Canadian Edition

Sage 50

Sage 50 Accounting
Product Update
July 2013

sage

Sage 50 Accounting—Canadian Edition 2013 Release 3

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Important! Sage 50 Accounting—Canadian Edition payroll updates 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 us at 1-888-261-9610.

Install the Correct Product Update

Be sure to install the product update version that is compatible with your Sage 50 product.

If you are using:	Then install this update version:
Sage 50 First Step Accounting, Pro Accounting, Premium Accounting, Quantum Accounting, or Accountant Edition	Sage 50 Accounting—Canadian Edition 2013 **Release 3**

To find out which Sage 50 Accounting—Canadian Edition product and version you are currently using, select About Sage 50 Accounting from the Help menu.

About This Update

This product update covers all product solutions of Sage 50 Accounting—Canadian Edition 2013 Release 3.

This update contains fixes for known issues in Sage 50 Accounting 2013. See Issues Addressed in this Product Update (Release 3) for a list of improvements and fixes in Sage 50 Accounting 2013.

This update also includes payroll tax updates for Sage 50 Accounting—Canadian Edition 2013. You require the tax update to process your payroll (using automatic tax calculations) after July 1, 2013.

Your Sage 50 Accounting product update does not contain the complete Sage 50 Accounting program. If you ever need to re-install the Sage 50 Accounting program files, use your program disc or the program file that you have downloaded from the Sage 50 web site. Then install the product update, as described in this notice.

When do I install the update?

Install the update immediately.

Sage 50 Accounting uses the processing dates to select the correct tax calculations. You must install the payroll update before you make any July 2013 payroll entries.

Important!

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

- You must 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.

Where can I find the update?

You can update Sage 50 Accounting in one of four ways:

- Automatically, using Sage 50 Accounting.
- Manually, using Sage 50 Accounting.
- By downloading the update from the Sage 50 web site.
- By running the product update disc.

How to automatically update Sage 50 Accounting

Sage 50 Accounting can automatically check for product updates whenever you are connected to the Internet. When an update is available, you are given the option of downloading and installing the update. For more information, search for “Automatic Updates” in the Help.

How to manually update Sage 50 Accounting

We recommend that you enable the “Automatic Update” setting in Sage 50 Accounting. If you choose not to enable this feature, you can always manually download the updates when you are connected to the Internet. Follow the steps below:

1. Open the Help menu and select Check for Updates.
2. If an update is available, click Download Now. When the download is complete, you will be prompted to install the update.

Download product updates from the Sage 50 website

For your convenience, updates are also available on the Sage 50 website at:

http://na.sage.com/sage-50-accounting-ca/support/product_and_payroll_updates/

Use this method if you experience problems with the automatic or manual update options described above.

How do I install the product update?

Back up your data

Make a backup copy of your data before you install the product update.

Note: 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.

If you are downloading the product update from our website, follow the installation instructions.

If you receive the update on disc, follow these instructions to install your product update.

1. Start Windows.
2. Back up your Sage 50 Accounting data files (if you have not already done so).
3. If you received your update on a disc, insert the disc into your computer's disc drive.
4. If the installation starts automatically, proceed to step 5. Otherwise:
    1. In Windows, click the Start button and choose Run.
    2. Type *d:\launch.exe* (replace *d:* with the letter of the drive in which you inserted the disc) and press Enter.
    3. Select OK.
5. Follow the step-by-step instructions on the screen.
6. A dialog box appears, telling you the installation is complete. Click OK.

Read the README.TXT file

The README.TXT file appears. This file contains information about changes to Sage 50 Accounting.

7. When you have read the README.TXT file, close the Notepad window.
8. Start Sage 50 Accounting. To ensure that you have installed the latest update, choose About Sage 50 Accounting from the Help menu.

Payroll Tax Changes Effective July 1, 2013

Important!

If you have a valid Payroll subscription, your Product Update includes the payroll tax changes for July 1, 2013.

Your payroll update reflects the federal and provincial tax schedules in effect on July 1, 2013, 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 2013; and the schedules of Employment Insurance, Canada Pension Plan, and Québec Pension Plan.

What's New in this Tax Update

The July 1, 2013 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 July 1, 2013.

