

SAM – GENERAL LEDGER ACCOUNTS

**ACCOUNT NO. 4220,
LEASE/PURCHASE CONTRACTS**
(Revised 9/1990)

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:

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