Sage

Sage HRMS

Q4 2025 Release Notes

December 2025

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Product update release notes

> **Important!** All customers who update, maintain, and use Sage HRMS or Sage HRMS Employee Self Service 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 and Sage HRMS Employee Self Service

Version: Product Update Q4 2025

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

> **Important!** With every release, we test 2 versions back of Sage HRMS. For this release, you should be on Q2 2025 or later to upgrade to Q4 2025.

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 [Sage HRMS Product Documents](#) website 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.

- **Community Hub Year-end Center:** Visit https://communityhub.sage.com/p/yearend for help, guidance, documents, and downloads specific to Sage HRMS Payroll and Year end 2025.

- **Community Hub:** Visit https://communityhub.sage.com/us for blogs, tips, and guidance specific to Sage HRMS.

- **Customer Support:** For support resources, visit the [Sage Support Resource Centre](#) page.

- **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 Sage Knowledgebase article: [Which forms should I order for year-end? (Solution ID: 223924750040182)](#).

Canadian Payroll Tax Updates

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

You may need to adjust your employee records to reflect these tax changes.

Federal Legislative Updates

Federal Changes

This section lists federal legislative updates available with this release.

> **Note:** Pre-printed T4 forms obtained from the CRA are not supported. You can print on plain paper only.

EI Maximum Insurable Earnings and Premium Rates for 2026

For Employment Insurance, the annual maximum insurable earnings for 2026 are $68,900.00.

The **non Québec** premium rates are:

- 1.630% for employees
- 2.282% for employers

The annual maximum contributions for the general rates are:

- Employee contributions - $1,123.07
- Employer contributions - $1,572.30

The **Québec** premium rates are:

- 1.300% for employees
- 1.820% for employers

The annual maximum contributions for Québec are:

- Employee contributions - $895.70

- Employer contributions - $1,253.98

Canada Pension Plan (CPP) Rates and Maximum Pensionable Earnings for 2026

The maximum pensionable earnings under the Canada Pension Plan (CPP) for 2026 are $74,600.00. Additionally, for 2026:

- The basic exemption amount remains unchanged at $3,500.

- The maximum contributory earnings increase to $71,100.00.

- The employee and employer contribution rates remain unchanged at 5.95%.

- The maximum employee and employer contribution to the plan increases to $4,230.45 each.

Additional Canada Pension Plan (CPP2) Rates and Maximum Pensionable Earnings for 2026

The maximum pensionable earnings under the additional Canada Pension Plan (CPP2) for 2026 are $74,600 - $85,000. Additionally, for 2026:

- The maximum contributory earnings are $10,400.00.

- The employee and employer contribution rate is 4.00%.

- The maximum employee and employer contribution rate is $416.00.

> **Note:** The CPP/QPP and EI Balancing report (Reports > Canadian Payroll > Government Reports > T4s) has been updated with rates and amounts for 2026.

Quebec Pension Plan (QPP) for 2026

The maximum pensionable earnings under the Quebec Pension Plan (QPP) for 2026 are $74,600.00.

- The basic exemption amount is $3,500.00

- The maximum contributory earnings are $71,100.00

- The QPP rate is 6.30%

- The maximum employee and employer contribution is $4,479.30

Additional Quebec Pension Plan (QPP2) for 2026

The maximum pensionable earnings for second QPP (QPP2) for 2026 are $74,600 - $85,000. Additionally, for 2026

- The maximum contributory earnings are $10,400.00

- The employee and employer contribution rate is 4.00%

- The maximum employee and employer contribution is $416.00

Quebec Parental Insurance Plan (QPIP) for 2026

The maximum pensionable earnings under the Quebec Parental Insurance Plan (QPIP) for 2026 are $103,000.00

- The employee rate is 0.430%

- The employee maximum premium is $442.90

- The employer rate is 0.602%

- The employer maximum premium is $620.06

Federal Indexation for 2026

The federal indexation factor effective January 1, 2026 is 2.00%.

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.

