

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

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

LIFO; price indexes; department stores. The April 1998 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, April 30, 1998.

Rev. Rul. 98-29

The following Department Store Inventory Price Indexes for April 1998 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, April 30, 1998.

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	Apr. 1997	Apr. 1998	Percent Change from Apr. 1997 to Apr. 1998 ¹
1. Piece Goods	533.0	547.3	2.7
2. Domestic and Draperies	653.6	642.9	-1.6
3. Women's and Children's Shoes	661.3	663.6	0.3
4. Men's Shoes	904.8	902.5	-0.3
5. Infants' Wear	640.6	628.1	-2.0
6. Women's Underwear	546.3	586.1	7.3
7. Women's Hosiery	294.4	305.5	3.8
8. Women's and Girls' Accessories	561.0	550.1	-1.9
9. Women's Outerwear and Girls' Wear	439.8	431.7	-1.8
10. Men's Clothing	622.2	633.6	1.8
11. Men's Furnishings	598.9	609.6	1.8
12. Boys' Clothing and Furnishings	498.6	498.8	0.0
13. Jewelry	1026.2	1001.8	-2.4
14. Notions	799.2	793.7	-0.7
15. Toilet Articles and Drugs	912.5	936.7	2.7
16. Furniture and Bedding	667.5	675.9	1.3
17. Floor Coverings	586.9	603.7	2.9
18. Housewares	815.9	821.4	0.7
19. Major Appliances	241.9	239.4	-1.0
20. Radio and Television	76.6	73.0	-4.7
21. Recreation and Education ²	110.2	105.7	-4.1
22. Home Improvements ²	131.4	134.0	2.0
23. Auto Accessories ²	107.3	106.8	-0.5
Groups 1 - 15: Soft Goods	614.6	615.3	0.1
Groups 16 - 20: Durable Goods	466.9	464.9	-0.4
Groups 21 - 23: Misc. Goods ²	112.4	109.5	-2.6
Store Total ³	562.6	560.8	-0.3

¹Absence of a minus sign before percentage change in this column signifies 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, foods, liquor, tobacco, and contract departments.

DRAFTING INFORMATION

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