For complete details on the CRA income tax changes, contact your local tax services office or visit the CRA Web site at http://www.cra-arc.gc.ca.

This document addresses *only* the payroll tax changes that may require you to adjust your payroll records.

Changes to Provincial Tax Brackets

Effective July 1, 2013, New Brunswick has new personal income tax brackets for Option 1. Since employees in these income tax brackets have been taxed at the lower rates for the first six months of this year, a prorated tax rate will be applied for the remaining six months commencing with the first payroll in July. The Option 2 tax rate will not be prorated.

Effective July 1, 2013, the rates for Option 1 are as follows:

- 9.68% on income less than or equal to $38,954;
- 14.82% on income greater than $38,954, but less than or equal to $77,908;
- 16.52% on income greater than $77,908, but less than or equal to $126,662; and
- 17.84% on income greater than $126,662

Where can I obtain T4 forms?

- Order T4 forms from the Canada Revenue Agency (CRA).

Which Relevé 1 formats can I use?

Sage 50 Accounting and Sage Simply Accounting prints Relevé 1 forms in these formats:

- Laser and Inkjet: Pre-printed laser and inkjet forms.
- Laser and Inkjet Facsimile: Plain-paper laser and inkjet form.

Which T4 formats can I use?

Sage 50 Accounting and Sage Simply Accounting prints T4 forms in these formats:

- Laser and Inkjet: Pre-printed laser and inkjet forms.
- Laser and Inkjet Facsimile: Plain-paper laser and inkjet form.

Where do a Québec employee’s tips appear on the Relevé 1 Slip?

On the RL-1 slip, there is a Box T for tips allocated. The sum of Box T and Box S (other tips) represents the total tips taxable, and is included in Box A (employment income).

Sage 50 Accounting—Canadian Edition 2013 Product Improvements

This section lists product improvements for Sage 50 Accounting—Canadian Edition.

Issues Addressed in this Product Update (Release 3)

Release Updates

This product update includes the updates from previous releases as well as fixes made to the following issues:

- (First Step Accounting and higher) If a transaction that appeared in the Bank Reconciliation report had a source with more than 12 characters, Sage 50 Accounting would stop working when trying to import an online statement.
- (First Step Accounting and higher) Instructions for modifying a tax report had an extra step in the help.
- (First Step Accounting and higher) In Enhanced View, if you turned off the optional columns in the list panes for the different modules and then closed the company file, the columns would still be visible when you opened the company file.
- (Pro Accounting) When modifying the Balance Sheet report, the currency exchange rate table was missing if you chose to revalue your foreign accounts using a different current rate.
- (Pro Accounting and higher) The Bank Account Reconciliation Summary report with Outstanding Transaction Detail would be missing reversing entries. This report would not match the Bank Account Reconciliation Detail report.
- (Pro Accounting and higher) If an employee had maxed out on WCB deductions and was given an advance on a paycheque, WCB was not deducted. When the employee paid back the advance on subsequent paycheques, WCB was calculated and the WCB payable was reduced.
- (Pro Accounting and higher) In the Employee Records window, on the Income tab, Vacation Paid had a default amount of 1 in the Hours per Period column.
- (Pro Accounting and higher) After changing the vacation rate and clearing the Retain Vacation checkbox, if you processed a paycheque with a Vacation Paid amount, the Vacation Paid amount would change on lookup.

