Anthology Payroll for Microsoft Dynamics 365 Finance

ANTHOLOGY PAYROLL - V130 STATUTORY DEDUCTION SPREADSHEET FOR UNITED STATES

Release Date:	December 2025
Version:	Version 130 for the United States

Contents

Introduction

This document contains a summary of changes and installation instructions for Statutory Deductions Spreadsheet Version 130 for the United States.

This spreadsheet updates US statutory deductions in Anthology Payroll according to the most recent legislation by governing authorities. It is intended for companies that process US statutory deductions in the specified jurisdictions.

The current baseline version for the Payroll Statutory Deduction Spreadsheet is **Version 127**. If you have installed Version 127, you can install any subsequent version.

For more details about the objects and statutory deductions updated by this spreadsheet, contact our Client Support: https://support.anthology.com

It is recommended that this spreadsheet is installed in a test environment and validated against your test data before installing it in production.

This document is divided into the following sections:

- Summary of Changes

- Installation

Summary of Changes

The following changes are made since the previous version.

US Federal Changes

This version contains the following federal changes:

Feature	Changes
Federal Income Tax	Income tax brackets are updated
Retirement savings maximums	Default contribution limit procedures are changed for workers over age 50. See the Post-installation procedure for "Manage Retirement Plan Contribution Limits for worker ages 50 or older" later in this document. 401(k)/403(b) maximums are increased. The worker elective deferral amount is increased from $23,500 to $24,500. The employer elective deferral amount is increased from $70,000 to $72,000. The catch-up contribution amount for those over 50 increased from $7,500 to $8,000, with the exception of those who are 60 through 63, who can contribute an extra $11,250 (unchanged from last year) under the SECURE 2.0 Act. The annual compensation limit is increased from $350,000 to $360,000.
HSA and FSA maximums	Health saving account and Flexible spending account limits are increased. HSA Limit Single is increased from $4,300 to $4,400. HSA Limit Family is increased from $8,550 to $8,750. FSA Limit DepCare for single filers is increased from $5,000 to $7,500. FSA Limit DepCare MFS for those married filing separately is increased from $2,500 to $3,750. FSA Limit Medical is increased from $3,300 to $3,400.
W-2 Overtime premiums	Accumulators and calculations are added to support printing Overtime premiums in W-2 Box 14. See the Post-installation procedure for "Set up overtime premium earning totals on W-2s" later in this document.
OASDI	Annual limit is increased from $176,100 to $184,500.

State Changes

This version contains the following state changes:

State	Changes
Alaska	Unemployment taxable wage base is increased from $51,700 to $54,200.
California	The employee contribution rate to State Disability Insurance is increased from 1.2% to 1.3%. The 940-credit reduction rate increased from 0.9% to 1.2%.
Colorado	Unemployment taxable wage base is increased from $27,200 to $30,600.

State	Changes
	Family leave rate decreased from 0.9% to 0.88%.
Connecticut	Unemployment taxable wage base is increased from $26,100 to $27,000.
Iowa	Unemployment taxable wage base is decreased from $39,500 to $20,400.
Kansas	Unemployment taxable wage base is increased from $14,000 to $15,100.
Kentucky	Unemployment taxable wage base is increased from $11,700 to $12,000.
Minnesota	New payroll objects are added for Minnesota Paid Family Leave. This change requires post-installation instructions.
Missouri	Unemployment taxable wage base is decreased from $9,500 to $9,000.
New Jersey	The taxable wage limit for disability insurance is increased from $165,400 to $171,100. The employee rate is decreased from 0.23% to 0.19%. Family Leave rate decreased from 0.33% to 0.23%. The annual maximum FLI wage base is increased from $165,400 to $171,100. Unemployment taxable wage base is increased from $43,000 to $44,800.
Nevada	Unemployment taxable wage base is increased from $41,800 to $43,700.
New York	Unemployment taxable wage base is increased from $12,800 to $13,000. Family Leave rate increased from 0.388% to 0.432%. The statewide average weekly wage is increased from $1,757.19 to $1,833.63. The 940-credit reduction rate decreased from 0.9% to 0.0%.
Oregon	Unemployment taxable wage base is increased from $54,300 to $56,700.
Utha	Unemployment taxable wage base is increased from $49,900 to $50,700.
Vermont	Unemployment taxable wage base is increased from $14,800 to $15,400.
Washington	Unemployment taxable wage base is increased from $72,800 to $78,200. Family leave contribution rate is increased from 0.92% to 1.13%. Family leave standard employer share is increased from 28.48% to 28.57%. This change requires post-installation instructions.
Wyoming	Unemployment taxable wage base is increased from $32,400 to $33,800.

