

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, July 31, 1998.

Rev. Rul. 98-48

The following Department Store Inventory Price Indexes for July 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, July 31, 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.

Section 145.—Qualified
501(c)(3) Bond

26 CFR 1.103-8(b): Residential rental property.

For purpose of sections 142(d) and 145(d) of the Code, the ruling provides that the availability of continual or frequent medical, nursing, or psychiatric services in a facility for the residents of the facility will cause the facility to be other than residential rental property. Other non-housing services available in a facility for the residents of the facility generally will not cause the facility to be other than residential rental property. See Rev. Rul. 98-47, page 4.

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

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

LIFO; price indexes; department stores. The July 1998 Bureau of Labor Statistics price indexes are accepted for

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

Groups	July 1997	July 1998	Percent Change from July 1997 to July 1998 ¹
1. Piece Goods	539.8	547.7	1.5
2. Domestic and Draperies	656.1	626.7	-4.5
3. Women's and Children's Shoes	641.6	642.3	0.1
4. Men's Shoes	902.6	906.5	0.4
5. Infants' Wear	637.9	606.8	-4.9
6. Women's Underwear	543.5	573.1	5.4
7. Women's Hosiery	297.8	307.6	3.3
8. Women's and Girls' Accessories	544.5	539.3	-1.0
9. Women's Outerwear and Girls' Wear	395.0	389.3	-1.4
10. Men's Clothing	621.6	613.4	-1.3
11. Men's Furnishings	585.9	589.3	0.6
12. Boys' Clothing and Furnishings	495.9	489.4	-1.3
13. Jewelry	1003.9	981.5	-2.2
14. Notions	797.5	767.3	-3.8
15. Toilet Articles and Drugs	905.7	947.6	4.6
16. Furniture and Bedding	662.8	683.7	3.2

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

Groups	July 1997	July 1998	Percent Change from July 1997 to July 1998 ¹
17. Floor Coverings	598.2	602.1	0.7
18. Housewares	807.2	825.5	2.3
19. Major Appliances	243.1	238.3	-2.0
20. Radio and Television	75.9	71.6	-5.7
21. Recreation and Education ²	109.8	104.3	-5.0
22. Home Improvements ²	132.7	131.2	-1.1
23. Auto Accessories ²	108.6	107.5	-1.0
Groups 1 - 15: Soft Goods	594.9	592.1	-0.5
Groups 16 - 20: Durable Goods	464.2	464.9	0.2
Groups 21 - 23: Misc. Goods ²	112.5	108.4	-3.6
Store Total ³	549.8	545.9	-0.7

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, food, liquor, tobacco, and contract departments.