Special Year-End Informational Reference Guide

*** SPECIAL 2025 YEAR-END EDITION ***

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Revised November 2025

DISCLAIMER:
All information and suggestions given are the individual opinions of Wayne Reaves Computer Systems, Inc employees. This document should not be construed to be, nor should it take the place of qualified legal, financial, or tax advice from a licensed professional with experience in the industry.

It is the Dealer's legal responsibility to be familiar with and follow all relevant laws and requirements concerning your business.

Links and Other Resources https://waynereaves.com

Download the DotNet Full Demo today:

waynereaves.com/dealer-management-software-demo

Email Support questions : Support@waynereaves.com

If you email us, please include the Dealer Name & Account Number, as well as your name and phone to reach you.

Training Videos: https://www.waynereaves.com/support-videos

Associations and State Links:

If you are not currently a member of your State Independent Dealer Association, we encourage you to join. They are great sources of information for the industry in your state and represent your interests at the state and national legislative level. State membership includes National NIADA membership.

NIADA: www.niada.com

GIADA: www.giada.org

GA DMV/Tax: dor.georgia.gov

FIADA www.fiada.com

FL TAX: dor.myflorida.com

FL DMV: https://www.flhsmv.gov/

CIADA www.theciada.com

SC TAX: dor.sc.gov

SC DMV: http://scdmvonline.com/

NC DMV: ncdot.gov NC TAX: ncdor.gov

ALAIDA: www.alabamaaida.org

AL DMV/ TAX: https://revenue.alabama.gov/

MSIADA: www.msiada.org

MS DMV/TAX: dor.ms.gov

LAIADA: https://www.louisianaiada.com/

LA DMV: https://www.expresslane.org/

LA TAX: http://revenue.louisiana.gov/

TNIADA: https://www.tniada.com/

TN DMV: https://www.tn.gov/revenue/title-and-registration.html

TN TAX: https://www.tn.gov/revenue.html

TXIADA: https://www.txiada.org/ TX DMV: https://www.txdmv.gov/

TX TAX: https://comptroller.texas.gov/taxes/

SYSTEM REQUIREMENTS FOR INSTALLED PROGRAMS 2024/2025

If you have any questions, please call Technical Support @ 888.477.9707
Calls from technicians, computer stores, and other IT professionals are welcome.

SUPPORTED OPERATING SYSTEMS: WINDOWS 10 & 11 --- PROFESSIONAL (32/64)
-- "Starter" & "Basic" Editions are not supported. "Home" Versions not recommended.
Windows XP, VISTA, 7, 8.0/8.1, Apple OS, Linux, and other operating systems are not supported.
Windows 10S or 11S will have to be taken out of S Mode. Windows 10 Must be 24H2.
Windows on Mac in Parallels is not supported.
The programs require minimum screen resolution of 1280x1024.

PRINTER:
Business-class Duplex Laser Printer with PCL5e or PCL6.
Automatic Duplex printing is required.
Inkjet printers are **not supported**. Wireless printers are not supported.
If the Hardware maker does not specifically support your device on your version of Windows, we also cannot provide support for the device.
Your printer must be installed and tested within Windows before setting up in the program.
If your process requires an impact (dot matrix) printer, the ONLY supported printer is an **OKIDATA ML420 (or 320-Turbo) using the OKIDATA 320-IBM Driver**

CPU SPEED: 3 GHz Quad core x86/x64 -- "ARM" Processors may not work.

HARD DRIVE: 500 Gigabytes (GB) Minimum, 250 GB free space Free space should never be less than 25% of total.

SYSTEM MEMORY (RAM): 6-8 GB

NETWORKING & COMMUNICATIONS:
WIRED ETHERNET LAN WITH HUB/SWITCH (100/1000 Mbps)
WIRELESS Networks are not supported for any program. They may also represent a serious information security risk and potentially violate the FTC Privacy Act.

