



LIFO UPDATE

If you had called me personally to ask "What's happening lately with LIFO that I need to know about?"... Here's what I'd say:

#1. IRS DOES AN ABOUT-FACE: DEALERS CAN USE REPLACEMENT COST FOR VALUING PARTS INVENTORIES. A major victory for the Denver truck dealership, **Mountain State Ford Truck Sales**. Also, a victory for dealers in general ... and for common sense—finally.

It's no April Fool's joke ... although it is an uncanny coincidence ... on April 1st, the IRS will release the good news in Revenue Procedure 2002-17.

This will allow auto dealers ... and truck dealers ... to value their parts inventories using a replacement cost method grounded in their manufacturers' standard price lists.

If dealers are currently under IRS audit exam and the use of replacement cost is in question, the IRS will drop the issue.

In announcing its reversal of position on this important issue, the Service said that it has (finally) given careful consideration to the "unique circumstances surrounding the use of replacement cost by automobile dealers." It said that ... "consideration of these factors has lead the Service to conclude that for reasons of administrative convenience, burden reduction and avoidance of further controversy ..., a safe-harbor method of accounting to determine the cost of vehicle parts inventory using replacement cost to approximate actual cost should be provided to automobile dealers."

The entire industry stands in debt to Mountain State Ford Truck Sales, Inc., its owners and their families for what they have accomplished by their persistence in fighting the IRS on this matter.

Readers of our publications are well aware of our own extraordinary involvement in this controversy. For articles on this subject which go all the way back to the original Technical Advice Memo, see "Replacement Cost Method for Valuing Parts Inventories" in the Index of Articles published in the *LIFO Lookout*, 1991-2001.

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Terri Harris, the IRS Motor Vehicle Technical Advisor, released an *Automotive Alert!* discussing the safe harbor Revenue Procedure. With her permission, it is reproduced on pages 4-5.

We will devote a portion of the June issue of the *LIFO Lookout* to our commentary and analysis of Rev. Proc. 2002-17.

#2. IRS UPDATES, EXPANDS & LIBERALIZES ITS LIST OF AUTOMATIC LIFO & ACCOUNTING METHOD CHANGES. In January, the IRS issued Revenue Procedure 2002-9 increasing and liberalizing the number of accounting method changes that can be made as "automatic" changes without first securing permission from the IRS.

see **LIFO UPDATE**, page 2

The list of now-automatic changes was expanded to include, among others, the termination of used vehicle LIFO while retaining new vehicle LIFO and certain changes relating to the treatment of "qualified volume-related trade discounts." For more about these changes, see Items #4 & #6 below.

Rev. Proc. 2002-9 supercedes Rev. Proc. 99-49 and, for most changes, is effective for taxable years ending on or after December 31, 2001.

Coverage of Rev. Proc. 2002-9 starts on page 6.

#3. OTHER METHOD OF ACCOUNTING CHANGES CHANGES.

That's not a double type. In addition to making extensive changes in the procedures for *automatic* method changes, the Service announced at the end of March that it was revising its procedures for handling (1) changes in accounting method that require advance IRS permission (i.e., non-automatic changes) and (2) changes in accounting method that taxpayers are required to make as a result of IRS audit examination (i.e., involuntary method changes).

The new guidelines and procedures for changes requiring advance IRS approval/consent are found in Revenue Procedure 2002-19. The new guidelines and procedures for the so-called involuntary method changes are found in Revenue Procedure 2002-18.

We plan to follow up on these Revenue Procedures in subsequent issues of the *Lookout*.

#4. IRS MAKES IT EASIER TO TERMINATE LIFO ELECTION FOR USED VEHICLES AFTER YEAR-END.

No sooner were the words out of our mouths—or written on the page—than they required correction. The December 2001 *LIFO Lookout* "Update" Item #4, contained a warning to auto dealers who wanted to terminate LIFO for used vehicles while retaining their LIFO elections for new vehicles.

Here's what we said in that "Update"... "Be careful about the timing of filing Form 3115 if you have both new and used vehicles on LIFO. If you want to terminate *only* the used vehicle LIFO election, you must obtain permission, in advance, from the IRS National Office. The Form 3115 requesting this change must be filed *before the end of the year of change* (i.e., before December 31, 2001 for a calendar year taxpayer).

"On the other hand, if you want to terminate *both* LIFO elections for new and for used vehicles *at the same time*, this change does not require advance permission from the National Office. The Form 3115 to terminate all existing LIFO elections at the same time is not required to be filed with the National Office until the original of Form 3115 is filed as part of the

income tax return for the year of change. This change is automatic under Rev. Proc. 99-49."

Well, ... ***you can now forget about all of that.*** Revenue Procedure 2002-9 now includes the following as an automatic change that can be made ***after*** year-end: ...The termination of LIFO "for a pool or pools within (the) LIFO inventory."

Apparently, where an auto dealer has separate LIFO elections for new and for used vehicles, the Service will interpret those LIFO elections as involving separate "pools." Thus, the language added to Rev. Proc. 2002-9 will be interpreted to allow the termination of the used vehicle LIFO election (while keeping new vehicle LIFO) to be made after year-end.

Note: more technically-inclined practitioners are concerned over the problematic language and requirements related to the "permitted methods" to be applied to the inventory going off of LIFO. The IRS has not addressed any of this at all in Rev. Proc. 2002-9.

#5. FOR SATURN DEALERS, UNEXPECTEDLY LARGE LIFO RESERVE INCREASES.

We've commented several times before that the Alternative LIFO Method for New Vehicles can be quirky ... sometimes producing erratically large inflation or deflation indexes. For calendar year 2001, many Saturn dealers on LIFO experienced a very pleasant surprise. They had significant inflation indexes under the Alternative LIFO Methodology because of the change that Saturn made in reporting holdback as part of the dealer base price on the invoice received from the manufacturer.

If you were watching for it, as we were for one of our clients, the first-time LIFO election for Saturns resulted in a huge LIFO reserve.

#6. ACCOUNTING METHOD CHANGES FOR DEALER (LIFO) INVENTORIES.

In the March 2001 *LIFO Lookout* "Update" (page 3), we observed that many accounting firms were contemplating changes in dealers' accounting methods to reflect adjustments to inventory *costs*. The inventory cost amount, in turn, affects the LIFO inventory computations.

Some dealers were changing their determination of cost to now exclude (i.e., directly expense) advertising credits. Other dealers were changing the way they were handling interest assistance or floor plan assistance from the Factory to defer that income.

A word of caution: The way these items have been handled on the books in the past constitutes a method of accounting. And for tax purposes, a method of accounting usually cannot be changed

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without first filing a Form 3115 to request IRS permission to make that change ... or notifying the IRS that such a change has been made.

One of the changes on the IRS expanded list of automatic method changes relates to the treatment of "qualified volume-related trade discounts." For more on this, see page 26.

If it's not making a mountain out of a molehill ... and one can never really be sure after the *Mountain State Ford* "experience" ... one other concern surfacing more recently in connection with these changes could really spell trouble.

Some CPAs we know have suggested that by changing inventory methods to remove these costs, problems could be created for LIFO users if the Service were to take the position that these costs really should be included in inventory! Under this scenario, failing to include all appropriate costs in a LIFO inventory would allow the Service to push for termination of the LIFO election under Rev. Proc. 79-23 and other case precedents, including most notably and recently, *Consolidated Manufacturing, Inc.*

#7. MORE ON QSSSSs. In the December 2001 *Lookout*, we discussed a number of special LIFO considerations and problems faced by S Corporation QSub groups. In recent Letter Ruling 200201032, the IRS ruled that an S Corporation could spin off a controlled business in a tax-free organization under Section 355 as a Section 368 D reorganization. In addition, it ruled that the controlled corporation could be treated as a new corporation acquiring all of the assets immediately before the termination of the qualified Subchapter S subsidiary election.

