

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

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

LIFO; price indexes; department stores. The September 2004 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, September 30, 2004.

Rev. Rul. 2004-105

The following Department Store Inventory Price Indexes for September 2004 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 in-

ventory methods for tax years ended on, or with reference to, September 30, 2004.

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. 2003	Sept. 2004	Percent Change from Sept. 2003 to Sept. 2004 ¹
1. Piece Goods	482.6	488.9	1.3
2. Domestics and Draperies	559.7	526.6	-5.9
3. Women's and Children's Shoes	651.9	657.4	0.8
4. Men's Shoes	847.3	842.8	-0.5
5. Infants' Wear	611.8	582.8	-4.7
6. Women's Underwear	517.8	509.6	-1.6
7. Women's Hosiery	355.5	336.6	-5.3
8. Women's and Girls' Accessories	584.6	576.2	-1.4
9. Women's Outerwear and Girls' Wear	377.3	371.0	-1.7
10. Men's Clothing	542.3	531.2	-2.0
11. Men's Furnishings	579.8	567.1	-2.2
12. Boys' Clothing and Furnishings	448.2	425.7	-5.0
13. Jewelry	875.9	886.2	1.2
14. Notions	788.2	797.8	1.2
15. Toilet Articles and Drugs	980.4	993.2	1.3
16. Furniture and Bedding	620.7	608.0	-2.0
17. Floor Coverings	588.6	584.0	-0.8
18. Housewares	717.2	711.7	-0.8
19. Major Appliances	210.3	197.4	-6.1
20. Radio and Television	44.7	41.1	-8.1
21. Recreation and Education ²	81.9	79.9	-2.4
22. Home Improvements ²	123.9	128.9	4.0
23. Automotive Accessories ²	111.7	113.0	1.2
Groups 1-15: Soft Goods	568.8	559.8	-1.6
Groups 16-20: Durable Goods	391.4	379.8	-3.0
Groups 21-23: Misc. Goods ²	93.5	93.0	-0.5
Store Total ³	504.3	495.4	-1.8

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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