



THE WANADA BULLETIN

NEWS AND INFORMATION FOR AND ABOUT FRANCHISED NEW CAR DEALERS IN THE WASHINGTON AREA

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Electric Vehicle Tax Credit Legislation Changes the Rules for EVs

The Senate passed the Democratic “Inflation Reduction Act,” a \$750 billion tax-and-spend bill, on August 7 by a vote of 51-50. This bill includes a complete revamping of the Section 30D federal electric vehicle (EV) tax credit. The legislation is scheduled to be considered by the House on Friday, August 12 and is expected to narrowly pass. President Biden has stated that he will sign the bill into law, which could occur as early as next week.

While this new EV tax credit program generally does not go into effect until January 1, 2023, this bill includes a new requirement that will be effective immediately upon enactment and could affect EVs on your lot. This requirement mandates that to qualify for a federal EV tax credit, the “final assembly” of the vehicle must occur “within North America,” i.e., the U.S., Mexico, or Canada.

The current EV tax credit rules have no such North American assembly requirement. This means that an EV which qualifies for up to a \$7,500 federal tax credit today will no longer qualify as soon as the President signs this legislation, if the final assembly of that vehicle occurred outside of North America.

Importantly, under the bill, if a customer has already “entered into a written binding contract to purchase” an EV that is assembled outside of North America (or signs such a contract before the President signs the bill), the customer will still qualify for the current credit even if the vehicle is not delivered until after the legislation is signed.

According to the Alliance for Automotive Innovation, a trade association representing the nation’s automakers, the list of EVs eligible for a federal tax credit will decrease from 72 to 25 upon enactment of this bill because of this “final assembly in North America” requirement. The Alliance encourages (and NADA concurs) that dealers should contact their OEM(s) to ascertain which EVs will no longer be eligible for the credit after the President signs this new requirement into law.

Dealers should review their EV inventory to determine the impact this change in law will have on their dealership. A comprehensive summary of the new federal EV tax credit program, including new provisions that expand the credit to allow other clean vehicles to qualify,

eliminates the manufacturer cap, and allows consumers to transfer the credit to the dealer at the point of sale in 2024 will be forthcoming after the President signs this legislation into law.

WANADA Flu Shot Program Now Open

Registration is now open for WANADA's seasonal flu shot program for dealership employees.

WANADA's flu shot program will be available on-site at WANADA dealerships and administered by Farragut Medical & Travel Care. The on-site service will be available for adults aged 18 and older.

The fee will be \$36 for the vaccine with a minimum of twenty (20) participants required at each location. Locations with less than 20 participants will be billed as if 20 doses of vaccine were administered. The difference will be billed at a rate of \$30 per dose.

As usual, adults 65 and older have a choice of getting the high-dose flu shot, which offers better protection against the flu compared with the regular shot. The fee for the high dose shot will be \$75. Human immune defenses become weaker with age, which places older people at greater risk of severe illness from influenza. In addition, aging decreases the body's ability to have a good immune response after getting influenza vaccine. A higher dose of antigen in the high-dose vaccine gives older people a better immune response against the flu. Data have shown that that leads to greater protection against influenza.

To have your dealership participate, please register online at <https://www.farragutmedical.com/flu-clinic-request/>. Alternatively, you may call Farragut Medical at 202-775-8500. Please leave a message with our front desk and your call will be returned. With the popularity of this program, you are encouraged to register early to guarantee the date of your choice. Any request received after August 31 may be subject to vaccine availability.

Farragut Medical will begin conducting on-site visits starting October 1. All scheduling will be done by Farragut Medical upon submission of your registration. Farragut Medical will contact the dealer's designated representative with the scheduled date/time and forward all appropriate forms. Farragut Medical will invoice the dealership directly for all flu shots administered via the program, subject to the 20-dose minimum.

If you have any questions, please contact the WANADA Insurance Department at (202) 237-7200.

Save the Date for the 2022 WANADA Annual Meeting!

Currently slated for the evening of November 9 at Columbia Country Club in Chevy Chase, MD, the 2022 WANADA Annual Meeting will be a departure from previous formats.

"We want to change it up every few years," said WANADA President & CEO John O'Donnell. "The Ritz in Tysons Corner will likely continue to be our standard destination, but we wanted to

gather everyone for an elevated experience now that the pandemic seems to be well and truly behind us.”

The evening will begin with a 5:30 p.m. networking reception, followed by dinner, business and entertainment from 6:30 – 8:30.

Confirmed speakers include Cars.com CEO Alex Vetter, leading auto industry analyst Glenn Mercer and comedian Tom Shillue.



Alex Vetter

Alex Vetter co-founded Cars.com and has served as President and CEO since November 2014. Since becoming CEO, Alex has taken Cars.com Inc. (CARS) public and transformed the company’s business model from an online listings and content provider to a technology platform powering innovative solutions and frictionless omni-channel experiences for the automotive industry. Alex has diversified the company’s revenue streams with the strategic acquisitions of Dealer Inspire and DealerRater, the launch of FUEL, and the productization of Cars.com’s more than 20 years of data, accelerating CARS’ differentiated solutions strategy.

Glenn Mercer is a well-known automotive industry analyst with decades of experience, first consulting with McKinsey & Company and as an independent contractor, writer and speaker since 2006. Well-traveled on the dealer circuit, Glenn will be familiar to many of WANADA’s members, as he is a regular at the NADA Show and has spoken to the WANADA Board as well. He is an advisor to numerous investment firms, notably Greenbriar, Baillie Gifford, and currently Alliance Bernstein; also academic entities (e.g. IMVP), and others (e.g. the Automotive X Prize).



Glenn Mercer



Tom Shillue

Current host The Quiz Show and UN-PC on Fox Nation, Tom Shillue frequently appears on The Greg Gutfeld Show and The Five on Fox News Channel. Tom has appeared in his own Comedy Central Stand-Up Special, on The Late Show with Stephen Colbert, Conan, Late Night, Last Comic Standing, and was a correspondent on The Daily Show. Tom frequently appears on The Tonight Show Starring Jimmy Fallon as part of “The Rag Time Gals,” Jimmy’s barbershop quartet, performing alongside such guests as Justin Timberlake, Kevin Spacey, Steve Carell, Sting, and Tina Fey. The Gals’ videos have been viewed over 50 million times! Tom’s first book, *Mean Dads For A Better America: The Generous Rewards Of An Old-Fashioned*

Childhood, was released on Harper Collins’ Dey St. Books. You can currently see Tom perform in theaters across the US, with Greg Gutfeld, on The Gutfeld Monologues Live Tour.

Save the Date for the WANADA Annual Meeting and registration details will be forthcoming soon. The 2022 WANADA Annual Meeting is generously sponsored by BG Crovato Products & Services, Citrin Cooperman, Penney Design Group, The Keats Group at RBC Wealth

Management, and Truist. There is still one sponsorship opportunity available for this event at \$5,000, which includes a table of ten. If you are interested in a sponsorship, please contact Bob Storin at rs@wanada.org.

Registration for the 2023 NADA Show Now Open

The National Auto Dealers Association (NADA) recently announced that they are ready to make a big splash at the next NADA Show. Mark your calendars and plan to join us for the Auto Industry Event of the Year — January 26–29, 2023 — in Dallas.

Dealers and managers can expect an exciting and engaging event: four days packed with outstanding networking opportunities, world-class education, an unparalleled Expo and more. For WANADA members, this is an even more significant Show, as WANADA's own Geoff Pohanka, currently the Vice Chairman of NADA, will be formally taking the reins as Chairman.

[Click here](#) for attendee registration and housing and to sign up to receive more information about NADA Show 2023.



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