It ruled that the distributing entity's momentary ownership of the stock (as part of the tax-free D reorganization) will not cause the controlled corporation to have an ineligible shareholder for any portion of its first taxable year. Therefore, if the corporation otherwise satisfied the requirements of a small business corporation under Section 1361, it would be eligible to make an S Corporation election for its first taxable year.

The business reason given for the transaction was that the wholly-owned controlled corporation wanted to separate from its parent in order to establish its own separate credit facility. In order to accomplish this, that corporation needed to obtain a release from joint and several liability as guarantor under a pre-existing arrangement with a different bank credit facility.

If you're into QSSSSs, you may want to check this Letter Ruling out, even though it does not address

any of the specific LIFO issues covered in our December article.

#8. NEW ITEMS FOR DECEMBER 31, 2001 YEAR-END LIFO COMPUTATIONS ... 1999-2000-2001 COMPARATIVE LISTS.

We are pleased to continue a regular *LIFO Lookout* annual feature...the presentation of our "new items" list for new item categories under the Alternative LIFO Method for New Vehicles. Along with the current year list, we have also included our own new item determinations for the previous two years. This will give you an idea of the extent of the changes **by make and by model** over the three-year period ending December 31, 2001. See pages 27-46.

#9. SUMMER & FALL CPE PROGRAMS FOR DEALER CPAs.

As you know, for the last 4 years, we have presented a 2½ day conference bringing in speakers of national reputation for our Auto Dealer Niche Conferences. We had originally planned to schedule another Conference during the summer of 2002.

However, given many recent developments, including the issuance by the IRS of several significant Revenue Procedures and Rulings affecting auto dealers, this year, we are altering our CPE training format.

This year, we will be presenting more dealer-tax intensive materials over the course of two consecutive full-day seminars. One of the benefits of offering these seminars at least twice over the summer and fall is that some of these new developments will require a little time and interaction with the IRS in order to clarify underlying issues and see how these developments can practically and effectively be translated in our daily practices.

The first full-day seminar will be **DEALER IRS TAX ISSUES & PLANNING OPPORTUNITIES.**

The second full-day seminar will be **DEALER LIFO INVENTORIES ... BASICS & SPECIAL PLANNING OPPORTUNITIES.**

Mr. De Filippis will personally teach both days. These will include updates on developments involving demonstrator vehicles, the use of replacement cost for parts inventories (*Mountain State Ford Truck Sales*), the more recent liberalization for changes in accounting methods, and other subjects.

These seminars will be offered at least twice during the summer and fall in Chicago suburban locations. More specifics will be available very soon, and they also will be posted on our web site (www.defilippis.com).

These seminars can also be tailored to your Firm's needs and presented in-house. *



Internal Revenue Service
Motor Vehicle Technical Advisor
Automotive Alert!

March 29, 2002

**Safe Harbor Revenue Procedure Allows Dealers'
Continued Use of Replacement Cost**

Introduction

On March 11, 2002, the IRS released the long anticipated resolution to the replacement cost LIFO issue. Revenue Procedure 2002-17 describes a safe harbor method of accounting for vehicle parts inventory that allows automobile dealers to approximate the cost of their parts inventory using the replacement cost of the parts. The revenue procedure also includes procedures for dealers to receive automatic consent to change to the replacement cost method.

Discussion

Automobile dealerships normally carry a significant inventory of parts for use in the dealership service department and for retail sales. Dealers are generally required by their franchiser (manufacturer/distributor) to value their parts inventory at replacement cost rather than at the historical purchase cost of each part. To assist dealers in valuing parts at replacement cost, the manufacturer or other parts supplier provides the dealer with periodic price updates. Once the dealership processes the price updates, the historical purchase price of the parts is not maintained by the computer system.

In 1999, the Tax Court ruled in Mountain State Ford V. Commissioner, 112 T.C. 58 (1999) that a heavy truck dealership that used the LIFO method of accounting for its parts inventory was not entitled to determine the current-year cost of those parts using re-

placement cost. In reaching its decision, the Court determined that the use of replacement cost was not allowable because it does not determine current-year cost on the basis of actual cost as required by IRC §472.

Shortly after the Mountain State ruling, the National Auto Dealers Association (NADA) provided the IRS with several recommendations for resolving the issue. The NADA also provided a discussion of the potential impediments to an auto dealer's compliance with the historical cost requirements of LIFO.

According to the industry, the use of replacement cost is long-standing industry practice and is required by the dealer's franchiser. Industry representatives also stated that changing to actual cost would impose a substantial burden on automobile dealerships. After careful consideration of the auto dealership industry's unique circumstances and data provided by the industry that indicates that replacement approximates cost, the Service developed the Replacement Cost Method for valuing parts inventories of auto dealerships.

Overview of the Method

The method described in Revenue Procedure 2002-17 applies to a specific group of taxpayers. To qualify, a taxpayer must be engaged in the trade or business of selling vehicle parts at retail and must be authorized by one or more manufacturers or distributors to sell new automobiles or light, medium or



heavy trucks. The replacement cost method may be used in conjunction with either the First-in, First-out (FIFO) inventory method or the Last-in, First-out (LIFO) method.

The method authorizes a qualifying taxpayer to "determine the cost of vehicle parts in inventory by reference to the replacement cost of the part[s]...". Replacement cost is defined as the amount provided in a "standard price list" on the date of the dealer's inventory. The price list must be one that is widely recognized, used for business purposes in the industry, and used by the dealer to purchase vehicle parts. In addition, a dealership that elects the Replacement Cost Method must satisfy the conformity requirement and use the method for financial reports and tax.

Changing to the Method

Qualifying dealers that are using the replacement cost method described in Revenue Procedure 2002-17 on March 12, may continue to use the safe harbor method without filing a Form 3115, Application for Change in Method of Accounting. The revenue procedure also provides audit protection for years ending before December 31, 2001. If the dealer is under examination and the issue is currently under consideration, the revenue procedure mandates that the issue will not be pursued.

Dealers that are not using the replacement cost method on March 12, 2002 must follow the automatic change provisions of Revenue Procedure 2002-9 with certain modifications. Modifications include making the change on a cut-off basis, i.e. without a §481(a) adjust-

ment. Dealers that comply with the election requirements will receive audit protection, with respect to the method of determining the cost of parts, for any tax year prior to the year of change.

In addition to normal recordkeeping requirements supporting all aspects of its inventory valuation, dealers electing the Replacement Cost Method must maintain copies of the price lists used in the applying the method.

Conclusion

The Replacement Cost Method provided in Revenue Procedure 2002-17 provides clear guidance for franchised automobile dealers and resolves a long standing issue in the industry without imposing significant additional burden on the dealerships.

Finally, although the safe harbor method in the revenue procedure is available only to qualifying automobile dealerships, the Service is willing to consider safe harbor requests from other industries with similar facts.

For further information on the Replacement Cost method, refer to Rev. Proc. 2002-17 or contact the Motor Vehicle Technical Advisor Program at 616-235-1655 or by e-mail at Terri.S.Harris@irs.gov.



