

Windows 10 is coming in 2015

By Mary Mays

In April 2015, Microsoft plans to announce a release date for Windows 10, the next version of Windows, which is expected to be in late summer 2015. Any hardware that can run Windows 8.1 will also support Windows 10.

The Technical preview was released in September and the consensus is that this version balances better usability between touch screen and non-touch screen devices. Many of the Windows 8 complaints were about the change in the desktop. With Windows 10 the Start menu is back and the Charms bar is still there (this is the menu bar in Windows 8 that pops up when you swipe right or position your mouse over to the right). Swiping from the left brings up the Win-Tab task switcher to use to tap and swipe a carousel of active apps.



The Start menu is now side-by-side with the Live Tiles. The height can be adjusted and tiles can be pinned or removed. Cortana, Microsoft's intelligent virtual assistant that is currently a feature on Windows phones, will now be a feature in Windows 10. Cortana is rumored to replace or complement the existing search feature built in to Windows 8. Since nothing is finalized, all of this is still preliminary.

Printing W-2s and 1099s With Federal eFiling and Reporting

As previously announced, Sage is no longer updating the standard preprinted payroll and accounts payable tax forms or the Electronic Reporting module for all versions. In versions 2013 and older the standard W-2

and 1099 form printing is still available on the menus. As of version 2014, these options have been removed. You still have the ability to print all of these forms and many more using the Federal or State eFiling and Reporting menu tasks. There is no cost to print these forms to plain paper. Additional fees only apply for forms/reports that are actually electronically filed by Aatrix.

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QUICK BYTES

PSI Holiday Office Closings

We will be closed Dec. 25th, Dec. 26th and Jan. 1st.

Sage Additional Users Promotion

Existing Sage 100 customers who buy four full users will get one free user license. Excludes subscription. *Offer expires Dec. 29, 2014.*



Printing W-2s and 1099s, Continued From Page 1

If you are not required to file electronically and are filing paper returns to federal or state agencies, you will print your employee W-2s to plain blank perforated 4UP W-2 paper with or without the instructions on the back. The Federal W-2 and W-3 copies are approved for printing on plain paper and require no RED forms. All other copies can be printed on plain paper.

Federal 1099's and the 1096 Transmittal forms must be printed on the preprinted RED official paper. The Vendor copy of the 1099's are printed on the plain blank perforated 4UP paper with or without the backer instructions. The instructions for both the W-2 Employee copy and the 1099 Vendor copy can also be printed within the W-2 and 1099 process in the Federal eFiling and Reporting module on a separate piece of plain paper.

Sage 100 allows up to 16 Box 12 codes. All of your Box 12 deduction codes must be assigned in Deduction Code Maintenance and all will come through to the W-2 Preparer Spreadsheet. If there are 5 Box 12 codes, then a second W-2 will be generated with only the extra Box 12 code and the employee/employer sections filled out.

Remember that the eFiling and Reporting function must be installed on each workstation that needs this functionality. Before processing your 1099 and W-2 forms, you must install the 2014 IRD and the Year-end eFiling (Aatrix) update. The Aatrix year-end update will be released through the Automatic Update prompt in the eFiling and Reporting tasks on December 19 for supported versions. The 2014 IRD will be available the week of December 22nd. End users must be on a current Business Care plan in order to be able to download the year-end updates, as well as Tax Table Updates.

If you are required to file electronically to federal or state agencies, this must be done through Aatrix, the third party processor, with the Federal and State eFiling and Reporting module. Pricing is based on employee count, but there is a minimum filing fee no matter how few employees. You will see a screen within the W-2 and the 1099 eFiling process and it will calculate your pricing based on what options you select and how many employee or vendor forms you have.

If filing electronically or if using Aatrix for the Complete eFiling Service, you will be required to create an account at Aatrix. If you choose to have your employee W-2s made available online, you will be required to upload a list of employees and their email addresses.

