



Sage 50

Accounting

(Release 2014.2)
Product Update

January 2014

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Sage 50 Accounting—Canadian Edition (Release 2014.2)

Important! Sage 50 Accounting product updates are only available to current subscribers of a Sage Business Care plan. Payroll updates and features are only available to current subscribers of a Sage Business Care plan with payroll tax table updates. If you do not know whether your subscription is current, or you need to sign up or renew your subscription, contact Customer Sales at 1-888-261-9610.

About this update

This product update covers all product solutions of Sage 50 Accounting (Release 2014.2) and contains fixes for known issues. See [Resolved Issues](#). This product update includes the updates from previous releases.

How is Sage 50 Accounting updated?

- Automatically, using Sage 50 Accounting (recommended)
- Manually, using Sage 50 Accounting.
- By downloading the update from the Sage 50 web site.
- If you have paid to receive a CD, by running the product update CD.

Back up your data	Always back up your data before installing your product update, and before any major changes, such as before advancing the session date to a new calendar or fiscal year.
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How to automatically update Sage 50 Accounting

Sage 50 Accounting automatically checks for product updates whenever you are connected to the Internet. When an update is available, the update downloads in the background. When you close Sage 50 Accounting, you will be notified that an update is available to be installed. Click Yes to install it. You do not need to enter any information during the update process.

For more information, search for “Automatic Updates” in the Help.

How to manually update Sage 50 Accounting

By default, “Automatic Updates” are turned on. We recommend that you keep this setting turned on. If you choose to turn off this option, you can always manually download the updates when you are connected to the Internet. To turn off or on automatic updates, follow the steps below:

1. In the Home window, on the Setup menu, select User Preferences and then Options.
2. Select Automatically Download Product Updates and Prompt User to Install Them.
3. Click OK.

Download product updates from the Sage 50 website

For your convenience, updates are also available on the [Sage 50 website](#). Please follow the installation instructions.

Important! Updating Sage 50 Accounting in a multi-user environment (Sage 50 Premium Accounting and higher)

- Install this product update on all computers running Sage 50 Accounting, including computers on which you have performed server-only type installations of Sage 50 Accounting.

Payroll tax changes - Effective January 1, 2014

Important! If you are a current subscriber of Sage Business Care, your Product Update includes the payroll tax changes for January 1, 2014.

Your payroll update reflects the federal and provincial tax schedules in effect on January 1, 2014, as stated in the Canada Revenue Agency's Payroll Deductions Formulas for Computer Programs, 97th Edition; Canada Revenue Agency's Employers' Guide to Payroll Deductions; Québec's Guide for Employers: Source Deductions and Contributions for 2014; and the schedules of Employment Insurance, Canada Pension Plan, and Québec Pension Plan.

What's new in this tax update

The January 1, 2014 tax update contains changes to payroll tax tables and Sage 50 Accounting payroll tax calculations. These changes reflect the income tax changes announced by the Canada Revenue Agency (CRA) that are effective January 1, 2014. For complete details on the CRA income tax changes, contact your local tax services office or visit the [CRA web site](#). This document addresses only the payroll tax changes that may require you to adjust your payroll records.

Changes to federal tax brackets

Effective January 1, 2014, the federal income brackets have changed. The federal tax rates however have remained the same.

Federal Income Tax Brackets	
2014	2013
First \$43,953	First \$43,561
Over \$43,953 and up to \$87,907	Over \$43,561 and up to \$87,123
Over \$87,907 and up to \$136,270	Over \$87,123 and up to \$135,054
Over \$136,270	Over \$135,054

Changes to the Canadian Pension Plan

In 2014, the maximum pensionable earnings for the Canada Pension Plan (CPP) has increased from \$51,100.00 to \$52,500.00. The maximum contributory earnings has also been increased from \$47,600.00 to \$49,000.00.

The maximum CPP employer and employee contribution to the plan for 2014 will be around \$2,425.50, up from \$2,356.20 in 2013.

