

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

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

**LIFO; price indexes; department stores.** The October 2002 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, October 31, 2002.

### **Rev. Rul. 2002-87**

The following Department Store Inventory Price Indexes for October 2002 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, October 31, 2002.

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	Oct. 2001	Oct. 2002	Percent Change from Oct. 2001 to Oct. 2002 <sup>1</sup>
1. Piece Goods .....	500.3	485.7	-2.9
2. Domestic and Draperies .....	592.0	581.6	-1.8
3. Women's and Children's Shoes .....	675.5	660.4	-2.2
4. Men's Shoes.....	872.5	895.6	2.6
5. Infants' Wear.....	631.1	628.9	-0.3
6. Women's Underwear .....	575.3	544.2	-5.4
7. Women's Hosiery.....	358.0	339.8	-5.1
8. Women's and Girls' Accessories.....	573.7	551.6	-3.9
9. Women's Outerwear and Girls' Wear .....	398.4	388.2	-2.6
10. Men's Clothing .....	587.3	573.0	-2.4
11. Men's Furnishings .....	628.2	599.3	-4.6
12. Boys' Clothing and Furnishings.....	490.5	459.4	-6.3
13. Jewelry .....	919.6	897.1	-2.4
14. Notions .....	797.1	808.9	1.5
15. Toilet Articles and Drugs.....	981.6	975.1	-0.7
16. Furniture and Bedding .....	628.8	626.4	-0.4
17. Floor Coverings .....	616.0	592.6	-3.8
18. Housewares .....	767.1	745.8	-2.8
19. Major Appliances .....	224.1	223.7	-0.2
20. Radio and Television .....	52.6	47.6	-9.5
21. Recreation and Education <sup>2</sup> .....	89.2	85.2	-4.5
22. Home Improvements <sup>2</sup> .....	125.4	124.6	-0.6
23. Auto Accessories <sup>2</sup> .....	110.2	111.3	1.0
Groups 1 - 15: Soft Goods .....	598.6	582.7	-2.7
Groups 16 - 20: Durable Goods .....	419.1	407.4	-2.8
Groups 21 - 23: Misc. Goods <sup>2</sup> .....	98.2	95.7	-2.5
Store Total <sup>3</sup> .....	532.4	518.1	-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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