Sage 100 Payroll Users – 2015 Affordable Care Act (ACA) Important Information

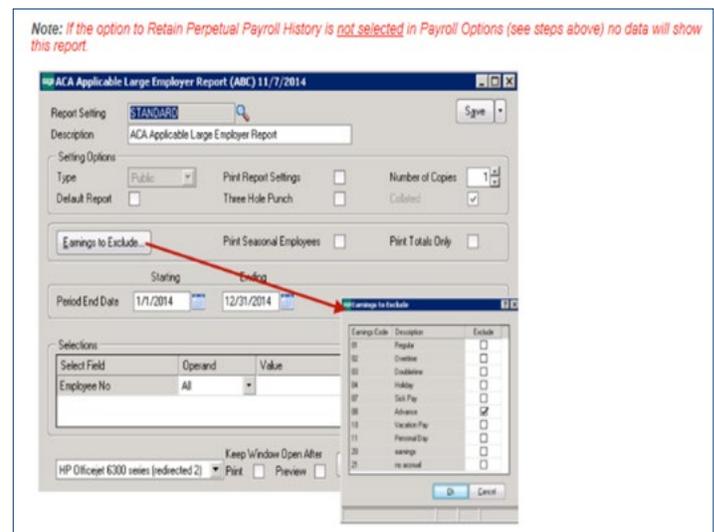
Sage support has sent an update to all consultants advising them to ensure that “Retain Perpetual Payroll History” is activated within the Sage 100 ERP Payroll module. Activating this feature before processing your first 2015 payroll will ensure that you will be collecting the proper data, which will be used in 2015 for the Affordable Care Act reporting. Without enabling perpetual history, users may not have the option for ACA reporting from Sage 100 ERP Payroll.

More information on the ACA reporting will be available later in December, but the current plan is to release a product update in March/April 2015 that will include a new Crystal Report to help determine if you qualify as an Applicable Large Employer (ALE). This is required to report on your compliance with providing affordable healthcare to your employees.

Currently, companies with 100+ full time or full-time equivalent employees will be required to file a report in January, 2016 (for Tax Year 2015) and companies with 50+ full time or full-time equivalent employees will be required to file a report in January, 2017 (for Tax Year 2016). This report will provide options to report on the total number of employees, the number of full time employees, the number of full time equivalents (FTE), and the average number of hours worked by employee (per calendar month). The report will pull data stored in the perpetual history file (PR_23).

To enable perpetual history in Sage 100 ERP, navigate to the Payroll – Setup – Payroll Options. On the main tab ensure that “Retain Perpetual Payroll History” is checked.

This is a preliminary look at the ACA Report selection screen. It is not yet clear how detailed this report will be.



YEAR-END 2014

Payroll Year-End Processing

By Ann Jenkins

Your first step in year-end processing should be to make a backup of your company data. Year-end processing in the Payroll module can only be “reversed” by restoring from a backup, so be sure your backup is readable and kept in a safe, accessible location. It’s also recommended to copy your 2014 payroll data to an archived company before closing your live payroll company.

Following are a few tips for W-2 processing:

- For the Dependent Care amounts to print on the W-2 form in Box 10, each employee’s amount must be manually entered into the Dependent Care box on the FED Tax Summary screen. These amounts can be retrieved by printing a Year to Date Deduction Report for the Dependent Care deduction code.
- Any year-end bonuses or fringe benefits (such as Life Insurance over \$50,000 or the personal use of a company car) must be processed through Payroll data entry prior to printing W-2s and before closing your Payroll year. Since FICA and Medicare taxes must be withheld on these types of wages, processing is much easier if done with a regular payroll. Fringe benefits are non-cash benefits and, as such, have no additional dollar amount available from which to actually withhold the employee portion of FICA and Medicare taxes.
- Third Party Sick Pay must be included on the employee’s W-2 and on your Quarterly 941, so these transactions must also be processed through Payroll data entry prior to printing W-2s. When printing W-2s through the Federal eFiling option, there is a checkbox on the recap screen for sick pay on the employee record.
- If printing W-2 forms in the standard W-2 printing, be sure to enter the correct Box 12 codes for your Pension Plans and the Employer-Sponsored Health Insurance cost.
- If your company has a Pension Plan, verify that the Retirement Plan check box is checked on participating employees’ W-2s. If it is not checked and the employee has a Pension Plan deduction in Box 12, go to Employee Maintenance and check the Pension Plan/Profit Sharing check box on the Main tab.
- W-2 forms and year-end reports must be run and your Payroll year-end processing must be completed before beginning your first 2015 Payroll.
- If you are not ready to print W-2s and must begin 2015 Payroll data entry, you can archive your 2014 Payroll data to a new

company and close out your live 2014 Payroll for the year. You will be able to print your W-2 forms from the Federal eFiling Module after closing your Payroll for the year. Even if you are able to complete year-end processing before your first 2015 payroll, it is still recommended that you archive your 2014 payroll data to a copied company. Please see the accompanying article for copying companies.