To confirm the amounts and to receive the forms for 2026, contact your tax services office or visit the government websites:

- CRA: http://www.cra-arc.gc.ca/

- Revenu Québec: https://www.revenuquebec.ca/fr/

WCB Maximum Assessable Earnings for 2026

The 2026 Workers Compensation Board Maximum Assessable Earnings are:

	2026	2025
Alberta	$110,900	$106,400
British Columbia	$127,500	$121,500
Manitoba	$171,500	$167,050
New Brunswick	$85,800	$84,200
Newfoundland and Labrador	$80,935	$79,345
Northwest Territories	$116,000	$112,600
Nova Scotia	$79,900	$76,300
Nunavut	$117,300	$113,900
Ontario	$121,700	$117,000
Prince Edward Island	$89,300	$82,900
Québec	$103,000	$98,000
Saskatchewan	$108,223	$104,531
Yukon	$107,599	$104,975

Personal Tax Credits for 2026

Effective January 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 have changed as listed below.

	2026	2025
Federal	$16,452	$16,129
Alberta	$22,769	$22,323
British Columbia	$13,216	$12,932
Manitoba	$15,780	$15,969

	2026	2025
New Brunswick	$13,664	$13,396
Newfoundland and Labrador	$11,188	$11,067
Northwest Territories	$18,198	$17,842
Nova Scotia	$11,932	$11,744 (BPANS)
Nunavut	$19,659	$19,274
Ontario	$12,989	$12,747
Prince Edward Island	$15,000	$14,250
Québec	$18,952	$18,571
Saskatchewan	$20,381	$18,991
Yukon	$16,452	$16,129 (BPAYT)

Provincial and Territorial Indexation for 2026

Effective January 1, 2026, the following provinces and territories have released updated indexing factors:

	2026	2025
Alberta	2.00%	2.00%
British Columbia	2.20%	2.80%
Manitoba	2.10%	1.20%
New Brunswick	2.00%	2.70%
Newfoundland and Labrador	1.10%	2.30%
Northwest Territories	2.00%	2.70%
Nova Scotia	1.60%	3.10%
Nunavut	2.00%	2.70%
Ontario	1.90%	2.80%
Prince Edward Island	n/a	n/a
Québec	2.05%	2.85%

	2026	2025
Saskatchewan	2.00%	2.70%
Yukon	2.00%	2.70%

U.S. Payroll Tax Updates

The following federal, state, and local tax changes are included in this update.

Federal Legislative Updates

Federal Withholding Tax Changes for 2026

The IRS released withholding and allowance amount tables for wages paid on or after January 1, 2026.

Social Security Wage Base

Maximum earnings subject to Social Security (OASDI) tax will increase to $184,500 in 2026.

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 & Canadian 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.

California

- California withholding tables and instructions have been updated for 2026. Refer to the state publication for more details.

- State disability insurance tax (CASDI) information is updated for 2026. Effective for wages paid on or after January 1, 2026:

    - The witholding rate is 1.3%

Colorado

- Colorado withholding tables and instructions have been updated for 2026. Refer to the state publication for more details.

- The Unemployment Insurance wage baselimit changes to $30,600 for 2026.

- For the Colorado Paid Family and Medical Leave plan, the wage base limit changes to $184,500 for 2026.

    - For more information, including details about setting up payroll codes, see Sage Knowledgebase article 225924650095277.

Connecticut

- The Unemployment Insurance wage baselimit changes to $27,000 for 2026.

- For the Connecticut Paid Family and Medical Leave plan, the wage base limit changes to $184,500 for 2026.

  - For more information, including details about setting up payroll codes, see Sage Knowledgebase article 220924660108247.

Delaware

- The Unemployment Insurance wage baselimit changes to $14,500 for 2026.

- For the Delaware Paid Family and Medical Leave plan, the wage base limit changes to $184,500 for 2026.

  - For more information, including details about setting up payroll codes, see Sage Knowledgebase article 241122171138383.

District of Columbia

For quarterly reports, you can now report a unit/location code for each employee.

You do so on the **Employee Supplemental Information** window, in the **Plant/Location Code** field.

Iowa

Iowa withholding tables and instructions have been updated for 2026. Refer to the state publication for more details.

The Unemployment Insurance wage baselimit changes to $20,400 for 2026.

Kansas

The Unemployment Insurance wage baselimit changes to $15,100 for 2026.

Kentucky

- Kentucky withholding tables and instructions have been updated for 2026. Refer to the state publication for more details.

- The Unemployment Insurance wage baselimit changes to $12,000 for 2026.

