

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

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

LIFO; price indexes; department stores. The March 1997 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, 1997.

Rev. Rul. 97-22

The following Department Store Inventory Price Indexes for March 1997 were issued by the Bureau of Labor Statistics on April 15, 1997. 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, 1997.

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, foods, liquor, tobacco, and contract departments.

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

Groups	Mar. 1996	Mar. 1997	Percent Change from Mar. 1996 to Mar. 1997 ¹
1. Piece Goods	507.9	539.0	6.1
2. Domestics and Draperies	652.3	644.2	-1.2
3. Women's and Children's Shoes	651.5	646.1	-0.8
4. Men's Shoes	897.6	900.9	0.4
5. Infants' Wear	643.0	630.6	-1.9
6. Women's Underwear	535.9	544.0	1.5
7. Women's Hosiery	284.4	296.7	4.3
8. Women's and Girls' Accessories	556.5	557.3	0.1
9. Women's Outerwear and Girls' Wear	426.9	430.0	0.7
10. Men's Clothing	625.5	617.9	-1.2
11. Men's Furnishings	590.5	587.7	-0.5
12. Boys' Clothing and Furnishings	490.9	479.9	-2.2
13. Jewelry	1052.5	1025.2	-2.6
14. Notions	781.1	801.5	2.6
15. Toilet Articles and Drugs	870.4	910.8	4.6
16. Furniture and Bedding	672.8	667.5	-0.8
17. Floor Coverings	570.6	583.5	2.3
18. Housewares	808.1	813.2	0.6
19. Major Appliances	248.5	244.9	-1.4
20. Radio and Television	79.6	78.5	-1.4
21. Recreation and Education ²	113.6	111.8	-1.6
22. Home Improvements ²	123.3	131.9	7.0
23. Auto Accessories ²	107.1	107.7	0.6
Groups 1 - 15: Soft Goods	606.1	606.4	0.0
Groups 16 - 20: Durable Goods	470.7	469.2	-0.3
Groups 21 - 23: Misc. Goods ²	113.8	113.6	-0.2
Store Total ³	559.0	558.8	0.0

¹Absence of a minus sign before percentage change in this column signifies 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, foods, liquor, tobacco, and contract departments.

DRAFTING INFORMATION

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