2) exceeded the allowed limits.

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**.

Verifying the product update

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**.