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

Code	Description	Rate	Effective Date
KY0002	Simpson CO Regular IT	1.25%	01/01/2026
KY0009	Highland Heights CT Regular IT	1.5%	01/01/2026
KY0080	Ashland CT Regular IT	2.375%	01/01/2026
KY0147	Marion CT Regular IT	1.5%	07/01/2025
KY0217	Campbellsville CT Regular IT	1.5%	01/01/2026
KY0235	Jenkins CT Regular IT	2%	01/01/2026
KY0237	Bardwell CT Regular IT	1%	07/01/2025
KY0249	Somerset CT Regular IT	1.2%	01/01/2026
KY0277	Williamstown CT Regular IT	1%	01/01/2026
KY0287	Brandenburg CT Regular	0.333%	07/01/2025
KY0288	Walton CT Regular IT	2%	01/01/2026
KY0287	Brandenburg CT Regular IT	0.333%	07/01/2025

Wage base limits have been updated for the following local taxes:

Code	Description	Rate	Effective Date
KY0013	Newport CT Regular IT	$184,500	01/01/2026

Code	Description	Rate	Effective Date
KY0016	Kenton CO Regular IT	$184,500	01/01/2026
KY0020	Florence CT Regular IT	$184,500	01/01/2026
KY0022	Crestview Hills CT Regular IT	$184,500	01/01/2026
KY0023	Covington CT Regular IT	$184,500	01/01/2026
KY0024	Cold Spring CT Regular IT	$184,500	01/01/2026
KY0025	Campbell CO Regular IT	$184,500	01/01/2026
KY0029	Alexandria CT Regular IT	$184,500	01/01/2026
KY0093	Wilder CT Regular IT	$184,500	01/01/2026
KY0096	Warsaw CT Regular IT	$184,500	01/01/2026
KY0161	Jackson CT Regular IT	$184,500	01/01/2026
KY0178	Fort Wright CT Regular IT	$184,500	01/01/2026
KY0188	Edmonton CT Regular IT	$184,500	01/01/2026
KY0204	Breathitt CO Regular IT	$184,500	01/01/2026
KY0276	Union CT Regular IT	$184,500	01/01/2026
KY0279	Campbell CO Mental Health Regular IT	$184,500	01/01/2026
KY0027	Boone CO Regular IT	$79,494	01/01/2026

Louisiana

The Unemployment Insurance wage baselimit changes to $7,000 for 2026.

Maine

- Maine withholding tables and instructions have been updated for 2026. Refer to the state publication for more details.

- For the Maine Paid Family and Medical Leave plan, the wage base limit changes to $184,500 for 2026.

- For more information, including details about setting up payroll codes, see Sage Knowledgebase article [241122171043773.](#)

Massachusetts

- For the Massachusetts Paid Family and Medical Leave plan, the wage base limit changes to $184,500 for 2026.

    - For more information, including details about setting up payroll codes, see Sage Knowledgebase article [225924650095277.](#)

Minnesota

- A new Minnesota Paid Family and Medical Leave plan, will be effective January, 1 2026. 251212215806893

    - For more details about setting up related local tax codes, see Sage Knowledgebase article [251212215806893](#).

Missouri

- Missouri withholding tables and instructions have been updated for 2026. Refer to the state publication for more details.

- The Unemployment Insurance wage baselimit changes to $9,000 for 2026.

Nebraska

Nebraska withholding tables and instructions, including rates on supplemental wages, have been updated for January 1, 2026. Refer to the state publication for more details.

Nevada

The Unemployment Insurance wage baselimit changes to $43,700 for 2026.

New Jersey

- The Unemployment Insurance wage baselimit changes to $44,800 for 2026.

- The Disability and Family Leave plan has been updates for 2026. Effective for wages paid on or after January 1, 2026:

    - The Disability and Family Leave plan wage base limit changes to $171,100 for 2026

    - The new Disability Insurance rate is 0.19%

    - The new Family Leave Insurance rate is 0.23%

    - For more information see Knowledgebase articles 220924660108199 and 22092460102273.

New Mexico

New Mexico withholding tables and instructions have been updated for 2026. Refer to the state publication for more details.

New York

- The Unemployment Insurance wage baselimit changes to $13,000 for 2026.

- New York withholding tables and instructions have been updated for 2026. Refer to the state publication for more details.

- City of Yonkers withholding tables and instructions have been updated for 2026. Refer to the state publication for more details.

