Ex. 13–12

a.	Aug.	30	Treasury Stock (17,500 × $42)	735,000	
			Cash		735,000
	Oct.	31	Cash (14,000 × $45)	630,000	
			Treasury Stock (14,000 × $42)		588,000
			Paid-In Capital from Sale of Treasury Stock		42,000
	Nov.	10	Cash (2,000 × $48)	96,000	
			Treasury Stock (2,000 × $42)		84,000
			Paid-In Capital from Sale of Treasury Stock		12,000

b. $54,000 ($42,000 + $12,000) credit

c. $63,000 (1,500 × $42) debit

d. The balance in the treasury stock account is reported as a deduction from the total of the paid-in capital and retained earnings.

Ex. 13–13

a.	July	15	Treasury Stock (24,000 × $60)	1,440,000	
			Cash		1,440,000
	Aug.	10	Cash (19,000 × $63)	1,197,000	
			Treasury Stock (19,000 × $60)		1,140,000
			Paid-In Capital from Sale of Treasury Stock		57,000
	Dec.	18	Cash (5,000 × $56)	280,000	
			Paid-In Capital from Sale of Treasury Stock	20,000	
			Treasury Stock (5,000 × $60)		300,000

b. $37,000 ($57,000 – $20,000) credit

c. Stockholders' Equity section

d. Sweet Water Inc. may have purchased the stock to support the market price of the stock, to provide shares for resale to employees, or for reissuance to employees as a bonus according to stock purchase agreements.