

# Sage U.S. Payroll Subscriptions

## Sage 100 FAQs



### 1. Why is Sage implementing a payroll subscription?

Sage is changing the way it provides you with U.S. payroll. Sage is implementing a payroll subscription to base your cost for payroll on the range of employees for whom you process payroll. Payroll users that pay fewer employees will pay less for payroll than users that pay more employees.

### 2. Does my Sage Business Care plan for Sage 100/Sage 100c need to be current to subscribe to the Sage 100/Sage 100c U.S. Payroll subscriptions?

Yes. If you want to subscribe to Sage 100/100c U.S. Payroll, you must have a current Sage Business Care plan.

### 3. How are the Sage 100/100c U.S. Payroll subscriptions different from the Payroll and Direct Deposit modules we are using today?

Effective with your upcoming renewal, customer support and maintenance for Payroll and Direct Deposit modules (including payroll tax table updates) will no longer be included in your Sage Business Care plan. The new Sage 100/100c U.S. Payroll subscriptions will be billed separately from your Sage ERP software Business Care plan.

### 4. What is included in the payroll subscriptions?

The Sage 100/100c U.S. Payroll subscriptions include the same payroll processing capabilities you are using in your current Payroll and Direct Deposit modules, and will reflect tiered pricing based on the number of paychecks processed during payroll periods. The subscription covers:

- U.S. Payroll module, for customers new to payroll.
- Direct deposit module, for customers new to payroll.
- U.S. Payroll support and maintenance.
- Tax table updates (for supported versions).
- Direct deposit services including Sage passing the ACH file to the bank. (New)
- Unlimited support call, chat, and online resources for payroll EFT or direct deposit file generation issues.
- Free Anytime Learning for payroll and direct deposit course offerings through Sage University.

### 5. How do I pay for the Sage 100/100c U.S. Payroll subscription?

You have the option to subscribe to the Sage 100/100c U.S. Payroll by making one of the following commitments:

- An annual commitment paid annually
- An annual commitment paid monthly

The subscription is processed as an automatic debit from your credit card or as an ACH debit transaction from your bank account. You cannot pay for the subscription using a check. Your subscription will automatically renew on the anniversary of tier subscription date, and you will be billed for the subscription automatically without notice from Sage. Should Sage experience an issue with the method of payment selected, we will attempt to contact you three times for ten business days. Sage does make every effort to contact the person identified as the billing contact. If during this time this information is not able to be obtained, the following reactivation fees apply:

- \$0, if you resolve the issue within three business days
- 1-45 days = \$500 (Canada: \$625)
- 46-90 days = \$1,250 (Canada: \$1,563)
- 91+ days = \$2,500 (Canada: \$3,125)

Please remember to contact Sage when you have a change in your billing point of contact at 866-996-7241, option 3.

**6. Are Aatrix W-2 and 1099 e-filing services included in the Sage 100/100c U.S. Payroll subscriptions?**

Aatrix W-2 and 1099 e-filing services are not included in the Sage 100/100c U.S. Payroll subscriptions at this time. The cost for these services is additional.

**7. What is new about the direct deposit service offered as a part of the Sage 100/100c U.S. Payroll subscriptions?**

The direct deposit services included in your Sage 100/100c U.S. Payroll subscription are new and improved! Now, you can process payroll, and Sage creates a direct deposit ACH file (as you have been able to do in the past) and sends the file to the bank. There is no additional cost to the ACH transaction from your bank or Sage, no matter how many direct deposit transactions you process. It's also automatic and integrated with your Sage software, which simplifies the payroll process and saves you time. Direct deposit services will only be available with Sage 100 versions 2015 PU4 and 2016 and Sage 300 versions 2012 PU6 and 2014 PU4 and 2016.1 (Payroll 7.2 required).

Direct deposit is subject to your acceptance of the Sage Direct Deposit Services Agreement and successful completion of a credit check, fraud check, and identification and verification assessment (which may include U.S. Patriot Act or other federal law requirements). In addition to payroll service fees, you are responsible for any ancillary fees imposed per transaction including, but not limited to, fees for late processing, prenotes, NSF, wire transfers and reverse wire transfers, returned items, funding bank fees, changes, and/or deletions.

**8. Do I have to use the ACH service that is a part of direct deposit?**

No. You may create an ACH file using the direct deposit capabilities that are included in your subscription and process the direct deposit without using the new ACH transmission service. However, there is no additional cost for this service and it saves you time. You may also be charged by your bank to complete this ACH transaction.

