



# **Sage 300 U.S. Payroll**

## **Q1 2026 Release Notes**

March 2026

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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 Q1 2026

## 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 and 2023.

**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 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

There are no federal, provincial, or territorial tax changes for this release.

## Federal Legislative Updates

There are no federal legislative updates with this release.

## Maryland

Maryland withholding tables and instructions have been updated for 2026. 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
MD3188	Allegany, Maryland Regular IT	3.2%	01/01/2026
MD3201	Kent, Maryland Regular IT	3.3%	01/01/2026

## Ohio

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

Code	Description	Rate	Effective Date
OH0428	Indian Hill VI Regular IT	0.5%	01/01/2026
OH1093	Warren-Howland-Warren JEDD CT Regular IT	2%	01/01/2026
OH1094	Warren-Champion JEDD CT Regular IT	2.5%	01/01/2026
OH1095	Union TP-Heath JEDD 1 CT Regular IT	2%	01/01/2026

The following local taxes have expired:

## Pennsylvania

Code	Description	Effective Date
OH1069	College Corner VI Regular IT	09/13/2025

## Pennsylvania

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

Code	Description	Rate	Effective Date
PA1279	Blain BO, West Perry SD (NR) LST	\$52	01/01/2026
PA1482	Upper Uwchlan TP, Downingtown SD (NR) LST	\$52	01/01/2026
PA1597	Exeter TP, Wyoming SD (NR) LST	\$30	01/01/2026
PA2663	Middletown TP, Neshaminy SD (NR) Regular IT	1%	01/01/2026
PA2664	Middletown TP, Neshaminy SD Regular IT	1%	01/01/2026
PA4565	New Castle CT, New Castle SD (NR) Regular IT	1.271%	01/01/2026
PA6826	Wilkes Barre TP, Wilkes-Barre SD Regular IT	1.5%	01/01/2026
PA7630	Bethel Park BO, Bethel Park SD Regular IT	1.75%	01/01/2026

# Product updates

## Payroll product updates

### U.S. Payroll product updates

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

#### New Option for OBBB Act for Qualified Double Overtime Compensation

We have added a new option in the **Report as** field on the Payroll Earnings and Deductions window to support IRS reporting requirements under the OBBB (One Big Beautiful Bill act):

- Form W-2 - Total amount of qualified double overtime compensation (TT)

**Note:** This option is for reporting double overtime and is only for use if you report double overtime as a separate Earning\Deduction. It is not meant to be used with an Overtime Schedule.

For more information, see Knowledgebase article: [251203162940057](#).

#### 2026 Nacha Rule Update for Payroll

For all PPD Credits for payment of wages, salaries and similar types of compensation, the **Company Entry Description** field must contain the description PAYROLL.

For more information, see Knowledgebase article: [260209163124807](#).

#### Extended EFT Deposit File Name length

We have updated EFT processing to support deposit file names up to 16 characters to meet bank requirements; the **Deposit File Name** can be updated in **Payroll Setup > EFT Options**.

### **Fix for Payroll Quarterly Wage on Disk(ette)**

We fixed an issue that caused a “year out of range” error when generating the Quarterly Wage on Disk for year 2026.

### **New Payroll Web Screens for Sage 2026**

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

- Payroll Employees - Update Earn/Ded for All Employees

# 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.

## Updating the local tax repository and rates

- 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.