

Account Types vs. Account Names

Definitions:

Account Types – The main categories for all accounts. They are the categories used in the basic accounting equation of: Assets = Liabilities + Equity. The extended accounting equation: Assets = Liabilities + Common Stock – Dividends + Revenues – Expenses

Account – A complete record of all additions and subtractions that occur in a specific asset, liability, or equity for a that have occurred in a given period of time.

Account Names (Account Titles) – Example: Cash, Prepaid Rent, Notes Payable, Common Stock, Sales, Salaries Expense

Where or How are they used: All account names belong to one of the three account types.

Account Types	Example Account Names
Assets	Cash, Accounts Receivable, Prepaid Rent, Supplies, Land, Building, Equipment, etc.
Liabilities	Accounts Payable, Notes Payable, Unearned Revenue, Salaries Payable, etc.
Equity	Common Stock, Retained Earnings
Equity – Dividends	Dividends
Equity – Revenues	Fees Earned, Service Revenue, Sales, etc.
Equity – Expenses	Salary Expense, Depreciation Expense, Rent Expense, Interest Expense, Utility Expense, etc.