

## SAM—STANDARD ENTRIES

### ENTRY NO. 23 - [CLAIM IS FILED FOR PAYMENT ON INSTALLMENT PURCHASE OR CAPITAL LEASE CONTRACT]

10523

(Revised 10/2015)

This entry is made when a claim is filed for payment on installment purchase or capital lease (lease-purchase) contract. Note: This entry would normally be included in Entry No. 3. It is shown here separately for clarity.

**Information:**

At the time an installment purchase or capital lease (lease-purchase) contract is executed an asset is recorded in the Capital Asset Group of Accounts for the principal amount of the contract along with a long-term liability, see Entry No. 22. As claims are filed for contract payments, the total amount of the claim is charged to expenditures. However, the liability is reduced only for the amount of the payment applicable to the principal, excluding any interest, maintenance, or other operating costs.

**Source Document:**

Claim Schedule

**Journal Entry for General Ledger Accounts:**

Debit:

4210 Installment Contracts Payable a/

4220 Lease-Purchase Contracts a/

Credit:

2920 Amount to be Provided for Other Long-Term Debt a/

**AND**

Debit:

9000 Appropriation Expenditures b/

Credit:

3020 Claims Filed b/

a/ amount of payment made on contract excluding any interest, maintenance or other operating costs.

b/ total amount of claim.