

Rev. Rul. 99-46

The following Department Store Inventory Price Indexes for September 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, September 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	Sept. 1998	Sept. 1999	Percent Change from Sept. 1998 to Sept. 1999 ¹
1. Piece Goods	542.3	543.6	0.2
2. Domestic and Draperies	634.0	629.3	-0.7
3. Women's and Children's Shoes	664.9	645.4	-2.9
4. Men's Shoes	915.1	883.1	-3.5
5. Infants' Wear	621.4	633.6	2.0
6. Women's Underwear	569.3	566.1	-0.6
7. Women's Hosiery	308.7	326.7	5.8
8. Women's and Girls' Accessories	545.7	536.2	-1.7
9. Women's Outerwear and Girls' Wear	419.3	408.9	-2.5
10. Men's Clothing	614.9	619.3	0.7
11. Men's Furnishings	595.5	618.4	3.8
12. Boys' Clothing and Furnishings	511.6	498.5	-2.6
13. Jewelry	973.7	960.4	-1.4
14. Notions	754.8	767.0	1.6
15. Toilet Articles and Drugs	939.8	982.5	4.5
16. Furniture and Bedding	673.8	696.6	3.4
17. Floor Coverings	602.1	602.8	0.1
18. Housewares	807.8	796.1	-1.4
19. Major Appliances	236.9	235.7	-0.5

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

Groups	Sept. 1998	Sept. 1999	Percent Change from Sept. 1998 to Sept. 1999 ¹
20. Radio and Television	71.0	64.6	-9.0
21. Recreation and Education ²	103.2	96.4	-6.6
22. Home Improvements ²	129.9	127.8	-1.6
23. Auto Accessories ²	107.5	107.1	-0.4
Groups 1 – 15: Soft Goods	605.4	605.2	0.0
Groups 16 – 20: Durable Goods	458.1	450.6	-1.6
Groups 21 – 23: Misc. Goods ²	107.6	102.7	-4.6
Store Total ³	551.9	547.0	-0.9

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).