

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

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

LIFO; price indexes; department stores. The March 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, March 31, 2004.

Rev. Rul. 2004-48

The following Department Store Inventory Price Indexes for March 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 inventory methods for tax years ended on, or with reference to, March 31, 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	March 2003	March 2004	Percent Change from March 2003 to March 2004 ¹
1. Piece Goods	458.9	491.8	7.2
2. Domestics and Draperies	552.6	537.6	-2.7
3. Women's and Children's Shoes	642.6	643.4	0.1
4. Men's Shoes	842.0	840.1	-0.2
5. Infants' Wear	600.3	593.2	-1.2
6. Women's Underwear	524.9	493.6	-6.0
7. Women's Hosiery	341.2	334.6	-1.9
8. Women's and Girls' Accessories	556.0	561.7	1.0
9. Women's Outerwear and Girls' Wear	380.1	379.7	-0.1
10. Men's Clothing	570.0	539.2	-5.4
11. Men's Furnishings	591.1	580.7	-1.8
12. Boys' Clothing and Furnishings	470.9	451.9	-4.0
13. Jewelry	871.7	890.0	2.1
14. Notions	797.1	798.5	0.2
15. Toilet Articles and Drugs	976.3	982.7	0.7
16. Furniture and Bedding	625.2	620.3	-0.8
17. Floor Coverings	589.1	596.8	1.3
18. Housewares	734.0	714.4	-2.7
19. Major Appliances	217.5	205.2	-5.7
20. Radio and Television	46.6	43.1	-7.5
21. Recreation and Education ²	83.8	81.6	-2.6
22. Home Improvements ²	125.7	127.8	1.7
23. Automotive Accessories ²	111.7	112.3	0.5
Groups 1-15: Soft Goods	570.4	564.9	-1.0
Groups 16-20: Durable Goods	400.8	387.2	-3.4
Groups 21-23: Misc. Goods ²	95.0	93.8	-1.3
Store Total ³	508.5	501.0	-1.5

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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