

Section 472.—Last-in, First-out Inventories

26 CFR 1.472-1: Last-in, first-out inventories.

LIFO; price indexes; department stores. The June 2003 Bureau of Labor Statistics price indexes are accepted for use by department stores employing the retail inventory and last-in, first-out inventory methods for valuing inventories for tax years ended on, or with reference to, June 30, 2003.

The following Department Store Inventory Price Indexes for June 2003 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, June 30, 2003.

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	June 2002	June 2003	Percent Change from June 2002 to June 2003 ¹
1. Piece Goods	494.9	464.3	-6.2
2. Domestic and Draperies	577.6	557.0	-3.6
3. Women's and Children's Shoes	634.3	629.1	-0.8
4. Men's Shoes	905.7	849.5	-6.2
5. Infants' Wear	603.3	588.9	-2.4
6. Women's Underwear	525.1	516.1	-1.7
7. Women's Hosiery	346.5	348.9	0.7
8. Women's and Girls' Accessories	537.2	547.9	2.0
9. Women's Outerwear and Girls' Wear	369.7	362.9	-1.8
10. Men's Clothing	580.7	541.8	-6.7
11. Men's Furnishings	581.7	570.2	-2.0
12. Boys' Clothing and Furnishings	475.7	449.6	-5.5
13. Jewelry	897.0	877.8	-2.1
14. Notions	805.4	791.4	-1.7
15. Toilet Articles and Drugs	981.0	990.0	0.9
16. Furniture and Bedding	626.2	619.0	-1.0
17. Floor Coverings	616.6	586.6	-4.9
18. Housewares	756.2	726.0	-4.0
19. Major Appliances	221.0	214.1	-3.1
20. Radio and Television	49.4	45.4	-8.1
21. Recreation and Education ²	86.2	83.1	-3.6
22. Home Improvements ²	125.5	125.4	-0.1
23. Auto Accessories ²	110.9	111.5	0.5

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

Groups	June 2002	June 2003	Percent Change from June 2002 to June 2003 ¹
Groups 1–15: Soft Goods.....	571.9	559.5	-2.2
Groups 16–20: Durable Goods.....	411.5	395.6	-3.9
Groups 21–23: Misc. Goods ²	96.4	94.4	-2.1
Store Total ³	512.9	500.1	-2.5

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

²Indexes on a January 1986 = 100 base.

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

DRAFTING INFORMATION

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