

Carousel Epistles VI
2024

These are memos that I have written over the years to all my clients.
I thought that I should package the important and still relevant ones into one place.
This is that place.
The memos are listed newest to oldest.
For memos dated before 2023, please see Carousel Epistles I, II, III, IV. And V.

Here are the titles of the documents to be found below.

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4/4/24 -- Idaho Dealer Sales Tax for Non Resident Customers

So a client was doing is Idaho sales tax report (report 1000) and found a discrepancy between

- a) what the grand total of sales taxes were
- b) and the Line 6A (very bottom of the report) number for what the sales taxes were.

Come to find out that when he did a deal for out of state customers, that he did not tell the Deal program to charge sales taxes for the doc fees, which Idaho requires for all doc fees, not just Idaho customers.

This is done by putting 6% in the entry box to the LEFT of the word "Sales Tx" in the Deal screen.

Keep a 0 in the Right hand box, so that you do not charge sales tax on the car itself.

So when the Report 1000 is run,

The grand total simply totals up the sales taxes calculated by the deal program, which would be correct if you ran the Deal program correctly for out of state customers.

BUT the L6A line totals up the doc fees and applies the 6% to that number, which is correct no matter what you did in the Deal program.

So the end result is that YOU, the dealership, is eating that sales tax, and not billing the customer for it.

However, if you are selling to a Montana customer, you will save a lot of arguing and huffing and puffing by a customer who never pays sales tax on anything if you just eat the taxes yourself.

3/8/24 – WSIADA March Chapter Meeting

If you tried to go to the Hilton Inn for this meeting, and nobody was there, it is because it got moved to the Hampton Inn at the last minute. Hilton is having some reconditioning done.

25 people did attend, five of them my clients. All the tables in the room were full.

This meeting was supposed to have as a guest speaker the Supervisor of VIN Inspectors. However, he or she is training new inspectors and had to cancel.

Rick Olsen, WSIADA chief poobah, did the whole meeting.

Re the **VIN inspector** thing, four years ago there were like 14 inspectors in the state, and now they are down to about 7. There are 8 locations, so some locations are empty while some inspectors wander back and forth. Last year 30K inspections were done in the state. A lot of these are salvage vehicles, because vehicles in good condition are too expensive for anybody to buy. Spokane has one full time inspector. They are training 7 more, which will allow them to staff each location with at least one inspector.

There used to be one day a week set aside for dealers. That seems to be gone, but now there is a way to reserve a time for dealers. But you can only do one vehicle per reservation, and you can only make one reservation per hour. People in the peanut gallery stated that the res system does not work. Part of the problem is that the online system got hacked, and it seems that payments that were made for inspections went to North Korea or someplace. So the online system is being worked on.

A year ago, it was announced that WSIADA was going to provide a **health care** package for dealerships. Must have two people working in the dealership, and dealer has to pay 70% of the tab for his employees. Primera is the insurance carrier, and some bigger automobile dealer association also helps somehow, since WSIADA alone would never be big enough to interest insurers. This would seem to be a great package for dealerships that have wanted to provide health insurance to employees but could not find an affordable package.

The several year fight on requiring used car dealerships to provide as part of the cost of the car a **free warranty** is back again. The Washington State AG (and possible future governor) keeps pushing this idea, which WSIADA says will bankrupt most small dealerships. WSIADA and their lobbyist have been successful in killing this bill thus far, but even with a stake in its heart, it is never dead. Our lobbyist is pushing on updating the basic used car dealership laws, which are mostly 40 years old. Not a lot in there about online purchases, web sites, etc.

Do NOT plaster your **windshield with stickers** and then give a test drive. The driver will get a ticket. And if the driver is a customer, will be really ticked off at the dealer. Probably a firm No Sale.

The legislature discussed a **Catalytic Converter** return law, since so many are being ripped off

(literally) cars and sold. Nobody can recycle more than 4 at a time, and then there is some sort of waiting period. You will have to show ID, and they will take the ID of the vehicle you rode in on (no pun there). For more information, look up House Bill 2153.