- There are changes for New York Paid Family Leave for 2026. Refer to the state publication for more details.

  - For more information, including details about setting up payroll codes, see Sage Knowledgebase article 225924450088150.

North Carolina

The Unemployment Insurance wage baselimit changes to $34,200 for 2026.

Ohio

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

Code	Description	Rate	Effective Date
OH0059	Clayton CT Regular IT	2.5%	01/01/2026
OH0206	North Canton CT Regular IT	2%	01/01/2026
OH0232	Chillicothe CT Regular IT	1.8%	01/01/2026
OH0336	Avon CT Regular IT	1.95%	01/01/2026
OH0341	DeGraff VI Regular IT	1.75%	01/01/2026
OH0475	Washington Court House CT Regular IT	1.75%	01/01/2026
OH0573	Bowling Green 8701 SD Regular IT	1.25%	01/01/2026
OH0613	Coldwater 5402 SD Regular IT	1%	01/01/2026
OH0797	Milton-Union 5505 SD Regular IT	2%	01/01/2026
OH1042	Jefferson TP-Washington CH JEDD CT Regular IT	1.75%	01/01/2026
OH1084	Findlay 3204 SD Regular IT	1%	01/01/2026
OH1085	Clinton-Massie 1402 SD Regular IT	1%	01/01/2026
OH1086	Coopers Hawk JEDD CT Regular IT	2%	01/01/2026
OH0120	Bowling Green CT Regular IT	2.15	01/01/2026
OH0125	Montpelier VI Regular IT	1.8	01/01/2026

Code	Description	Rate	Effective Date
OH0218	Sidney CT Regular IT	1.75	01/01/2026
OH0263	Circleville CT Regular IT	2.5	01/01/2026
OH0309	Fort Recovery VI Regular IT	1.5	01/01/2026
OH1087	Tiffin 7407 SD Regular IT	0.75%	01/01/2026
OH1088	Trimble 0505 SD Regular IT	1%	01/01/2026
OH1089	Kings 8303 SD Regular IT	1%	01/01/2026
OH1090	Westerville 2514 SD Regular IT	0.75%	01/01/2026
OH0103	Upper Sandusky CT Regular IT	1.75%	12/17/2025
OH0449	Rio Grande VI Regular IT	2%	01/01/2026
OH0450	Gallipolis CT Regular IT	1.5%	01/01/2026
OH1091	Granville TP JEDD 1 CT Regular IT	1.5%	10/15/2025
OH1092	Sycamore TP-Montgomery JEDD CT Regular IT	0.75%	11/01/2025

Wage base limits have been updated for the following local taxes:

Code	Description	Rate	Effective Date
OH0891	Green TP JEDD II CT Regular IT	$140,488	01/01/2026
OH0892	Green TP Western Ridge JEDD CT Regular IT	$148,311	01/01/2026
OH0893	Mercy West JEDD III CT Regular IT	$109,375	01/01/2026
OH0948	Harrison Greene JEDD IV CT Regular IT	$136,501	01/01/2026
OH0971	UDF-North Bend JEDD V CT Regular IT	$131,590	01/01/2026
OH1007	McAlisters JEDD VI CT Regular IT	$128,631	01/01/2026

Effective December 31, 2025, the following local taxes have been expired:

Code	Description
OH0919	Edon Northwest 8603 SD Regular IT
OH1018	East Palestine 1505 SD Regular IT

Oklahoma

- The Unemployment Insurance wage baselimit changes to $25,000 for 2026.

- Oklahoma withholding tables and instructions, including rates on supplemental wages, have been updated for January 1, 2026. Refer to the state publication for more details.

Oregon

- The Unemployment Insurance wage baselimit changes to $56,700 for 2026.

- For the Oregon Paid Family and Medical Leave plan, the wage base limit changes to $184,500 for 2026.

    - For more information, including details about setting up payroll codes, see Sage Knowledgebase article 221924660117849.

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

Code	Description	Rate	Effective Date
OR0007	Oregon (NR) Statewide Transit Tax	0.2%	01/01/2026
OR0008	Oregon Statewide Transit Tax	0.2%	01/01/2026

Pennsylvania

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

Code	Description	Rate	Effective Date
PA4805	Upper Darby TP, Upper Darby SD (NR) Regular IT	1%	01/01/2026
PA4806	Upper Darby TP, Upper Darby SD Regular IT	1%	01/01/2026

Rhode Island

Rhode Island withholding tables and instructions have been updated for 2026. Refer to the state publication for more details.