- If you have employees who are flagged as terminated, period end processing will remove the constant information for those employees. If you are planning to print W-2s in your live company after Period End Processing has been completed through the Federal eFiling and Reporting module, you will want to change your terminated employees’ statuses to Inactive, so that the system retains the payroll information for those employees in order to print W-2s. Or W-2s can be printed from your archived company through Federal eFiling and Reporting module.

W-2 and 1099 forms printed through the eFiling option are on blank, perforated paper in the 4-UP format. These can be purchased online through Sage Software, Deluxe Check, Quill or Office Depot. Typically the office supply stores haven’t carried the blank perforated forms in prior years. If you prefer to purchase locally, we recommend Superior Office (formerly Superior Computer Supply) at 942-5577.

Sage has stopped supporting the standard tax form printing for W-2s and 1099s. Versions 4.4 through 2013 still have that option available on your Payroll Period End menu and in those versions you can still print to the standard preprinted W-2 forms but there will be no updates available for those options. Version 2014 no longer has the standard W-2 or 1099 printing option available on the menu, so if you are on that version you are required to print these forms through the eFiling option on blank perforated paper. The eFiling Service through Aatrix is offered on a transaction-fee basis of around \$2 per employee to create and mail the employee forms along with filing your federal and state employer forms electronically. They also offer the ability to deliver your employees’ W-2s online. For more information, go to www.sagemas.aatrix.com.

The Social Security Administration site and the State of Kansas Department of Revenue site also allow you to manually file your W-2 forms by keying in the W-2 data online. The ssa.gov site gives you the option to print your employee W-2 forms once the data is keyed in. You can get more information on this option at www.socialsecurity.gov/employer under Business Services Online.

If you need help with W-2 form printing or any year-end processing questions, give our office a call. Additional Year-End information is available online at www.sagecity.na.sage.com.

Electronic W-2 and 1099 Filing



As previously announced, the Electronic Reporting module was retired as of this filing year and no updates will be available for this module. There are changes to the electronic file format for 2014, so if you create your federal or state electronic file in the Electronic Reporting module and try to upload it to Social Security or Kansas Dept. of Revenue site, it will not be accepted. Even though Sage will no longer be updating the standard preprinted payroll and accounts payable tax forms (W-2, 941, and 1099) or the Electronic Reporting module

for all versions as of tax filing year 2014, you still have the ability to print all of these forms and to file electronically using the Federal or State eFiling menu tasks. If you will be filing 250 or more federal W-2 or 1099 forms, you are required to file electronically. Please note: This means the actual number of W-2 forms, not the number of active employees. The State of Kansas requires employers who are filing 51 or more W-2 forms to file electronically.

Since there are changes to the 2014 Electronic Filing formats for W-2s and for 1099s, there will be a Sage 2014 Year-End Interim Release Download (IRD) as well as a year-end eFiling (Aatrix) update for the Account Payable and Payroll tax form changes. This should be available online the week of Dec. 22nd via the Sage Customer Portal.

The filing deadline for 2014 Electronic Filing for W2 forms and 1099 forms is March 31, 2015. Note: This filing deadline is different than the filing deadline for paper returns which is February 28, 2015.

Tax Table Updates

2015 Tax Table changes are scheduled to be available the week of December 22nd on the Sage Customer Portal for users on current subscription plans. Sage will also be updating the Tax Table Updates with late breaking changes as necessary each week throughout January. These Tax Table downloads are compatible with versions 4.50 and newer only. Please note that versions 4.40 and older are no longer supported by Sage. Last year's 2013 Year-End Interim Release (IRD) must be installed in order for the employee additional Medicare tax changes to calculate correctly.

Federal Tax Table changes are global and affect the FICA limit used when printing W-2s with the standard W-2 printing on preprinted forms. If you've installed the 2015 Tax Tables and are still printing using the standard W-2 printing option, be sure to change the FICA Employee and Employer limits back to the 2014 limit of \$117,000 before printing W-2s. Once W-2 form printing is completed, these limits must be changed back to the 2015 limits.

If printing W-2s through the Federal eFiling and Reporting module, the FICA limits in the Tax Tables do not need to be changed back to the 2014 limits before printing W-2s.

