

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

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

LIFO; price indexes; department stores. The July 2001 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, July 31, 2001.

Rev. Rul. 2001-44

The following Department Store Inventory Price Indexes for July 2001 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 appro-

priate 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, July 31, 2001.

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	July 2000	July 2001	Percent Change from July 2000 to July 2001 ¹
1. Piece Goods	519.6	495.0	-4.7
2. Domestics and Draperies	630.3	604.1	-4.2
3. Women's and Children's Shoes	613.6	652.3	6.3
4. Men's Shoes	896.4	865.9	-3.4
5. Infants' Wear	629.5	593.7	-5.7
6. Women's Underwear	561.4	567.1	1.0
7. Women's Hosiery	335.1	352.6	5.2
8. Women's and Girls' Accessories	528.2	542.1	2.6
9. Women's Outerwear and Girls' Wear	364.0	355.7	-2.3
10. Men's Clothing	602.8	577.6	-4.2
11. Men's Furnishings	608.8	588.4	-3.4
12. Boys' Clothing and Furnishings	478.6	476.0	-0.5
13. Jewelry	945.5	946.5	0.1
14. Notions	780.8	805.8	3.2
15. Toilet Articles and Drugs	965.7	972.5	0.7
16. Furniture and Bedding	689.2	637.7	-7.5
17. Floor Coverings	609.8	628.7	3.1
18. Housewares	783.5	771.5	-1.5
19. Major Appliances	232.9	225.6	-3.1
20. Radio and Television	59.1	53.9	-8.8
21. Recreation and Education ²	92.6	89.8	-3.0
22. Home Improvements ²	127.9	125.8	-1.6
23. Auto Accessories ²	106.5	109.4	2.7
Groups 1 - 15: Soft Goods	583.3	575.7	-1.3
Groups 16 - 20: Durable Goods	439.9	423.3	-3.8
Groups 21 - 23: Misc. Goods ²	100.0	98.5	-1.5
Store Total ³	529.2	519.5	-1.8

¹ Absence of a minus sign before the percentage change in this column signifies a price increase.

² Indexes on a January 1986=100 base.

³ 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

The principal author of this revenue ruling is Michael Burkom of the Office of Associate Chief Counsel (Income Tax and Accounting). For further information regarding this revenue ruling, contact Mr. Burkom at (202) 622-4930 (not a toll-free call).

**Section 481.—Adjustments
Required by Changes in Method
of Accounting**

26 CFR 1.481-1: Adjustments in general.

A safe harbor method of accounting is provided for track structure expenditures paid or incurred by certain railroads, as well as procedures for automatic consent to change to this method. See Rev. Proc. 2001-46, page 263.