- (Pro Accounting and higher) If you adjusted an invoice and changed an amount that contained projects allocated to the entire transaction, the project allocation would be removed on that line.
- (Pro Accounting and higher) For T5018, Sage 50 Accounting printed three slips on a page.
- (Pro Accounting and higher) When sending a two-page invoice via email, some letters were missing or garbled on the second page of the invoice PDF.
- (Pro Accounting and higher) When creating a purchase or sales invoice that includes an exchange rate, if you changed the exchange rate on the invoice and then clicked or tabbed in and out of the date field, the exchange rate would revert to the previous rate.
- (Pro Accounting and higher) If you had changed the default price of an item, then adjusted or converted a quote or order with that item and chose to use the new price, the line amount may have been removed or the tax amount may not have recalculated accordingly.
- (Pro Accounting and higher) When creating a Vendor Purchases Detail report and then using the item number as a report filter, an error message would appear.
- (Pro Accounting and higher) When you changed the sales tax rate and then adjusted an existing invoice, the new tax rate would not apply on all lines. The new rate would apply randomly.
- (Premium Accounting and higher) On the Inventory & Services Records window, in French mode, the Default Payroll Income (Revenu par défaut) for a service could not be set to Regular (Régulières) on the Time & Billing tab (Temps et facturation).
- (Premium Accounting and higher) After starting a new fiscal year, if you selected Check Data Integrity under the Maintenance menu, Data Integrity would indicate “Data inconsistencies have been detected”.
- (Premium Accounting and higher) If you updated to Sage 50 Accounting Release 2, third party rights to some tables were not set properly.
- (Quantum Accounting) If you updated to Sage 50 Accounting Release 2, user rights to Account Reconciliation and Deposit Slips were lost.
- (Accountant Edition) If you accepted credit cards with Sage Payment Solutions and were using Windows 8, you were unable to enter your complete Merchant key of 12 caracters.

Issues Addressed in the January 2013 Product Update (Release 2)

Product Enhancements for Payroll

Only customers who are running Sage 50 Accounting 2013 and who are valid Sage Business Care Payroll, Gold or Platinum subscribers as of December 20, 2012 receive the payroll tax updates and can utilize this new payroll feature:

Support for Two-Dimensional (2D) Barcodes on Relevé 1 (RL-1)Slips

If you print and file your RL-1 slips by mail, Revenu Quebec requires you to print 2D barcodes on copy 1 of the RL-1 slips. To be compliant with Revenu Quebec, in this release of Sage 50, you can print the 2D barcodes on the RL-1 slips when you select the plain paper form type.

New Features

Your business will benefit from these new time-saving features specifically developed to address changes in provincial sales taxes:

Changes to the Quebec Sales Tax (QST)

The QST rate changes January 1, 2013 from 9.5% to 9.975%, and QST is not charged on top of GST. The QST Update wizard helps Quebec clients convert easily by updating their QST tax and tax codes to the new rate and new basis of calculation.

Quebec clients should finish off recording their 2012 transactions before running the QST update wizard. New company files created with this release will have the new QST rate already set up. For more information about this change, contact Revenu Quebec or go to their web site.

You can access the QST wizard from the Setup menu.

Return of the Provincial Sales Tax (PST) in British Columbia

After April 1, 2013, B.C. changes from HST at 12% to a combination of GST and PST with respective tax rates of 5% and 7%. The BC PST Update wizard helps BC clients convert easily by creating a new PST tax and new tax codes that include GST and PST.

BC clients can run the BC PST update wizard any time before April 1, 2013. If you create a new company in this release, the sales taxes will be already set up. You can access the PST wizard from the Setup menu.

For further information about this change, go to Return to PST.

Note: Apply for a new PST registration number as a result of the PST re-implementation.

New Harmonized Sales Tax (HST) in Prince Edward Island

After April 1, 2013, PEI changes from to a combination of GST and PST to an HST at 14%. The HST Update Wizard helps PEI clients convert easily to the new HST by creating new tax codes. PEI clients can run the HST update wizard any time before April 1. For more information about this change, go to the Government of Prince Edward Island web site.

If you create a new company in this release, the sales taxes will already be set up.

You can access the HST wizard from the Setup menu.

Resolved Issues

This product update includes fixes made to the following issues:

- The Sage 50 Accounting update would download but could not automatically start due to Windows User Account Control (UAC).
- After double-clicking on the Sage 50 Accounting icon, the “Starting Sage 50, please wait…” message would appear but the application would not launch. This issue occurred rarely and was related to a corrupted Windows font.
- If using a tax code with a rate of 7.6%, the sales entries would not appear on the Tax report.
- If Pay Later was the Payment Method for a purchase invoice and that purchase invoice was paid with a cash account, the account would revert to default account when looking up payment.
- (Pro Accounting and higher) When opening the Payroll Cheque Run, the total values were not being calculated correctly for the employees to be paid.
- (Pro Accounting and higher) If an income or deduction is removed from an employee record and a paycheque containing that income or deduction is adjusted, the paycheque could not be processed.
- (Premium Accounting and higher) If the company settings contained a foreign credit card, when creating a sales invoice, with Cash for the Payment Method and Petty Cash for the Deposit account, the Deposit account would automatically revert to default chequing account if the customer was changed.

