

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

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

LIFO; price indexes; department stores. The April 2005 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, 2005.

Rev. Rul. 2005-37

The following Department Store Inventory Price Indexes for April 2005 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, 2005.

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 2004	Apr 2005	Percent Change from Apr 2004 to Apr 2005 ¹
1. Piece Goods	491.0	469.8	-4.3
2. Domestic and Draperies	539.7	539.1	-0.1
3. Women's and Children's Shoes	654.5	679.7	3.9
4. Men's Shoes	856.4	876.6	2.4
5. Infants' Wear	586.1	582.7	-0.6
6. Women's Underwear	493.2	545.2	10.5
7. Women's Hosiery	336.2	342.9	2.0
8. Women's and Girls' Accessories	564.2	599.6	6.3
9. Women's Outerwear and Girls' Wear	389.2	376.2	-3.3
10. Men's Clothing	545.9	565.6	3.6
11. Men's Furnishings	592.7	586.6	-1.0
12. Boys' Clothing and Furnishings	459.4	440.4	-4.1
13. Jewelry	893.0	879.9	-1.5
14. Notions	799.3	779.0	-2.5
15. Toilet Articles and Drugs	987.5	994.4	0.7
16. Furniture and Bedding	618.0	604.2	-2.2
17. Floor Coverings	598.8	601.0	0.4
18. Housewares	715.3	714.1	-0.2
19. Major Appliances	201.8	202.8	0.5
20. Radio and Television	42.7	39.5	-7.5
21. Recreation and Education ²	81.2	78.3	-3.6
22. Home Improvements ²	128.0	136.4	6.6
23. Automotive Accessories ²	112.1	114.4	2.1

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 INVENTORY PRICE INDEXES BY DEPARTMENT GROUPS
 (January 1941 = 100, unless otherwise noted)

Groups	Apr 2004	Apr 2005	Percent Change from Apr 2004 to Apr 2005 ¹
Groups 1–15: Soft Goods	572.0	572.4	0.1
Groups 16–20: Durable Goods.....	385.6	380.8	-1.2
Groups 21–23: Misc. Goods ²	93.6	93.0	-0.6
Store Total ³	504.8	503.5	-0.3

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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