South Carolina

South Carolina withholding tables and instructions have been updated for 2026. Refer to the state publication for more details.

Vermont

The Unemployment Insurance wage baselimit changes to $15,400 for 2026.

Washington

- The Unemployment Insurance wage baselimit changes to $78,200 for 2026.

- For the Washington Paid Family and Medical Leave plan, the wage base limit changes to $184,500 for 2026.

    - For more information, including details about setting up payroll codes, see Sage Knowledgebase article 225924650095277.

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

Code	Description	Rate	Effective Date
WA0006	WA0006 Seattle CT Social Housing Tax	5%	01/01/2025

Wyoming

The Unemployment Insurance wage baselimit changes to $33,800 for 2026.

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.

Fix for Check Number Display issue for Job-Related Timecards

We have fixed a problem where check numbers in Project and Job Costing may not display correctly. The system now shows the last 9 digits of the check number.

> **Note:** When Sage HRMS is installed without Payroll, the program supports integration with Sage 300 Project and Job Costing.

Fix for Common Deduction Limits

We have fixed an issue where payroll continued deducting amounts after the annual maximums specified for the Deduction Group in the Common Deduction Limits have been reached. The system now stops deductions at the annual maximums.

New Options for OBBB Act for Qualified Tips (TP) and Qualified Overtime Compensation (TT)

We have added two new options in the Report as field on the Payroll Earnings and Deductions window to support upcoming IRS reporting requirements under the One Big Beautiful Bill (OBBB) Act:

- Form W-2 – Total amount of qualified tips (TP)

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

For more information, see Knowledgebase article: 251209183518997.

Changes to Roth and 401K limits for the SECURE 2.0 Act (2026) for Sage HRMS

Roth and 401K limits for the SECURE 2.0 Act starting in 2026 for Sage HRMS Payroll

Beginning in 2026, employees who are age 50 or older and earned more than $150,000 in FICA wages (Box 3 on the W-2 form) in 2025, will be required to make catch-up contributions as after-tax Roth contributions. Contact your tax accountant if you have questions related to these deductions (pre-tax and post-tax), formulas, and government compliance within your company.

In Sage HRMS Payroll, customers will need to decide how to set up catch-up Roth contributions. To learn more about how the SECURE 2.0 Act affects the Roth and 401K limits in Sage HRMS Payroll, see Sage Knowledgebase article 251215224952013.

Canadian Payroll product updates

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

Fix for Cheque Number Display issue for Job-Related Timecards

We have fixed a problem where check numbers in Project and Job Costing may not display correctly. The system now shows the last 9 digits of the cheque number.

> **Note:** Support for longer cheque numbers in job-related timecards will be added in a future release.

Fix for Common Deduction Limits

We have fixed an issue where payroll continued deducting amounts after the annual maximums specified for the Deduction Group in the Common Deduction Limits have been reached. The system now stops deductions at the annual maximums.

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.

Premium version of Sage HRMS product updates

Premium product updates include new features and enhancements for both the desktop version and the web version of Sage HRMS. If you have also purchased Sage HRMS Employee Self Service, updates for the premium version of ESS will also be included. Please review the table below to learn more about these changes.

Product Updates	Premium HRMS	Premium Web HRMS	Premium ESS
Sage HRMS Payroll new web screen: Process Payroll map Learn more		Yes	
Sage HRMS Payroll new web screen: Open Payroll Learn more		Yes	
Sage HRMS Payroll new web screen: Print/Post Checks Learn more		Yes	
Sage HRMS Payroll new web screen: Payroll Tasks and Processes Learn more		Yes	

Product Updates	Premium HRMS	Premium Web HRMS	Premium ESS
Sage HRMS Import Employee Pay Bands - HR Only Learn more		Yes	
Sage 100 Payroll Link - Ethnic ID Code Transfer Issue Learn more	Yes		

Sage HRMS Payroll new web screen: Process Payroll map

All steps in the standard Process Payroll map are now supported in the premium web version of Sage HRMS allowing administrators to complete payroll processing entirely within the web application. These pages are available in the U.S. Payroll product as well as the Canadian Payroll product if applicable.

