Prob. 13–5A

Jan.	3	No entry required. The stockholders ledger would be revised to record the increased number of shares held by each stockholder.		
Feb.	20	Treasury Stock (50,000 × $32)	1,600,000	
		Cash		1,600,000
May	1	Cash Dividends	73,000*	
		Cash Dividends Payable		73,000
		*(30,000 × $0.80) + [(400,000 – 50,000) × $0.14]		
June	1	Cash Dividends Payable	73,000	
		Cash		73,000
Aug.	5	Cash (42,000 × $39)	1,638,000	
		Treasury Stock (42,000 × $32)		1,344,000
		Paid-In Capital from Sale of Treasury Stock (42,000 × $7)		294,000
Nov.	15	Cash Dividends	82,800*	
		Cash Dividends Payable		82,800
		*(30,000 × $0.80) + [(400,000 – 8,000) × $0.15]		
	15	Stock Dividends (7,840 × $40)	313,600**	
		Stock Dividends Distributable (7,840 × $25)		196,000
		Paid-In Capital in Excess of Par—Common Stock (7,840 × $15)		117,600
		**(400,000 – 8,000) × 2% × $40		
Dec.	31	Cash Dividends Payable	82,800	
		Cash		82,800
	31	Stock Dividends Distributable	196,000	
		Common Stock		196,000