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Course Information

Course Title: *Car Dealership Accounting* #370824

Number of continuing education credit hours recommended for this course:

CPA: 4 (All states)

In accordance with the standards of the National Registry of CPE Sponsors, CPE credits have been granted based on a 50-minute hour.

National Registry of CPE Sponsors ID Number: 107615.

Sponsor numbers for states requiring sponsor registration

Florida Division of Certified Public Accountancy: 0004761 (Ethics #0011467)

Hawaii Board of Accountancy: 14003

New York State Board of Accountancy: 002146

Ohio State Board of Accountancy: CPE .51PSR

Pennsylvania Board of Accountancy: PX178025

Texas State Board of Accountancy: 009349

Course Description

The accounting for a car dealership is quite complicated, since there are many profit centers, fixed assets, and employees, not to mention the large vehicle inventory. In the *Car Dealership Accounting* course, we cover all aspects of a dealership's accounting, including the underlying accounting system, profit center reporting, and the accounting for all types of sales, expenses, liabilities, and equity. Dealership-specific topics include floorplan interest, contracts in transit, and factory receivables. The course also covers how to account for payroll and the steps needed to close the books.

Course Content

Publication/Revision date: 2/15/2024.

Author: Steven M. Bragg, CPA.

Final exam (online): Twenty questions (multiple-choice).

Program Delivery Method: NASBA QAS Self-Study (interactive)

Subject Codes/Field of Study

NASBA (CPA): Accounting

Course Level, Prerequisites, and Advance Preparation Requirements

Program level: Overview

Prerequisites: None

Advance Preparation: None

Instructions for Taking This Course

- Log in to your secure account at www.bhfe.com. Go to "My Account."
- You must complete this course within one year of purchase (If the course is "Expired," contact us and we will add the latest edition of the course to your account (no charge).
- **To retain the course-PDF after completion (for future reference) and to enable enhanced navigation:** From "My Account," Download and save the course-PDF to your computer. This will enable the search function (Menu: Edit>Find) and bookmarks (icon on left side of document window).
- Complete the course by following the learning objectives listed for the course, studying the text, and, if included, studying the review questions at the end of each major section (or at the end of the course).
- Once you have completed studying the course and you are confident that the learning objectives have been met, answer the final exam questions (online).

Instructions for Taking the Online Exam

- Log in to your secure account at www.bhfe.com. Go to "My Account."
- A passing grade of at least **70%** is required on the exam for this course.
- You will have three attempts to pass the exam (call or email us after three unsuccessful attempts for instructions).
- The exam is not timed, and it does not need to be completed in one session.
- For a printed copy of the exam questions, open the exam and press "Print Exam."
- Once you pass the exam, the results (correct/incorrect answers) and certificate of completion appear in "My Account." A confirmation email is also sent.
- CFP Board and IRS credit hours, if applicable, are reported on Tuesdays and at the end of the month.

Have a question? Call us at 800-588-7039 or email us at contact@bhfe.com.

Learning Assignment & Objectives

- Identify the normal account balances for the accounts used by a car dealership.
- Specify how information is stored and posted in a dealership accounting system.
- Identify the basis of accounting choices that a dealership can make.
- Recall the structure of a car dealership's financial statements.
- Identify how contracts in transit are recorded by a dealership.
- Recall the accounting used by the various profit centers of a dealership.
- Specify how a dealership accounts for holdbacks.
- Recall the accounting for new and used vehicles.
- Identify the accounting for work-in-process labor.
- Specify the accounting used for each of the expenses incurred by a dealership.
- Recall the accounting for a floorplan loan.
- Identify how a dealership would account for policy work.
- Specify the choices available to account for bad debts.
- Recall the underlying concepts used to account for fixed assets.
- Identify the tax reporting structure used by governments to collect sales and use taxes.
- Specify the journal entries needed to process payroll for a dealership.

About the Author

Steven Bragg, CPA, has been the chief financial officer or controller of four companies, as well as a consulting manager at Ernst & Young. He received a master's degree in finance from Bentley College, an MBA from Babson College, and a Bachelor's degree in Economics from the University of Maine. He has been a two-time president of the Colorado Mountain Club, and is an avid alpine skier, mountain biker, and certified master diver. Mr. Bragg resides in Centennial, Colorado. He has written more than 250 books and courses, including *New Controller Guidebook*, *GAAP Guidebook*, and *Payroll Management*.

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