Sage Simply Accounting 2012 Product Improvements

This Product Update includes the federal and provincial payroll tax changes that take effect January 1, 2013.

Product Enhancements for Payroll

Only customers who are running Sage Simply Accounting 2012 and who are valid Sage Business Care Payroll, Gold or Platinum subscribers as of December 17, 2012 receive the payroll tax updates.

Issues Addressed in this Product Update (Release E)

Release Updates

This product update includes the updates from previous releases. There are no new significant changes in this product update.

Issues Addressed in the July 2012 Product Update (Release D)

Release Updates

This product update includes the updates from previous releases as well as fixes made to the following issues:

- In Sage Simply Accounting, swiped credit card sales transactions that were voided using the Reverse button were not removed from the Virtual Terminal.
- (Pro and higher) Sage Simply Accounting stopped responding when you generated a Pending Orders by Customer report. This happens when the report tries to create a section for customers with no departments.
- (Pro and higher) The Revenue Year-to-Date values on the Dashboard did not accurately match the data reported in the Comparative Gross Margin Income Statement.
- (Pro and higher) After starting a new calendar year, remittance payments posted with an End of Remitting Period dated in the previous year do not show up in the T4 Summary for that year.
- (Pro and higher) For recurring transactions, inactive employees were mistakenly counted towards the limit set by your payroll plan for the maximum number of active employees. As a result, you could not recall a recurring transaction when this limit is exceeded.
- (Pro and higher) Employees from Manitoba with a gross pay in the lowest tax bracket may have had mistakes in their tax calculations.

- (Pro and higher) Rounding errors occurred with the department allocation amounts if the option to apply departmental allocations to all accounts by percentage was selected on paycheques.
- (Pro and higher) Calculated hourly income amounts that result in three or more decimal places may cause rounding issues.
- (Pro and higher) You could not print a cheque in the Payroll Cheque Run if the Net Days Accrued under Entitlements goes below zero.
- (Enterprise only) In multi-user mode, Sage Simply Accounting stopped responding when the Inventory and Vendors window was launched from the Maintenance menu or from the vendor or inventory record.
- (Enterprise only) When posting a purchase order and selecting the Use Vendor Item Numbers and Descriptions option, the number of items under Pending Orders in the affected inventory records did not update accordingly.

Issues Addressed in the January 31, 2012 Product Update (Release C)

Release Updates

This product update includes the updates from previous releases as well as fixes made to the following issues:

- After you install a trial version of Sage Simply Accounting 2012 version B, the free 30-day trial period expires the first time you open the program. This issue has been fixed.

  For non-trial versions, the 15-day product registration period also expires the first time you open the program. This issue has also been fixed.

- In the Update Employee Claims window, the as-of date displayed for the current Basic Personal Amount should be January 1, 2012, not July 1, 2011. The amounts are correct in both Release B and C for January 1, 2012.
- The Dashboard label on the French Home window has been corrected.

Issues Addressed in the January 2012 Product Update (Release B)

Product Enhancements for Payroll

If you subscribe to the Sage Business Care plan with payroll tax table updates, you can utilize these new payroll features:

Changes to Boxes 24 and 26 on T4 Slips

Effective January 1, 2012, boxes 24 (EI Insurable Earnings) and 26 (CPP/QPP Pensionable Earnings) on T4 slips must be completed at all times.

If the pensionable earnings field in the employee record is left blank, a value of zero is entered in box 26.

Changes to Box O on RL-1 Slips

Income from retiring allowances (code RJ) are now supported in box O on RL-1 slips.