Installation

Installation procedures are divided into the following sections:

- Time to install
- Prerequisites
- Installation instructions
- Post-installation

Time to Installation

The time required for Anthology Payroll to complete the import process varies depending on the type of spreadsheet:

- This is an *update* version. The import process time will be minimal because you are only importing records that have been updated since the last baseline version.

These other factors can also impact the time required for installation:

- The amount of pre-existing, custom statutory deduction records in your system. Anthology Payroll must check each of these against the imported records for conflicts.

- The amount of statutory deduction changes included in the current version.

Prerequisites

The prerequisites for installing Version 130 for the United States are:

- Microsoft Excel installed on the Microsoft Dynamics AX client from which the statutory deduction spreadsheet is updated.

- Latest statutory deduction spreadsheet condition.

Latest Statutory Deduction Spreadsheet Condition

Depending on the last Statutory Deductions Spreadsheet that you have imported into your environment, you may need to import a prerequisite spreadsheet before importing this one.

Version 130 for the United States is an update version of the Anthology Payroll Statutory Deductions Spreadsheet. This version is meant to be installed on top of the current baseline version, which is Version 127. Update versions released after each baseline are cumulative and are independent of each other. If you have installed Version 127, you can install any subsequent update version.

To determine your current spreadsheet version, click **Anthology Payroll** > **System update utilities** > **Other**> **Import statutory deduction updates** to open the Import statutory deduction updates pane. Note the value of the Latest version installed.

You can download Statutory Deduction Spreadsheet from:
https://help.anthology.com/cnf/Content/Help/AnthologyPayroll.htm

Note: *it is recommended that you install and test the spreadsheet in a test environment before installing it in production.*

Pre-Installation Procedures

Pre-installation procedures may be required to prepare Anthology Payroll for the installation of the spreadsheet. If you follow any of these procedures, ensure to perform the procedures in the same test environment as your initial installation, and to validate correct functionality before performing the same steps in your production environment.

The following table describes the pre-installation procedures applicable to each version since the last baseline version (Version 127).

Note: *If you have previously skipped the installation of any spreadsheet versions listed below, then you can download the release notes of those past versions from:*

https://help.anthology.com/cnf/Content/Help/AnthologyPayroll.htm

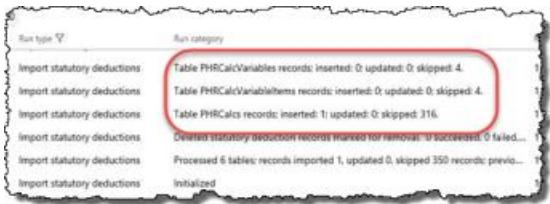| Spreadsheet Version	Pre-installation procedures
128	None
129	None
130	None

Installation Instructions

You must complete the following steps in the proper sequence to install the spreadsheet. It is recommended that you first install and test the spreadsheet in a test environment before installing it in your production environment. It is also recommended to install the spreadsheet at the start of a new pay period before any transactions are made.

To install the Statutory Deductions Spreadsheet:

1. Log in to the Microsoft Dynamics 365 Finance. Ensure you are in the company (legal entity) that you want to update.

2. Click Anthology Payroll > System update utilities > Other > Import statutory deduction updates to open the Statutory deduction data import pane. Note the value of the Latest version installed.

3. The next step depends on the latest version of the Statutory Deductions Spreadsheet that you have installed:

   - If the import pane shows no version numbers or the latest version number is lower than Version 127, you must install the latest baseline version before proceeding to install this version. The latest baseline version is Version 127. After installing the baseline, proceed with installing Version 130 for the United States. For information on how to obtain the baseline version, please see Latest Statutory Deductions Spreadsheet Version on page 6.
   - If the latest version number is Version 127 or higher, then proceed to the next step.

4. In the pane, browse to your statutory deduction spreadsheet and select it.

5. Click OK to start the import.

6. When the import process is complete, an alert message appears. If there are errors reported, navigate to Anthology Payroll > Inquiries > Run controls to view the error messages. Take the recommended actions (see Error Messages and Conditions on page 9) and run the import process again.

