Corporate Debit/Credit Rules

Account Type	Debit	Credit
A D Ex	**+ Increase** **NB**	**- Decrease**
L Eq R	**- Decrease**	**+ Increase** **NB**

A = Assets   **L** = Liabilities

D = Dividends   **Eq** = Equity

Ex = Expenses   **R** = Revenues

(NB = Normal Balance)

Sole Proprietorship Debit/Credit Rules

Account Type	Debit	Credit
A W E	**+ Increase** **NB**	**- Decrease**
L O R	**- Decrease**	**+ Increase** **NB**

A = Assets   **L** = Liabilities

W = Withdrawals/Drawings **O** = Owner's Equity

E = Expenses   **R** = Revenues

(NB = Normal Balance)

Summary for Corporations:

ADE (Assets/Dividends/Expenses): Increase with debits and decrease with credits

LER (Liabilities/Equity/Expenses): Increase with credits and decrease with debits

Summary for Sole Proprietorships:

AWE (Assets/Withdrawals or Drawings/Expenses): Increase with debits and decrease with credits

LOR (Liabilities/Owner's Equity/Revenues): Increase with credits and decrease with debits