Internet Speed for DotNet is a Minimum of 6 Mbps Down and 3 Mbps up for each computer.
The Ping Rate should not exceed 100 milliseconds. Satellite ISPs will not work with the program.
Cellular/Mobile/Public Hotspots may or may not work, depending on the TCP limitations of the provider.
Internet Browser should be Edge, Chrome, Firefox, or other Chromium based, and must be kept updated for security.
We do recommend that a certified technician familiar with Windows Networking, Internet Security, and the FTC's Safeguards Rules complete the initial setup and configuration of your computer network. This technician should also configure antivirus or firewall programs.

Please have the tech call us while on site if there are any questions about our program.

NOTE: No computer more than three years old should be used in a business environment, unless you have a dedicated technical staff to support the systems. When buying computers for a business, always avoid the low-end bargain computers. They are designed for light home use, and typically very underpowered for business use.

Internet Security Apps must have an Active Subscription, licensed for use in a commercial environment, and be configurable. Your IT Technician must configure the app work with our program.

If you experience program or printer problems due to incompatibility with the unsupported configurations or operating systems, and any part of our software, we may not be able to assist you beyond recommending that you upgrade to a newer computer and/or printer.

WAYNE REAVES SOFTWARE DOES NOT PROVIDE ANY SETUP ASSISTANCE OR SUPPORT FOR DOMAIN CONFIGURATIONS OR "APPLIANCE SERVERS."

Period End Reporting (Year or Quarter)

All information and suggestions given are the individual opinions of Wayne Reaves Computer Systems, Inc employees. This document should not be construed to be, nor should it take the place of qualified legal, financial, or tax advice from a licensed professional with experience in the industry.

Desktop Version users should make TWO program backups on the LAST business day of the period, after all daily transactions are posted, and store these in separate places for security. At least one of these should be stored off the premises. If the other is left at the lot, it should be stored in a secure fire and water safe location. Be sure to check and verify the backups on the media.

The following reports should be run and printed on a printer and sent to PDF file. Those reports that have an Excel Option should have that output, as well. If you have an In-House Related Finance Company (RFC), or a separate corporation for handling Leases, these reports should be separated, even those reports that will handle all types, such as Cash Sheet.

All this assumes that you have completed your business for the period, and have made all necessary sales, adjustments, payment voids, balance credits, repossessions, write-offs, and inventory additions or deletions. Please also see the note about saving deals on Page 7.

Even if you print the reports, also save them to PDF and CSV Formats to preserve an electronic copy of the report to refer to later.

The references to "All Dates" assume 01/01/2025 – 12/31/2025 for Year-End Reporting.
For Quarter-end, use the date range needed.

Car Lot AR Types are USUALLY 1 through 49. Check Company Setup to make sure before running reports. The "Detail" version of reports can be exceptionally long, such as the Cash Sheet and Sales Reports. When possible, save the Detail Version of the report to PDF/CSV File, and Print the Summary Version.

References to the AR Types or Inv Lot Numbers are the Defaults, you should check and use YOUR specific values.

CAR COMPANY

- Customer Summary -- Run four separate reports:
    - A/R Active Types 1-45
    - Write offs AR Type 46-46
    - Bankrupt AR Type 47-47
    - Repos AR Type 48-48
- Wholesale AR By Dealer -- AR Types 1-99
- Master Inventory -- Lots 1-3, and any other lots you have cars in.
- Sales Report -- All Dates and AR Types
- Wholesale Report -- All Dates and AR Types
- Cash Sheet -- Car Lot -- All Dates and AR Types Set option to Car Lot Only)
- Make sure to select Summary Only for a Printed Version!
- Standard Repossession Report – (Car Lot) -- All Dates and AR Types
- Write-Off Repossession Report – Car Lot, All Dates and Types.
- Adjustments Report -- Car Lot -- All Dates and AR Types
- Car Company Loss on Sale (If they sell accounts) All Dates and types.
    - A copy of this will be put with the Finance Company reports.
- Sales Tax Report -- All dates and AR Types – Summary Only
- Charge Off Report – Car Lot -- All Dates and Charge Off Type Only
- Sales Tax report for December, to estimate liability.

