

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

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

LIFO; price indexes; department stores. The April 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, April 30, 2003.

Rev. Rul. 2003-68

The following Department Store Inventory Price Indexes for April 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, April 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		Apr. 2002	Apr. 2003	Percent Change from Apr. 2002 to Apr. 2003 ¹
1.	Piece Goods	488.7	457.9	-6.3
2.	Domestics and Draperies	597.7	568.1	-5.0
3.	Women's and Children's Shoes	652.6	646.4	-1.0
4.	Men's Shoes	902.7	844.7	-6.4
5.	Infants' Wear	622.2	597.8	-3.9
6.	Women's Underwear	554.0	517.2	-6.6
7.	Women's Hosiery	356.0	347.1	-2.5
8.	Women's and Girls' Accessories	565.6	552.1	-2.4
9.	Women's Outerwear and Girls' Wear	395.0	385.7	-2.4
10.	Men's Clothing	600.2	569.0	-5.2
11.	Men's Furnishings	604.4	589.8	-2.4
12.	Boys' Clothing and Furnishings	504.2	465.5	-7.7
13.	Jewelry	905.6	876.5	-3.2
14.	Notions	794.8	794.1	-0.1
15.	Toilet Articles and Drugs	974.7	982.5	0.8
16.	Furniture and Bedding	627.7	627.7	0.0
17.	Floor Coverings	618.7	584.4	-5.5
18.	Housewares	756.6	730.3	-3.5
19.	Major Appliances	222.6	215.3	-3.3
20.	Radio and Television	50.8	46.4	-8.7
21.	Recreation and Education ²	87.2	83.7	-4.0
22.	Home Improvements ²	125.8	125.1	-0.6
23.	Auto Accessories ²	110.8	111.5	0.6
Groups 1-15: Soft Goods		591.9	573.8	-3.1
Groups 16-20: Durable Goods		413.9	399.0	-3.6
Groups 21-23: Misc. Goods ²		97.1	94.8	-2.4
Store Total ³		526.3	510.0	-3.1

(Footnotes are on the following page.)

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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