Process Payroll map

To access the Process Payroll map, select **Tasks and Processes** from the menu and then Payroll or Canadian Payroll > Process Payroll. Follow the steps below to process your payroll.

> **Important!** Customized payroll pages are not included in this release of the Process Payroll map. The customization feature will be added in a future release. If your payroll process uses any additional pages or processes, these must be completed in the desktop version of Sage HRMS at this time.

1. Open Payroll

2. Distribute Earnings (U.S. Payroll only)

3. Timecard List

4. Calculate Payroll

5. Process Time Off

6. Print/Post Checks

7. Create EFT File

We have also enhanced the **Process Payroll** map by adding breadcrumb navigation that remains visible at the top of the page. This feature improves work-flow management by displaying all process steps and allows administrators to jump to any step in the process. The current step is highlighted with a different color for easy reference.

Each page of the **Process Payroll** map is also displayed on the main Payroll menu under Process Payroll. When you select a page from this menu, the selected page is opened and the breadcrumb navigation indicates the selection as the active page.

Some of the above steps on the Process Payroll map are now submitted as a process in the premium web version of Sage HRMS. You can check the status of any submitted process by viewing the Process Log on the Process Management page.

Sage HRMS Payroll new web screen: Open Payroll

> **Important!** Best practice recommendation: Do *not* run the Sage HRMS Client on the web server where you have installed the premium web version of Sage HRMS or the **Sage Employee Self Service** application.

The **Open Payroll** process is now available in the premium web version. This feature allows HR administrators to update employee information between HR and Payroll directly from the web application. We have also enhanced the process to be more efficient by utilizing the existing Sage HRMS Process service.

When running Open Payroll in the web, the process is run as a background task allowing you to do other things. In the desktop version of Sage HRMS, you must wait on the processing to complete before moving on to other tasks. For companies that have many employees, it can take a while for the processing to be completed.

We have also improved the work-flow by separating the process into the following steps:

1. **Access Open Payroll:** Select Tasks and Processes > Payroll > Process Payroll > Open Payroll.
2. **Employee Search:** Identify and select employees based on criteria such as pay frequency, payroll status, organization details, and employee id.

3. **Data Update Options:** Choose which data to sync (Time Off, Pay Information, Benefits) and apply advanced options like overwriting distribution codes or pay frequencies.

4. **Review and Process:** Preview updates, print a comparison report and submit the **Open Payroll** process.

5. **Process Management:** Track process status and generated reports through Process Management.

Other Changes:

We have added two new search options on the employee search page to help identify employees for updating:

- Salaried/Hourly

- Exempt Status

We have also renamed the **Open Payroll** reports to ensure the titles better reflect the report details.

- The "AH HRMS Process Result Before Update" report has been renamed to the "Open Payroll Criteria Results" report.

- The "AH HRMS Process Result After Update" report is now separated into two different reports, depending on the process Status:

  - Modified Employees Report

  - Invalid Employees Report

> **Note:** To learn more about the Open Payroll process in the premium web version, see the [Using the Open Payroll Process](#) help topic.

> **Tip:** Best practice is to verify the access to the Payroll pages in your Security Group. Ensure your Payroll Administrator has access the pages on the Process Payroll map as well as to the user's automatically-assigned Security User selection list in Payroll.

Sage HRMS Payroll new web screen: Print/Post Checks Process

The process of creating pdfs during the Print/Post Checks step in payroll, has been improved in the premium web version of Sage HRMS.

Payrolls that have been processed in the web version of Sage HRMS provide the following benefits:

- **Efficiency** – When running Open Payroll in the web, the process is run as a background task allowing you to do other things.

- **Security** – Calculating payroll and printing checks is very secure. PDF checks are now stored internally in Sage HRMS Web Payroll database. PDF checks are no longer stored in a shared folder on the server.

- **File Permissions** – You no longer need to manage file permissions to a shared folder where PDF checks are stored. This alleviates issues that arise when file permissions are not set correctly. In the desktop version of Sage HRMS, invalid permissions can keep the PDF checks from being generated and imported into Sage HRMS Employee Self Service. When this happens, you do not get another chance to import the PDF Checks into Sage HRMS Employee Self Service for the payroll run.

