

CREDIT ACCEPTANCE CORPORATION
Form 11-K
November 16, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

FOR ANNUAL REPORTS OF EMPLOYEE STOCK
REPURCHASE SAVINGS AND SIMILAR PLANS
PURSUANT TO SECTION 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934

For the fiscal year end December 31, 2003

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the transition period from _____ to _____

Commission File Number: 000-20202

A. Full title of the plan and the address of the plan, if different from that
of the issuer named below:

CREDIT ACCEPTANCE CORPORATION 401(k) PROFIT SHARING PLAN AND TRUST

B. Name of issuer of the securities held pursuant to the plan and the address
of its principal executive office:

CREDIT ACCEPTANCE CORPORATION

25505 West Twelve Mile Road, Suite 3000
Southfield, Michigan 48034-8339

CREDIT ACCEPTANCE CORPORATION
401(K) PROFIT SHARING PLAN AND TRUST

TABLE OF CONTENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

FINANCIAL STATEMENTS:

Statements of Assets Available for Benefits as of December 31, 2003 and 2002

Statement of Changes in Assets Available for Benefits for the Year Ended December 31, 2003

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Notes to Financial Statements

SUPPLEMENTAL SCHEDULES:

Form 5500, Schedule H, Part IV, Line 4i -- Schedule of Assets (Held at End of Year) as of December 31, 2003

Form 5500, Schedule G, Question 4a -- Delinquent Participant Contributions for the Year Ended December 31, 2003

All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

SIGNATURES

EXHIBIT INDEX

2

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Plan Administrator
Credit Acceptance Corporation
401(k) Profit Sharing Plan and Trust

We have audited the accompanying statements of assets available for benefits of Credit Acceptance Corporation 401(k) Profit Sharing Plan and Trust (the "Plan") as of December 31, 2003 and 2002, and the related statement of changes in assets available for benefits for the year ended December 31, 2003. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2003 and 2002, and the changes in net assets available for benefits for the year ended December 31, 2003 in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedules of assets held at year end as of December 31, 2003 and delinquent participant contributions for the year ended December 31, 2003, are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedules are the responsibility of the Plan's management. Such supplemental schedules have been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the basic financial statements

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taken as a whole.

/s/ Deloitte & Touche LLP

Detroit, Michigan
October 1, 2004

3

CREDIT ACCEPTANCE CORPORATION
401(K) PROFIT SHARING PLAN AND TRUST

STATEMENTS OF ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2003 AND 2002

	2003	2002
	-----	-----
ASSETS:		
Investments -- at fair value:		
Investments	\$ 5,527,944	\$ 3,535,502
Participant loans	200,387	164,509
	-----	-----
Total investments	5,728,331	3,700,011
Receivables:		
Employer contributions	5,118	6,105
Participants contributions	84,202	60,403
Other	(265)	273
	-----	-----
Total receivables	89,055	66,781
	-----	-----
ASSETS AVAILABLE FOR BENEFITS	\$ 5,817,386	\$ 3,766,792
	=====	=====

See notes to financial statements.

4

CREDIT ACCEPTANCE CORPORATION
401(K) PROFIT SHARING PLAN AND TRUST

STATEMENT OF CHANGES IN ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2003

ADDITIONS TO NET ASSETS ATTRIBUTED TO:	
Interest and dividends	\$ 49,947
Net appreciation of investments	1,003,495

Net investment income	1,053,442

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Contributions:	
Employer	131,700
Participants	1,053,820
Rollovers	101,873

Total contributions	1,287,393

Total additions	2,340,835
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:	
Loan fees paid by participants	5,675
Benefits paid to participants	281,520
Other fees	3,046

Total deductions	290,241

Net increase	2,050,594
ASSETS AVAILABLE FOR BENEFITS:	
Beginning of year	3,766,792

End of year	\$5,817,386
	=====

See notes to financial statements.

