



Sage 100 Newsletter

From Business Computer Associates, Inc.

Year End 2020

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1099-NEC PROCESSING IN SAGE 100

This year, the IRS reintroduced Form 1099-NEC as the way to report nonemployee compensation, moving away from Form 1099-MISC as traditionally had been used. Let's take a look at this new requirement and more importantly, how to record and report 1099-NEC information in Sage 100.

What is Form 1099-NEC?

Before it's reintroduction this year, Form 1099-NEC was actually an old form that hadn't been in use since 1982. For decades now, businesses have filed Form 1099-MISC to report nonemployee compensation (i.e. payments to independent contractors). But according to the IRS, in order to help clarify the various filing deadlines for different types of payments that could be included on Form 1099-MISC, they decided to reintroduce Form 1099-NEC specifically for nonemployee compensation which has a single filing deadline.

[IRS instructions](#) explain that you must report nonemployee compensation payments on 1099-NEC that meet the following four conditions:

1. The payment is made to someone who is not your employee
2. The payment is made for services in the course of your trade or business
3. The payment is made to an individual, partnership, estate, or corporation
4. The payment total is at least \$600 for the year

Managing 1099-NEC in Sage 100

The **ability to record** 1099-NEC was released in Sage 100 Versions 2020.0, 2019.3, 2018.9. This provided code to update to the correct 1099-NEC boxes and use a utility to move the 1099-MISC values already recorded for year 2020 to 1099-NEC as needed. The utility is only to be used if 2020 1099-MISC boxes were already populated and need to be moved to year 2020 1099-NEC.

The **ability to report** 1099-NEC changes was released in Sage 100 Versions 2020.1, 2019.4, and 2018.10. This provided the code to map to the Aatrix Reporting application.

Finally, the **ability to print and submit forms** electronically will be released by Aatrix in their Year-End product update which is typically released in mid-December. Until that time, you may receive error messages when attempting to print 1099-NEC for year 2020.

Refer to this [Sage Support Knowledgebase article](#) for full details and additional resources.



Need Help or Have a Question?

[Contact us](#) if you have questions about 1099-NEC reporting or if you need a refresher on year end processing in Sage 100.

4 THINGS TO NOTE BEFORE CLOSING THE BOOKS

At a high level, here are 4 things to consider as you begin closing the books on 2020 and start fresh in the new year.

1. Backup Your Data

Executing a complete [backup of your database](#) is one of the most important things you can do before starting any closing process. You should also **test the backup** to ensure it was performed successfully and the data is readable.

If you make a mistake, the only way to “reverse” year end processing is to restore data from a backup.

2. Follow the Module Closing Order

A year end process in one module often writes data to another related module. Therefore, closing modules in the proper sequence is important in order to avoid unexpected results or damage to your data.

For more detail and guidance, refer to the [Module Closing article on page 3](#) of this newsletter.

3. Follow the Module Closing Checklists

Step-by-step checklists are available for most modules. These checklists provide guidance on the sequence of detailed tasks and procedures that should be performed within each module.

Detailed checklists for each module can be accessed right from within the [Sage 100 Help system](#).

4. Preview The Process

A video is posted on the Sage Customer Support and Training channel on YouTube that walks you through an overview of period and year-end processes. It provides a nice refresher before starting your live closing process.

 [Watch the Year-End Processing Video](#)

CREATING A COPY COMPANY FOR ARCHIVE / BACKUP

At year end, it’s useful to create an archive company using the **Copy Company** feature. This provides a readily accessible copy (and backup) of the current year’s data even after you perform year end processing in your live company.

