

Rev. Rul. 99-19

The following Department Store Inventory Price Indexes for February 1999 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, February 28, 1999.

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 | Feb. 1998 | Feb. 1999 | Percent Change from Feb.1998 to Feb. 1999 ¹ |
|--------------------------------------|--------------|--------------|--|
| 1. Piece Goods | 535.8 | 496.2 | -7.4 |
| 2. Domestics and Draperies | 639.3 | 643.1 | 0.6 |
| 3. Women's and Children's Shoes | 656.9 | 632.3 | -3.7 |
| 4. Men's Shoes | 886.5 | 889.8 | 0.4 |
| 5. Infants' Wear | 612.6 | 619.6 | 1.1 |
| 6. Women's Underwear | 565.2 | 565.8 | 0.1 |
| 7. Women's Hosiery | 308.1 | 320.0 | 3.9 |
| 8. Women's and Girls' Accessories | 548.2 | 549.6 | 0.3 |
| 9. Women's Outerwear and Girls' Wear | 408.9 | 380.3 | -7.0 |
| 10. Men's Clothing | 624.0 | 617.4 | -1.1 |
| 11. Men's Furnishings | 590.4 | 592.2 | 0.3 |
| 12. Boys' Clothing and Furnishings | 499.3 | 478.3 | -4.2 |
| 13. Jewelry | 1001.0 | 983.3 | -1.8 |
| 14. Notions | 802.0 | 741.9 | -7.5 |
| 15. Toilet Articles and Drugs | 926.5 | 951.6 | 2.7 |
| 16. Furniture and Bedding | 668.3 | 679.2 | 1.6 |
| 17. Floor Coverings | 583.7 | 602.7 | 3.3 |
| 18. Housewares | 810.3 | 808.2 | -0.3 |
| 19. Major Appliances | 242.0 | 233.8 | -3.4 |
| 20. Radio and Television | 73.6 | 69.0 | -6.3 |

BUREAU OF LABOR STATISTICS, DEPARTMENT STORE
INVENTORY PRICE INDEXES BY DEPARTMENT GROUPS (Continued)

(January 1941 = 100, unless otherwise noted)

| Groups | Feb. 1998 | Feb. 1999 | Percent Change from Feb.1998 to Feb. 1999 ¹ |
|---|--------------|--------------|--|
| 21. Recreation and Education ² | 107.7 | 100.1 | -7.1 |
| 22. Home Improvements ² | 134.0 | 129.8 | -3.1 |
| 23. Auto Accessories ² | 107.7 | 107.7 | 0.0 |
| Groups 1 – 15: Soft Goods | 601.1 | 590.3 | -1.8 |
| Groups 16 – 20: Durable Goods | 462.4 | 455.6 | -1.5 |
| Groups 21 – 23: Misc. Goods ² | 111.0 | 105.5 | -5.0 |
| Store Total ³ | 552.3 | 540.7 | -2.1 |

¹ Absence of a minus sign before percentage change in this column signifies 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 Richard C. Farley, Jr. of the Of-

fice of Assistant Chief Counsel (Income Tax and Accounting). For further information regarding this revenue ruling, con-

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