7. You have completed the spreadsheet installation process. Please check for any post-installation notes or instructions that may apply to you. Remember to test the spreadsheet in a test environment before repeating these instructions in your production environment.

Error Messages and Conditions

The following table details some common error messages or conditions that you may encounter when importing a Statutory Deductions Spreadsheet and the recommendations on fixing the error:

Error Condition	Problem and Resolution
No statutory deduction updates are imported. The run controls do not display any messages about importing spreadsheet tables, only that the process has initialized. For reference, highlighted lines in the image below do not appear in the run controls.	A synchronization error has occurred on the cloud-based environment resulting in the import process hanging. The Statutory Deductions Spreadsheet import process must be restarted. However, it is possible that a partial import has occurred, and some records have been imported. These records must be deleted before the import process can be restarted. If this scenario occurs, please contact our Client Support for assistance (https://support.anthology.com).
Table <tableName> contains field 'Code' with key value <keyValue> which is a system record; it must be renamed or removed prior to import.	You have set up a record in the <tableName> that matches a versioned record in the spreadsheet. If your custom record serves a specific purpose, then it must be renamed. If you want to replace your record with the one in the spreadsheet, then simply delete your custom record. After taking one of these steps, run the import process again.

Post-Installation Procedures

After you have installed the spreadsheet, post-installation procedures are sometimes required to properly configure new data elements. If you follow any of these procedures, ensure to perform the procedures in the same test environment as your initial installation, and to validate correct functionality before installation in your production environment.

The following table describes the post-installation procedures applicable to each version since the last baseline version (Version 127).

Note: *If you have previously skipped the installation of any spreadsheet versions listed below, you can download the release notes of those past versions from:*

https://help.anthology.com/cnf/Content/Help/AnthologyPayroll.htm

Spreadsheet Version	Post-installation procedures
128	None
129	None
130	Set up Overtime premium earning totals on W-2s
	Manage Retirement Plan Contribution Limits for worker ages 50 or older
	Set up Minnesota Paid Medical and Family Leave
	Update Washington Family Leave Insurance Employer Rate

Set up Overtime premium earning totals on W-2s

New payroll configuration components have been added to support reporting overtime premium earnings on W-2s starting tax year 2025. Overtime premium earnings represent the amount paid in excess of the regular rate required by law (typically the "and a half" portion of time-and-half overtime). These objects require some additional configuration after importing the spreadsheet.

Please note that companies may choose how they report overtime premium earnings to employees. One reporting option is to include these amounts in W-2 Box 14, depending on company policy and reporting requirements.

If your organization does not want to report overtime premium earnings separately on W-2s, you may skip this procedure.

To add accumulator eligibility and values for the new accumulators:

1. In the navigation pane, click **Setup** > **Tables** > **Accumulators** > **Accumulator values** to open the **Accumulator values** form.

2. Create new accumulator values for the following accumulators and set their values accordingly:

Accumulator	Earnings	Benefit/deductions
W2 OT 15 YTD	Overtime earning codes that are required by law and paid at 1.5 of regular rate	
W2 OT 20 YTD	Overtime earning codes that are required by law and paid at double the regular rate	

If you have other overtime calculations, you will need to create separate accumulators for those earnings and create a custom calculation to incorporate it into the total that will be printed on W-2s.

3. Save and close **Accumulator values** form.

4. In the navigation pane, click **Setup** > **Tables** > **Eligibilities** > **Accumulators** to open the **Accumulator eligibility** form.

5. Create new accumulator eligibility record for the following accumulators:

Accumulator	Eligibility
W2 OT 15 YTD	Blank row (all workers eligible)
W2 OT 20 YTD	Blank row (all workers eligible)

6. Save and close the **Accumulator eligibility** form.

7. To populate these accumulators with workers' 2025 overtime earnings, click **Periodic** > **Other** > **Accumulators** > **Delete/set initial accumulator values based on period.**

8. In the dialog that appears, select

   - Date period   Tax year

   - Date period year   2025

   - Date period number   1

   - Date period type   Reporting date

9. In the list of relevant accumulators that appears, select "W2 OT 15 YTD" and "W2 OT 20 YTD."

10. At the bottom of the dialog, in the "Run in the background" section, set "Batch processing" to *Yes* and click OK.

11. If you have already started transacting payments for 2026, repeat steps 7 through 10 for the 2026 tax year.

To set up a pair of W-2 Box 14 format fields:

1. In the navigation pane, click **Setup** > **Tables** > **Payroll** > **Forms** > **Formats** to open the **Formats** form.

