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AIPB Releases Fourth Edition of Accounting Reference, *The Encyclopedia of Journal Entries*

ROCKVILLE, MD, August, 2004 — The American Institute of Professional Bookkeepers (AIPB) has released the Fourth Edition of *The Encyclopedia of Journal Entries*. The 22-section, 663-page, \$97 reference has just been updated to comply with the most recent FASB statements.

The *Encyclopedia* presents over 1,000 journal entries with explanations of the entry as well as exceptions and qualifications under GAAP.

All categories of journal entries are offered, from Inventory journal entries to Investments journal entries, Cost Accounting to Current Liabilities, Leases to Long-Term Liabilities, Partnerships to Pensions and Postretirement Benefits. Also included are journal entries for estates and trusts, foreign currency transactions, and branch and home office, and 12 other categories.

For ease of use, the *Encyclopedia* includes a 44-page topic index, and a 9-page account title index defines each account used by type (liability, adjunct liability, contra liability, etc.).

The *Encyclopedia* was prepared and reviewed by 38 PhDs in accounting, almost all of whom are also CPAs, under the guidance of Editor Gordon S. May, MBA, PhD, CPA, J.M. Tull School of Accounting (Emeritus), University of Georgia

“The *Encyclopedia* can save the busy accountant dozens—even hundreds—of hours trying to figure out complex or unfamiliar journal entries or accounting principles,” says Dr. May. “For accountants who work with or for any businesses, it can be a life saver.”

Each journal entry is qualified by its specific use. For example, the journal entries for adjusting inventory and recording cost of goods sold specify whether the particular entry is for merchandising or manufacturing inventory under the periodic or perpetual method.

The *Encyclopedia* includes basic journal entries, such as for an NOL carryback . . .

Net Operating Loss Carrybacks

Net operating losses may be carried back 3 years and forward 15 years to offset taxable income in those periods. (The taxpayer may elect not to carry back and to only carry forward.) An amended tax return must be filed for each year to which an NOL is carried back in order to claim refunds for taxes paid in those years. The NOL carried back must be applied to the earliest year first (e.g., if the current period is 2004, then the NOL must be used to reduce the taxable income of 2001 first). If any NOL remains, it is then applied to the next earliest year (e.g., the NOL would next be used to reduce the taxable income of 2002). If any NOL still remains, it is next applied to the year immediately preceding the loss (e.g., the NOL would next be used to reduce the taxable income of 2003). Finally, if any NOL remains, it may be carried forward for up to 15 years.

***Income Tax Refund Receivable xxxx**
Benefit Due To Loss Carryback xxxx
To record the tax effect of an NOL carryback

* The amount of the income tax refund receivable equals the amount of prior years' taxes refundable due to the NOL carryback.

. . .and more complex journal entries, such as for sale and leaseback for an asset for a seller-lessee:

Recording Sale and Leaseback of Asset by the Seller-Lessee

Cash	XXXX		
*Accumulated Depreciation - Equipment		XXXX	
*Equipment		XXXX	
**Unearned Profit On Sale-Leaseback Transaction			XXXX
To record sale and leaseback of asset			

* Equipment (or other asset account) is credited and Accumulated Depreciation is debited sufficiently to remove the carrying value of the asset sold.

** The unearned profit is found by subtracting the carrying value of the asset sold from the selling price.

*Leased Equipment Under Capital Leases	XXXX
*Liability Under Capital Leases	XXXX
To record leaseback agreement	

* The amount for this entry is found as described in journal entry GEN14000.3.1.1.

The sections of the *Encyclopedia* are as follows:

1. Accounting Cycle
2. Cash
3. Accounts and Notes Receivable
4. Inventories
5. Property, Plant, and Equipment
6. Intangible Assets
7. Current Liabilities
8. Long-Term Liabilities
9. Stockholders' Equity
10. Investments
11. Revenue Recognition
12. Income Tax
13. Pensions and Postretirement Benefits
14. Leases
15. Accounting Changes and Error Correction
16. Cost Accounting
17. Business Combinations
18. Branch and Home Office
19. Foreign Currency Transactions
20. Reorganization and Liquidation
21. Partnerships
22. Estates and Trusts

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The *Encyclopedia* is available from the American Institute of Professional Bookkeepers at www.aipb.org (click on "Continuing Education) or by calling 1-800-622-0121. \$97 + \$4.50 s/h. 663 pages. AIPB, Suite 500, 6001 Montrose Road, Rockville, MD 20852.

AIPB is the national association and certifying body for bookkeepers, founded in 1987, currently with 30,000 members.