Changes to the Quebec Pension Plan

For 2014, the new Quebec Pension Plan (QPP) contribution rate is 10.35%, which corresponds to a contribution rate of 5.175% for both the employee and the employer. In addition, the maximum pensionable earnings amount has been increased from \$51,100 to \$52,500. The maximum annual contribution to be withheld for any employee has therefore been increased from \$2,427.60 to \$2,535.75.

Changes to Employment Insurance

Employment Insurance (EI) premium rates have increased for both Quebec and provinces and territories outside of Quebec. Outside Quebec, premium rates have remained at 1.88% and the annual maximum insurable earnings (MIE) have increased from \$47,400.00 to \$48,600.00 in 2014. In Quebec, EI premium rates have increased to 1.53% and the MIE have increased from \$47,400.00 to \$48,600.00.

Changes to the Quebec Parental Insurance Plan

The Quebec Parental Insurance Plan (QPIP) employee premium rate remains at 0.559%. The maximum QPIP insurable earnings amount has been increased from \$67,500.00 to \$69,000.00.

Changes to provincial tax brackets

Effective January 1, 2014, British Columbia has a new tax bracket for those employees whose income is over \$150,000. The tax rate will be 16.80%.

Changes in personal tax credits

Effective January 1, 2014, the federal, provincial, and territorial personal tax credits that employees can claim are changing. These changes are reflected in the new 2014 federal, provincial, and territorial TD1 forms, and the Quebec TP-1015.3-V form. The basic personal amounts have changed as follows:

	Basic Personal Amounts	
	2014	2013
Federal	11,138	11,038
Alberta	17,787	17,593
British Columbia	9,869	10,276
Manitoba	9,134	8,884
New Brunswick	9,472	9,388
Newfoundland and Labrador	8,578	8,451
Northwest Territories	13,668	13,546
Nova Scotia (no change)	8,481	8,481
Nunavut	12,567	12,455
Ontario	9,670	9,574
Prince Edward Island (no change)	7,708	7,708
Quebec	11,305	11,195
Saskatchewan	15,378	15,241
Yukon	11,138	11,038

Before you start processing payroll in 2014

- Review the new 2014 federal TD1 form and the 2014 TD1 form for your province or territory (or the TP 1015.3-V form for Québec) to become familiar with any changes.
- Provide your employees with the 2014 federal/provincial/territorial TD1 forms if they need to make changes to their personal claims.
- Adjust your employee records in Sage 50 Accounting to reflect the new tax credit amounts for 2014.

Preparing for payroll in 2014

This section describes what you need to adjust in Sage 50 Accounting after you finish processing all payroll for 2013, but before you begin your payroll for 2014.

Step 1: Adjust employees' federal personal tax credit claims

To adjust the federal personal tax credit claims, follow these steps:

1. If an employee's personal claim amount has changed for 2014, this employee must complete the new 2014 federal TD1 form.
2. Close all Employee Records windows in Sage 50 Accounting. This feature will not be available unless employee records are closed. Similarly, you cannot open any employee records if you have this feature opened.
3. From the Home window, choose the Maintenance menu, then Update Employee Claims.
4. Select Federal to indicate you are updating the federal tax credits.
5. From the list, select all or only those employees you want to modify.
6. To update the basic personal amounts, click Update Basic Personal Amount.
7. To update the indexed amounts from the federal TD1 form, do one of the following:
 - Select Factor and enter the factor by which the claim amount will increase. For 2014, the Canada Revenue Agency has announced a federal indexing factor of 2%.
 - Select Amount and enter the amount by which the claim amount will increase. If you need guidance in calculating this amount, see [Indexation Guidelines](#).
8. To update the non-indexed amounts from the federal TD1 form, enter the amount changes in the Non-Indexed Amounts column for each employee.
9. Click Close.

