

SAM—GENERAL LEDGER ACCOUNTS

ACCOUNT NO. 4220, LEASE/PURCHASE CONTRACTS
(Revised 9/90)

10458

Normal Balance: **Credit**

Purpose: This account shows the long-term liability applicable to the principal on capital lease (lease-purchase) contracts. As claims are filed for lease payments, the account balance is reduced by the amount of payment applicable to the principal, excluding any interest, maintenance or other operating costs.

Subsidiaries: File of lease-purchase contracts.

Normal Entries:

Entry No.	Debits	Entry No.	Credits
23.	Claims are filed for payments on capital leases (lease-purchase) contracts.	22.	Capital lease (lease-purchase) contract is executed.