



MAILING ADDRESS: P.O. BOX 2955 ♦ HARRISBURG, PA 17105-2955
SHIPPING ADDRESS: 1925 NORTH FRONT ST. ♦ HARRISBURG, PA 17102
717-255-8311 ♦ 800-242-3745

PENNSYLVANIA AUTOMOTIVE ASSOCIATION

April 22, 2010

TO: Pennsylvania GM Dealers
FROM: Chad Marsar, Esq., PAA Vice President Legal and Regulatory Affairs
SUBJECT: GM Requiring Additional Information from PA Department of Revenue for Wind-downs

Additional Requirements

If your dealership received a wind-down agreement from GM, this letter is intended to provide additional guidance on obtaining the final wind-down payment amount from GM.

In order to receive the final wind-down payment amount, GM requires wind-down dealers, amongst other requirements, to comply “with all applicable bulk transfer, sales tax transfer or similar laws.” On Tuesday, PAA sent out information on obtaining a tax clearance certificate from the Department of Labor & Industry regarding unemployment compensation taxes.

The Pennsylvania Department of Revenue (“DOR”) has ruled that Pennsylvania’s Fiscal Code is not applicable to the wind-down transaction. In addition to the DOR ruling, GM is requesting a Lien Certificate, for corporate taxes, and a Statement of Account, for sales and use tax from the DOR.

PAA has worked with the DOR to establish a similar, expedited process to the one in place for Labor & Industry. Once the effective date of the termination of the GM franchise occurs, then dealers should send letters to both the Department of Revenue and the Department of Labor & Industry requesting the necessary items.

Department of Revenue

To request a Lien Certificate and a Statement of Account, from the DOR, wind-down dealers should mail a letter, on company letterhead, to the address below.

In the letter the wind-down dealer must indicate that: **“A Lien Certificate and a Tax Status Letter/Statement of Account are requested as a requirement by General Motors as a result of receiving a Wind-Down Agreement. We authorize you to research the following tax accounts.”**

The letter must also contain the:

- 1.) dealership’s corporate and/or business name;
- 2.) business address;
- 3.) Federal Employer Identification Number;
- 4.) Sales Tax Account Number;
- 5.) Employer Withholding Account Number;
- 6.) Corporate Box Number/PA Account ID Number (if unknown state “unknown”);
- 7.) contact name, title and contact phone number;
- 8.) fax number – where response should be sent; and
- 9.) letter of request must be signed by owner or officer of dealership.

The fee required for obtaining a Lien Certificate is **\$2.00**. A check should be mailed with your request and be made out to the Pennsylvania Department of Revenue.

The information should be sent to:

Richard Railing
PA Department of Revenue – Bureau of Compliance
Dept. 280946
Harrisburg, PA 17128-0946

Department of Labor & Industry

To request a Tax Clearance Certificate from the Department of Labor & Industry regarding unemployment compensation taxes, wind-down dealers should mail or fax a letter, on company letterhead, to the address below.

In the letter the wind-down dealer must indicate that a **Clearance Certificate is requested due to the Wind-Down Agreement with General Motors**. The letter must also contain the:

- 1.) dealership's corporate and/or business name;
- 2.) business address;
- 3.) federal employer identification number; and
- 4.) the dealership's PA UC account number.

The information should be sent to:

R. Scot Miedrich, Director
Office of Unemployment Compensation Tax Services
PA Department of Labor & Industry
651 Boas Street Room 915
Harrisburg, PA 17121
Fax: 717-787-7821

Please note that General Motors is requiring that the Tax Clearance Certificate issued by the Department of Labor & Industry and the Lien Certificate and a Statement of Account issued by the Department of Revenue all be dated after the effective date of the termination of your GM Dealer Agreement.

Upon your receipt of the above items, copies should be provided to your contact at the General Motors Dealer Contractual Group. In addition, if you wish, copies may be provided by e-mail directly to General Motors' outside legal counsel, as follows:

Robert H. Patterson, Esq.
Lowe, Fell & Skogg, LLC
Phone: 720.932.2624
E-mail: rpatterson@lfslaw.com

If you require any additional information on this process, please contact me at 717-255-8311 ext. 3379.