Period End Reporting (Year or Quarter)

LEASE COMPANY AR Types are USUALLY 1 through 99.
Check Company Setup to make sure before running reports. (Utilities, Set Up Company, Lease Company Setup)

- Lease Customer Summary (Four separate reports)
  - All Active Lease AR Types
  - Bankrupt
  - Repo
  - Write Off/Charge Off
- Lease Inventory Lots 1-99
- Lease Report -- All Dates and AR Types
- Cash Sheet -- Lease -- Set option to 5, Lease Only -- All Dates and AR Types
- Sales Tax Report -- All dates and AR Types

RELATED FINANCE COMPANY (RFC) AR Types are USUALLY 50 through 99.
Check Company Setup to make sure before running reports. (Utilities, Set Up Company, Finance Company Setup)

- Finance Company Customer Summary: Run four separate reports.
  - All Active FC AR Types)
  - Write offs.
  - Bankrupt
  - Repossessions
- Cash Sheet (Printer output for Summary only, Detail Report save to file.)
  - For Finance Company Only -- All Dates and AR Types
- Adjustments Report
  - For Finance Company -- All Dates and AR Types
- Both the Standard AND Write-Off Repossession Reports
  - For Finance Company -- All Dates and AR Types
- Charge Off Report – Finance Company, All Dates.
- Purchased Notes Report - All Dates and AR Types
- Car Company Loss on Sale for Accountant - All Dates and AR Types.

Note: These are the “typical” reports requested by accountants and tax professionals.
If your CPA requests different parameters for the reports, run them however the CPA wants, AND use the parameters shown here. If you should change CPA’s later, and the new CPA wants it done the typical way, you will still have this version available.

Run these reports at least to PDF in advance of year-end to gain some familiarity with them and see if you have any questions about them. Please call or email us (Support@WayneReaves.com) before the last week of the year. We anticipate a very high volume of calls that week.

If you send an email, please include the Name and Account Number of the Dealership, as well as your name and a phone number to reach you.

OTHER YEAR END CONSIDERATIONS

AUDITING:
This is the best time to consider pre-auditing your business.
Start with these basic questions to ask as the Manager or Owner of the business:

- Do my Transaction Reports match my Bank Deposits?
- Is my bank account(s) ready to be reconciled?
- Have I authorized all non-payment transactions such as:
    - Voids
    - Credits
    - Other adjustments.
- Can I account for the entire Inventory? ***The IRS requires a physical inventory to be completed.***
    - Does the Master Inv Report reconcile to the As of a Date Report?
    - Units for Sale
    - Units on Hold (Repairs, Demos, Repo Holds)
- ALL Titles in hand or accounted for in the ETR system?
- Valuation Audit. (See below)
    - Unit Valuations (ACV) -- RECHECK all valuations now! Use NADA Values.
- Does the DMS have the most accurate valuation?
    - Are there any that seem suspiciously high or low?
    - Re-state value and report to CPA.
- Have any units devalued significantly?
    - Report these to CPA with original value and current value.
- Has the Car Lot paid the RFC for all Repos?
- Are there any Sales that seem unusual?

IRS Compliance:

- From 8300 Reports and Consumer Notifications.
- 1099-C and 1099-Misc
- Payroll ready for W2 forms? Fixed Cut-off date?
- Do we need updated W4 forms? (Yes, every year)
- I-9 Forms on file for every employee?

OTHER QUESTIONS:

- Do I have outstanding Receivables that need to be settled?
- Do I have outstanding Payables to be settled?
- Have I dealt with, or have a plan to deal with Property Taxes?
- Are there any questions I have for my CPA?
- **RFC:** Have I maintained the proper relationship distance with the car lot?
- Is it time to renew my State License?
- Is my advertising fulfilling my needs?
- Do I have a plan to operate for next year?
    - Marketing Planning
    - Sales Goals
    - Financial Planning
    - Staff Analysis
    - Average unit cost to sell. (AUCS) – See discussion below)

Special Note about Saving Deals: Avoid Cross-Period Reporting Issues!

