

THE HORN

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AAAMS Business Conference -- Hilton Head Island, SC

MARK YOUR CALANDERS!!! The 2018 AAAMS Business Conference will be held September 20-23, 2018, at The Hilton Head Marriott Resort & Spa, Hilton Head Island, SC. Business Conference Chair Richard Gerard, Jr., Washington, NC, will release the Conference Schedule and Registration/Room Reservation Information in the May 2018 issue of "The Horn". Please join us and experience the resort's wonderful island life. Let's make this conference one of our best and celebrate the Association's new name and rebranding efforts with the addition of Virginia parts distributors/suppliers!!!

N.C. Capitol Day—Raleigh, NC (May 23, 2018)

The 3rd Annual Capitol Day for North Carolina members of AAAMS has been rescheduled to Wednesday, May 23, 2018, in Raleigh. Attendees will walk the halls of the Legislative Building and Legislative Office Building and meet with legislators from throughout the state.

This event gives members an opportunity to introduce themselves and their businesses to these lawmakers. It also gives the members a chance to promote the automotive aftermarket industry in North Carolina and make legislators aware of the concerns and issues regarding our industry.

The day will begin at 8:00 am in the Conference Room of Vann & Attorneys, 1720 Hillsborough Street, Raleigh, with a briefing of the issues to be discussed with the legislators and their staffs, and conclude in the late afternoon at the Legislative Building after numerous visits. Lunch will be provided by the Association.

Please let Randy Lisk know at once if you will be able to attend...919-821-1314 or rlisk@aaamsonline.com.

LEGAL / LEGISLATIVE

IRS Issues New Form W-4 and Updates Tax Withholding Calculator

Alert employees to check their tax withholding and possibly file a new W-4

By Stephen Miller, CEBS 03/01/2018 with excerpts by Sherry Robertson, PHR, SHRM-CP, 03/08/2018

At the close of February, the IRS released an updated [tax withholding calculator](#) on [IRS.gov](#) and issued a new [Form W-4](#), Employee's Withholding Allowance Certificate. Employees can use the online calculator to check their 2018 tax withholding, following passage of the Tax Cuts and Jobs Act in December. If employees choose to adjust their withholding, they can now complete and submit the revised Form W-4 to their employer.

The IRS also posted new [Withholding Calculator Frequently Asked Questions](#).

"Following the major changes in the tax law, the IRS encourages employees to check their paychecks to help ensure they're having the right amount of tax withheld for their personal situation," Acting IRS Commissioner David Kautter said in a statement.

The new Act made changes to the tax law, including:

- Increasing the standard deduction
- Removing personal exemptions
- Increasing the child tax credit
- Limiting or discontinuing certain deductions
- Changing the tax rates and income brackets

The revised withholding tables will function with the old W-4 for 2018, so employers are NOT required to have all employees complete a new W-4. However, businesses should notify employees that using the withholding calculator at [IRS.gov](#) and, if necessary, submitting the new form W-4 to their payroll department may result in more accurate withholding.

FINE-TUNING WITHHELD TAXES

In January, the IRS released [updated income-tax withholding tables for 2018](#) that reflected changes made by the tax reform law. The IRS instructed employers to begin using the 2018 withholding tables as soon as possible but not later than Feb. 15.

The new W-4 instructions state that if you use the withholding calculator, you don't need to complete any of the worksheets for Form W-4. This was not stated on the previous W-4 and may indicate that the withholding calculator is the most reliable method to get taxpayers' withholding closer to their tax liability.

The withholding changes do not affect current, 2017 tax returns due this April.

A 'PAYCHECK CHECKUP'

With the average refund topping \$2,800, some taxpayers might prefer less tax withheld up front and receive more in their paychecks. Employees with simple tax situations might not need to make any changes. Employees with more complicated financial situations, however, might need to revise their W-4 to make sure they have the right amount of withholding. Among those who should check their withholding are employees who:

- ✦ Have two incomes or are in two-income families
- ✦ Work only part of the year
- ✦ Have dividends or capital gains from securities held in taxable accounts
- ✦ Claim the "Child Tax Credit", the "Earned Income Tax Credit", or other credits
- ✦ Itemized deductions in 2017
- ✦ Have high incomes and more complex tax returns

ADVICE TO EMPLOYEES

To change your withholding:

- Use your results from [this calculator](#) to help you complete a new [Form W-4](#), Employee's Withholding Allowance Certificate.
- Submit the completed Form W-4 to your employer as soon as possible. Withholding takes place throughout the year, so it's better to take this step as soon as possible

When using the IRS withholding calculator, employees will need to have their latest pay statement handy, as they will be asked to enter the federal income tax withheld from their last salary payment and the total federal income tax withheld to date in 2018. If employees follow the recommendations at the end of the calculator and change their withholding for 2018, remind them to recheck their withholding at the start of 2019 because a withholding rate adjusted in midyear 2018 will have a different full-year affect in 2019.