To make a copy company, go to:

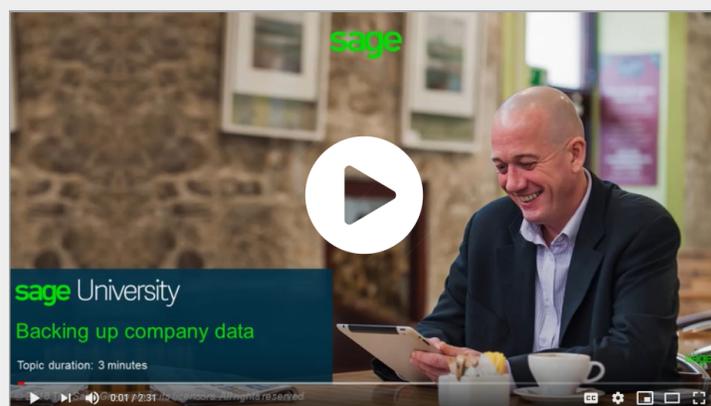
Library Master > Main Menu > Company Maintenance

1. Create a new **company code** and **company name** (description) that’s easy to identify and distinguish from the live/active company that you’re copying.
2. Click the **Copy** button and enter the Company Code of your current year live (or “Source”) company.
3. **Select the modules** from the **source** company you want copied over to your archive company. For a complete archive/backup, you’ll want to copy all modules. Click **Proceed**. Once the process is finished, click **Accept**.

Note: For good measure, you might run a trial balance in each module and do a quick spot check to make sure all the data that came over is balanced and accurate.

Video: How to Back Up Data

Head over to YouTube to [watch a recorded demonstration](#) of the Copy Company process in action.



MODULE CLOSING

Keeping Things In Order

A year end process in one module often writes data to another module. Therefore, the sequence in which you close your Sage 100 modules is important in order to avoid the risk of damaging your data.

Important: Remember to **back up your data** before starting module closing procedures. Refer to the article on [page 2](#) of this newsletter for guidance.

1. Bill of Materials*
2. Work Order*
3. Bar Code
4. Purchase Order
5. Sales Order
6. Inventory Management
7. Material Requirements Planning (MRP)*
8. Timecard
9. Payroll (*Quarter-end processing*)
10. Accounts Receivable
11. Accounts Payable
12. Job Cost
13. Bank Reconciliation
14. General Ledger

***Note:** While there is no formal closing procedure in the Bill of Materials, Work Order, or MRP modules, all transactions in those modules should be posted before starting any closing procedures in the modules that follow them (i.e. Post transactions in Work Order before closing Purchase Order, Sales Order, and Inventory).

Remember, this is just a general guideline. If you own modules that aren't listed above or you run any third party add-on products, please contact us to discuss specific closing procedures for your company.

[Get The Full Details](#)

YEAR END PROCESSING

4 Tips for Success

Here are just a few tips to keep in mind as you begin year end processing in Sage 100.

1. **General Ledger Closing** - While it's a good idea to close modules in a timely fashion, the General Ledger can remain open for as long as you need while awaiting final processing (or audit adjustments) in other modules. A GL that's still open for 2020 will **NOT** prevent you from entering transactions for the new year.
2. **Payroll Planning** - Even if your company is on a fiscal year, you may need to close out payroll at the end of the calendar year. On **older** versions of Sage 100 Payroll, all W-2's and quarterly reports must be printed before payroll is closed in order to process the first payroll for 2021.

NOTE: This does **NOT** apply to the **new** Payroll 2.0 module which allows two calendar years to be open so you don't have to run year-end tax reports and W-2's before processing payroll for 2021 (as was required with the old payroll module).

3. **Check Your Version Number** - Closing procedures can vary depending on which version of Sage 100 you're running. Here are steps to identify both your version number and service pack:

Select **Help > About Sage 100**

4. **Master Console** - Once you're ready to close, you need to make sure all users are out of the system. That's where the Master Console comes in handy. This utility provides a snapshot of all users currently logged into Sage 100, the workstation being used, what programs/tasks they're using, and more. You can also broadcast a message to all users or even shut them down remotely.

To launch the Master Console:

Select **File > Master Console**



YEAR END FAQ'S For General Ledger & Reporting

Here are answers to a handful of the most Frequently-Asked Questions (FAQs) regarding General Ledger and Reporting when it comes to year end processing.

Can I print financial statements for the NEXT fiscal year PRIOR to performing year end processing?

YES. In the Fiscal Year field within the applicable report window, simply select the fiscal year to print.

DO NOT manually change the fiscal year in General Ledger Options in order to print financial statements for the next fiscal year.