If you enter a deal in late December 2025, and save it as a Pending Sale, (or Lease), then re-open this deal after January 1, 2026, and save it as a Completed Deal, you will have a cross-period reporting issue.

The Sale will have a 2025 date, and the income from the down payment (or cash payment or lien holder check) will have a 2026 date. Depending on the Sales Tax method, this deal may be reported as 2025 (Accrual Method) or 2026 (Cash Method). For Income Tax purposes, this will be a 2025 sale. However, your receipts, (the actual income) will be in 2026. The Account Receivable will have an opening date, and opening balance, show up in 2025 even though, for all practical purposes, this is a 2026 account.

To avoid this, on the last day of the year, re-open ALL Pending Sales, change the Deal, or Sale, Date to 1/1/2026. This will prevent you having to re-print and revise the reports you may have already turned over to your accountant.

Selling Accounts to the In-House Related Finance Company (RFC):

If your CPA advises that you do these for 2025, then make sure this is done before running these reports. Otherwise, both the Car lot and Finance Company Accounts Receivable reports will change. This also greatly affects both your Income and Sales Tax Reporting.

Remember that in Cash Method States, all the remaining Sales Tax is due and payable upon sale of the account.

This income, for both Income and Sales Tax purposes, is reported as having been collected on the date of sale of the account to the RFC.

Cash Method Sales Tax States:

It is important to remember also that regardless of the amount the Car Lot collected for the account, even if the entire Principal was not collected from the RFC, all remaining Sales Taxes are now payable. The Taxable Principal amount shown on the Sales Tax report will be the remaining taxes divided by the tax percentage.

CPA Help:

If your CPA has any questions for us about your reports or the program itself, have them call us before year-end. They will need to identify the dealership they are calling about. We do require the dealer to send an email to Support@waynereaves.com advising us of the CPA Name/Firm and that we have your authorization to talk to them about your business.

DESKTOP VFP USERS: NOW IS THE TIME TO UPGRADE!

Please go to waynereaves.com/upgrade to find out more.

Remember that we do not usually perform upgrades during “Tax Time” (January-March).

Year End Reporting (continued)

Final Thoughts and Notes:

Go to IRS.gov and get updated W-4 and I-9 forms. If your state Department of Revenue requires a form like the W-4, they can usually be found on the state DOR website.

Ask your CPA if this is the year to consider a Related Finance Company. If it is, you may have additional work to do with setting up the corporation, bank accounts, business licensing, and other setup work.

Average Unit Cost to Sell (AUCS):
Take your total administrative costs for the year and divide that amount by the number of cars sold. This number is the amount of money each unit costs you over and above related costs. It is good to keep this AUCS number in mind as you go into next year.

Related Costs are those things that can be attributed or tied to a specific unit, such as:

- Initial purchase or investment.
- Floor plan costs.
- Repairs, Maintenance, & Fuel.
- Commission.
- Tax & Title Fees.
- Casualty/ Charge off losses.

Administrative Costs are general expenses that affect every car, such as:

- Rent/Mortgage.
- Business, Property, and Income taxes Utilities (Lights, Internet, Phones)
- Business Office Equipment (Computers, printers, fax machines, supplies) Software/Website costs.
- Office and general lot salaries.
- Advertising.
- Professional / Legal Fees (Association Memberships, CPA, Attorney, etc.)

Your CPA can advise you on whether your admin costs are in line with your business model. You must set your pricing on sales to include this AUCS and set your profit targets accordingly.
This is an ideal time also to evaluate your cash flow position and decide whether to adjust the business needs or practices accordingly.

If you do not have a web presence, please consider it. More than 80% of used-car buyers, even at the sub-prime level, researched their purchase on the internet before committing to the deal.