The steps to Print/Post Checks in the premium web version of Sage HRMS are similar to the Sage HRMS desktop version. Publishing checks/advices to Sage Employee Self Service however, has changed and is now managed by the Sage HRMS Process. The publishing process is submitted to the Process Management queue in the web application. As noted above, this is a process that runs in the background. Also, split checks are no longer stored in the shared file.

You can check the status of transferring checks to ESS by viewing the Process Log on the Process Management page. To access the Process Management page, select the Process Management icon from the top tool bar in the web version of Sage HRMS and click Process Log.

Sage HRMS Payroll new web screen: Payroll Tasks and Processes

The premium web version of Sage HRMS now supports tasks that were formerly limited to the desktop application.

A number of new Payroll Tasks are now available from the premium web version of Sage HRMS Tasks and Processes menu, including:

Tasks

- Assign Earnings/Deductions
- Assign Selection Lists
- Assign Taxes to Employees
- Check Inquiry
- Combine EFT Files
- Create EFT File
- Copy Timecard
- Employee Selection
- Export G/L Batch File
- Payroll Check List
- Restart Maintenance (Users in the Master Security Group only)
- Timecards

Processes

We are also continuing to add new Payroll Processes to the premium web version of Sage HRMS, including

- Process Employee Earnings Distribution (US Only)
- Update Employee Pay Bands (US Only)
- Reverse Transactions
- Transaction History Inquiry

Sage HRMS Import Employee Pay Bands - HR Only

The Employee Pay Bands feature is now available in the HR Only product.

To access the Import Employee Pay Bands process, select **Tasks and Processes** from the menu and then select **Import Employee Pay Bands** under the Processes menu. You must import your data using a CSV file. Click here to download an Import Employee Pay Bands CSV file template.

> **Note:** To learn more about the import process, see the [Import Employee Pay Bands](#) help topic.

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Sage 100 Payroll Link - Ethnic ID Code Transfer Issue

Fixed an issue where some ethnic codes were not being transferred correctly from Sage 100 Payroll Link to Sage HRMS. See the Sage 100 Payroll Link updates section for more details.

Non-Premium version of Sage HRMS and ESS product updates

This update includes changes to the non-premium (existing) version of Sage HRMS. There are no updates to the non-premium (existing) version of Sage HRMS Employee Self Service.

Product Updates	Non-Premium (Existing) HRMS	Non-Premium (Existing) ESS
Sage 100 Payroll Link - Ethnic ID Code Transfer Learn more	Yes	N/A

Sage 100 Payroll Link - Ethnic ID Code Transfer Issue

Fixed an issue where some ethnic codes were not being transferred correctly from Sage 100 Payroll Link to Sage HRMS. See the Sage 100 Payroll Link updates section for more details.

My Workforce Analyzer updates

There are no changes to the My Workforce Analyzer forms in Sage HRMS. Customers are encouraged to read the **"What's New"** section of the Instructions for Forms 1094-C and 1095-C (2025) to learn additional information about providing statements to individuals.

Sage 100 Payroll Link updates

Sage 100 Payroll Link - Ethnic ID Code Transfer Issue

Fixed an issue where some ethnic codes were not being transferred correctly from Sage 100 Payroll Link to Sage HRMS.

We have added the value of "Z=Not Applicable" to the Sage HRMS Ethnic ID code table and updated the mapping behavior when transferring information between Sage 100 Payroll and Sage HRMS. The following mapping guidelines apply to all versions of Sage HRMS that support the Sage 100 Payroll Link:

- All custom ethnic codes in Sage HRMS will be transferred as "Z" to Sage 100 Payroll.

- Sage 100 Payroll ethnic codes that do not have a corresponding value in Sage HRMS will be mapped to "Z=Not Applicable" in the Sage HRMS System.

How to choose the right product update

Please review the chart below to help determine which download .exe you need to install.

Unlock the full potential of your premium Sage HRMS product by downloading the premium web version of Sage HRMS from the [Sage HRMS Download Portal](#). Enjoy familiar features along with new enhancements that simplify your tasks and allow you to work from any location. Don't miss out on this premium opportunity!