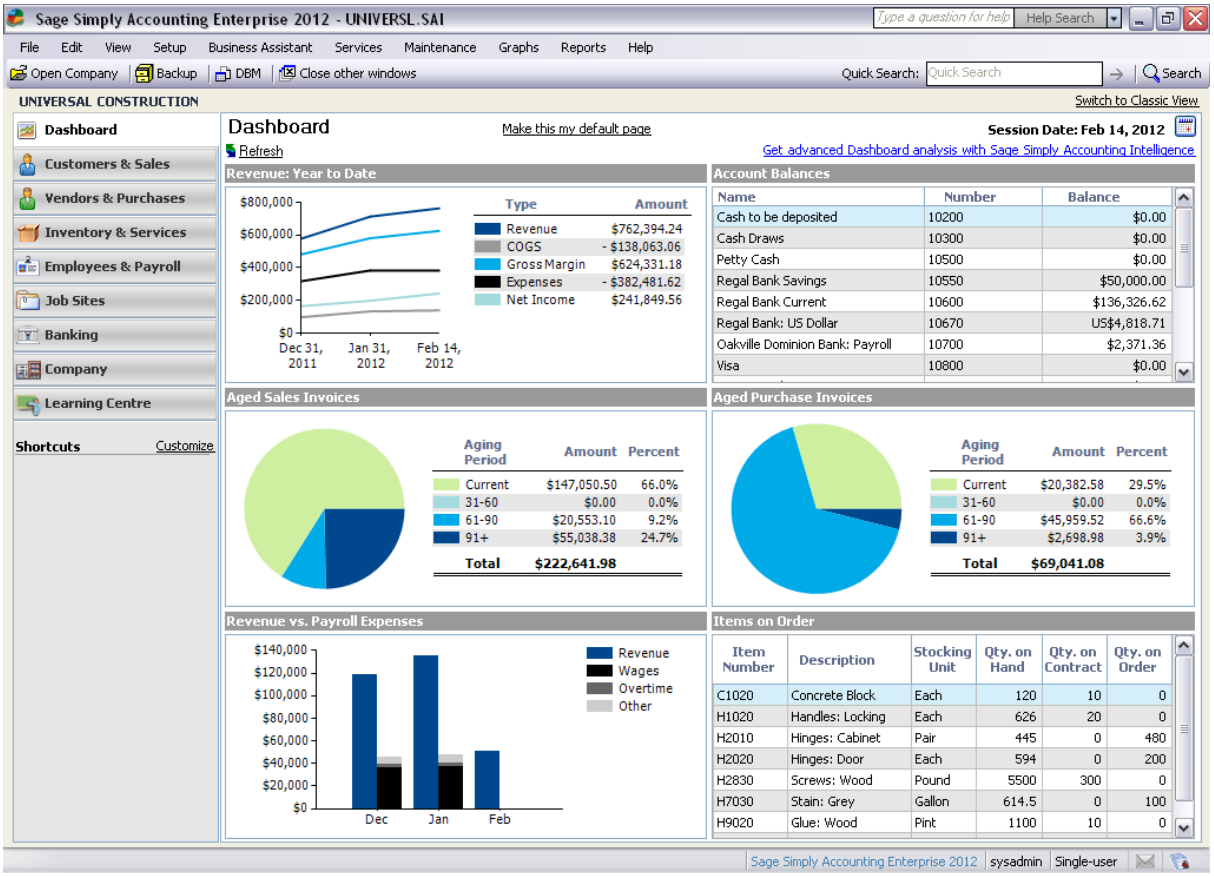
Product Enhancements

This product update includes these new features:

Dashboard

The Dashboard is a business management tool that allows you to monitor the health of your business by offering a variety of business data in one place. Instead of text-based reports, the Dashboard offers you a visual snapshot of your company's performance and activities that impact your company goals, so that you can make informed decisions in a timely manner.

Widgets are individual graphs, charts, and lists in the Dashboard. Not only do they display information relevant to the success of small businesses, but some widgets have drill-down capabilities so that you can view reports related to these widgets.