Final Thoughts and Notes:

LEGAL COMPLIANCE:
Take time to evaluate your compliance with the FTC's Red Flags and Privacy Acts Rules. Here's a hint: Just printing the forms is not all there is. Download the acts and see if you are fully compliant. Get an attorney to help if you need it.

TECHNOLOGY:
Check out your business machine inventory and see if you need to update anything. This is actually a great time of year to buy computers and technology. Remember to go for business-class equipment. Home-use printers and bargain basement computers do not belong in a business. When buying computers, look for those with the Professional Versions of Windows. If you are not sure about a particular model, please get the specific brand and model number, and call Support. We can look it up and advise if it meets the specs.

Your primary business printer should be a business-class black and white Laser printer with PCL6 capability and Automatic Duplex. Look for one with an "Ethernet" connection if you need a Networked Printer.
Inkjet printers may not work well with our forms printing.
Wireless Printing is not supported or recommended.
If you only have one computer, get a second one (especially a good laptop) to use in case of emergency.
Make sure that this computer can run the programs needed.

Check your data backup plan.
Legacy Desktop users still need to back up their data and ensure that it is secure.
Online (DotNet) and ProDMS users do not need to back up the DMS data, but they do need to back up QuickBooks or Peachtree, documents, images, and other important programs on their computers.

You should have TWO backup plans.
We recommend physical backups (removable hard drives) as well as secure cloud-based backups.

Emergency Planning:
Develop an emergency plan to deal with natural/environmental disasters, such as fires, floods, storms, or any other event that endangers the physical location or prevents safe access to it.
This can include:

- Imaging all business records:
    - Employee files, business licenses, titles, or any other hard to replace critical documents.
    - Regular inventory, transactions, and receivables reports.

Password-protect any electronic file that holds sensitive information.

Store these images off-site both as a physical copy on a removable disk in a fire and water-proof safe, and in a secure cloud-based service. Update these as needed from time to time.

Create and distribute emergency contact lists for all employees and contractors. Update regularly. Make sure your staff has a plan to either evacuate if at the location, or what to do if still home.

Final Thoughts and Notes:

OTHER EQUIPMENT & ASSETS:

Do you own what you think you own? In other words, look at the equipment in the shop, such as tire machines, balancers, pressure washers, and other similar things.
Make a full inventory of these things, including serial numbers, photos of the equipment, and state a valuation of each item.

Evaluate the usefulness of each asset and decide if it will need replacement or major repairs during the upcoming year. Be prepared for these kinds of expenses. Discuss the purchase plan with your CPA before committing to it.

If you own lot vehicles such as tow trucks or car hauling trailers, you need to value and evaluate these vehicles, also. If your shop is slow this time of the year, take the opportunity to bring these assets in for Preventative Maintenance work and inspections. Don't let a $20 maintenance item become a $2000 major overhaul.
Be prepared to evaluate your cost of ownership vs cost of replacement.

Supply Inventory: What do you have versus what do you NEED?
Learning to do JIT (Just in Time) inventory management could save a lot of money.
The concept is, by analyzing your usage of a supply, and considering order and delivery time, you should only keep slightly more of a supply than you can restock. First, by controlling the availability of supplies, you can cut down on theft. By closer monitoring usage, you cut down on waste.
JIT can also cut down on storage requirements.

In closing, we at Wayne Reaves would like to say Thank You for being our customer. We appreciate your business, and we wish you every success in the upcoming year.

If we are not already your vital business partner, please call us today!

We would like to hear from you. Please contact us and let us know how we are doing.

Phone: 888-477-9707   Fax: 478-477-5062
On the Web at: WayneReaves.com   E-mail: Support@WayneReaves.com

We would appreciate your review if you experienced good service with us, to let others know about your experience! Please get the name of the person who helped you and go to one or all three of these sites and tell us how we did. Just click the buttons:

GOOGLE REVIEW   CAPTERRA REVIEW   FACEBOOK REVIEW