5

CREDIT ACCEPTANCE CORPORATION
401(K) PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2003 AND 2002

1. DESCRIPTION OF THE PLAN

The following brief description of the Credit Acceptance Corporation (the "Company") 401(k) Profit Sharing Plan and Trust (the "Plan"), provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

GENERAL -- The Plan is a defined contribution plan available to all salaried and hourly-rated employees of the Company who have 90 days of service and are age 21 or older. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

CONTRIBUTIONS -- Participants may contribute up to 20% of their annual compensation, subject to current Internal Revenue Service ("IRS") limitations of \$12,000 and \$11,000 in 2003 and 2002, respectively, and other limitations based upon the participants' compensation level. Contributions withheld from an employee's pay on a pretax basis are not taxable until withdrawn from the Plan by the participant. The Company makes matching contributions equal to \$0.50 for every \$1.00 of elective deferred contributions made by each active participant, not to exceed \$1,250 annually. Prior to January 1, 2004, the Company made matching

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contributions equal to \$0.25 for every \$1.00 of elective deferred contributions made by each active participant, not to exceed \$625 annually. Other contributions made by the Company are at its discretion.

PARTICIPANT ACCOUNTS -- Each participant's account is credited with the participant's contribution and an allocation of the Company's contribution and Plan earnings. Allocations are based on participant earnings or account balances, as defined by the Plan.

VESTING -- Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in the Company contributions portion of their accounts plus earnings thereon is based on years of continuous service. A participant is 100% vested after six years of credited service.

LOANS -- Subject to predefined conditions and terms, a participant may borrow from their fund accounts up to 50% of the participant's vested fund balance, not to exceed \$50,000.

PAYMENT OF BENEFITS -- On termination of service due to death, disability or retirement, a participant may elect to receive the value of the participant's vested fund balance in either a lump-sum amount or in installment payments.

6

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION -- The accompanying financial statements have been prepared on the accrual basis of accounting.

USE OF ESTIMATES -- The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets available for benefits and the reported amounts of additions and deductions from assets available for benefits during the reported period. Actual results could differ from those estimates. The Plan invests in various securities including U.S. Government securities, corporate debt instruments and corporate stocks. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of assets available for plan benefits.

VALUATION OF INVESTMENTS AND INCOME RECOGNITION -- Investments are recorded at fair value as determined by the trustee of the Plan using quoted market prices. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

PAYMENTS OF BENEFITS -- Benefits are recorded when paid.

EXPENSES -- Plan expenses (other than loan fees) are paid by the Company.

3. INVESTMENTS

ABN Amro Trust Services Company ("ABN") is the Plan trustee. As of December 31, investments representing 5% or more of the Plan's assets are as follows:

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	2003	2002
	-----	-----
ABN Amro S&P 500 Index	\$ 951,783	\$ 635,457
Euro-Pacific Growth Fund	756,168	440,894
ABN Amro Income Plus Fund	740,520	666,990
ABN Amro Balanced Fund	685,361	554,808
Veredus Aggregate Growth Fund	646,804	330,252
Franklin Balance Sheet	523,174	326,896
ABN Amro Growth Fund	306,100	175,735
ABN Amro Bond Fund	275,881	235,902
Other	642,153	168,568
	-----	-----
Total investments	\$5,527,944	\$3,535,502
	=====	=====

7

During the year ended December 31, 2003 the Plan's mutual fund investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows:

ABN Amro S&P 500 Index	\$ 203,512
Veredus Aggregate Growth Fund	177,069
Euro-Pacific Growth Fund	167,990
Franklin Balance Sheet	114,764
Credit Acceptance Stock Fund	97,103
ABN Amro Balanced Fund	85,243
ABN Amro Growth Fund	49,794
ABN Amro Mid Cap Fund	49,361
ABN Amro Income Plus Fund	31,231
Washington Mutual	29,317
ABN Amro Bond Fund	(1,889)

Net appreciation of investments	\$ 1,003,495
	=====

4. RELATED PARTY TRANSACTIONS

Certain Plan investments are shares of mutual funds managed by ABN Amro Trust Services Company. ABN Amro Trust Services Company is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for investment management services were included as a reduction of the return earned on each fund.

5. PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

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6. TAX STATUS

The Company has adopted a standardized prototype plan sponsored by ABN. The IRS has issued a favorable opinion letter dated August 30, 2001, in regards to the ABN prototype plan. The plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. As such, no provision for income taxes has been included in the Plan's financial statements.