Federal Court Refuses to Hear Appeal of Decision Overturning R-134a Rule (Posted on February 21, 2018 in Auto Repair News)

On January 26, the U.S. Court of Appeals for the District of Columbia rejected an appeal that sought to dispute a previous decision regarding the U.S. Environmental Protection Agency's (EPA) ban of certain refrigerants, namely R-134a. The appeal was filed by competing refrigerant manufacturers Honeywell and Chemours, as well as the Natural Resource Defense Council, who supported EPA's decision to force companies to transition away from refrigerants with high global warming potential (GWP).

EPA issued a regulation in 2015 designating R-134a as an unacceptable substitute for ozone depleting substances in aerosol products and motor vehicle air conditioners, with bans commencing in 2016 and model year 2021 respectively. The court nullified these bans last summer, ruling that EPA lacked authority under the Section 612 Significant New Alternatives Policy (SNAP) to require companies to forego use of a substance previously approved under the program as an ozone-depleting product.

With the court deciding not to take up the appeal, EPA now must determine whether to abandon the entire SNAP rule altogether or undertake a new rulemaking to address the use of R-134a in motor vehicles and consumer products.

As stated previously, this ruling does not pertain to regulations from 2016 that prohibited the sale of R-134a to non-certified individuals, which took effect January 1, 2018. The exemption remains for under two-pound containers of R-134a equipped with self-sealing valves and retailers are able to sell through non-complying products produced prior to the effective date.

MANAGEMENT NOTES

Knowing What You Have to Get What You Need

By Carl Rogers, Rogers & Assoc.

For many business owners, building their successful businesses began by accurately determining what they had. Whether their businesses provide products, services, or ideas, the success they experienced didn't come to them blindly. It likely took years of refinement, study, and analysis to figure out the best way to establish and deliver the thing that makes the business successful. The same is true when discussing business exits.

As owners set their business exit goals, they may find that the resources that they currently have do not allow a financially independent business exit. That is, if those owners were to exit their businesses with their current resources, they would likely need to go back to work at some point to stay personally solvent. For those owners, a business exit is less a retirement and more of a headfirst dive into a pool of new challenges and opportunities. When they dive headfirst into that new phase, they want to make sure there's enough water in the pool to keep them afloat after they've jumped.

Owners who exit their businesses on their terms and who can dictate how they spend their post-exit lives tend to show similar patterns of action. After they establish what their business exit goals are, they evaluate the resources they currently have versus the resources they believe they will need to achieve a financially independent future beyond the current business. The difference between what you have now and what you need for financial freedom is called the *Asset Gap*.

Sometimes, the Asset Gap is small or non-existent. Many owners believe that they fall into this bucket. They believe that they have more than they will need or that their businesses are worth more than they are. However, it's much more common for owners to discover—sometimes too late in the process of exiting their businesses—that they've overestimated what their businesses are worth to a potential buyer while underestimating what they need to live the post-exit life they desire. How does this happen?

Overestimation of the business' value occurs when owners take a biased view of their companies and assume that their companies are worth as much or more than similar companies, possibly based on an assumed rule of thumb that doesn't really exist. It makes sense that owners fall into this mind-set: They've often built their

6) Member Perks- because we protect millions. Many businesses offer discounts to our members on their name brand products and services.

Nick Sullivan, Independent Associate-LegalShield, 919-995-7612, is available if any members have questions regarding IDShield or the LegalShield program in general.

INDUSTRY NEWS

How Will AVs Impact the North American Automotive Aftermarket?

By TireReview.com

With the advent of connected cars, the North American automotive landscape is witnessing steady change.

But what is leading the market to that change?

Since 2010, the industry has seen an increase in advanced driver assistance components in vehicles as interest in autonomous technology increases, a Research and Markets report found. And the trend of intelligent mobility will become more prevalent once semi-autonomous vehicles gain more momentum by the end of 2020, lowering the number of vehicles without driver assistance components.