Sage Simply Accounting Dashboard has the following widgets:

- **Account Balances.** Displays active accounts and their balances for cash, receivables, and payables. Use this widget to know how much cash your business has, what is owed to your business, and what your business owes.
- **Aged Sales Invoices.** Displays the invoice amounts owed to your company based on the aging periods that you've set up in Sage Simply Accounting.
- **Aged Purchase Invoices.** Displays the amounts that are owed to your vendors based on the aging periods that you've set up in Sage Simply Accounting.
- **Items on Order.** Displays the number of items currently recorded on sales orders or back-ordered in sales invoices, and the number of items currently recorded on purchase orders or back-ordered in purchase invoices. Use this widget to quickly see how many items you have on sales orders, and decide if you have enough inventory to fill your orders or whether you should order more.
- **Revenue: Year to Date.** Shows your company's net income and how it is derived from your revenues and expenses. Use this widget to determine how well your business is doing year-to-date.
- **Revenue versus Payroll Expenses.** Provides a side-by-side comparison of your company's revenue and your payroll expenses. Use this widget to determine if

your company's month-to-month payroll costs are reasonable relative to revenues earned. Payroll expenses are also broken down in the widget into the following parts:

- **Wages.** This is the total of any income, hourly rate, and piece rate income types.
- **Overtime.** This consists of Overtime 1 and Overtime 2 incomes, and any differential rate income types.
- **Other.** This consists of Vacation Earned amounts, all tax expenses, and all user-defined expenses.

Only those users who have already been given rights to reports, records, or transactions for certain modules can see the related widgets.

For example, only users with rights to view the transactions in the Customers and Sales module can view the Aged Sales Invoices widget.

Quebec Sales Tax (QST) Rate Increase in 2012

As of January 1, 2012, the Québec Sales Tax (QST) will increase from 8.5% to 9.5%. For more information about the type of goods and services affected by this rate increase, contact Revenu Québec or go to their web site.

There are two ways to prepare your company for this tax change. You can reuse your current tax code and just replace the tax rate. Or, you can create a new tax code for the new rate. The advantage of creating a new tax code is that you could continue to record transactions using the old tax code and tax rate before January 1.

For more information about how to replace your current tax rate, see "Change a Sales Tax Rate" in the in-product help.

For more information about how to create a new tax, see “Add or Remove a Sales Tax” in the in-product help.

Update Multiple Employee Personal Tax Amounts available in Sage Simply Accounting Pro and higher

In the What’s New sections in the in-product and online help in Release A, Update Multiple Employee Personal Tax Amounts was wrongly identified as a Sage Simply Accounting Premium and higher feature. The feature is actually available in Sage Simply Accounting Pro and higher. We apologise for any inconveniences this mistake may have caused.

Release Updates

This product update includes the updates from previous releases as well as fixes made to the following issues:

- Prepayments made to a vendor were deleted after a transaction with prepayment amounts was adjusted for the second time.
- When you emailed a sales invoice, Sage Simply Accounting did not remember the last Send By setting that was used (**My E-mail Software** or **Sage Billing Boss**). This issue has been fixed in this update.

- When French forms such as invoices and receipts were emailed, the text in the subject line or in the body of the email displayed nonsense characters or were missing altogether.
- (Pro and higher) When you print an Account Reconciliation Summary Report with Outstanding Transaction Detail, the line immediately before the page break would be omitted on the printed report. This has been fixed in the Product Update.
- (Pro and higher) On T4 slips, when an amount was entered in a box using code 31, the same amount was included in box 14 as well. This has been fixed in the Product Update and this amount is now excluded from box 14.
- (Pro and higher) If you processed payroll in the Payroll journal with a cheque dated to the previous fiscal year (same calendar year), the YTD sections on the preview and printed cheques would show only the amounts of the current cheque. Direct deposit stubs that were previewed, emailed, and printed were also affected.
- (Pro and higher) In the payroll journal, the date you have entered in the **Period End Date** reverts back to the session date after you process the paycheque. This issue is fixed in this update. The date you enter in this field should be remembered and displayed in subsequent paycheques until you close the payroll journal window.
- (Pro and higher) QHSF-FSSQ amounts were not reported for Quebec employees in the Deductions and Expenses report.
- (Pro and higher) The Payments journal displayed the last used tax code instead of the vendor's default tax code for Make Other Payment transactions.
- (Pro and higher) When emailing direct deposit stubs, the default text that was displayed in the email window was a generic message and not the message saved in the company settings. Also, the message was not in the employee’s preferred language.