IRS UPDATES & EXPANDS ITS LIST OF AUTOMATIC LIFO & OTHER ACCOUNTING METHOD CHANGES

REV.
PROC.
2002-9

One way to think about accounting method changes is that they fall into one of three general classes or types:

- Changes taxpayers cannot make unless they receive IRS permission in advance to make the change (i.e., **non-automatic** changes),
- Changes taxpayers are permitted to make without first receiving IRS permission ... although they are required to **notify** the IRS that the change has been made (i.e., **automatic** changes), and
- Changes taxpayers are required to make because the IRS believes that their present method of accounting does not clearly reflect income ... changes resulting from IRS audit examinations (i.e., **involuntary** or **IRS-imposed** method changes).

The IRS has recently addressed each type of change in a separate Revenue Procedure, setting forth new guidelines and requirements.

- **Non-automatic** changes ... Rev. Proc. 2002-19
- **Automatic** changes ... Rev. Proc. 2002-9
- **Involuntary** or **IRS-imposed** method changes ... Rev. Proc. 2002-18

In Rev. Proc. 2002-9, the IRS increased the number of accounting method changes that taxpayers would be permitted to make as "automatic" changes (i.e., without first having to secure permission from the IRS). This article and the related supplementary materials focus only on the content of Rev. Proc. 2002-9.

This Rev. Proc., issued in January 2002, supercedes Rev. Proc. 99-49 which previously dealt with automatic changes. For most of the now automatic changes, Rev. Proc. 2002-9 is effective for taxable years ending on or after December 31, 2001.

What's new and possibly of greatest interest in these changes. The IRS list of now-automatic changes has been expanded ... and liberalized ... to include, among others, (1) the termination of used vehicle LIFO while retaining new vehicle LIFO and (2) certain changes relating to the treatment of "qualified volume-related trade discounts."

Rev. Proc. 2002-9 is a long, formidable-looking document. Printed on 8½" by 11" regular paper, it runs over 70 pages. Approximately the first 30 pages is the text of the basic document. The remaining 40 pages contain the extensive **Appendix** listing of all

the changes in methods of accounting to which this Revenue Procedure applies.

Over the last decade, the IRS has revised this list and its procedures several times. With the recent issuance of Rev. Proc. 2002-9, we thought it appropriate to look at this entire area using the Rev. Proc.'s organizational structure as our basic approach. What we have done in discussing Rev. Proc. 2002-9 is arbitrarily broken it down into a series of what hopefully are more easy-to-digest discussions.

- At a Glance ... General Overview
- List of Automatic Changes in the Appendix
- Basic Technical Considerations
- Terms & Conditions
- Filing Procedures & Requirements
- Terminating LIFO Elections
- LIFO Changes other than Election Terminations
- Volume-Related Trade Discounts

You may not find it necessary to get into all of these discussions. However, for some, this material may be new. Others may desire only a refresher on certain parts of it. But it's all here with enough detail in each discussion to take you right into the section of the Revenue Procedure that has more specifics if you need them.

In an effort at completeness, we have included an overview of the many changes in methods that are not necessarily relevant to the use of LIFO for inventories. Since changes relating to the use of the LIFO inventory method are more relevant to the readers of this publication, these changes are discussed in greater detail. These method changes involve (1) **Used** Vehicle Alternative LIFO Method, (2) changes **to** and/or **within** the Inventory Price Index Computation (IPIC) Method, and (3) changes involving volume-related trade discounts.

In general, automatic changes involving inventories are found in Section 9 of the Appendix, with the discussion of qualifying volume-related trade discounts at Section 9.05. The changes involving Last-In, First-Out (LIFO) inventories referred to above are found in Section 10 of the Appendix. *



GENERAL OVERVIEW
AUTOMATIC CHANGES IN METHODS OF ACCOUNTING

Purpose & Function	<ul style="list-style-type: none"> • Provides the procedures by which a taxpayer may obtain automatic consent to change the methods of accounting described in the <i>Appendix</i> which accounts for more than 50% of the Rev. Proc. • Consolidates automatic consent procedures for many changes in methods of accounting that were published after the publication of Rev. Proc. 99-49. • Provides new automatic consent procedures for changes in many other methods. • Taxpayers complying with all the applicable provisions of this Rev. Proc. will be deemed to have obtained the consent of the Commissioner of Internal Revenue to change their method(s) of accounting under IRC Section 446(e).
General Applicability	<ul style="list-style-type: none"> • Is the exclusive procedure applying to taxpayers requesting the Commissioner's consent to change any of the methods of accounting listed and described in the <i>Appendix</i>. • Will not apply in certain situations involving ... taxpayers under examination, before an Appeals Office and/or before a Federal Court. • Other special rules apply to consolidated group members, partnerships and S corporations and other specialized situations covered in Section 4 of the Rev. Proc.
Effective Date	<ul style="list-style-type: none"> • Generally, effective for taxable years ending on or after December 31, 2001. • Special circumstances may result in a different effective date.
Form 3115	<ul style="list-style-type: none"> • Form 3115 ... <i>Application for Change in Accounting Method</i> ... must be filed in connection with each change, regardless of whether change is automatic or requires IRS advance approval. • Applications must be filed using the most current revision of Form 3115. • Most recent revision (as of March 1, 2002) is dated May, 1999. • Note: The IRS will return any application that is filed on or after December 31, 2001, if the application is filed with the National Office, and the change in method is within the scope of Rev. Proc. 2002-9 which provides for automatic change treatment. • Special processing rules will apply if there is a change in method request pending in the National Office on December 31, 2001. (Section 13.02 provides various transition rules.) • The Service will return any application that is filed after December 30, 2001, if the change in method of accounting is within the scope of Rev. Proc. 2002-9 and the application fails to comply with the rules.
Terms & Conditions of Change	<ul style="list-style-type: none"> • Contained in Section 5 of Rev. Proc. ... See separate summary.
Procedures to Follow in Making Changes	<ul style="list-style-type: none"> • Contained in Section 6 of Rev. Proc. ... See separate summary.
"Amnesty" Audit Protection for Taxable Years Prior to Year of Change (Sec. 7)	<ul style="list-style-type: none"> • In general. When a taxpayer timely files a copy of Form 3115 with the National Office in compliance with all the applicable provisions of this Revenue Procedure, the IRS will not require the taxpayer to change its method of accounting for the same item for a taxable year prior to the year of change. • Exceptions. However, audit protection or amnesty will not be available in certain situations: <ul style="list-style-type: none"> ♦ (1) Change not made or made improperly. The Service may change a taxpayer's method of accounting for prior taxable years if (a) the taxpayer fails to implement the change, (b) the taxpayer implements the change but does not comply with all the applicable provisions of this Revenue Procedure, or (c) the method of accounting is changed or modified because there has been a misstatement or omission of material facts (see section 8.02(2) of this Revenue Procedure).



