

Rev. Rul. 99-26

The following Department Store Inventory Price Indexes for April 1999 were issued by the Bureau of Labor Statistics. The indexes are accepted by the Internal Revenue Service, under § 1.472-1(k) of the Income Tax Regulations and Rev. Proc. 86-46, 1986-2 C.B. 739, for appropriate application to inventories of department stores employing the retail inventory and last-in, first-out inventory methods for tax years ended on, or with reference to, April 30, 1999.

The Department Store Inventory Price Indexes are prepared on a national basis and include (a) 23 major groups of departments, (b) three special combinations of the major groups - soft goods, durable goods, and miscellaneous goods, and (c) a store total, which covers all departments, including some not listed separately, except for the following: candy, food, liquor, tobacco, and contract departments.

BUREAU OF LABOR STATISTICS, DEPARTMENT STORE
INVENTORY PRICE INDEXES BY DEPARTMENT GROUPS
(January 1941 = 100, unless otherwise noted)

Groups	Apr. 1998	Apr. 1999	Percent Change from Apr. 1998 to Apr. 1999 ¹
1. Piece Goods	547.3	553.1	1.1
2. Domestics and Draperies	642.9	633.8	-1.4
3. Women's and Children's Shoes	663.6	669.4	0.9
4. Men's Shoes	902.5	894.6	-0.9
5. Infants' Wear	628.1	617.2	-1.7
6. Women's Underwear	586.1	576.0	-1.7
7. Women's Hosiery	305.5	321.9	5.4
8. Women's and Girls' Accessories	550.1	568.9	3.4
9. Women's Outerwear and Girls' Wear	431.7	415.5	-3.8
10. Men's Clothing	633.6	629.3	-0.7
11. Men's Furnishings	609.6	629.2	3.2
12. Boys' Clothing and Furnishings	498.8	495.7	-0.6
13. Jewelry	1001.8	984.0	-1.8
14. Notions	793.7	778.7	-1.9
15. Toilet Articles and Drugs	936.7	956.1	2.1
16. Furniture and Bedding	675.9	699.4	3.5
17. Floor Coverings	603.7	602.8	-0.1
18. Housewares-	821.4	802.1	-2.3
19. Major Appliances-	239.4	232.8	-2.8
20. Radio and Television	73.0	67.5	-7.5
21. Recreation and Education ²	105.7	99.4	-6.0

BUREAU OF LABOR STATISTICS, DEPARTMENT STORE
 INVENTORY PRICE INDEXES BY DEPARTMENT GROUPS—Continued
 (January 1941 = 100, unless otherwise noted)

Groups	Apr. 1998	Apr. 1999	Percent Change from Apr. 1998 to Apr. 1999 ¹
22. Home Improvements ²	134.0	128.1	-4.4
23. Auto Accessories ²	106.8	106.8	0.0
Groups 1 – 15: Soft Goods	615.3	612.3	-0.5
Groups 16 – 20: Durable Goods	464.9	454.4	-2.3
Groups 21 – 23: Misc. Goods ²	109.5	104.7	-4.4
Store Total ³	560.8	553.5	-1.3

¹ Absence of a minus sign before percentage change in this column signifies price increase.

² Indexes on a January 1986=100 base.

³ The store total index covers all departments, including some not listed separately, except for the following: candy, food, liquor, tobacco, and contract departments.

DRAFTING INFORMATION

The principal author of this revenue ruling is Richard C. Farley, Jr. of the Office of Assistant Chief Counsel (Income Tax and Accounting). For further information regarding this revenue ruling, contact Mr. Farley on (202) 622-4970 (not a toll-free call).