

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

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

LIFO; price indexes; department stores. The June 2004 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, 2004.

Rev. Rul. 2004-91

The following Department Store Inventory Price Indexes for June 2004 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, 2004.

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 2003	June 2004	Percent Change from June 2003 to June 2004 ¹
1. Piece Goods	464.3	490.9	5.7
2. Domestics and Draperies	557.0	538.7	-3.3
3. Women's and Children's Shoes	629.1	631.8	0.4
4. Men's Shoes	849.5	854.5	0.6
5. Infants' Wear	588.9	567.3	-3.7
6. Women's Underwear	516.1	508.4	-1.5
7. Women's Hosiery	348.9	329.9	-5.4
8. Women's and Girls' Accessories	547.9	581.5	6.1
9. Women's Outerwear and Girls' Wear	362.9	361.9	-0.3
10. Men's Clothing	541.8	540.3	-0.3
11. Men's Furnishings	570.2	578.3	1.4
12. Boys' Clothing and Furnishings	449.6	431.3	-4.1
13. Jewelry	877.8	897.4	2.2
14. Notions	791.4	791.9	0.1
15. Toilet Articles and Drugs	990.0	998.9	0.9
16. Furniture and Bedding	619.9	624.2	0.7
17. Floor Coverings	586.6	592.9	1.1
18. Housewares	726.0	712.6	-1.8
19. Major Appliances	214.1	200.4	-6.4
20. Radio and Television	45.4	41.9	-7.7
21. Recreation and Education ²	83.1	80.7	-2.9
22. Home Improvements ²	125.4	129.3	3.1
23. Automotive Accessories ²	111.5	112.4	0.8
Groups 1-15: Soft Goods	559.5	559.3	0.0
Groups 16-20: Durable Goods	395.6	384.1	-2.9
Groups 21-23: Misc. Goods ²	94.4	93.4	-1.1
Store Total ³	500.1	496.5	-0.7

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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