Not Everybody loves the new **paper temp licenses**. And a lot of dealers are doing it wrong.

- 1) You MUST put the front license on, somehow, regardless of whether the vehicle has a plate holder in front (some trucks do not) or not. If need be, drill some holes.
- 2) You MUST have the rear plate license in the rear plate license holder, not inside the car back window (which I see all the time).
- 3) you MUST use the approved paper, not the back of an envelope that is duct taped to the bumper.

Tickets for these infractions are starting to be written. Apparently the cop will ask where the car was bought, and the dealership will also get a visit from a very unfriendly person.

Somebody asked if you could have the customer sign a document saying he insisted that the license be in the back window. Nobody here was a lawyer, so WSIADA did not want to make a definitive statement on that. But everybody thought it was a great idea.

WSIADA is working on getting credit for your old paper temps. Nothing exists now, but a lot of pressure is being put on DOL to fix this. There will be NO credit for a paper temp that was used and the deal later unwound. I guess that is why there is a doc fee.

There will be two **education fairs** this year again. The Eastern one, now called "Revving Up for Success", will be at the Doubletree downtown on July 16. The WSIADA lobbyist, who has spoken at the West Ed Fair, will finally come to this side of the mountains. I am told he is very entertaining, not in a Sheeky Green way, but dealing with stories of how one puts the arm on a legislator. T

here will be Safeguards training, although nobody that I am aware of seems interested in that stuff.

The Assistant Attorney General will present in person. DOR, DOL usual suspects, will also present. And something was mentioned about "NAISC Tax Code 441". I have no idea what that is.

We still need a **chapter president**. Software guys are not allowed to run. The qualifications are quite simple:

- 1) Must own a dealership (not me)
- 2) Must be able to fog a knife

This job means you are the conduit between the dealers in the area, and WSIADA. Mostly, you give out Mr Olsen's phone number to anybody that calls to grump about something. Monthly board meetings can be done by Zoom.

The meeting ended with a rousing summary of the benefits of WSIADA membership:

- Health care

- Legislative updates
- Auction discounts
- legal consultation (10 MInutes consult)
- notary public
- discount on product purchases
- event discounts
- new training classes online

2/23/24 – Searching with Gemini

I have been around long enough to have started using the internet BEFORE there were any search engines.

There was something called Archie and Gopher.

There were books that had URLs to interesting places, but they were out of date before they were published.

There were Yahoo and other web sites that did link to a few other sites.

But when Alta Vista first became available (in 1996), it was a revolution.

Thousands, eventually millions of sites became available just by punching in a few phrases or keywords.

Then a few years later, Google showed up, and blew Alta Vista away.

(Alta Vista was finally put out of its misery in 2013, hard to believe it lasted that long.)

Google was about as much of an increase in functionality to Alta Vista, as AV was to hieroglyphics.

So for the last 25 years, Google became a verb, and owned 9X% of the search market, and anybody that actually bought Google on its IPO became very rich.

Sadly, I was not one of them, because I did not then see how Google could ever make any money doing searches. Silly me.

And now there is AI.

There is ChatGPT.

There is Bing Chat.

And now, just recently Gemini by Google replaced Bard.

And those are yet another couple orders of magnitude in functionality for searching for information.

I probably do a search for something at least a couple times a day. Maybe to verify something I read. Maybe to answer a question I have. Fifty years ago, you would use an encyclopedia, a dictionary, and the Guide to Periodical Literature to find stuff, most likely after a trip to a library. Now, who goes to libraries any more? (Actually, when I finally fully retire, I expect to do that, since there is one only three blocks from where I live.)

You don't have to dream up funny phrases, or keywords, or things that will maybe give you just a couple dozen sites to look at, instead of 300,000. Just type in an English (or other language) request, and it kicks back a report. Sometimes the report will also have a few URLs to look at, but the report seems to contain the information you want, most of the time.

I have been using the AI variants for search for a few months now. And I find them getting better and better. I have not as yet seen any hallucinations. I have seen where the answer was only a partial answer, and you had to follow their suggested links to get better information. Gemini has

so far not made me do that.