Step 2: Adjust employees' provincial (or territorial) personal tax credit claims

To adjust the provincial/territorial claims, follow these steps:

1. If an employee's personal claim amount has changed for 2014, the employee must complete the new 2014 provincial or territorial TD1 form (or TP 1015.3 V form, for Québec).
2. Close all Employee Records windows in Sage 50 Accounting. This feature will not be available unless employee records are closed. Similarly, you cannot open any employee records if you have this feature opened.
3. From the Home window, choose the Maintenance menu, then Update Employee Claims.
4. Select Provincial to indicate you are updating the provincial or territorial tax credits and then the province or territory that you want to make changes for.
5. From the list, select all or only those employees you want to modify.
6. To update the basic personal amounts, click Update Basic Personal Amount.
7. To update the indexed amounts from the provincial or territorial TD1 form, do one of the following:
 - Select Factor and enter the indexing factor by which the claim amount will increase.

The provinces and territories have announced their indexing factors for 2014:

Provinces/Territories	Indexing Factor
Alberta	1.1%
British Columbia	0.1%
New Brunswick	0.9%
Newfoundland and Labrador	1.5%
Northwest Territories	0.9%
Nunavut	0.9%
Ontario	1.0%
Saskatchewan	0.9%
Yukon	0.9%
Quebec	0.97%

Note: There is no indexing applied to Manitoba, Nova Scotia, and Prince Edward Island.

- Select Amount and enter the amount by which the claim amount will increase. If you need guidance in calculating this amount, see [Indexation Guidelines](#).
8. To update the non-indexed amounts from the federal TD1 form, enter the amount changes in the Non-Indexed Amounts column for each employee.
 9. Click Close.

Indexation guidelines

In Sage 50 Accounting there are two fields on the Taxes tab of the Employees Record window which hold the employee's claim amounts that are subject to indexing:

- Federal Other Indexed Amounts
- Provincial Other Indexed Amounts

Calculate the federal claim amount that is subject to indexing for 2014

From the Total Claim Amount of the federal TD1 form, subtract the items that are not subject to indexing. Currently, the personal tax credit amounts on the 2014 federal TD1 form that are not subject to indexing are:

- Pension Income Amount
- Tuition and Education Amount (full time)
- Tuition and Education Amount (part-time)
- Pension Income, Tuition, and Education Amounts Transferred from Spouse or Dependant

For provincial claims, some provincial and territorial governments have set their own indexation requirements. For example, in Alberta and Ontario, all personal tax credit amounts are subject to indexing.

Because indexation requirements vary from jurisdiction to jurisdiction, and are subject to change, you should review the indexation requirements set by the federal, provincial or territorial governments before entering the employee's Federal (or Provincial) Claim Subject To Indexing field.

Sage 50 Accounting (Release 2014.2)

What's new and product improvements

There are no new features in this release.

Resolved Issues

This product update has resolved the following issues:

- (First Step Accounting and higher) After running the Advanced Database Check, a confirmation would appear with a link to a knowledgebase article that did not exist.
- (First Step Accounting and higher) After downloading and installing a product update, you would be prompted to download and install the same update.
- (Pro Accounting and higher) If you processed a sales invoice with a US credit card through Sage Exchange, an error message would appear.
- (Pro Accounting and higher) In the T5018 Slips Options window, the button labels in the Select Year group had numerical values that were not properly configured.
- (Pro Accounting and higher) In the Payroll Cheque Run window, if you selected an employee who receives direct deposit, selected the options to print direct deposit and email direct deposit, and then clicked Print direct deposit stubs, an error would occur.
- (Pro Accounting and higher) If you had created a recurring paycheque with a project allocation and you changed the project allocation percentage, the recurring paycheque would not update.
- (Pro Accounting and higher) If you had created a paycheque that contained a user-defined benefit and tried to look up or adjust that paycheque, the user-defined benefit would be missing.
- (Pro Accounting and higher) An expired payroll ID was incorrectly showing as active in the Support Info window.

