

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

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

LIFO; price indexes; department stores. The September 2002 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, 2002.

Rev. Rul. 2002-77

The following Department Store Inventory Price Indexes for September 2002 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, 2002.

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	Sep. 2001	Sep. 2002	Percent Change from Sep. 2001 to Sep. 2002 ¹
1. Piece Goods	509.9	484.6	-5.0
2. Domestics and Draperies	589.1	574.2	-2.5
3. Women's and Children's Shoes	668.9	658.0	-1.6
4. Men's Shoes	854.7	886.9	3.8
5. Infants' Wear	625.4	618.5	-1.1
6. Women's Underwear	571.0	548.2	-4.0
7. Women's Hosiery	356.7	343.2	-3.8
8. Women's and Girls' Accessories	557.9	549.2	-1.6
9. Women's Outerwear and Girls' Wear	392.0	385.7	-1.6
10. Men's Clothing	578.4	561.1	-3.0
11. Men's Furnishings	603.1	593.8	-1.5
12. Boys' Clothing and Furnishings	477.1	446.2	-6.5
13. Jewelry	899.0	896.7	-0.3
14. Notions	795.0	809.1	1.8
15. Toilet Articles and Drugs	979.9	971.4	-0.9
16. Furniture and Bedding	632.8	625.9	-1.1
17. Floor Coverings	622.9	601.1	-3.5
18. Housewares	767.5	748.9	-2.4
19. Major Appliances	227.0	222.2	-2.1
20. Radio and Television	52.9	47.7	-9.8
21. Recreation and Education ²	89.3	85.4	-4.4
22. Home Improvements ²	125.6	124.9	-0.6
23. Auto Accessories ²	110.1	112.0	1.7
Groups 1 – 15: Soft Goods	588.6	578.4	-1.7
Groups 16 – 20: Durable Goods	421.2	407.9	-3.2
Groups 21 – 23: Misc. Goods ²	98.3	96.0	-2.3
Store Total ³	526.8	515.8	-2.1

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

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