I have used AI only a couple of times for programming help, and was somewhat disappointed. And I have never used the "generate a picture from text" function. I can't imagine letting it write my memos and epistles for me -- I doubt that there is a "like Dennis" function as there is a "like Shakespeare" function.

I suppose it might be interesting to ask it to write a computer program like Shakespeare would have done it:

```
#define question: (BB | !BB)
```

Anyway, the next time you need to do a search for something, I recommend that instead of just Google.com, that you start with Gemini.Google.com instead. You might get hooked.

2/6/24 – Washington Dealerships and Idaho Customers – Filing Fee

For the last several months, my Idaho clients have informed me that the title fees have gone from \$14 to sometimes double that.

It is county dependent.

The state base fee is still \$14.

Counties can now add on an "administration fee" of whatever they want.

I took care of this problem for Idaho dealers with the Idaho form 502 that Idaho dealers would normally fill out.

However, now Washington clients are being informed that they too have to pay the increased fees.

There is a new Idaho form 3337, revision date 12/23, that will accommodate that.

In section 7, there is now an extra line for the county fees.

Do Not Send Cash - Make payment by check or credit card.		
Section 7 Fees Paid	<input type="checkbox"/> Title Fee	\$ 14.00
	<input type="checkbox"/> County Title Admin Fee	\$ *
	<input type="checkbox"/> Sales Tax	\$ *
	<input type="checkbox"/> Rush Fee (Optional) - <u>Additional</u> \$26.00	\$ *
	Total Fees	\$ *

I have many different versions of the 3337 form in my database, all starting with 6103x. Most are old versions, a couple serve special needs.

You will specifically need a new 61036 carousel form and template.

An old version of that has been around, and most clients would have that as the active form for Idaho title apps.

If you are still using an older form (6103-not 7) it is easy to set that up as the active form.

However, using it can get a little complicated depending on whether you collect, or do not collect, taxes and fees from your customer..

IF you **collect** sales taxes and fees from your Idaho customer, things are easy.

In the deal program, put the total of filing fees in the filing fee box, where the \$14 is in the clip below.

So, if Kootenai county charges \$22 (state \$14 + county \$8) put a 22 in the box.

Doc / Mbrshp	\$150.00	/	\$0.00
License / Filing	\$0.00	/	\$14.00

Then go to forms and print form 61036.

The form will subtract the \$14 from what you put in the box and put the difference on the County Admin line.

If you do **not** collect taxes and fees, which you do not have to do if there is no bank involved, then put a zero in that box.

The problem comes because the Idaho 3337 form has a hardwired \$14 for the title fee.

Am I supposed to XXX out the \$14, or put a zero next to it, or what?

States get real touchy about someone mutilating their forms.

I called the DMV in Boise, and got a guy that had no clue about what I was asking.

He said call the county, it is their problem.

Well, it is a State form, not a county form.

The Washington client that first brought this to my attention says he has always just ignored that hardwired \$14 on the form, and DMV just collects it from the customer when they pay their sales tax. I don't like that idea, because the math does not add up, but if it works, then that is what we will do.

So, when you do **not** collect tax and fees, put a zero in the box, and a zero in the sales tax box. This form will print out with zeros for the county admin fee, the sales tax, and the total fees, even though there is a \$14 in the title fee line.

If your carousel 61036 form is currently set up, I can send you the three documents that you need, and you can just save them on your server and everything will just work.

If you are using a different form, let me know and I can either dial in or walk you through what you need to set things up.

1/26/24 – IRS Form 8300 Reporting

We all know that you have to tell Big Brother when you get cash payments over \$10K. There is an IRS Form 8300 in the Carousel Database (forms 50210-50212) to do this.

WSIADA has sent out a notice that you also have to inform the customer that you did this. I did not know about this requirement, but then, I never took the dealership training course.

If you need to know more about all this, there are a couple of *helpful* IRS publications that have more incomprehensible and contradictory information for you to peruse.