After year end processing, can I delete accounts that will no longer be used in the new fiscal year and still run comparison statements?

Information about prior fiscal years is stored by account number. These account numbers must be retained for as long as you require comparisons.

Instead of deleting, you can set the status of an account to **Inactive** which prevents future postings but still retains the account number for comparisons. On the **Main Tab** in **Account Maintenance**, select Inactive in the Status field and click Accept.

Can I open a closed fiscal year to make General Ledger postings/adjustments?

YES. If you retained detail history for a prior fiscal year by entering the **'Years to Retain General Ledger History'** field in GL Options, you can reopen and post to a closed fiscal year.

TO POST TO A CLOSED FISCAL YEAR:

1. Select General Ledger Setup menu > GL Options
2. On the Main tab, in the Current Fiscal Year field, select the past fiscal year to reopen
3. In the Current Period field, select the accounting period to post to and click Accept

4. In General Journal Entry or Transaction Journal Entry, enter the transaction to the reopened fiscal year and period and update the journal entry.
5. Reprint year end reports when you're finished
6. Go back to General Ledger Options Main tab and select the current year in the Current Fiscal Year field, and the current period in the Current Period field. Click Accept.

You've just re-opened the closed fiscal year, posted a journal entry, and reverted back (in step 6) to the current fiscal period and year.

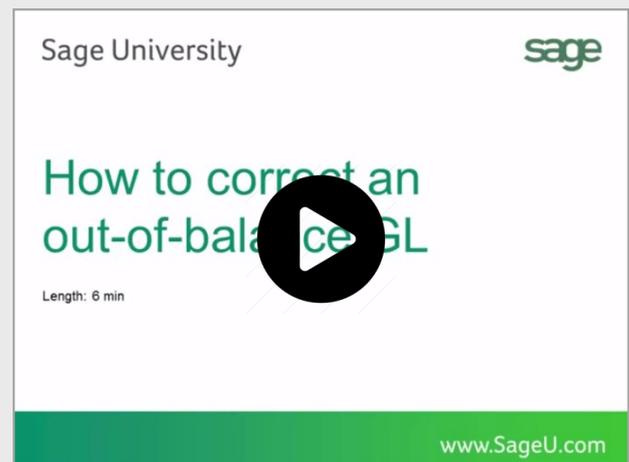
Note: Closed fiscal years can *only* be reopened in the General Ledger module.

Can I process year end in General Ledger before I'm finished with the other modules?

NO. General Ledger should be the very last module you close. Refer to the **Module Closing Order** article earlier in this newsletter for details on the [proper closing sequence](#).

TIP: How to Correct an Out of Balance General Ledger

There are a variety of reasons that your general ledger can get out of balance. [In the video below](#), you'll learn how to discover and correct the out-of-balance situation including instructions for making one-sided journal entries.



AFFORDABLE CARE ACT (ACA) REPORTING & PROCESSING

Welcome to the
Sage ACA Center!

Sage has put together an **ACA Resource Center** to help you understand the provisions as well as track and report the necessary data in Sage 100 in order to remain in compliance. Here are some popular ACA resources to consider reviewing.

HOW TO SET UP ACA TRACKING IN SAGE 100

Step-by-step instructions for setting up Sage 100 for ACA tracking and reporting.

[Review Setup Procedure](#) / [Watch the Video](#)

HOW DO I GENERATE THE REQUIRED FORMS?

Instructions for generating and printing required ACA forms in Sage 100 including 1094 and 1095.

[How to Generate ACA Forms](#) / [Watch the Video](#)

HOW TO REPORT EMPLOYER-SPONSORED HEALTHCARE COVERAGE ON THE W2 USING SAGE 100

Setting up Sage 100 Payroll to track and report the cost of coverage under an employer-sponsored group health plan.

[Review Instructions](#) / [Watch the Video](#)

Consult Your Accountant

These resources and articles are designed to provide **general guidance** on using Sage 100 for ACA compliance.

Be sure to consult with your accountant or tax advisor for legal advice or guidance that's personalized to your company-specific requirements.