2. On the **Overview** tab, select your *W-2* **Export format**.

3. Click **Setup** > **Format fields** to open the **Format fields** form.

4. Create the following export format fields. Enter for each **Field**, the **Value for first record** and **Value for second record** as listed in the table below:

Field	Value for first record	Value for second record
Position Filter	[leave empty]	[leave empty]
Export format field	Box14 Code OT	Box14 Value OT
Short code	Box14	Box14
Description	Box14 OT premium label	Box14 OT premium amt
Field source type	Fixed	Calculation
Field source enum name	[leave empty]	[leave empty]
Field source	OT Prem	W2 OT Prem YTD
Display in report?	Yes	Yes
Exclude if zero?	Yes	Yes

Note: if you created a custom calculation to accommodate your own overtime calculations, select that calculation instead of "W2 OT Prem YTD" as the Field Source.

Manage Retirement Plan Contribution Limits for worker ages 50 or older

Up until December 31, 2025, you were required to configure the *401K Extra Age Amt* calculation variable's *Catch Up Limit* for workers over age 50 to allow additional contributions, up to the statutory maximum for the worker's age. Starting January 1, 2026, changes to statutory enforcement modify how catch-up contributions are handled and require updates to worker configuration, depending on the desired contribution behavior.

The table below describes how worker configuration should be applied before and after January 1, 2026, depending on the desired contribution behavior:

For a worker age 50+	Worker configuration for payments before 2026	Configuration for payments after Jan 1, 2026
To be able to contribute up to the maximum available to workers of that age	Give the worker the "401K Extra Age Amt" calculation variable and specify the desired maximum in the "Override amount" field. Contributions will not exceed the statutory maximum.	Do not give the worker either the "401K Extra Age Amt" or "401K No Catch Up" calculation variable. The statutory maximum will be enforced.
To be able to contribute more than workers under 50, but less than the current maximum available to workers of that age	Give the worker the "401K Extra Age Amt" calculation variable and specify the desired maximum in the "Override amount" field. Contributions will not exceed the statutory maximum.	Give the worker the "401K Extra Age Amt" calculation variable and specify the desired maximum in the "Override amount" field. Contributions will not exceed the statutory maximum.
To stop contributions at the standard maximum for workers under 50	Do not give the worker a "401K Extra Age Amt" calculation variable with an override amount greater than the standard maximum for workers under 50.	Give the worker the "401K No Catch Up" calculation variable.

To review your workers' current *401K Extra Age Amt* Calculation Variables:

1. Navigate to **Anthology Payroll** > **Inquiries** > **Calculation variables**
2. Filter the **Calculation variable** column to show the calculation variables that begin with "401K".
3. Review existing calculation variables and, if needed, expire them or create new effective-dated versions to begin in the new year.

Set up Minnesota Paid Medical and Family Leave

New payroll objects have been added for paid family and medical leave (Family and Medical Leave Act, FMLA) in Minnesota starting January 1, 2026. These objects require some additional configuration after importing the spreadsheet.

Please note that even after configuration is complete, MN FMLA will not be deducted from workers in Minnesota until January 1, 2026.

If you do not have workers in MN, you may skip this procedure.

To add accumulator eligibility and values for the new accumulators:

1. Change your current context date to *January 1, 2026* for ease of setting up the following objects.

2. In the navigation pane, click **Setup** > **Tables** > **Accumulators** > **Accumulator values** to open the **Accumulator values** form.

3. Create new accumulator values for the following accumulators and set their values accordingly:

Accumulator	Earnings	Benefit/deductions
MN FMLA Inc	Same values as *MN SUI Inc* accumulator	
MN FMLA Inc YTD	Same values as *MN SUI Inc YTD* accumulator	
MN FMLA YTD		*MN FMLA*

4. Save and close **Accumulator values** form.

5. In the navigation pane, click **Setup** > **Tables** > **Eligibilities** > **Accumulators** to open the **Accumulator eligibility** form.

