

1. Ephram Company has 3,000 shares of 5%, \$100 par non-cumulative preferred stock outstanding at December 31, 2011. No dividends have been paid on this stock for 2010 or 2011. Dividends in arrears at December 31, 2011 total
 - a. \$0.
 - b. \$1,500.
 - c. \$15,000.
 - d. \$30,000.

2. Rebel Inc. issued 3,000 shares of no-par common stock with a stated value of \$3 per share. The market price of the stock on the date of issuance was \$12 per share. The entry to record this transaction includes a
 - a. debit to Cash for \$9,000.
 - b. credit to Common Stock for \$36,000.
 - c. credit to Common Stock for \$9,000.
 - d. debit to Paid-in Capital in Excess of Par Value for \$36,000.

3. Rancho Corporation sold 200 shares of treasury stock for \$40 per share. The cost for the shares was \$30. The entry to record the sale will include a
 - a. credit to Gain on Sale of Treasury Stock for \$6,000.
 - b. credit to Paid-in Capital from Treasury Stock for \$2,000.
 - c. debit to Paid-in Capital in Excess of Par Value for \$2,000.
 - d. credit to Treasury Stock for \$8,000.

4. Five thousand shares of treasury stock of Meyer, Inc., previously acquired at \$12 per share, are sold at \$18 per share. The entry to record this transaction will include a
 - a. credit to Treasury Stock for \$90,000.
 - b. debit to Paid-In Capital from Treasury Stock for \$30,000.
 - c. debit to Treasury Stock for \$60,000.
 - d. credit to Paid-In Capital from Treasury Stock for \$30,000.

5. Slaton Company originally issued 3,000 shares of \$10 par value common stock for \$90,000 (\$30 per share). Slaton subsequently purchases 300 shares of treasury stock for \$27 per share and resells the 300 shares of treasury stock for \$29 per share. In the entry to record the sale of the treasury stock, there will be a
 - a. credit to Common Stock for \$8,100.
 - b. credit to Treasury Stock for \$3,000.
 - c. debit to Paid-In Capital in Excess of Par Value of \$9,000.
 - d. credit to Paid-In Capital from Treasury Stock for \$600.