

Sage MAS 90 and MAS 200 Newsletter

YEAR END | 2008



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sage
software

Authorized Partner

THE 2008 YEAR IN REVIEW

There were many significant and exciting changes to your Sage MAS 90 and MAS 200 system that were introduced during 2008. Let's take a closer look.

Sage MAS 90 and MAS 200 v4.3

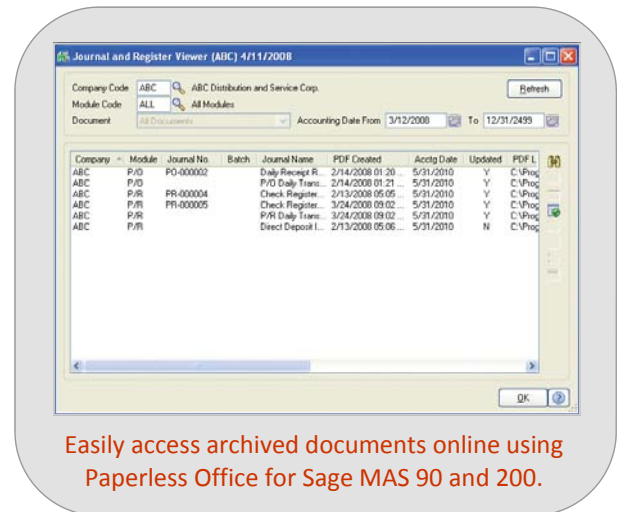
Sage MAS 90 and MAS 200 Version 4.3 was released in June of 2008. Version 4.3 introduced new paperless office capabilities, enhanced business intelligence functionality, more Federal and State e-Filing and Reporting features, and a huge collection of usability enhancements. In fact, Sage cites over 1,468 new ways you can use 4.3!

New Sage MAS 90 and MAS 200 Extended Enterprise Suite

The new Extended Enterprise Suite combines Version 4.3 with Sage FAS Fixed Assets and SageCRM (for your Sales & Marketing team) into a **single integrated system**. From Sales to Accounting and from the warehouse to your customer support personnel, the Extended Enterprise Suite ensures that information flows easily between functional departments to ensure everyone in your company has a 360-degree view of your business and will no longer make decisions in a vacuum.

Endorsed Development Partner Program

From a community of over 700 Authorized Development Partners, Sage handpicked a variety of "add-on" solutions that best complement the core functionality of Sage MAS 90 and MAS 200 and put them through rigorous testing and evaluations. The result is a new **Endorsed Development Partner Program** that offers a collection of 3rd party enhancements that are guaranteed to be fully integrated and compatible with Sage MAS 90 and 200. Some of the add-on solutions include Alerts & Workflow, Compliance and Internal Controls, Electronic Document Management, and EDI.



Easily access archived documents online using
Paperless Office for Sage MAS 90 and 200.

New Distribution Suite

Three long-time Sage development partners have combined the power of their respective EDI, Bar Coding, and Automated Shipping software to create a new Distribution Suite that carries the Sage Software "Endorsed Solution" designation. The new advanced distribution suite helps you leverage EDI technology, streamline warehouse operations, and simplify shipping. Contact us for details.

YEAR END REMINDER

It's hard to believe that it's almost time to put 2008 behind us. As you begin year end closing procedures and prepare to start fresh in 2009, make sure to contact us if you need assistance with your Sage MAS 90 or 200 system during this important time of year. As your software and technology partner, we're here to help!

SALES TAX THAT'S LESS 'TAXING'

Sales tax management is a complex and tedious activity that's a significant burden to many businesses. With thousands of tax regions throughout North America - many of which overlap - and constantly changing jurisdictional boundaries, rates and taxability rules, it's virtually impossible for most companies to keep up. Businesses that are calculating sales tax **manually** are wasting valuable time and accounting resources on the complex, error-prone, and non-revenue generating process of sales tax compliance.

In this article, we're going to explore the benefits of automating your sales tax compliance processes with **Sage MAS 90 and 200 Sales Tax** - Powered by AvaTax.

The Sales Tax Challenge

Let's first take a closer look at the complexities of sales tax compliance, then we'll understand why sales tax automation can hold tremendous value.

By law, most companies are obligated to calculate, collect, report and remit sales tax. Therefore, by definition, it's a compulsory activity which means that any time and money spent on sales tax compliance are valuable resources that are drawn away from other areas of your business that may be more important to your bottom line.

Even if you invest the necessary time and resources to manually calculate sales tax and file the appropriate returns, it's an extremely error-prone process which makes it difficult to achieve 100% accuracy. Therefore in addition to the time and money spent on manual compliance, you may be vulnerable to fines, penalties, and interest charges. Here are a few of the complications that make accurate sales tax compliance so challenging:

- More than 12,500 tax regions across North America
- Constantly changing rates and boundaries
- States are considering rules that establish sales tax responsibility for companies doing business in another state - even if you DON'T have a physical location there.

The Power of Sales Tax Automation

Sales tax may be inevitable, but the hassle doesn't have to be. By leveraging the power of automation, **Sage MAS 90 and 200 Sales Tax** can eliminate the tedious work and complexity associated with calculating, collecting, reporting and remitting taxes in multiple jurisdictions—reducing the risk of penalty in an audit while saving money and improving organizational productivity.

It's a hosted web-service-based solution that **runs behind the scenes** of your Sage MAS 90 or 200 system so you use the same order entry and customer screens that you're already accustomed to. It automatically performs address validation, sales tax jurisdiction research, rate calculation and updates.

