

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

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

LIFO; price indexes; department stores. The July 2004 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, 2004.

Rev. Rul. 2004-93

The following Department Store Inventory Price Indexes for July 2004 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, July 31, 2004.

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 2003	July 2004	Percent Change from July 2003 to July 2004 ¹
1. Piece Goods	487.0	507.8	4.3
2. Domestics and Draperies	570.0	525.0	-7.9
3. Women's and Children's Shoes	613.9	608.5	-0.9
4. Men's Shoes	831.2	831.7	0.1
5. Infants' Wear	573.3	560.5	-2.2
6. Women's Underwear	509.0	508.0	-0.2
7. Women's Hosiery	346.9	330.4	-4.8
8. Women's and Girls' Accessories	537.8	565.8	5.2
9. Women's Outerwear and Girls' Wear	342.8	335.9	-2.0
10. Men's Clothing	533.3	532.7	-0.1
11. Men's Furnishings	562.7	567.0	0.8
12. Boys' Clothing and Furnishings	424.4	420.9	-0.8
13. Jewelry	882.3	907.8	2.9
14. Notions	792.1	798.6	0.8
15. Toilet Articles and Drugs	992.0	993.3	0.1
16. Furniture and Bedding	619.9	616.3	-0.6
17. Floor Coverings	587.3	587.7	0.1
18. Housewares	722.5	712.1	-1.4
19. Major Appliances	213.3	199.6	-6.4
20. Radio and Television	45.3	41.6	-8.2
21. Recreation and Education ²	82.8	80.3	-3.0
22. Home Improvements ²	123.7	129.8	4.9
23. Automotive Accessories ²	111.4	112.7	1.2
Groups 1-15: Soft Goods	549.6	545.1	-0.8
Groups 16-20: Durable Goods	394.3	382.3	-3.0
Groups 21-23: Misc. Goods ²	94.0	93.3	-0.7
Store Total ³	493.4	487.2	-1.3

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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