Sage 50 Accounting (Release 2014.1)

What's new and product improvements

Sage 50 Accounting includes the following improvements:

Improved updates and installation experience

	First Step	Pro	Premium	Quantum
Efficient updates and installation	Yes	Yes	Yes	Yes
Minimized file size for faster downloads and installation	Yes	Yes	Yes	Yes

Efficient updating and installation

If you're updating from the Sage 50 Accounting 2013.3 release or Sage 50 Accounting (Release 2014.1), you get to experience product updates that are quick, convenient, and effortless. We've eliminated work interruptions by making the updates download in the background. We've also simplified installation even further by not requiring you to enter your key code or serial number if you're connected to the internet.

Minimized file size for faster downloads and installation

Your time is valuable for your business. We've given you back some more by making product downloads and installation much faster with a smaller file size.

Sales Taxes - Keep Up With Government Changes

	First Step	Pro	Premium	Quantum
Changes to the Manitoba sales tax	Yes	Yes	Yes	Yes

Changes to the Manitoba sales tax

Effective July 1, 2013, the Manitoba Retail Sales Tax (RST) rate increased to 8%. This tax is calculated on the selling price of most goods and some services, before the GST is applied. New companies created in this release use the new rate of 8%.

For further information about this change, go to [Retail Sales Tax](#).

Increased stability

	First Step	Pro	Premium	Quantum
Database upgrade	Yes	Yes	Yes	Yes

Database upgrade

Your business is always moving forward and so should your software. We're preparing for tomorrow by upgrading the Sage 50 Accounting database to MySQL 5.6.10. This new technology provides you with increased stability and gives you peace of mind as your business grows.

Technology to help you get the most out of your Sage 50 Accounting investment

	First Step	Pro	Premium	Quantum
Sage Advisor	Yes	Yes	Yes	Yes

Sage Advisor

New technology has been added to Sage 50 Accounting that will help you discover valuable capabilities so you can become more efficient and effective while using Sage 50 Accounting. You'll get information where and when you need it.

Resolved Issues

This product update has resolved the following issues:

- (First Step Accounting and higher) When converting an existing company file to Sage 50 Accounting (Release 2014.0), the database could not be updated and an error message would appear.
- (First Step Accounting and higher) When opening Microsoft® Outlook® 2013, an error message would appear.
- (First Step Accounting and higher) If you were working in French and exported reports to Microsoft® Excel, formulas would appear as text instead of a calculated value.
- (First Step Accounting and higher) If you had worked in your own company file and then opened the sample company, the sample company file would become the last company you worked on and you would have to browse to find your company file.

- (Pro Accounting and higher) If you were assigning sales taxes to multiple lines in the General Journal, the scroll bar would sometimes disappear from the Sales Tax window.
- (Pro Accounting and higher) If a paycheque was processed with a user-defined benefit and a payment against a payroll advance, the paycheque transaction would not be balanced and the journal entry was incorrect.
- (Pro Accounting and higher) If a paycheque was processed with a payment against a payroll advance and with vacation paid, the YTD values would be incorrect.
- (Pro Accounting and higher) When creating an Inventory Summary report, if multiple inventory items with historical values were selected and you had selected Report quantities in Selling units, the quantity for one of the selected items would be incorrect.
- (Pro Accounting and higher) If you removed all payroll income linked accounts, except Regular, then selected a different expense account on the Income tab of the employee record, and processed a paycheque, the Income tab of the paycheque would be blank when looked up.
- (Pro Accounting and higher) In the Sales, Purchases or Paycheques window, if you opened the Project Allocation window and closed it by clicking the X button without having allocated anything, Sage 50 Accounting would generate an unexpected error.
- (Quantum Accounting and higher) If you opened a Project Actual vs Budget report that included multiple years of financial history, the Actual amount may have been incorrect.

Sage 50 Accounting 2013.4

What's new and product improvements

There are no new features in this release.

Resolved Issues

This product update has resolved the following issues:

- (First Step Accounting and higher) After downloading and installing a product update, you would be prompted to download and install the same update.

Sage 50 Accounting—Canadian Edition

Customer Sales: **1-888-261-9610**

Customer Service: **1-888-222-8985**

Customer Support: **1-888-522-2722**

www.Sage50Accounting.ca