GENERAL OVERVIEW
AUTOMATIC CHANGES IN METHODS OF ACCOUNTING

<p style="text-align: center;"><i>“Amnesty” Audit Protection for Taxable Years Prior to Year of Change (Sec. 7) (Continued)</i></p>	<ul style="list-style-type: none"> ♦ Change in sub-method. The Service may change a taxpayer’s method of accounting for prior taxable years if the taxpayer is changing a sub-method of accounting within the method. For example, an examining agent may propose to terminate the taxpayer’s use of the LIFO inventory method during a prior taxable year even though the taxpayer changes its method of valuing increments in the current year. <ul style="list-style-type: none"> ♦ Prior year Service-initiated change. The Service may make adjustments to the taxpayer’s returns for the same item for taxable years prior to the requested year of change to reflect a prior year Service-initiated change reported as an issue pending or in a Revenue Agent’s Report. ♦ Criminal investigation. The Service may change a taxpayer’s method of accounting for the same item for taxable years prior to the year of change if there is any pending or future criminal investigation or proceeding concerning <ul style="list-style-type: none"> ⇒ directly or indirectly, any issue relating to the taxpayer’s federal tax liability for any taxable year prior to the year of change, or ⇒ the possibility of false or fraudulent statements made by the taxpayer with respect to any issue relating to its federal tax liability for any taxable year prior to the year of change.
<p style="text-align: center;"><i>Subsequent Events May Require Changed Methods to Be Changed Again</i></p>	<ul style="list-style-type: none"> • In special situations, taxpayers who changed accounting methods may be required to change or modify their new methods of accounting for the following reasons: <ul style="list-style-type: none"> ... the enactment of legislation; ... a decision of the United States Supreme Court; ... the issuance of temporary or final regulations; ... the issuance of a revenue ruling, Revenue Procedure, notice, or other statement published in the Internal Revenue Bulletin; ... the issuance of written notice to the taxpayer that the change in method of accounting is not in accord with the current views of the Service; or ... a change in the material facts on which the consent was based. • If a subsequent change is required, that change or modification will not be applied retroactively, provided that: <ul style="list-style-type: none"> ... the taxpayer complied with all the applicable provisions of this Revenue Procedure; ... there has been no misstatement or omission of material facts; ... there has been no change in the material facts on which the consent was based; ... there has been no change in the applicable law; and ... the taxpayer to whom consent was granted acted in good faith in relying on the consent, and applying the change or modification retroactively would be to the taxpayer’s detriment.
<p style="text-align: center;"><i>Several Different Levels of Review Possible</i></p>	<ul style="list-style-type: none"> • Despite the fact that method changes in Rev. Proc. 2002-9 are described as “automatic,” there are several possible review procedures that may apply to Forms 3115 after they are filed. • One possibility is “Director Review” ... and there may be further National Office review initiated as a result of the Director Review process. • Another possibility is that the National Office may independently ... or at random ... initiate a review process on its own.
<p style="text-align: center;"><i>Director Review of Forms 3115</i></p>	<ul style="list-style-type: none"> • The Director must apply a change in method of accounting made in compliance with all the applicable provisions of this Revenue Procedure in determining the taxpayer’s liability, unless the Director recommends that the change in method of accounting should be modified or revoked. The Director will ascertain if the change in method of accounting was made in compliance with all the applicable provisions of this Revenue Procedure.



GENERAL OVERVIEW

AUTOMATIC CHANGES IN METHODS OF ACCOUNTING

*Director
Review
of Forms 3115
(Continued)*

- If the Director determines that the taxpayer has not complied with all of the other applicable provisions of this Revenue Procedure, the Director may:
 - ... Deny the change in method of accounting and require the taxpayer to continue to use the prior method of accounting;
 - ... Deny the change in method of accounting and place the taxpayer on a proper method of accounting (see section 2.10 of this Revenue Procedure); or
 - ... Make any adjustments (including the amount of any Section 481(a) adjustment) that are necessary to bring the change in method of accounting into compliance with all applicable provisions of this Revenue Procedure.
- *The Director may impose any otherwise applicable penalty, addition to tax, or additional amount on the understatement of tax attributable to the change in method of accounting.*
- *National Office consideration arising out of Director recommendation.* If the Director recommends that a change in method of accounting (other than the Section 481(a) adjustment) made in compliance with all the applicable provisions of this Revenue Procedure should be modified or revoked, the Director will forward the matter to the National Office for consideration before any further action is taken. Such a referral to the National Office will be treated as a request for technical advice, and to which the provisions of Rev. Proc. 2001-2 (or any successor) will be applied.

*National Tax
Office
Review
of Forms 3115*

- Generally, any application filed under Rev. Proc. 2002-9 *may be* reviewed by the National Office.
- If the National Office reviews an application and determines that the application is not properly completed in accordance with the instructions of the Form 3115 or the provisions of this Revenue Procedure, or if supplemental information is needed, the National Office will notify the taxpayer.
- The notification to the taxpayer will specify the information that needs to be provided, and the *taxpayer will be permitted 30 days from the date of the notification to furnish the necessary information.* The National Office may impose a shorter reply periods if subsequent requests for additional information are made.
- If the taxpayer fails to provide the additional information on a timely basis, the application ordinarily will not qualify for the automatic consent procedures.
- *Conference in the National Office.* If the National Office tentatively determines that the taxpayer has changed its method of accounting without complying with all the applicable provisions and/or conditions, the National Office will notify the taxpayer of its tentative adverse determination. The taxpayer will be offered a conference of right, if the taxpayer has requested a conference.
- If the National Office determines that a taxpayer has changed its method of accounting without complying with all the applicable provisions of this Revenue Procedure, the National Office will notify the taxpayer that consent to make the change in method of accounting is not granted.
- If the National Office determines that a taxpayer has changed its method of accounting without complying with all the applicable provisions of this Revenue Procedure, the National Office, in its discretion, may allow the taxpayer (a) to make appropriate adjustments to conform its change in method of accounting to the applicable provisions of this Revenue Procedure, and (b) to make conforming amendments to any Federal income tax returns filed for the year of change and subsequent taxable years.



<i>At A Glance</i>	<i>AUTOMATIC CHANGES IN METHODS OF ACCOUNTING Revenue Procedure 2002-9 - APPENDIX</i>
Changes Now Granted Automatically	<ul style="list-style-type: none"> • The <i>Appendix</i> of Rev. Proc. 2002-9 lists all of the changes in methods of accounting that can be made without advance approval from the IRS. • Rev. Proc. 2002-9 <i>added 28 changes</i> to the list previously contained in R.P. 99-49. • The new changes added as “automatic” are indicated in <i>bold italics</i> below. • Effective for taxable years ending on or after December 31, 2001... with limited exceptions.
Section 1	<p><i>Sec. 1. Commodity Credit Loans (IRC Sec. 77) ... Treating Amounts Received as Loans</i></p> <p>Sec. 1A. Trade or Business Expenses (IRC Sec. 162)</p> <ul style="list-style-type: none"> .01 Advances Made by a Lawyer on Behalf of Clients .02 Year 2000 Costs - Description of Change and Scope .03 <i>Aircraft Maintenance Costs</i> .04 <i>ISO 9000 Costs</i> .05 <i>Railroad Track Structure Expenditures</i> .06 <i>Restaurant Smallwares Packages</i> <p><i>Sec. 1B Bad Debts (IRC Sec. 166) ... Change from Reserve Method to Specific Charge-Off Method</i></p> <p>Sec. 1C. Amortizable Bond Premium (IRC Sec. 171)... Revocation of Sec. 171(C) Election</p>
Section 2	<p>Sec. 2 Depreciation or Amortization (IRC Sec. 56(a)(1), 56(g)(4)(A), 167, 168, or 197, or old Sec. 168)</p> <ul style="list-style-type: none"> .01 Impermissible to Permissible Method of Accounting for Depreciation or Amortization .02 Permissible to Permissible Method of Accounting for Depreciation .03 Sale or Lease Transactions .04 <i>Modern Golf Course Greens</i> <p>Sec. 2A. Research and Experimental Expenditures (IRC Sec. 174)</p> <ul style="list-style-type: none"> .01 Changes to a Different Method or Different Amortization Period <p><i>Sec. 2B. Computer Software Expenditures (IRC Sec. 162, 167, and 197)</i></p>
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Citation	<i>Revenue Procedure 2002-9, published January __, 2002. (2002-3 I.R.B. 327).</i> <i>Note: Rev. Proc. 2002-9 supercedes Rev. Proc. 99-49 (1999-52 I.R.B. 725).</i>