From:

<https://www.irs.gov/businesses/small-businesses-self-employed/report-of-cash-payments-over-10000-received-in-a-trade-or-business-motor-vehicle-dealership-qas>

I understand that the dealership must provide a written statement to the customer by Jan 31 of the year following the Form 8300 filing. Can the dealership use the sales invoice (or the Form 8300) to satisfy the written statement requirement if the invoice has language printed on it that cash sales over \$10,000 are reported to the IRS?

- There is nothing in the Code or regulations mandating a specific format for the customer statement. The regulations, however, establish certain minimum requirements. As long as these minimum requirements are met, there would be no problem if the seller chose to print the required language on an invoice.
- The statement must contain the following information:
 - i. The name and address of the person completing Form 8300;
 - ii. The aggregate amount of reportable cash in all related cash transactions; and
 - iii. A legend stating that the seller is reporting the information contained in the statement to the Internal Revenue Service.

If during the calendar year, the dealer has more than one transaction with the customer, furnishing multiple copies of the sales invoice (or Form 8300s) would not meet the notice requirements because it is not a 'single' statement. In this situation, the dealer should provide a single written notice for all of the transactions

If you need more sleep enhancing material to read, there is also
<https://www.irs.gov/businesses/small-businesses-self-employed/form-8300-and-reporting-cash-payments-of-over-10000>

There is information on how to file form 8300 electronically, another thing I did not know about.
<https://bsaefiling.fincen.treas.gov/main.html>

The small business publication noted above indicates that if you have to file more than 10 of these, then you are required to do it electronically.

But then, that publication also states that if you are filing a form 8300 because you think your customer is laundering money, you do not have to inform the customer, aka Joe BreakUrKnees, that you are doing this.

But the first form says you have to do it anyway.

It would be nice if the people writing this stuff would read what the other guy already wrote, and would all sing from the same sheet of music.

1/29/24 -- IRS Form 8300

In reviewing the responses to my memos last week about the IRS form 8300, which you need for cash transactions over \$10K, it was pointed out that there is a new form, revised only December of last year (2023). That form states that if you are going to print an 8300 form now and beyond, you have to use the new one, not the old one revised 2014.

My forms database contains the image of the 2014 form, of course.

It turns out that there is nothing that I can see that changed between forms. Of course I did not compare every lawyer gobbleygook pronouncement that was in the verbiage of the form. However, all the fill in entry fields seem to have remained the same. Only the background changed (maybe).

So anyway, if you are not shocked when somebody rolls in with suitcases of Ben Franklins to buy one of the Rolls Royces on your lot, you probably need this new form.

I will be happy to email you a copy of the form, with very simple instructions on how to install it on your system.

This will work for both the older version 2.010 and the newer version 2.012.

File paper Forms 8300 with
the Internal Revenue Service, Detroit
Federal Building, P.O. Box 32621, Detroit, MI 48232.

1/19/24 – Carousel Report for Total Cars Sold in a Year

Every year about this time, I get requests for a report that lays out the total cars sold the previous year. I don't know why my clients want this, and probably would not want to find out.

Anyway, some years ago, I created **report 1207** in the Admin program, which will display this information.

Put in a starting date, and a number of months, and you get all those cars listed out. It tells you how many were retail, and how many were wholesale.

1/9/24 – carousel self finance – blush!

You only need to read this thing if you use the self finance program, and if you are updated to v2.012.

Well, a client found another null problem, this time in the Self Finance program.

If you have this problem, what you will notice when you bring up an account in the self finance program, is it blows up right away.

There will be a cryptic message about finding a null.

I think this will only show up if I updated you in late October or November.

And if you have entered data for that client since my update.

I have a fix which I can download.

As I have told most of you, I have been doing something in this program a little wrong since the beginning. If you apply a penalty to an account, Carousel is not supposed to calculate interest on this penalty. But it does.

We are talking pennies here, but I have always wanted to fix this.

I started this in October, realized it was a big problem, and delayed further work till mid December. I needed a week or so to really work on this problem without much interruption, and that seemed like a good time. This problem resulted from my starting and then not finishing the job. I did not actually fully fix the interest problem in December, and was planning on taking this week now to really finish that job.

Being snowed in helps to concentrate the mind, and creates fewer phone calls.
So I thought....

