

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

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

**LIFO; price indexes; department stores.** The January 2005 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, January 31, 2005.

### Rev. Rul. 2005-22

The following Department Store Inventory Price Indexes for January 2005 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 ap-

propriate 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, January 31, 2005.

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		Jan. 2004	Jan. 2005	Percent Change from Jan. 2004 to Jan. 2005 <sup>1</sup>
1.	Piece Goods .....	468.0	494.0	5.6
2.	Domestics and Draperies .....	543.5	536.5	-1.3
3.	Women's and Children's Shoes .....	599.6	643.3	7.3
4.	Men's Shoes .....	849.6	840.6	-1.1
5.	Infants' Wear .....	578.1	578.4	0.1
6.	Women's Underwear.....	504.8	515.2	2.1
7.	Women's Hosiery .....	350.5	338.9	-3.3
8.	Women's and Girls' Accessories .....	544.8	560.4	2.9
9.	Women's Outerwear and Girls' Wear .....	335.6	333.3	-0.7
10.	Men's Clothing .....	530.7	534.9	0.8

BUREAU OF LABOR STATISTICS, DEPARTMENT STORE  
INVENTORY PRICE INDEXES BY DEPARTMENT GROUPS

(January 1941 = 100, unless otherwise noted)

Groups	Jan. 2004	Jan. 2005	Percent Change from Jan. 2004 to Jan. 2005 <sup>1</sup>
11. Men's Furnishings.....	574.2	561.9	-2.1
12. Boys' Clothing and Furnishings.....	416.3	414.9	-0.3
13. Jewelry.....	888.4	879.0	-1.1
14. Notions.....	788.2	784.4	-0.5
15. Toilet Articles and Drugs.....	981.0	994.7	1.4
16. Furniture and Bedding.....	617.5	604.9	-2.0
17. Floor Coverings.....	595.4	598.2	0.5
18. Housewares.....	710.7	711.8	0.2
19. Major Appliances.....	205.5	202.6	-1.4
20. Radio and Television.....	43.5	40.0	-8.0
21. Recreation and Education <sup>2</sup> .....	81.3	78.3	-3.7
22. Home Improvements <sup>2</sup> .....	127.7	135.6	6.2
23. Automotive Accessories <sup>2</sup> .....	112.3	113.8	1.3
Groups 1-15: Soft Goods.....	545.3	546.2	0.2
Groups 16-20: Durable Goods.....	386.5	380.7	-1.5
Groups 21-23: Misc. Goods <sup>2</sup> .....	93.6	92.8	-0.9
Store Total <sup>3</sup> .....	488.6	487.2	-0.3

<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

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