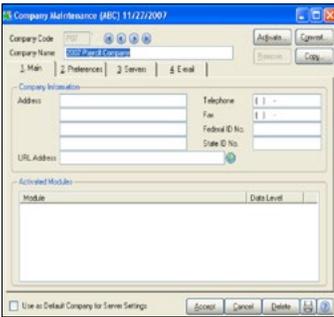
Tax Table changes can also be done manually through the Payroll Setup menu in Tax Table Maintenance by using FED code at the State field. Once we receive the new tax tables we will email them to our payroll users. The FICA employer and employee limits for 2015 will be \$118,500.

At this time, there have been no changes announced to the Kansas withholding tax tables, but don't forget to change your Kansas Unemployment rate on the KS Tax Table screen. You should have received your Kansas 2015 unemployment experience rate notice in the mail in November along with a notice that the KS unemployment wage limit will increase to \$12,000 for 2015. If you manually change your tables, be sure this limit is also changed. We do recommend that users download and install the Q1 2015 Tax Tables rather than manually key in changes.

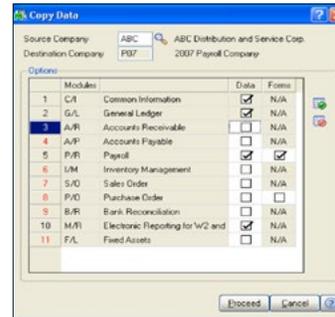
Creating an Archive Copy of your Data

Use the copy feature in Company Maintenance on the Library Master Main menu to create an archive of your Payroll data for each company.

1. In **Library Master/Main/Company Maintenance**, create a new company code for your archived company. In order to easily recognize the Payroll archived companies, it's a good idea to include the last two digits of the year to be archived in the company code, i.e. P12.
2. If you will be printing W-2s and/or electronically filing through Aatrix in the Federal eFiling and Reporting module from your copied company, be sure to fill in all of the appropriate company information, including Federal and State Tax ID numbers.
3. From this new company's **Company Maintenance** screen, click on the Copy button (you will be asked to save the new company) and type in or select the Company Code of your current year's live company in the Source Company field.
4. From the list of installed modules select the modules you wish to copy to the new archive company and click Proceed. A prompt will verify that you do want to copy data for the modules you've selected.



1. Set up a new company



2. Modules to copy

Once the copy process is done, verify that you have a complete copy of your company's data by previewing the Quarterly Tax Report in your live company and comparing the report to the same report in the archived company. In order to help differentiate your copied company from your live company, you can enable company specific background colors in Library Master/Main/Company Maintenance on the Preferences tab. This helps users know which company they are in.

401(K) Limits

401K and Simple IRA limits for 2015 have increased. 403B limits are the same as the 401K limits. If you need to update these, you can make the changes on each employee's 401K Employee Deduction Code in Employee Maintenance or in Deduction Code Maintenance where there is an option to apply the change to only those employees already using that Deduction Code.

Plan	Annual Contribution Limit	Catch-up Contribution
401(k)	\$18,000	\$6,000
Simple IRA	\$12,500	\$3,000

If you have a Roth 401K, keep in mind the 401K limits apply to the combined Roth 401K and standard 401K deductions for each employee.

Filing Deadlines

Jan. 31st

Deadline for supplying W-2 forms to employees and 1099 forms to vendors.

Feb. 28th

Deadline for paper filing of W-2 and 1099 forms to the federal and state agencies.

March 31st

Deadline for electronic filing of W-2s and 1099s to federal and state agencies.

Mary's Tech Tip



Have you been hacked? With all the data breaches by major companies lately it's important to protect your accounts. Below is a site to check to see if your email has been compromised. If so – change your password immediately.

Check your email here: <https://haveibeenpwned.com/>

It is very important to have strong passwords for all your on-line accounts including email, bank sites, and social media. Microsoft defines a strong password as at least 8 characters, does NOT contain your user name, real name or company name, does not contain a complete word, is significantly different from previous passwords, and contains characters from at least three of these: upper & lower case letters, numbers and symbols. The longer the better. A suggestion from GRC is to add several symbols to the end making it harder to crack but easier to remember. Unfortunately all of this still doesn't protect you from data breaches, which is why it is important to change your passwords regularly.

A fun site to check to see how quickly your password can be guessed is GRC's site:

<https://www.grc.com/haystack.htm>.