

Rev. Rul. 2000-46

The following Department Store Inventory Price Indexes for August 2000 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, August 31, 2000.

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	Aug. 1999	Aug. 2000	Percent Change from Aug. 1999 to Aug. 2000 ¹
1. Piece Goods	546.1	509.2	-6.8
2. Domestics and Draperies	630.1	617.9	-1.9
3. Women's and Children's Shoes	635.3	618.3	-2.7
4. Men's Shoes	882.3	913.2	3.5
5. Infants' Wear	623.9	619.8	-0.7
6. Women's Underwear	550.7	570.2	3.5
7. Women's Hosiery	322.1	334.7	3.9
8. Women's and Girls' Accessories	528.1	532.0	0.7
9. Women's Outerwear and Girls' Wear	377.6	370.5	-1.9
10. Men's Clothing	609.9	605.4	-0.7
11. Men's Furnishings	610.6	612.9	0.4
12. Boys' Clothing and Furnishings	473.3	473.0	-0.1
13. Jewelry	962.0	936.5	-2.7
14. Notions	793.9	785.9	-1.0
15. Toilet Articles and Drugs	971.6	971.0	-0.1
16. Furniture and Bedding	679.3	687.9	1.3
17. Floor Coverings	602.1	603.2	0.2
18. Housewares	788.2	778.5	-1.2
19. Major Appliances	234.8	230.9	-1.7
20. Radio and Television	65.7	58.8	-10.5
21. Recreation and Education ²	97.0	92.2	-4.9
22. Home Improvements ²	127.6	129.2	1.3
23. Auto Accessories ²	106.8	106.2	-0.6
Groups 1 - 15: Soft Goods	589.9	585.3	-0.8
Groups 16 - 20: Durable Goods	447.4	437.2	-2.3
Groups 21 - 23: Misc. Goods ²	102.9	99.8	-3.0
Store Total ³	536.9	529.7	-1.3

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

DRAFTING INFORMATION

The principal author of this revenue ruling is Alan J. Tomsic of the Office of Associate Chief Counsel (Income Tax and Accounting). For further information regarding this revenue ruling, contact Mr. Tomsic at (202) 622-4970 (not a toll-free call).