

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

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

LIFO; price indexes; department stores. The October 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, October 31, 2004.

Rev. Rul. 2004-113

The following Department Store Inventory Price Indexes for October 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, October 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	Oct. 2003	Oct. 2004	Percent Change from Oct. 2003 to Oct. 2004 ¹
1. Piece Goods	487.3	491.6	0.9
2. Domestic and Draperies	556.5	539.0	-3.1
3. Women's and Children's Shoes	657.4	665.8	1.3
4. Men's Shoes	844.9	832.1	-1.5
5. Infants' Wear	609.1	584.3	-4.1
6. Women's Underwear	520.2	513.0	-1.4
7. Women's Hosiery	352.3	337.6	-4.2
8. Women's and Girls' Accessories	578.0	597.3	3.3
9. Women's Outerwear and Girls' Wear	387.8	385.5	-0.6
10. Men's Clothing	552.3	542.7	-1.7
11. Men's Furnishings	592.1	578.7	-2.3
12. Boys' Clothing and Furnishings	441.9	430.6	-2.6
13. Jewelry	883.7	892.6	1.0
14. Notions	786.9	793.7	0.9
15. Toilet Articles and Drugs	984.0	995.6	1.2
16. Furniture and Bedding	618.8	608.5	-1.7
17. Floor Coverings	589.4	581.7	-1.3
18. Housewares	714.3	714.6	0.0
19. Major Appliances	210.2	202.8	-3.5
20. Radio and Television	44.4	41.1	-7.4
21. Recreation and Education ²	82.1	79.8	-2.8
22. Home Improvements ²	125.3	131.0	4.5
23. Automotive Accessories ²	111.8	113.1	1.2
Groups 1-15: Soft Goods	574.9	569.9	-0.9
Groups 16-20: Durable Goods	390.0	382.5	-1.9
Groups 21-23: Misc. Goods ²	93.8	93.1	-0.7
Store Total ³	507.8	502.4	-1.1

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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