

CREDIT ACCEPTANCE CORPORATION
 Form 4
 August 21, 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

3. Date of Earliest Transaction (Month/Day/Year)
 08/17/2006

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

(Street)
 SOUTHFIELD, MI 48034

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

(City) (State) (Zip)

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)	
				Code	V	Amount				(A) or (D)
Common Stock	08/17/2006		M			50,400	\$ 6.09	50,400	D	
Common Stock	08/17/2006		D			50,400	\$ 27.268	0	D	
Common Stock	08/18/2006		M			19,363	\$ 6.09	19,363	D	
Common Stock	08/18/2006		D			19,363	\$ 27.274	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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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)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Employee Stock Option (right to buy)	\$ 6.09	08/17/2006		M	50,400	04/19/2001	04/19/2011	Common Stock	50,400
Employee Stock Option (right to buy)	\$ 6.09	08/18/2006		M	19,363	04/19/2001	04/19/2011	Common Stock	19,363

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

08/21/2006

**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.

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