

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

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

### LIFO; price indexes; department stores.

The June 1999 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, June 30, 1999.

### Rev. Rul. 99-34

The following Department Store Inventory Price Indexes for June 1999 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, June 30, 1999.

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  | June 1998 | June 1999 | Percent Change from June 1998 to June 1999 <sup>1</sup> |
|---|-----------|-----------|---|
| 1. Piece Goods . . . . .                            | 513.9     | 555.1     | 8.0   |
| 2. Domestic and Draperies . . . . .                 | 618.6     | 630.1     | 1.9   |
| 3. Women's and Children's Shoes . . . . .           | 659.3     | 645.1     | -2.2  |
| 4. Men's Shoes . . . . .                            | 906.7     | 876.9     | -3.3  |
| 5. Infants' Wear . . . . .                          | 623.1     | 610.1     | -2.1  |
| 6. Women's Underwear . . . . .                      | 567.7     | 561.4     | -1.1  |
| 7. Women's Hosiery . . . . .                        | 308.3     | 322.8     | 4.7   |
| 8. Women's and Girls' Accessories . . . . .         | 536.2     | 549.3     | 2.4   |
| 9. Women's Outerwear and Girls' Wear . . . . .      | 410.0     | 392.0     | -4.4  |
| 10. Men's Clothing . . . . .                        | 616.6     | 624.1     | 1.2   |
| 11. Men's Furnishings . . . . .                     | 599.1     | 630.4     | 5.2   |
| 12. Boys' Clothing and Furnishings . . . . .        | 494.6     | 488.9     | -1.2  |
| 13. Jewelry . . . . .                               | 970.3     | 961.2     | -0.9  |
| 14. Notions . . . . .                               | 776.0     | 747.4     | -3.7  |
| 15. Toilet Articles and Drugs . . . . .             | 948.5     | 968.8     | 2.1   |
| 16. Furniture and Bedding . . . . .                 | 689.3     | 682.9     | -0.9  |
| 17. Floor Coverings . . . . .                       | 604.0     | 602.7     | -0.2  |
| 18. Housewares . . . . .                            | 818.6     | 801.4     | -2.1  |
| 19. Major Appliances . . . . .                      | 236.7     | 235.7     | -0.4  |
| 20. Radio and Television . . . . .                  | 71.9      | 66.3      | -7.8  |
| 21. Recreation and Education <sup>2</sup> . . . . . | 104.8     | 98.7      | -5.8  |
| 22. Home Improvements <sup>2</sup> . . . . .        | 133.1     | 127.6     | -4.1  |
| 23. Auto Accessories <sup>2</sup> . . . . .         | 107.2     | 106.7     | -0.5  |
| Groups 1 - 15: Soft Goods . . . . .                 | 600.1     | 599.9     | 0.0   |
| Groups 16 - 20: Durable Goods . . . . .             | 463.6     | 452.2     | -2.5  |
| Groups 21 - 23: Misc. Goods <sup>2</sup> . . . . .  | 108.9     | 104.1     | -4.4  |
| Store Total <sup>3</sup> . . . . .                  | 550.7     | 545.0     | -1.0  |

<sup>1</sup> Absence of a minus sign before percentage change in this column signifies price increase.

<sup>2</sup> Indexes on a January 1986=100 base.

<sup>3</sup> 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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