6. Create new accumulator eligibility record for the following accumulators:

Accumulator	Eligibility
MN FMLA Inc	Same eligibility as MN *SUI Inc* accumulator
MN FMLA Inc YTD	Same eligibility as MN *SUI Inc YTD* accumulator
MN FMLA YTD	Blank row (all workers eligible)

7. Save and close the **Accumulator eligibility** form.

To indicate that you are a small employer in Minnesota and eligible for a reduced employer rate of contribution to family and medical leave insurance:

1. In the navigation pane, click **Setup** > **Tables** > **Calculations** > **Calculations** to open the **Calculations** form.

2. On the **Overview** tab, locate and select the *MN FMLA small empr* **Calculation** code.

3. On the **Rule** tab, click **Edit** to open the **Calculation setup** form.

4. Change the calculation string to 0 (zero).

5. Click **Validate** and **Save** to save your changes and return to the **Calculations** form.

6. Save your changes and close the form.

If you as an employer wish to contribute more than the default 50% of family and medical leave insurance contribution to workers in Minnesota, you may change this fraction. To change your default employer contribution percentage:

1. In the navigation pane, click **Setup** > **Tables** > **Calculations** > **Calculations** to open the **Calculations** form.

2. On the **Overview** tab, locate and select the *MN FMLA ER Rate* **Calculation** code.

3. On the **Rule** tab, click **Edit** to open the **Calculation setup** form.

4. Change the calculation string to a percentage value representing the portion of insurance contribution your organization is paying on behalf of your workers. For example, to indicate 60%, set the value to 0.6.

5. Click **Validate** and **Save** to save your changes and return to the Calculations form.

6. Save your changes and close the form.

To set up the MN FMLA benefit/deduction:

1. In the navigation pane, click **Setup** > **Tables** > **Benefit/deductions** > **Benefit/deductions** to open the **Benefit/deductions** form.

2. On the **Overview** tab, locate and select the *MN FMLA* **Benefit/deduction**.

3. On the **General** tab, enter accounting information for the deduction as needed. Set the **DR employer ledger account** and **CR employer ledger account** to either the same clearing account or a pair of clearing accounts that offset each other.

4. Set the calculation and depletion sequence numbers to values such that this deduction calculates and depletes similarly to other MN state deductions.

5. Set the **Use by worker** field to *Yes* and the **User by worker position** field to *No* to indicate that this deduction is only intended to be assigned at the worker level.

6. Save your changes and close the form.

7. In the navigation pane, click **Setup** > **Tables** > **Benefit/deductions** > **Benefit/deduction groups** to open the **Benefit/deduction groups** form.

8. Add the *MN FMLA* benefit/deduction to groups as required for your implementation. This deduction is applicable to all MN workers and deducted every pay period. Some suggested benefit/deduction groups are:

   - *All benefit/deductions*

   - *Payment all types*

   - *Sched every pay pd*

9. Save your changes and close the form.

10. In the navigation pane, click **Setup** > **Tables** > **Benefit/deductions** > **Benefit/deduction rule group calculations** to open the **Benefit/deduction rule group calculations** form.

11. On the **Fast entry** tab, select all your **Benefit/deduction rule groups** that deduct family and medical leave insurance for MN. Select the *MN FMLA* benefit/deduction in the **Benefit deductions** pane.

12. Select the *MN FMLA EE Cont* calculation in the **Worker calculation** field.

13. Select the *MN FMLA ER Cont* calculation in the **Employer calculation** field.

14. Set an **Active date** of *01/1/2026* (January 1, 2026). Click **Insert** to create the rule group calculation for each selected benefit/deduction rule group.

15. Save your changes and close the form.

16. Reset your context date back to the current date if you changed it earlier.

After creating the benefit/deduction rule group calculation record(s), you may assign the *MN FMLA* benefit/deduction for all affected workers starting January 1, 2026. Please refer to your end-user manual or implementer's guide for the relevant documentation.

To insert the deduction for multiple workers at a time:

1. In the navigation pane, click **Periodic** > **Other** > **Mass worker changes** > **Mass benefit/deductions insert** to open the **Worker benefit/deductions** form with the **Fast entry** tab expanded.

2. On the **Fast entry** tab, select the *MN FMLA* **Benefit deduction**.

3. Select from **Pay groups**, **Departments**, **Occupations**, etc. to filter the workers that you wish to assign the deduction to. Click **Build workers list** to populate the list of workers according to your selection.