8

7. NONEXEMPT PARTY-IN-INTEREST TRANSACTIONS

The Company remitted the March 2003 participant contributions of \$105,223 to the trustee on April 22, 2003, which was later than required by Department of Labor ("DOL") Regulation 2510.3-102.

The Company remitted the May 2003 participant contributions of \$94,771 to the trustee on July 1, 2003, which was later than required by DOL Regulation 2510.3-102.

The Company will file Form 5330 with the Internal Revenue Service and pay the required excise tax on the transactions. In addition, participant accounts will be credited with the amount of investment income which would have been earned had the participant contributions been remitted on a timely basis.

The Company remitted the December 2002 participant contributions of \$73,279 to the trustee on January 28, 2003, which was later than required by DOL Regulation 2510.3-102. The Company filed Form 5330 with the Internal Revenue Service and paid the required excise tax on the transaction. In addition, participant accounts were credited with the amount of investment income which would have been earned had the participant contribution been remitted on a timely basis.

9

SUPPLEMENTAL SCHEDULES

10

CREDIT ACCEPTANCE CORPORATION
401(K) PROFIT SHARING PLAN AND TRUST

FORM 5500, SCHEDULE H, PART IV, LINE 4i
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2003

(a)	(b) IDENTITY OF ISSUE	(c) DESCRIPTION OF INVESTMENT	(e) CURRENT VALUE
*	ABN Amro Trust Service Company:		
*	ABN Amro Income Plus Fund	Mutual Fund	\$ 740,52

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*	ABN Amro Bond Fund	Mutual Fund	275,88
*	ABN Amro Balance Fund	Mutual Fund	685,36
*	ABN Amro S&P 500 Index	Mutual Fund	951,78
	Franklin Balance Sheet	Mutual Fund	523,17
*	ABN Amro Growth Fund	Mutual Fund	306,10
	Veredus Aggregate Growth Fund	Mutual Fund	646,80
	Euro-Pacific Growth Fund	Mutual Fund	756,16
	Washington Mutual	Mutual Fund	202,95
*	ABN Amro Mid Cap Fund	Mutual Fund	234,17
	Liquidity Fund	Mutual Fund	9
*	Credit Acceptance Stock Trust	Stock Trust	204,92

	Total investments		5,527,94
*	Loans to participants, 7.45% to 11.50% maturing at various dates not exceeding five years		200,38

	TOTAL INVESTMENTS		\$ 5,728,33
			=====

* Party-in-interest

11

CREDIT ACCEPTANCE CORPORATION
401(k) PROFIT SHARING PLAN AND TRUST

FORM 5500, SCHEDULE G, QUESTION 4a --
DELINQUENT PARTICIPANT CONTRIBUTIONS
DECEMBER 31, 2003

QUESTION 4a, "DID THE EMPLOYER FAIL TO TRANSMIT TO THE PLAN ANY PARTICIPANT
CONTRIBUTIONS WITHIN THE TIME PERIOD DESCRIBED IN 29 CFR 2510.3-102," WAS
ANSWERED "YES."

IDENTITY OF PARTY INVOLVED	RELATIONSHIP TO PLAN, EMPLOYER OR OTHER PARTY-IN-INTEREST	DESCRIPTION OF TRANSACTIONS
Credit Acceptance Corporation	Employer/Plan Sponsor	Participant contributions for employees were not funded within the time period prescribed by D.O.L. Regulation 2510.3-102. The December 2002 participant contribution was deposited on January 28, 2003.
		Participant contributions for employees were not funded within the time period prescribed by D.O.L. Regulation 2510.3-102. The March 2003 participant contribution was deposited on April 22, 2003.
		Participant contributions for employees were not funded within the time period prescribed by D.O.L. Regulation 2510.3-102. The May 2003 participant contribution was deposited on July 1, 2003.

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees of the Credit Acceptance Corporation 401(k) Profit Sharing Plan and Trust (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

CREDIT ACCEPTANCE CORPORATION
401(k) PROFIT SHARING PLAN AND TRUST

Date: November 16, 2004

By: /s/ Douglas W. Busk

Douglas W. Busk
Treasurer

EXHIBIT INDEX

EXHIBIT NUMBER -----	DESCRIPTION -----
23.1	Consent of Deloitte & Touche LLP