

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

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

**LIFO; price indexes; department stores.** The August 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, August 31, 2003.

## Rev. Rul. 2003-113

The following Department Store Inventory Price Indexes for August 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, August 31, 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	Aug. 2002	Aug. 2003	Percent Change from Aug. 2002 to Aug. 2003 <sup>1</sup>
1. Piece Goods .....	481.8	488.9	1.5
2. Domestics and Draperies .....	577.9	568.7	-1.6
3. Women's and Children's Shoes .....	634.4	631.4	-0.5
4. Men's Shoes .....	892.1	838.8	-6.0
5. Infants' Wear .....	600.1	589.1	-1.8
6. Women's Underwear.....	532.7	510.7	-4.1
7. Women's Hosiery .....	342.7	347.8	1.5
8. Women's and Girls' Accessories .....	523.9	551.0	5.2
9. Women's Outerwear and Girls' Wear .....	361.5	350.2	-3.1
10. Men's Clothing .....	563.8	528.7	-6.2
11. Men's Furnishings.....	589.4	565.6	-4.0
12. Boys' Clothing and Furnishings .....	439.2	423.3	-3.6
13. Jewelry.....	887.0	880.6	-0.7
14. Notions .....	793.2	787.1	-0.8
15. Toilet Articles and Drugs .....	969.2	979.8	1.1
16. Furniture and Bedding .....	623.9	619.8	-0.7
17. Floor Coverings .....	621.3	588.7	-5.2
18. Housewares.....	749.4	720.4	-3.9
19. Major Appliances.....	221.8	209.7	-5.5
20. Radio and Television.....	47.9	45.0	-6.1
21. Recreation and Education <sup>2</sup> .....	85.7	82.3	-4.0
22. Home Improvements <sup>2</sup> .....	125.4	124.2	-1.0
23. Automotive Accessories <sup>2</sup> .....	111.8	111.7	-0.1
Groups 1-15: Soft Goods.....	565.9	553.5	-2.2
Groups 16-20: Durable Goods.....	408.4	392.1	-4.0
Groups 21-23: Misc. Goods <sup>2</sup> .....	96.2	93.8	-2.5
Store Total <sup>3</sup> .....	508.3	495.2	-2.6

(Footnotes are on the following page.)

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

Groups	Aug. 2002	Aug. 2003	Percent Change from Aug. 2002 to Aug. 2003 <sup>1</sup>
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<sup>1</sup>Absence of a minus sign before the percentage change in this column signifies a 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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