4. In the workers list, select one or more workers to assign the deduction to.

5. Click **Insert** to add the benefit/deduction to all selected workers.

6. Save and close the form.

The *MN FMLA* benefit/deduction must also be associated with payment types. Payment types are specific to your implementation. If you added the *MN FMLA* benefit/deduction to groups that are already configured for payment types (e.g: Payment all types), you can skip this procedure. It is highly recommended to add the benefit/deduction to a benefit/deduction group associated with payment types instead of associating it individually. To associate the *MN FMLA* benefit/deduction to payment types individually:

1. In the navigation pane, click **Setup** > **Tables** > **Payments** > **Payment type benefit deduction selections** to open the **Payment type benefit deduction selections** form.

2. On the **Fast entry** tab, select the *MN FMLA* **Benefit deduction** and the following suggested **Payment types**:

   - regular payments
   - manual/off-cycle payments
   - bonus/supplemental payments
   - adjustment/correction payments
   - gross up payments
   - advances

3. Click **Insert** to add the *MN FMLA* benefit/deduction to all selected **Payment types**.

4. Save and close the form.

The *MN FMLA* benefit/deduction must also be scheduled to deduct every pay period. Schedules are specific to your implementation. If you added the *MN FMLA* benefit/deduction to groups that are already scheduled to deduct every pay period (e.g: *Sched every pay pd*), you can skip this procedure. It is highly recommended to add the benefit/deduction to a benefit/deduction group that is scheduled every pay period instead of scheduling it individually. To schedule the *MN FMLA* benefit/deduction individually:

1. In the navigation pane, click **Setup** > **Tables** > **Schedules** > **Pay period benefit/deductions** to open the **Pay period benefit/deduction schedules** form.

2. On the **Fast entry** tab, select the *MN FMLA* **Benefit deduction** and **Pay group** as desired.

3. Select all **Pay period end dates**.

4. Click **Insert** to schedule the *MN FMLA* benefit/deduction for all pay periods.

   > **Note**: *this procedure must be repeated as new date periods are added.*

5. Save and close the form.

Family and Medical Leave Insurance must be reported as a Box 14 item on your W-2 starting in 2026. To set up W-2 export format fields for the purpose of reporting *MN FMLA*:

5. In the navigation pane, click **Setup** > **Tables** > **Payroll** > **Forms** > **Formats** to open the **Formats** form.

6. On the **Overview** tab, select your *W-2* **Export format**.

7. Click **Setup** > **Format fields** to open the **Format fields** form.

8. Create the following export format fields. Enter the **Position filter**, **Export format field** name, **Field source type**, and **Field source** as listed in the table below:

Position Filter	Export Format Field	Field Source Type	Field Source
MN	Box14 Code MNFMLA	Fixed	MN FMLA
MN	Box14 Value MNFMLA	Accumulator	MN FMLA YTD
MN	Box14 Code MNFMLAInc	Fixed	MN FMLA Inc
MN	Box14 Value MNFMLAInc	Accumulator	MN FMLA Inc YTD

9. Select *Yes* for **Display in report?** and *Yes* for **Exclude if zero?**.

10. Save your changes and close the form.

Update Washington Family Leave Insurance Employer Rate

The percentage portion of WA FLI that is paid by employers is changing from 28.48% to 28.57% starting January 1, 2026. The corresponding calculation in the US Statutory Deductions Spreadsheet is updated with a new value; however, this calculation can be modified by implementations as the employer rate may differ from employer to employer. As a result, this change must be completed manually for those organizations affected, as the Statutory Deductions import process will not update this calculation for Dynamics companies that already have it.

If you have no workers or business in Washington state, or you continue to use a custom value for the employer-paid portion of WA FLI, you can skip these procedures.

To update the WA FLI employer rate:

1. In the navigation pane, click Setup > Tables > Calculations > Calculations to open the Calculations form.

2. On the Overview tab, locate and select the WA FLI ER Rate Calculation. Expand the Maintain effective date entries pane.

3. In the Maintain effective date entries pane, click New to create a new effective-dated record. Set the Active date to 1/1/2026 (January 1, 2026).

4. In the Maintain effective date entries pane, expand the Rule tab and click Edit to open the Calculation setup form.

5. On the Calculation setup form, change the value in the Calculation string to 0.2857 or higher. Click Validate and Save to save your changes and return to the Calculations form.

6. On the Calculations form, save your changes and close the form.