**BASIC TECHNICAL CONSIDERATIONS
W/RT (REQUESTING) CHANGES IN ACCOUNTING METHODS**

<p>Change in Method</p> <p>Definitions & Guidelines</p> <p>(Sec. 2.01)</p>	<ul style="list-style-type: none"> • A <i>change in method</i> of accounting includes a change in the overall plan of accounting for gross income or deductions, or a change in the treatment of any material item (Reg. Sec. 1.446-1(e)(2)(ii)(a)). • A <i>material item</i> is any item that involves the proper time for the inclusion of the item in income or the taking of the item as a deduction. • <i>Question to be answered.</i> In determining whether a taxpayer's accounting practice for an item involves timing, generally the relevant question is whether the practice permanently changes the amount of the taxpayer's lifetime income. <ul style="list-style-type: none"> ... If the practice does not permanently affect the taxpayer's lifetime income, but does or could change the taxable year in which income is reported, it involves timing and is therefore a method of accounting. See Rev. Proc. 91-31, 1991-1 C.B. 566. • <i>Consistency.</i> Although a method of accounting may exist under this definition without a pattern of consistent treatment of an item, a method of accounting is not adopted in most instances without consistent treatment. • The treatment of a material item in the same way in determining the gross income or deductions <i>in two or more consecutively filed tax returns</i> (without regard to any change in status of the method as permissible or impermissible) represents consistent treatment of that item. • If a taxpayer treats an item properly <i>in the first return</i> that reflects the item, however, it is not necessary for the taxpayer to treat the item consistently in two or more consecutive tax returns to have adopted a method of accounting. • If a taxpayer has adopted a method of accounting under these rules, the taxpayer may not change the method by amending its prior income tax return(s). See Rev. Rul. 90-38, 1990-1 C.B. 57. • A <i>change in the characterization of an item</i> may also constitute a change in method of accounting if the change has the effect of shifting income from one period to another. For example, a change from treating an item as income to treating the item as a deposit is a change in method of accounting. See Rev. Proc. 91-31. • The following do not constitute a change in method of accounting <ul style="list-style-type: none"> ... Correction of mathematical or posting errors, or ... Errors in the computation of tax liability (such as errors in computation of the foreign tax credit, net operating loss, percentage depletion, or investment credit).
<p>Securing Permission</p> <p>(Sec. 2.02)</p>	<ul style="list-style-type: none"> • Except as otherwise provided, a taxpayer must secure the consent of the Commissioner before changing a method of accounting for Federal income tax purposes. (Section 446(e) and Reg. Sec. 1.446-1(e)) • In order to obtain the Commissioner's consent to a method change, a taxpayer must file a Form 3115, <i>Application for Change in Accounting Method</i>, during the taxable year in which the taxpayer wants to make the proposed change. (Reg. Sec. 1.446-1(e)(3)(i))
<p>Terms & Conditions</p> <p>(Sec. 2.03)</p>	<ul style="list-style-type: none"> • The Commissioner is authorized to prescribe administrative procedures setting forth the limitations, terms, and conditions deemed necessary to permit a taxpayer to obtain consent to change a method of accounting in accordance with Sec. 446(e). (Reg. Sec. 1.446-1(e)(3)(ii)) • The Commissioner may prescribe the following terms and conditions <ul style="list-style-type: none"> ... The year of change, ... Whether the change is to be made with a Section 481(a) adjustment or on a cut-off basis, and ... The Section 481(a) adjustment period.



**BASIC TECHNICAL CONSIDERATIONS
W/R/T (REQUESTING) CHANGES IN ACCOUNTING METHODS**

**No Retroactive
Method Change
(Sec. 2.04)**

- A taxpayer may not request, or otherwise make, a retroactive change in method of accounting, regardless of whether the change is from a permissible or an impermissible method unless specifically authorized by the Commissioner. See Rev. Rul. 90-38.

**Section 481(a)
Adjustments
(Sec. 2.05)**

- **Need for adjustment.** Section 481(a) requires those adjustments necessary to prevent amounts from being duplicated or omitted to be taken into account when the taxpayer's taxable income is computed under a method of accounting different from the method used to compute taxable income for the preceding taxable year. When there is a change in method of accounting to which Section 481(a) is applied, income for the taxable year preceding the year of change must be determined under the method of accounting that was then employed, and income for the year of change and the following taxable years must be determined under the new method of accounting as if the new method had always been used.
- **Example.** A taxpayer that is not required to use inventories uses the overall cash receipts and disbursements method and changes to an overall accrual method. The taxpayer has \$120,000 of income earned but not yet received (accounts receivable) and \$100,000 of expenses incurred but not yet paid (accounts payable) as of the end of the taxable year preceding the year of change. A positive Section 481(a) adjustment of \$20,000 (\$120,000 accounts receivable less \$100,000 accounts payable) is required as a result of the change.
- **Adjustment period.** Section 481(c) and Reg. Sec. 1.446-1(e)(3)(ii) and 1.481-4 provide that the adjustment required by Section 481(a) may be taken into account in determining taxable income in the manner and subject to the conditions agreed to by the Commissioner and the taxpayer. Generally, in the absence of such an agreement, the Section 481(a) adjustment is taken into account completely in the year of change, subject to Section 481(b) which limits the amount of tax where the Section 481(a) adjustment is substantial.
- This Revenue Procedure provides specific adjustment periods that are intended to achieve an appropriate balance between the goals of mitigating distortions of income that result from accounting method changes and providing appropriate incentives for voluntary compliance.

**Cut-Off Method
Applies
(Sec. 2.06)**

- Generally, many voluntary changes in method can be made using the cut-off method. This is especially the case where changes within the LIFO inventory method are involved.
- The Commissioner may determine that certain changes in methods of accounting will be made without a Section 481(a) adjustment, using a "cut-off method."
- **Cut-Off Method applies.** In these change situations, the change is made using a cut-off method.
 - ... Only the items arising on or after the beginning of the year of change are accounted for under the new method.
 - ... Any items arising before the year of change continue to be accounted for under the former method of accounting.
 - ... No Section 481(a) adjustment is necessary because no items are duplicated or omitted from income under this approach.
 - ... **Exceptions.** In some change situations, Rev. Proc. 2002-17 provides that if the taxpayer has previously improperly accounted for a bulk bargain purchase, the taxpayer, as part of this change, must first change its method of accounting to comply with *Hamilton Industries, Inc. v. Commissioner*, 97 T.C. 120 (1991), and compute a Section 481(a) adjustment for that part of the change (see Ann. 91-173, 1991-47 I.R.B. 29).