**9. On what date do Sage 100/100c customers need to subscribe to Sage U.S. Payroll?**

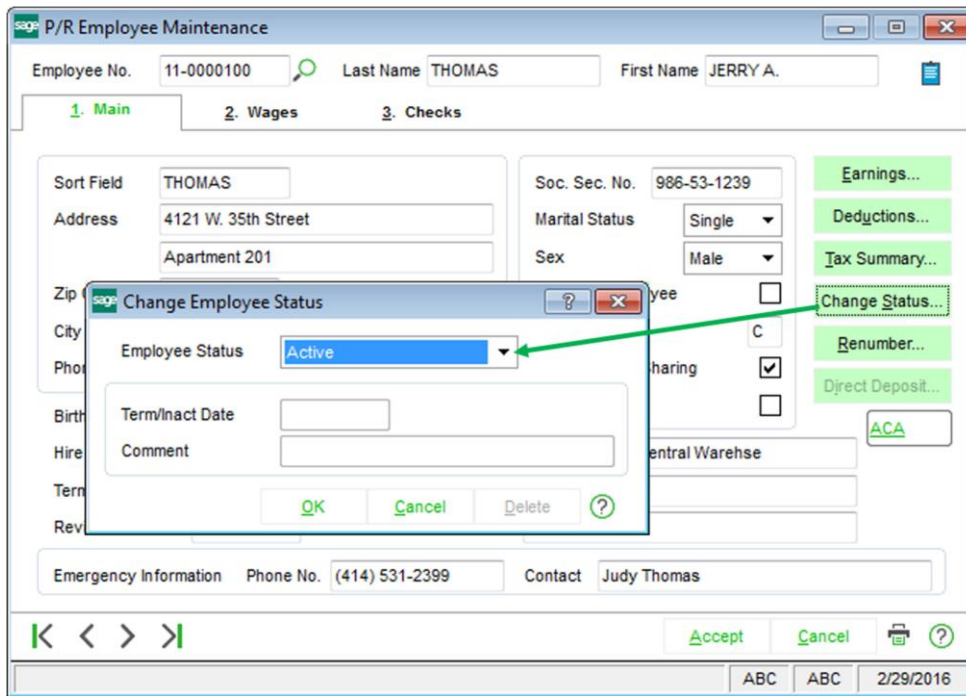
Starting May 1, 2016, existing Sage 100/100c U.S. Payroll module customers will be asked to subscribe to payroll on their Sage Business Care renewal date.

**10. How is the cost of the subscription determined?**

Subscription cost is based on a tier that represents the number of paychecks processed during pay periods for a range of employees.

**11. How is my payroll tier determined?**

Your payroll tier is determined by counting the number of employees that are marked "Active" in the U.S. Payroll module on the employee maintenance screen and identifying from these the number for whom you process a paycheck during a specified pay period. Employees that are in archived, backed up, or in separate databases of the payroll software should only be considered in a tier calculation if they are active and employees for whom a paycheck will be processed.



The guidelines that follow are designed to assist in determining the proper payroll tier. You will need to determine the number of employees that are checked as “Active” in the U.S. Payroll module. In addition to doing this:

- If you have active employees with a consistent weekly, biweekly, or monthly pay periods you should determine the highest number of paychecks processed during a given pay period and subscribe to a tier that covers this number.
- If you have active employees with multiple pay periods for different groups of employees you should determine the highest number of paychecks processed during any one single pay period and subscribe to a tier that covers this number.
- If you have active employees with a consistent weekly, biweekly or monthly pay period and temporary, part-time, variable, seasonal, or contract workers you should choose an “annual” commitment that can be paid monthly.
  - **Frequent (monthly) changes in the number of employees paid.** When changes to the number of employees paid are frequent (monthly) and consistent, you should subscribe to a payroll tier that covers the highest number of paychecks processed during pay periods in any single month. You should contact Sage to change the payroll tier in the month prior to the month you expect a change in paychecks processed.
  - **Gradual changes in the number of employees paid.** When changes to the number of employees paid are gradual, you should subscribe by determining the number of paychecks processed. As the number of paychecks processed increases, you should contact Sage to change the payroll tier. You should make this change in the month prior to the month in which you expect a change in the number of employees for whom you will process a paycheck, and prior to the date of the monthly payroll subscription payment.
  - **One-time changes to the number of employees paid.** When you determine the number of employees for whom you process a paycheck during a given pay period and base the tier off of this number. When changes to the number of employees paid are “one-time” (for both short- and long-term durations) you should contact Sage in the month prior to the month in which you expect the change, and prior to the date of the monthly payroll subscription payment.
- **If you have active employees that work across multiple companies.** A single employee who works across multiple companies should be counted based on the number of paychecks that are processed for this employee per pay period.

- **If you have multiple Sage 100/100c databases.** If you have multiple Sage 100/100c databases for historical or reporting purposes you should determine the payroll tier using the database in which you process pay checks for “active” employees. Only employees who are active and for whom a paycheck is being processed should be used to determine the subscription tier.
- **If you are not using the Payroll or Direct Deposit modules to pay employees.** If you are using the Payroll or Direct Deposit modules for payroll activities other than paying employees (for example, time and attendance) you should choose payroll Tier 1 to account for the use of the Sage 100/100c U.S. Payroll subscription. You will need to contact Sage prior to beginning to pay employees should the number of paychecks processed for a given pay period exceed Tier 1 (ten employees).

