

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

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

LIFO; price indexes; department stores. The September 1996 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, September 30, 1996.

Rev. Rul. 96-54

The following Department Store Inventory Price Indexes for September 1996 were issued by the Bureau of Labor Statistics on October 16, 1996. The indexes are accepted by the Internal

Revenue Service, under 5 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, September 30, 1996.

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, foods, liquor, tobacco, and contract departments.

Drafting

BUREAU OF LABOR STATISTICS, DEPARTMENT STORE
INVENTORY PRICE INDEXES BY DEPARTMENT GROUPS
(January 1941 = 100, unless otherwise noted)

Groups	Sep. 1995	Sep. 1996	Percent Change from Sep. 1995 to Sep. 1996
1. Piece Goods..	538.3	534.8	0.7
2. Domestics and Draperies.	663.4	644.1	2.9
3. Women's and Children's Shoes.	646.4	647.9	0.2
4. Men's Shoes	926.9	916.1	1.2
5. Infants' Wear	627.1	631.9	0.8
6. Women's Underwear	517.1	536.0	3.7
7. Women's Hosiery.	285.7	289.0	1.2
8. Women's and Girls' Accessories	555.5	557.1	0.3
9. Women's Outerwear and Girls' Wear	418.9	407.2	2.8
10. Men's Clothing	619.5	612.0	1.2
11. Men's Furnishings	558.7	573.6	2.7
12. Boys' Clothing and Furnishings	482.8	489.8	1.4
13. Jewelry	1031.4	1040.3	0.9
14. Notions	803.3	795.2	1.0
15. Toilet Articles and Drugs.	863.0	895.9	3.8
16. Furniture and Bedding.	665.6	675.6	1.5
17. Floor Coverings	563.1	589.9	4.8
18. Housewares	798.9	810.0	1.4
19. Major Appliances	249.7	247.1	1.0
20. Radio and Television	81.7	77.2	5.5
21. Recreation and Education'.	114.3	111.4	2.5
22. Home Improvements'.	121.7	125.9	3.5
23. Auto Accessories'.	106.9	107.0	0.1
Groups 1-15: Soft Goods	596.7	596.8	0.0
Groups 16-20: Durable Goods	470.1	469.0	0.2
Groups 21-23: Misc. Goods ²	114.0	112.6	1.2
Store Total³	553.2	552.2	0.2

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, foods, liquor, tobacco, and contract departments.

DRAFTING INFORMATION

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