Rev. Proc. 2002-9	BASIC TECHNICAL CONSIDERATIONS W/RT (REQUESTING) CHANGES IN ACCOUNTING METHODS
Consistency & Clear Reflection of Income (Sec. 2.07)	<ul style="list-style-type: none"> • Methods of accounting should clearly reflect income on a continuing basis, and the IRS exercises its discretion under Sections 446(e) and 481(c) in a manner that generally minimizes distortions of income across taxable years and on an annual basis.
Separate Trades or Businesses (Sec. 2.08)	<ul style="list-style-type: none"> • When a taxpayer has two or more separate and distinct trades or businesses, a different method of accounting may be used for each trade or business provided the method of accounting used for each trade or business clearly reflects the overall income of the taxpayer as well as that of each particular trade or business. (Sections 1.446-1(d)(1) and (2)) • No trade or business is separate and distinct unless a complete and separable set of books and records is kept for that trade or business. • If, by reason of maintaining different methods of accounting, there is a creation or shifting of profits or losses between the trades or businesses of the taxpayer (for example, through inventory adjustments, sales, purchases, or expenses) so that income of the taxpayer is not clearly reflected, the trades or businesses of the taxpayer are not separate and distinct. (Reg. Sec. 1.446-1(d)(3))
Penalties (Sec. 2.09)	<ul style="list-style-type: none"> • Any otherwise applicable penalty, addition to the tax, or additional amount for the failure of a taxpayer to change its method of accounting (for example, the accuracy-related penalty under Section 6662 or the fraud penalty under Section 6663) may be imposed if the taxpayer does not timely file a request to change a method of accounting. See Section 446(f). • The taxpayer's return preparer may also be subject to the preparer penalty under Section 6694. • Penalties, additions to the tax, or additional amounts will not be imposed when a taxpayer changes from an impermissible method of accounting to a permissible method by complying with all applicable provisions of this Revenue Procedure.
Change in Method Made as Part of an Audit Exam (Sec. 2.10)	<ul style="list-style-type: none"> • If a taxpayer does not regularly employ a method of accounting that clearly reflects its income, the computation of taxable income must be made in a manner that, in the opinion of the Commissioner, does clearly reflect income. (Sec. 446(b) and Reg. Sec. 1.446-1(b)(1)) • If a taxpayer under examination is not eligible to change a method of accounting under this Revenue Procedure, the change may be made by the Director. A change resulting in a positive Section 481(a) adjustment will ordinarily be made in the earliest taxable year under examination with a one-year Section 481(a) adjustment period.
Definitions ...	
Year of Change (Sec. 3.06)	<ul style="list-style-type: none"> • The <i>year of change</i> is the taxable year for which a change in method of accounting is effective, that is, the first taxable year the new method is to be used, even if no affected items are taken into account for that year.
Section 481(a) Adjustment Period (Sec. 3.07)	<ul style="list-style-type: none"> • The <i>Section 481(a) adjustment period</i> is the applicable number of taxable years for taking into account the Section 481(a) adjustment required as a result of the change in method of accounting. The year of change is the first taxable year in the adjustment period and the Section 481(a) adjustment is taken into account ratably over the number of taxable years in the adjustment period. The applicable adjustment periods are set forth in section 5.04 of this Revenue Procedure.



**BASIC TECHNICAL CONSIDERATIONS
W/R/T (REQUESTING) CHANGES IN ACCOUNTING METHODS**

<p>"Under Exam" (Sec. 3.08)</p>	<ul style="list-style-type: none"> • Generally, an examination of a taxpayer with respect to a Federal income tax return begins on the date the taxpayer is contacted in any manner by a representative of the Service for the purpose of scheduling any type of examination of the return. • An examination ends: <ul style="list-style-type: none"> ... In a case in which the Service accepts the return as filed, on the date of the "no change" letter sent to the taxpayer; ... In a fully agreed case, on the earliest of the date the taxpayer executes a waiver of restrictions on assessment or acceptance of overassessment (for example, Form 870, 4549, or 4605), the date the taxpayer makes a payment of tax that equals or exceeds the proposed deficiency, or the date of the "closing" letter (for example, Letter 891(IN) or 987(DO)) sent to the taxpayer; or ... In an "unagreed" or a partially agreed case, on the earliest of the date the taxpayer (or its representative) is notified by Appeals that the case has been referred by the examining agent(s) to Appeals, the date the taxpayer files a petition in the Tax Court, the date on which the period for filing a petition with the Tax Court expires, or the date of the notice of claim disallowance. • Special rules may apply to entities ... including Limited Liability Companies ... treated as a partnerships or S corporations
<p>"Issue Under Consideration" (Sec. 3.09)</p>	<ul style="list-style-type: none"> • Under examination. A taxpayer's method of accounting for an item is an "issue under consideration" for the taxable years under examination if the taxpayer receives written notification (i.e., by examination plan, information document request (IDR), or notification of proposed adjustments or income tax examination changes) from the examining agent(s) specifically citing the treatment of the item as an issue under consideration. <ul style="list-style-type: none"> ... A taxpayer's method of pooling under the dollar-value, Last-In, First-Out (LIFO) inventory method is an "issue under consideration" as a result of an examination plan that identifies LIFO pooling as a matter to be examined, but it is not an issue under consideration as a result of an examination plan that merely identifies LIFO inventories as a matter to be examined. ... Similarly, a taxpayer's method of determining inventoriable costs under Section 263A is an "issue under consideration" as a result of an IDR that requests documentation supporting the costs included in inventoriable costs, but it is not an issue under consideration as a result of an IDR that requests documentation supporting the amount of cost of goods sold reported on the return. ... The question of whether a method of accounting is an "issue under consideration" may be referred to the National Office as a request for technical advice under the provisions of Rev. Proc. 2001-2, 2001-1 I.R.B. 79 (or any successor). • Before an Appeals office. A taxpayer's method of accounting for an item is "an issue under" consideration for the taxable years before an appeals office if the treatment of the item is included as an item of adjustment in the examination report referred to Appeals or is specifically identified in writing to the taxpayer by Appeals. • Before a Federal court. A taxpayer's method of accounting for an item is an "issue under consideration" for the taxable years before a Federal court if the treatment of the item is included in the statutory notice of deficiency, the notice of claim disallowance, the notice of final administrative adjustment, the pleadings (for example, the petition, complaint, or answer) or amendments thereto, or is specifically identified in writing to the taxpayer by the counsel for the government.
<p>"Change within the LIFO Inventory Method"</p>	<ul style="list-style-type: none"> • A change within the LIFO inventory method is a change from one LIFO inventory method or sub-method to another LIFO inventory method or sub-method. • A change within the LIFO inventory method does not include a change in method of accounting that could be made by a taxpayer that does not use the LIFO inventory method (for example, a method governed by Section 471 or by Section 263A).
<p>Citation</p>	<ul style="list-style-type: none"> • Sections 2 & 3 of Revenue Procedure 2002-9 (2002-3 I.R.B. 327)