**Note:** Your renewal date impacts the timing of a change to a payroll tier. When changing a payroll tier, it is important to consider the timeframe during which the change will remain in effect. This is most important when you are moving up in tier. A renewal date may require you to modify your tier for more than one month in order to ensure you can pay the appropriate number of employees for the time the change will remain in effect.

**12. What is the subscription cost associated with each payroll tier?**

The payroll subscription cost associated with each tier for Sage 100/100c existing Payroll users are listed below.

<b>Existing Sage 100 US Payroll Customers</b> (originally purchased Payroll before April 18, 2016)		
	<b>Annual Payment</b> (annual subscription paid annually)	<b>Monthly Payment</b> (annual subscription paid monthly)
Up to 10 Employees	550.00	50.93
Up to 25 Employees	600.00	55.56
Up to 50 Employees	800.00	74.07
Up to 75 Employees	1,000.00	92.59
Up to 100 Employees	1,100.00	101.85
Up to 150 Employees	1,200.00	111.11
Up to 200 Employees	1,200.00	111.11
Up to 250 Employees	1,200.00	111.11
Up to 300 Employees	1,200.00	111.11
Up to 350 Employees	1,200.00	111.11
Up to 400 Employees	1,200.00	111.11
Up to 500 Employees	1,200.00	111.11
Unlimited Employees	1,200.00	111.11
One-time Up-front Fee	n/a	n/a

**13. Is tier movement permitted?**

Yes. If you know you will have fluctuations in the number of employees you pay throughout the year, you should choose to subscribe making an annual commitment that can be paid monthly. Customers that choose this subscription may move up and down tiers. To modify your tier you must contact Sage before your monthly payment in the month prior to the month they expect the change in paychecks being processed. As an example, a customer expecting to move up a tier starting September 1 with a renewal date on the 15th of each month would contact Sage prior to August 15. This same customer would contact Sage prior to October 15 to move down a tier.

**14. What happens if I process payroll for more employees than my payroll tier will permit?**

A grace period message appears in the first instance you try to process payroll for more employees than your payroll tier permits. This grace period message counts down the number of days you have to contact Sage to change the payroll tier. The countdown period is 45 days for customers using Sage 100/100c. During the grace period you can process more paychecks than your payroll tier permits. After the grace period, you cannot process payroll for the number of employees (paychecks) employees exceeding the payroll tier. If you exceed your payroll tier multiple times, the counter resumes counting starting with the days remaining from the last time you tried to process paychecks for more employees than your payroll tier permitted. If you do not make a change to your payroll tier, you will only be able to process paychecks for the maximum number of paychecks (employees) your payroll tier permits.

**15. Can I subscribe to Sage 100/100c U.S. Payroll before my renewal date?**

Yes. After May 1, 2016, an existing Payroll and Direct Deposit customer may subscribe to Sage 100/100c U.S. Payroll prior to their Sage Business Care renewal by contacting Sage at 1-800-987-5212.

**16. What happens if I don't subscribe to Sage 100/100c U.S. Payroll?**

Payroll is being removed from the Sage Business Care plan. Sage 100/100c customers that are on versions of the software that are no longer supported will need to find an alternative payroll solution by April 30, 2017. If you are on an unsupported version of the software, your Payroll module will work through this date and will still be supported. However, Sage 100 customers on unsupported versions will not have access to tax table updates (TTU) or defect fixes.

The Payroll and Direct Deposit modules for Sage 100 customers that are on software versions that are supported (2014 or higher) will continue to function as they have in the past. These customers will also continue to get TTU, IRS, and ACA updates to support their year-end filing through April 30, 2017. After April 30, 2017, these customers will need to obtain an alternative payroll solution. After this date, payroll TTU and software upgrades for supported versions will be limited to customers that have subscribed for payroll.

**17. Will I be able to file my taxes at the end of the year if I do not move to the Sage 100/100c U.S. Payroll subscription?**

Yes. Sage 100/100c customers that are on supported versions of the software will continue to get their TTU updates and end-of-year filing information through April 30, 2017.

**18. Do the Sage 100/100c U.S. Payroll subscriptions impact third-party integrations to the existing Payroll and Direct Deposit modules?**

Third-party integrations to the existing Sage U.S. Payroll and Direct Deposit modules should not be affected by the move to a Sage 100/100c or Sage U.S. Payroll subscriptions.

**19. How will the Sage 100/100c U.S. Payroll subscriptions get installed?**

You will get a new payroll key that can be added on the system configuration/ registration tab. This key will unlock the tier and direct deposit capabilities in the software. Customers that are on current versions of Sage the software are not required to upgrade their ERP software to install and use the Sage U.S. Payroll capabilities.

**If you have questions regarding the recent changes to payroll and payroll services for Sage 100, please contact Mary Hildinger, Sage 100 Systems Consultant at 260.423.2414.**