If you have this product:	You should Install:	Quarterly Version
Premium desktop version of Sage HRMS	SageAbraSQLHRMS10.70.78.13.exe	10.70.7813- 2025 Q4
Premium web version of Sage HRMS* *Includes Employee Self Service if purchased	SageHRMS21.102201_premium_web_ HRMS_ESS.exe	21.1022.01 - 2025 Q4
Non - Premium desktop version of Sage HRMS	SageAbraSQLHRMS10.70.78.13.exe	10.70.7813- 2025 Q4
Non - Premium version of Sage HRMS Employee Self Service	No updates	No updates

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 Sage Knowledgebase article Which forms should I order for year-end? (solution ID 223924750040182) on the Sage Support website.

Preparing for Year-end Processing

Before you start processing your 2026 payroll, visit the Community Hub 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 https://communityhub.sage.com/p/yearend, select your region, and then select Sage HRMS.

The Year-End Center includes an FAQ and provides you with information various topics, including employee-related forms, processing reports, and preparing for the first payroll of a new year.

Non-premium version of Sage HRMS Employee Self Service update installation instructions

> **Note:** Some features in this release of Sage HRMS Employee Self Service are for the premium version of Sage HRMS only. If you are not on the premium version of Sage HRMS and would like to learn about options for moving to the premium version, please contact your Sage Business Partner or Sage Account Manager.

After you have downloaded the Sage HRMS Employee Self Service update from the Sage Knowledgebase, follow these instructions to install the update.

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 HRMS 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 HRMS 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 HRMS Download Portal.

2. Click the appropriate download link and log in if required.

3. In the article, click **Download** to download the product update.

> **Important!** During this installation process, you must enter your Sage HRMS 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 we recommend that you 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 HRMS Employee Self Service update

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

   a. Log on to the Sage HRMS Employee Self Service server and select **Programs** > **Employee Self Service** > **System Maintenance** to open the Sage HRMS 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 HRMS 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 HRMS 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 HRMS 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 HRMS Employee Self Service as the MASTER user to complete the process.

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

Sage HRMS update installation instructions

> **Important!** Sage HRMS Integrated uses enhanced security features. User security policies are now enforced by Windows Account Policies on the machine running MS SQL Server. If you are unfamiliar with these changes, please review the information below before proceeding.

Upgrade Prerequisites

- Back up your databases.

- Back up your Site folder and User folder within the Shared Data folder.

- Create a backup copy of all of your payroll customized reports and check forms before upgrading.

- Review your Local Security Policies on your SQL Server machine and set the Minimum Password age to 0.

- Verify that you are upgrading from a supported version of the Payroll Modules.

- Verify you have access to the Sage HRMS Client using the Master user account information before upgrading.

- Review the sharing settings on the SageHRMSServer folder.

- Verify the SQL account to be used during the installation has full DB Create (administrative) credentials.

Enhanced Security Features

The following changes were made to support these features:

- During the Sage HRMS Client upgrade, there may now be a forced restart of the Client and the windows server machine.

- If this is necessary, the user is presented with a new message stating that: "Sage HRMS Client needs to restart. Save all your files before continuing."

- The Sage HRMS Client wizard will create two new MS SQL databases (Vault and Store) during the upgrade.

- The user will be prompted to change the default password for the Payroll Administrator (Sage 300) during the Sage HRMS Client upgrade to meet the new password complexity rules if it is not complex enough.

- Password Complexity Rules dictate that a password must have a minimum length of 8 characters, with a minimum of 1 lower-case character, 1 upper-case character, 1 numeric character, and 1 special character.

- The Minimum password length security policy will be set to 8 characters.

After upgrading

- Use the Database Connection Tool to ensure all connections are valid.

- Verify the ADMIN user can successfully access the Database Setup tool using their new complex password

- Restore your custom payroll report folders:

    - The report .DLL's have been updated to a newer version and must be copied to your customized payroll report folders.

    - The updated .DLL's are located on the Sage HRMS Client machine at the following path: C:\Program Files (x86)\Sage\Sage Accpac\ - UP80A or CP80A.

    - Copy only the .DLL's used for each of your customized payroll reports.

Follow the instructions in this section to download, install, apply, and verify the Product Update for all desktop versions of Sage HRMS.

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 HRMS Download Portal](#).

2. Click the appropriate download link and log in if required.

3. In the article, click **Download** to download the product update.

Installing the product update

> **Note:** You should launch the product update on the server where Sage HRMS is installed.

To install the product update:

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 matches 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 1, 2026.

> **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 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 HRMS to access all employees. Otherwise you may not receive the prompts as described above and employee rates will not be updated.