

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

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

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

## Rev. Rul. 2001-23

The following Department Store Inventory Price Indexes for March 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, March 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	Mar. 2000	Mar. 2001	Percent Change from Mar. 2000 to Mar. 2001 <sup>1</sup>
1. Piece Goods . . . . .	511.5	492.1	-3.8
2. Domestic and Draperies . . . . .	614.4	597.8	-2.7
3. Women's and Children's Shoes . . . . .	638.9	667.2	4.4
4. Men's Shoes . . . . .	902.4	887.5	-1.7
5. Infants' Wear . . . . .	649.8	632.5	-2.7
6. Women's Underwear . . . . .	582.7	563.5	-3.3
7. Women's Hosiery . . . . .	337.5	347.0	2.8
8. Women's and Girls' Accessories . . . . .	548.1	560.3	2.2
9. Women's Outerwear and Girls' Wear . . . . .	409.5	419.5	2.4
10. Men's Clothing . . . . .	626.2	589.2	-5.9
11. Men's Furnishings . . . . .	623.2	619.4	-0.6
12. Boys' Clothing and Furnishings . . . . .	498.1	484.9	-2.7
13. Jewelry . . . . .	965.3	939.5	-2.7
14. Notions . . . . .	746.6	782.8	4.8
15. Toilet Articles and Drugs . . . . .	968.0	989.4	2.2
16. Furniture and Bedding . . . . .	693.1	646.4	-6.7
17. Floor Coverings . . . . .	606.8	630.7	3.9
18. Housewares . . . . .	787.4	771.7	-2.0
19. Major Appliances . . . . .	235.7	225.2	-4.5
20. Radio and Television . . . . .	61.0	55.5	-9.0
21. Recreation and Education <sup>2</sup> . . . . .	94.8	90.3	-4.7
22. Home Improvements <sup>2</sup> . . . . .	128.0	128.2	0.2
23. Auto Accessories <sup>2</sup> . . . . .	107.6	109.2	1.5
Groups 1 - 15: Soft Goods . . . . .	606.3	604.7	-0.3
Groups 16 - 20: Durable Goods . . . . .	444.3	426.0	-4.1
Groups 21 - 23: Misc. Goods <sup>2</sup> . . . . .	101.7	99.0	-2.7
Store Total <sup>3</sup> . . . . .	545.5	538.3	-1.3

<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

The principal author of this revenue ruling is Alan J. Tomsic of the Office of Asso-

ciate Chief Counsel (Income Tax and Accounting). For further information regarding this revenue ruling, contact Mr. Tomsic at (202) 622-4970 (not a toll-free call).