

A Purchase Option is:

- a. A mandatory requirement for Lessee.
- b. Requires the Lessor to assume a residual.
- c. Required by income tax law
- d. Required by the UCC
- e. None of the above

Which of the following is not a true lease tax rule?

- a. The term of the lease cannot exceed 80% of the useful life.
- b. The lessee may not have a bargain purchase option.
- c. The lessee may not have an equity interest in the equipment.
- d. The rentals plus the purchase option may equal what the lessee could have received from a loan with a balloon.

Return language can require the Lessee to return the equipment in like-new condition.
(True or False)

A quiet enjoyment clause is required by Article 2A. (True or False)

You can complete the dates on an acceptance certificate if the Lessee sign the agreement and failed to do so. (True or False)

Disclosures for a lessee's capital lease should include:

- a. Total contingent rentals actually incurred for each period for which an income statement is presented
- b. Future minimum lease payments as of the date of the latest balance sheet presented.
- c. The gross amount of assets recorded under capital leases as of the date each balance sheet is presented by major classes according to nature or function.
- d. All of the above.
- e. A. and C. only