TERMS & CONDITIONS OF CHANGE
FOR AUTOMATIC CHANGES IN METHODS OF ACCOUNTING

R.P. 2002-9
 Section 5

<i>In General</i> (Sec. 5.01)	<ul style="list-style-type: none"> • An accounting method change filed under this Revenue Procedure must be made pursuant to the terms and conditions provided in this Revenue Procedure.
<i>Year of Change</i> (Sec. 5.02)	<ul style="list-style-type: none"> • The year of change is the taxable year designated on the application and for which the application is timely filed under section 6.02(3).
<i>Section 481(a) Adjustment ... General Rules</i> (Sec. 5.03)	<ul style="list-style-type: none"> • In general, taxpayers making changes in methods of accounting under this R. P. 2002-9 must compute a Section 481(a) adjustment and take it into account. • <i>Four Year Spread</i> ... the number of years over which a positive and/or negative Sec. 481(a) adjustment will be taken into account generally will be <i>four (4)</i> years. • The Rev. Proc. (in certain places), and the Appendix (in certain places) may provide for a shorter spread.
<i>Sec. 5.04</i>	<i>Special Rules for Sec. 481(a) Spread Periods in Certain Situations</i>
<i>Short Period as a Separate Taxable Year</i> (Sec. 5.04)	<ul style="list-style-type: none"> • If the year of change, or any taxable year during the Section 481(a) adjustment period, is a short taxable year, the Section 481(a) adjustment must be included in income as if that short taxable year were a full 12-month taxable year. See Rev. Rul. 78-165, 1978-1 C.B. 276. ... <i>Example 1.</i> A calendar year taxpayer received permission to change an accounting method beginning with the 2001 calendar year. The Section 481(a) adjustment is \$30,000 and the adjustment period is four taxable years. The taxpayer subsequently receives permission to change its annual accounting period to September 30, effective for the taxable year ending September 30, 2002. The taxpayer must include \$7,500 of the Section 481(a) adjustment in gross income for the short period from January 1, 2002, through September 30, 2002. ... <i>Example 2.</i> Corporation X, a calendar year taxpayer, received permission to change an accounting method beginning with the 2001 calendar year. The Section 481(a) adjustment is \$30,000 and the adjustment period is four taxable years. On July 1, 2003, Corporation Z acquires Corporation X in a transaction to which Section 381(a) applies. Corporation Z is a calendar year taxpayer that uses the same method of accounting to which Corporation X changed in 2001. Corporation X must include \$7,500 of the Section 481(a) adjustment in gross income for its short period income tax return for January 1, 2003, through June 30, 2003. In addition, Corporation Z must include \$7,500 of the Section 481(a) adjustment in gross income in its income tax return for calendar year 2003.
<i>Under \$25,000... One-Year Spread Can Be Elected</i> (Sec. 5.04)	<ul style="list-style-type: none"> • <u>Shortened or accelerated adjustment periods.</u> The Section 481(a) adjustment period provided in section 5.04(1) or the APPENDIX of this Revenue Procedure will be shortened or accelerated in the following situations. <ul style="list-style-type: none"> ♦ <i>De minimis rule.</i> A taxpayer may elect to use a one-year adjustment period in lieu of the Section 481(a) adjustment period otherwise provided if the entire Section 481(a) adjustment is less than \$25,000 (either positive or negative). ♦ A taxpayer makes an election under this de minimis rule by so indicating on the application. For a taxpayer filing a Form 3115 should use the appropriate line on the Form 3115 to elect this de minimis rule.
<i>Taxpayers Who Go Out of Business</i> (Sec. 5.04)	<ul style="list-style-type: none"> • Taxpayers who <i>cease to engage in a trade or business or terminate</i> their existence must take the remaining balance of any Section 481(a) adjustment relating to the trade or business into account in computing taxable income in the taxable year of the cessation or termination. • Generally, a taxpayer is treated as ceasing to engage in a trade or business if the operations of the trade or business cease or substantially all the assets of the trade or business are transferred to another taxpayer. For this purpose, "substantially all" has the same meaning as in section 3.01 of Rev. Proc. 77-37, 1977-2 C.B. 568. <p align="right"><i>(Continued)</i></p>



TERMS & CONDITIONS OF CHANGE
FOR AUTOMATIC CHANGES IN METHODS OF ACCOUNTING

R.P 2002-9
 Section 5

<p><i>Taxpayers Who Go Out of Business</i> <i>(Sec. 5.04)</i> <i>(Continued)</i></p>	<ul style="list-style-type: none"> • Situations that are treated as the cessation of a trade or business: <ul style="list-style-type: none"> ◆ the trade or business to which the Section 481(a) adjustment relates is incorporated; ◆ the trade or business to which the Section 481(a) adjustment relates is purchased by another taxpayer in a transaction to which Section 1060 applies; ◆ the trade or business to which the Section 481(a) adjustment relates is terminated or transferred pursuant to a taxable liquidation; ◆ a division of a corporation ceases to operate the trade or business to which the Section 481(a) adjustment relates; or ◆ the assets of a trade or business to which the Section 481(a) adjustment relates are contributed to a partnership. ◆ Caution: This is not an exclusive listing.
<p><i>Conversion to/from S Corp Status</i> <i>(Sec. 5.04)</i></p>	<ul style="list-style-type: none"> • Generally, there will be no acceleration of a Section 481(a) adjustment (under Sec. 5.04(3)(c)) when a C corporation elects to be treated as an S corporation or an S corporation terminates its S election and is then treated as a C corporation. • Note: This does not say there is no recapture of the LIFO reserve; it merely says that the spread period is not affected. • However, certain exceptions are provided in section 10.01 of the <i>Appendix</i>.
<p><i>Certain Transfers where Sec. 381(a) Applies</i> <i>(Sec. 5.04)</i></p>	<ul style="list-style-type: none"> • Generally, there is no acceleration of the Section 481(a) adjustment. • This applies when a taxpayer transfers substantially all the assets of the trade or business that gave rise to the Section 481(a) adjustment to another taxpayer in a transfer to which Section 381(a) applies and the accounting method (the change to which gave rise to the Section 481(a) adjustment) is a tax attribute that is carried over and used by the acquiring corporation immediately after the transfer pursuant to Section 381(c). • The acquiring corporation is subject to any terms and conditions imposed on the transferor (or any predecessor of the transferor) as a result of its change in method of accounting.
<p><i>Consolidated Groups & Certain Sec. 351 Transfers</i> <i>(Sec. 5.04)</i></p>	<ul style="list-style-type: none"> • Generally, there is no acceleration of the Section 481(a) adjustment when one member of an affiliated group filing a consolidated return transfers substantially all the assets of the trade or business that gave rise to the Section 481(a) adjustment to another member of the same consolidated group in an exchange qualifying under Section 351 and the transferee member adopts and uses the same method of accounting (the change to which gave rise to the Section 481(a) adjustment) used by the transferor member. • The transferor member must continue to take the Section 481(a) adjustment into account pursuant to the terms and conditions set forth in this Revenue Procedure. • The transferor member must take into account activities of the transferee member (or any successor) in determining whether acceleration of the Section 481(a) adjustment is required. • Examples, special rules and exceptions ... all highly technical ... are provided.
<p><i>NOL Carryback Limitation for Taxpayer Subject to Criminal Investigation</i> <i>(Sec. 5.05)</i></p>	<ul style="list-style-type: none"> • Generally, no portion of any net operating loss that is attributable to a negative Section 481(a) adjustment may be carried back to a taxable year prior to the year of change that is the subject of any pending or future criminal investigation or proceeding. • This limitation applies if these investigations or proceedings concern <ul style="list-style-type: none"> ◆ directly or indirectly, any issue relating to the taxpayer's federal tax liability, or ◆ the possibility of false or fraudulent statements made by the taxpayer with respect to any issue relating to its federal tax liability.
<p><i>Change Treated as Initiated by the Taxpayer</i> <i>(Sec. 5.06)</i></p>	<ul style="list-style-type: none"> • For purposes of Section 481, a change in method of accounting made under this Rev. Proc. is a change in method of accounting initiated by the taxpayer.