[VISIT ACA CENTER](#)

SAGE 100 YEAR END CENTER

Sage has created a [Year End Center](#) that provides valuable resources to guide you through a smooth year end closing process in Sage 100 including:

- Year End Tips and Checklists
- Video Tutorials and How-to Articles
- Live Chat With Tech Support
- Tax Forms, Payroll, and Report Guidance

Take advantage of this free and valuable resource!

[Visit Year End Center](#)

SAGE 100 SUPPORTED VERSIONS

What versions of Sage 100 are currently supported? What is the "end of life" date for the version I'm running now? Those questions are answered in the table and notes below:

| SAGE 100 (All Editions) | 2020 (6.20) Payroll 2.x | 2019 (6.10) Payroll 2.x | 2018 (6.00) Payroll 2.x |
|-----------------------------|------------------------------|------------------------------|------------------------------|
| Release Date | March 2020 | April 2019 | Oct 2017 |
| End of Support (Retirement) | Release Date of Version 2023 | Release Date of Version 2022 | Release Date of Version 2021 |

Important Notes:

Due to changes that impact the 2020 payroll tax year, the IRS released a new Form W-4. Sage 100 Version 2017 & earlier will not support the additional fields necessary to correctly calculate federal withholding taxes.

Retired versions of Sage 100 have limited or no support and Sage is no longer making callback appointments or researching issues on retired products.

[Get Full Details ...](#)

INTRODUCING SAGE FIXED ASSETS 2021

Sage Fixed Assets 2021 has been released. Here's a look at what's new in the latest version of the powerful fixed asset management software.

Expanded Depreciation Books

In addition to the previously existing 7 depreciation books in earlier versions of the software, Sage Fixed Assets 2021 adds an additional 13 custom depreciation books in a company. Available in the Sage Fixed Assets – Depreciation Edition, these new books can be used for many purposes such as state tax depreciation, property taxes, historical records, and ADS depreciation.

Ease of Use Enhancements

A variety of enhancements to existing screens, reports, and other functionality makes Sage Fixed Assets 2021 faster and easier than ever to use.

Adjustable Book Columns in Asset Detail

In the Asset Detail screen, you can now temporarily adjust a book's width to focus on the information most important to you.

Hide Closed Books

You can now choose to hide closed books for each company, allowing you to focus solely on open books.

Display Asset Group Name on Select Reports

The Asset Group selected in Report Definition now displays in the header of the Depreciation Expense, Disposal, Transfer, and Fixed Assets Summary reports. This allows you to quickly determine the asset group included in the report.

| Products | Enhancements | | | | | |
|--|-------------------------|-------------------|------------------------------|-------------------|---------------------|------------------------|
| | Adjustable Book Columns | Hide Closed Books | Group Name on Select Reports | Book Title Length | Project Name Length | Custom Import Improved |
| Sage Fixed Assets—Depreciation (Premier, Network and Standard) | ✓ | ✓ | ✓ | ✓ | | ✓ |
| Sage Fixed Assets Lite Depreciation, Lite Depreciation for Sage 50, and Sage 50 Fixed Assets | ✓ | | ✓ | ✓ | | ✓ |
| Sage Fixed Assets—Planning (Premier, Network, and Standard) | | | | | ✓ | |

Character Count Increases

Book Titles now allow up to 10 characters, reducing the need to use abbreviations. In addition, Project Names (Planning Edition only) now allow up to 32 characters.

Custom Import Helper Improvements

The Select Fields step of the Custom Import Helper now allows you to select books to filter the displayed Available Fields. In addition, the data preview window is larger. These changes – requested by customers - make the import process more efficient.

NOTE: Depending on which Sage Fixed Assets product you use, not all of these enhancements apply to your edition. Refer to the [release notes](#) for full details.

Sage Is Listening

A number of these new features or enhancements were highly-requested based on customer feedback submitted through the [Sage City Ideas forum](#). So keep submitting your great ideas!

We focus on your technology, you focus on your business

With over 20 years in the industry, BCA has worked with progressive companies and organizations that know the value of technology and want to get the most out of their Enterprise Resource Planning (ERP) investments.



www.bcainc.com

8491 NW 17th St., Ste. 111

| Miami, FL 33126

| (305) 477-9515