

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

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

**LIFO; price indexes; department stores.** The December 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, December 31, 2001.

## Rev. Rul. 2002-7

The following Department Store Inventory Price Indexes for December 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 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, December 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	Dec. 2000	Dec. 2001	Percent Change from Dec. 2000 to Dec. 2001 <sup>1</sup>
1. Piece Goods -----	489.0	484.4	-0.9
2. Domestics and Draperies -----	614.5	591.0	-3.8
3. Women's and Children's Shoes -----	647.4	639.8	-1.2
4. Men's Shoes -----	901.8	889.1	-1.4
5. Infants' Wear -----	631.7	623.4	-1.3
6. Women's Underwear -----	567.2	569.0	0.3
7. Women's Hosiery -----	342.9	352.9	2.9
8. Women's and Girls' Accessories -----	533.8	557.4	4.4
9. Women's Outerwear and Girls' Wear -----	381.8	365.4	-4.3
10. Men's Clothing -----	584.0	564.3	-3.4
11. Men's Furnishings -----	618.3	595.3	-3.7
12. Boys' Clothing and Furnishings -----	487.8	473.6	-2.9
13. Jewelry -----	910.2	895.8	-1.6
14. Notions -----	795.1	817.8	2.9
15. Toilet Articles and Drugs -----	984.4	975.7	-0.9
16. Furniture and Bedding -----	692.8	625.9	-9.7
17. Floor Coverings -----	628.7	625.2	-0.6
18. Housewares -----	769.3	758.9	-1.4
19. Major Appliances -----	229.6	226.7	-1.3
20. Radio and Television -----	57.1	51.9	-9.1
21. Recreation and Education <sup>2</sup> -----	91.8	87.9	-4.2
22. Home Improvements <sup>2</sup> -----	129.3	124.2	-3.9
23. Auto Accessories <sup>2</sup> -----	108.2	110.4	2.0

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

Groups	Dec. 2000	Dec. 2001	Percent Change from Dec. 2000 to Dec. 2001 <sup>1</sup>
Groups 1 – 15: Soft Goods -----	589.8	575.7	-2.4
Groups 16 – 20: Durable Goods -----	433.9	417.1	-3.9
Groups 21 – 23: Misc. Goods <sup>2</sup> -----	100.0	97.3	-2.7
Store Total <sup>3</sup> -----	531.7	517.2	-2.7

<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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