

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

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

**LIFO; price indexes; department stores.** The March 2003 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, March 31, 2003.

### Rev. Rul. 2003-50

The following Department Store Inventory Price Indexes for March 2003 were is-

sued 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, March 31, 2003.

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	Mar. 2002	Mar. 2003	Percent Change from Mar. 2002 to Mar. 2003 <sup>1</sup>
1. Piece Goods .....	490.6	458.9	-6.5
2. Domestic and Draperies .....	583.6	552.6	-5.3
3. Women's and Children's Shoes .....	647.4	642.6	-0.7
4. Men's Shoes.....	903.0	842.0	-6.8
5. Infants' Wear.....	624.2	600.3	-3.8
6. Women's Underwear.....	563.7	524.9	-6.9
7. Women's Hosiery.....	355.7	341.2	-4.1
8. Women's and Girls' Accessories.....	563.4	556.0	-1.3
9. Women's Outerwear and Girls' Wear .....	401.0	380.1	-5.2
10. Men's Clothing .....	594.6	570.0	-4.1
11. Men's Furnishings .....	607.3	591.1	-2.7
12. Boys' Clothing and Furnishings.....	482.6	470.9	-2.4
13. Jewelry .....	905.5	871.7	-3.7
14. Notions .....	800.4	797.7	-0.4
15. Toilet Articles and Drugs.....	972.7	976.3	0.4
16. Furniture and Bedding.....	630.0	625.2	-0.8
17. Floor Coverings .....	616.3	589.1	-4.4
18. Housewares .....	756.2	734.0	-2.9
19. Major Appliances.....	223.2	217.5	-2.6
20. Radio and Television .....	51.1	46.6	-8.8
21. Recreation and Education <sup>2</sup> .....	87.5	83.8	-4.2
22. Home Improvements <sup>2</sup> .....	125.6	125.7	0.1
23. Auto Accessories <sup>2</sup> .....	110.8	111.7	0.8

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

Groups	Mar. 2002	Mar. 2003	Percent Change from Mar. 2002 to Mar. 2003 <sup>1</sup>
Groups 1–15: Soft Goods .....	591.8	570.4	-3.6
Groups 16–20: Durable Goods .....	414.6	400.8	-3.3
Groups 21–23: Misc. Goods <sup>2</sup> .....	97.2	95.0	-2.3
Store Total <sup>3</sup> .....	526.5	508.5	-3.4

<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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