Detailed Reports Make Life Easier

Fully detailed reports including taxable sales, discounts applied, exempt sales, and out-of-state sales make it easy to quickly and accurately reconcile your tax liability. Having a consolidated set of reports also provides added protection and peace of mind in the event of an audit.

The Bottom Line

With Sage MAS 90 and 200 Sales Tax, you get the benefit of a sophisticated 'big business' sales tax engine for a small business price. You'll streamline order entry and remittance processes without stretching your internal resources or burdening your accounting personnel. It can be the best technology investment your business will make this year.



Sage MAS 90 and 200 Sales Tax

Contact us to request the 2-page feature sheet for more information.



2008 YEAR END SUPPLEMENT

The following sections contain information and resources that should help make your year end closing procedures a little easier. As always, please be sure to contact us if you need assistance.

Important Deadlines and Tax Information

January 31, 2009 - Deadline to issue W-2, 1098, and 1099 forms to employees and independent contractors.

January 31, 2009 - Deadline to file quarterly and annual payroll and sales tax returns.

March 17, 2009 - 2008 income tax returns due for Corporations and S Corporations.

Quick Summary of 2008 Tax Law Changes for Business

Each year seems to bring new limits, deductions, and tax law changes and 2008 is no exception. Here's a summary of just a few items to be aware of:

Depreciation and Section 179 Expense – The maximum Section 179 deduction you can elect for qualifying property placed in service during 2008 has **increased to \$250,000**. In addition, the IRS is allowing a special first year depreciation allowance of an additional 50% on certain qualified property (which includes **off-the-shelf software**) acquired and placed in service during 2008.

Standard Mileage Rate – for 2008, the standard mileage rate for the cost of operating your vehicle for business use is:

50.5 Cents for the period January 1 to June 30, 2008.

58.5 Cents for the period July 1 to December 31, 2008.

Self-Employment, Social Security, and Medicare Taxes – Payroll departments take notice! 2008 brings another 'bump up' in the maximum limit on wages subject to certain taxes as follows:

Social Security Tax – the maximum amount of wages for 2008 subject to tax is **\$102,000**. The same limit applies to income from self-employment.

Medicare Tax – there is **no limit** on the amount of wages subject to Medicare Tax.

Visit the IRS website at www.irs.gov for more detail on these and other changes for 2008.

Keeping Things in Order

The order in which you close your Sage MAS 90 or MAS 200 modules is extremely important. If modules are processed out of sequence, you run the risk of damaging your data. Remember to **back up your data** before starting any module closing procedures. Here is a review of the module processing order:

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

Keep in mind this is just a general guideline. If you've installed any Extended Solutions, custom applications, or own any modules not listed above, please contact us to discuss specific closing procedures for your company.

2008 Compatible Tax Forms

Sage Checks and Forms division offers a complete selection of 2008 IRS tax forms that are guaranteed compatible with your Sage MAS 90 or 200 system. Forms available for purchase include W-2, W-3, 1099, 1096, 940, 941, and many other miscellaneous tax forms.

Visit <https://sage.checks-and-forms.com> for more information or to order by phone call **(800) 538-5514**.

Note: Sage MAS 90 and 200 v4.3 and higher offer enhanced tax reporting and **eFiling functionality** that offers additional options for printing on plain perforated paper. Contact us if you need assistance.

5 TIPS FOR A SUCCESSFUL YEAR END PROCESS

1. Back Up Your Data - The first thing you want to do before beginning *any* year-end processing task is to execute a complete back up of your Sage MAS 90 or MAS 200 data. You should also **test the back up** to ensure it was successful and the data is readable. Without a reliable back up, there is no way to restore your system to its original state should you need to undo a significant year-end processing mistake. It's also a good idea to make a second back up after a successfully completed year end close.

2. Payroll Planning - Even if your company is on a *fiscal* year, you'll need to close out your payroll at the end of the *calendar* year. Since year-end Payroll is typically a significant undertaking, it's a good idea to **begin reconciling** all of your quarterly payroll tax reports to the general ledger **in early December**. This gives you a chance to catch errors early and avoid filing an amended payroll tax return.

3. Download Tax Table Updates - Download and install any necessary tax table updates for your Sage MAS 90 or MAS 200 system. Tax table updates are available at the Sage online support center. Prior to year-end, it's also a good idea to order necessary forms such as W-2's and 1099's as well as make sure you have all the information needed to complete them, particularly the appropriate tax ID's. Remember, 1099 and W-2 reporting is due by January 31, 2009.

4. Review Module Options - Each module is a little different with respect to year-end processing. Also, data may or may not be cleared out based on your system's set up options. It's a good idea to review module closing options and follow a module-by-module checklist of year-end processing tasks to ensure that everything is performed in the proper sequence.

5. Gather Information Early - Minimize the last minute scramble and stress of meeting deadlines by gathering important information before the end of the year. This can include 1099 information from vendors, employee address and W-4 changes, etc.

Contact us if you'd like to work together and develop a **'Personalized Year End Processing Plan.'**

Review Your Reporting Needs for 2009

The economy has seen some challenges as 2008 comes to a close. To weather the storm, some companies are changing the way they do business and stretching resources to do **more** with less. For Owners and Managers that are responsible for regularly assessing the health of operations, this might be a good time to review your reporting needs and determine whether you have the proper tools to make informed decisions.

With Crystal Reports and FRx embedded in your Sage MAS 90 and 200 system, you have 2 fantastic reporting tools at your fingertips. However if you find that the standard reports delivered 'out of the box' are not configured to meet your specific needs, let us know. We're experts at helping you make the most of the reporting tools you already own so you can enter 2009 armed with the knowledge and analytics to make the right decisions and keep your business on a course to success!

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