

MCCLUSKEY KEITH P
Form 4
August 23, 2006

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
MCCLUSKEY KEITH P

2. Issuer Name and Ticker or Trading Symbol
CREDIT ACCEPTANCE CORPORATION [CACC]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
25505 WEST TWELVE MILE ROAD
(Street)
SOUTHFIELD, MI 48034
(City) (State) (Zip)

3. Date of Earliest Transaction (Month/Day/Year)
08/21/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
President

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
____ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
				(A) or (D)	Price			
				Code	V	Amount		
Common Stock	08/21/2006		M		63,303	A	\$ 6.09 63,303	D
Common Stock	08/21/2006		D		63,303	D	\$ 27.293 0	D
Common Stock	08/22/2006		M		3,000	A	\$ 6.09 3,000	D
Common Stock	08/22/2006		D		3,000	D	\$ 27.4 0	D
Common Stock							110,140 ⁽¹⁾	D

Common Stock	83,166	I <u>(2)</u>	By limited liability company
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 6.09	08/21/2006		M	63,303	04/19/2001 04/19/2011	Common Stock 63,303
Employee Stock Option (right to buy)	\$ 6.09	08/22/2006		M	3,000	04/19/2001 04/19/2011	Common Stock 3,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MCCLUSKEY KEITH P 25505 WEST TWELVE MILE ROAD SOUTHFIELD, MI 48034			President	

Signatures

/S/ Keith P.
McCluskey 08/23/2006

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Includes 68,306 shares of restricted stock under the Company's Incentive Compensation Plan. The shares will vest in full or in part based on the Company's satisfaction of certain performance-related criteria.
- (2) Shares are owned by a limited liability company in which Mr. McCluskey has a 80% interest.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.