The total number of ADAS-enabled and autonomous cars on the road expected to increase from 9% in 2017 to 82% in 2030. The increased adoption of ADAS and autonomous vehicles will come with as the more emphasis is put on their safety and green technology. Regular wear items, such as tires and brake pads, are likely to record declining replacement rates. Maintenance trends are anticipated to evolve as these vehicles will require less but more advanced maintenance, such as over-the-air (OTA) and app updates.

The report says the growing adoption of intelligent mobility from 2020 to 2030 will ensure fewer collisions and fewer repairs. For the automotive aftermarket, changes in parts and maintenance trends, collision service and other aspects are on the horizon.

Key impact areas of the automotive aftermarket, the report predicts, are eco-driving, shared mobility, collision avoidance, congestion mitigation, connected maintenance, insurance incentives and service complexity.

Late-Night TV Celebrities Ranked by Car Owners Most Trusted To Work on Their Cars

If you could pick a late-night television celebrity to work on your car, there is a good chance his first name would be Jimmy. In a survey of more than 20,000 vehicle owners across the country, the results show that Jimmy Kimmel and Jimmy Fallon top the list, says the non-profit Car Care Council.

“April is National Car Care Month and with trust being a strong determining factor in choosing care maintenance and repair professionals, we thought it would be fun to ask vehicle owners which late-night TV host they would trust most work on their cars,” said Rich White, executive director, Car Care Council. “As the results poured in, the two Jimmys were polling neck and neck, but in the end, Kimmel edged out Fallon for the ‘most trusted to work on my car’ title.”

The survey, conducted by [IMR Inc.](#), an automotive market research company, polled over 22,000 vehicle owners throughout the country who were asked to choose which late-night celebrity host they would trust most to work on their car. The final results were as follows:

Jimmy Kimmel	27.6%
Jimmy Fallon	27.4%
Stephen Colbert	19.6%
Trevor Noah	14.3%
James Corden	11.2%

“We appreciate IMR Inc. donating valuable space on their quarterly consumer auto maintenance study to help the Car Care Council draw attention to National Car Care Month and the benefits of regular vehicle care, maintenance and repair,” said White.

Bill Thompson, president of IMR, commented, “We had a blast working with the council on this project. This was a really fun question to add for our respondents. Judging by the number who responded, they were eager to voice their opinion on their favorite late-night host. We watched the results as they came in nearly every day.”

Celebrity preferences aside, the Car Care Council recommends asking six simple questions to help identify the right auto repair shop to properly care for one of your most valuable assets, your car.

1. Does the business employ ASE-certified technicians? Credentials and affiliations are indicators of professionalism and the management’s commitment to training and education.
2. Is the shop and customer waiting area clean and organized? Cleanliness and organization are signs of a well-run business.
3. Are customers greeted and treated in a friendly and respectful manner? Many auto repair businesses excel in the area of customer service and satisfaction. A simple phone call to the shop to inquire about their services can give you a glimpse of how they treat customers.
4. Does the business provide a written estimate? The business should complete a written estimate and request your signature prior to starting any repairs on your car.
5. Does the business offer a warranty? Most auto repair businesses offer a warranty on parts and labor and the warranty is usually in writing or posted in the waiting area.
6. Does the business have a list of satisfied customers or references that it is willing to give you?

Satisfied customers and recommendations from family, friends and neighbors are helpful in finding a good shop. Many auto repair facilities also have company websites that are worth checking out as they often include testimonials and additional information about the business.

AAAMS NEWS

Business closing in Southwestern N.C.

Equipment for sell (75 ton hydraulic press, drum lathe, Gate hose crimper, and more). Truck parts ranging from air brakes, exhaust products, trailer parts. Wix Filters, brake relining materials, welding supplies, Gates hydraulic products, and more. Contact Randy for more information...1-800-849-8037!!

Win 4 Tickets To The NASCAR Race In Daytona

Thanks to our friend Rich Blose at Interstate Batteries we are offering 4 free tickets to the NASCAR race in Daytona on July 22nd. The tickets include the Interstate hospitality, pit tours, and meet Kyle Busch, Joe Gibbs, and the pit crew!

All AAAMS members in good standing are eligible to win. ONE entry per “full” AAAMS membership (branch stores are not included). Contest will close on July 6th and the winner will be selected through a random number generator program. The winner will be notified the following week.

To enter please email the following information to rlik@aaamsonline.com:

- 1) Company Name
- 2) Contact Name
- 3) Email Address
- 4) Phone Number

GOOD LUCK !!!

Memorial Day

The AAAMS Office will be closed on Monday, May 28, 2018, in observance of Memorial Day.

— Randy Lisk, Executive Vice President