IRS FILING PROCEDURES TO FOLLOW
IN MAKING AUTOMATIC CHANGES IN METHODS OF ACCOUNTING

R.P. 2002-9
 Section 6

<p align="center"><i>Consent</i> (Sec. 6.01)</p>	<ul style="list-style-type: none"> • Pursuant to Section 1.446-1(e)(2)(i), the consent of the Commissioner is hereby granted to any taxpayer within the scope of this Revenue Procedure to change its method(s) of accounting as described in the <i>Appendix</i> to this Revenue Procedure. Such consent is granted only for the change(s) of accounting method and the affected item(s) that are clearly and expressly identified in the taxpayer's application. • Such consent is granted only to the extent that the taxpayer complies with all the applicable provisions of this Revenue Procedure and implements the change in method of accounting for the requested year of change.
<p align="center"><i>Applications</i> (Sec. 6.02)</p>	<ul style="list-style-type: none"> • Form 3115 is to be used. Ordinarily, a taxpayer applies for consent to change a method of accounting pursuant to this Revenue Procedure by completing a Form 3115. In some cases, however, the provisions of this Revenue Procedure applicable to a particular change may require or allow a taxpayer to file a statement in lieu of a Form 3115 as an application for consent to make such change. See, for example, Section 5.02 of the <i>Appendix</i> of this Revenue Procedure. • Separate applications. Ordinarily, a taxpayer must submit a separate application for each change in method of accounting. In some cases, however, the provisions of this Revenue Procedure applicable to particular changes may require or allow a taxpayer to file a single application with respect to two or more changes. See, for example, Section 5.05 of the <i>Appendix</i> of this Revenue Procedure. • A complete and accurate application must be submitted The application must clearly and expressly identify the method(s) of accounting to be changed and the item(s) to which the change(s) applies.
<p align="center"><i>No User Fee</i> (Sec. 6.02)</p>	<ul style="list-style-type: none"> • A user fee is not required for an application filed under this Revenue Procedure. • Ordinarily, the IRS will not acknowledge receipt of an application filed with it under R.P. 2002-9.
<p align="center"><i>Filing after Year-End Is Permitted</i> (Sec. 6.02)</p>	<ul style="list-style-type: none"> • The Rev. Proc. waives the taxable year filing requirement. • The requirement to file a Form 3115 <i>within</i> the taxable year for which the change is requested is waived for any application for a change filed pursuant to this Rev. Proc. (Note: the filing requirement is found in Reg. Sec. 1.446-1(e)(3)(i) and (ii).)
<p align="center"><i>Timely Duplicate Filing Requirement</i> (Sec. 6.02)</p>	<ul style="list-style-type: none"> • A taxpayer filing for a change in method of accounting under this Rev. Proc. must complete and file an application (Form 3115) <i>in duplicate</i>. • The original of Form 3115 must be attached to the taxpayer's timely filed (including extensions) original Federal income tax return for the year of change. • In addition, a duplicate/copy (with signature) of the application must be filed with the National Office. • The duplicate/copy must be filed no earlier than the first day of the year of change and no later than when the original is filed with the Federal income tax return for the year of change.
<p align="center"><i>Limited Relief Available for Late Applications</i> (Sec. 6.02)</p>	<ul style="list-style-type: none"> • Limited relief may be available in two situations <ul style="list-style-type: none"> ◆ Automatic extensions where there is an extension for the filing date for the underlying year-of-change tax return. ◆ Other extensions to file Form 3115 will only be allowed in situations involving "unusual and compelling circumstances." These involve the severe restrictions in Section 301.9100-3(c)(2).
<p align="center"><i>Automatic Extension</i> (Sec. 6.02)</p>	<ul style="list-style-type: none"> • An automatic extension of 6 months from the due date of the return for the year of change (excluding extensions) is granted to file an application Form 3115. • This automatic extension is allowed provided that the taxpayer <ul style="list-style-type: none"> ◆ timely filed (including extensions) its federal income tax return for the year of change, ◆ files an amended return within the 6-month extension period in a manner that is consistent with the new method of accounting, ◆ attaches the original application to the amended return, ◆ files a copy of the application with the national office no later than when the original is filed with the amended return, and ◆ writes at the top of the application "FILED PURSUANT TO Section 301.9100-2."



**IRS FILING PROCEDURES TO FOLLOW
IN MAKING AUTOMATIC CHANGES IN METHODS OF ACCOUNTING**

*R.P. 2002-9
Section 6*

<p><i>Special Coding to Be Put on Top of Form 3115 (Sec. 6.02)</i></p>	<ul style="list-style-type: none"> • In order to assist in processing an application under this Revenue Procedure, the section of the <i>Appendix</i> of this Revenue Procedure describing the specific change in method of accounting should be included in the application. For example, a phrase such as "Section 1.01 of the <i>Appendix</i> of Rev. Proc. 2002-9" should be included on the appropriate line on the Form 3115. • If a taxpayer is authorized under the <i>Appendix</i> of this Revenue Procedure to file a statement in lieu of a Form 3115, the taxpayer must include the taxpayer's name and employer identification number (or social security number in the case of an individual) at the top of the first page of the statement underneath any other required label.
<p><i>Signature Requirements (Sec. 6.02)</i></p>	<ul style="list-style-type: none"> • The copy of the application must be signed by, or on behalf of, the taxpayer requesting the change by an individual with authority to bind the taxpayer in such matters. • Consolidated Group Members. If the taxpayer is a member of a consolidated group, an application submitted on behalf of the taxpayer must be signed by a duly authorized officer of the common parent. Other special rules apply.
<p><i>Filing Address for Copy of Form 3115 (Sec. 6.02)</i></p>	<ul style="list-style-type: none"> • The copy of the application Form 3115 must be addressed to the: <i>Commissioner of Internal Revenue</i> Attention: CC:IT&A (Automatic Rulings Branch) P.O. Box 7604 Benjamin Franklin Station Washington, D.C. 20044 • In the case of a designated private delivery service, the filing address is: <i>Commissioner of Internal Revenue</i> Attention: CC:IT&A (Automatic Rulings Branch) 1111 Constitution Avenue, NW Washington, D.C. 20224 • Special procedures are included for taxpayers who want to hand-deliver the copy of their Form 3115 to the IRS. • Remember: The <i>original</i> of the Form 3115 is to be included with the timely-filed Federal Income Tax Return for the year of change. The above addresses are <u>only</u> for filing the <i>copy</i> of Form 3115. Also note: Exempt organizations file using a different address.
<p><i>Other Special Situations (Sec. 6.02)</i></p>	<ul style="list-style-type: none"> • Single application for certain consolidated groups. A parent corporation may file a single application to change an identical method of accounting on behalf of more than one member of a consolidated group. <ul style="list-style-type: none"> ◆ Special rules are provided in the Rev. Proc. detailing those situations intended to qualify for single application filing treatment. • Additional copies of Forms 3115 may be required where the scope restrictions in Rev. Proc. 2002-9 are being waived.
<p><i>Taxpayers Under Examination (Sec. 6.03)</i></p>	<ul style="list-style-type: none"> • With limited exceptions, a taxpayer that is under examination may file an application to change a method of accounting under Section 6 of this Rev. Proc. only if the taxpayer falls within one of the exceptions provided for: <ul style="list-style-type: none"> ◆ The 90-day window period. ◆ The 120-day window period. ◆ Changes made with the consent of the Director. ◆ Changes made for methods that are not subject to the audit protection provisions of Sec. 7.
<p><i>Other Special Requirements (Sec. 6.04 - .06)</i></p>	<ul style="list-style-type: none"> • Other special procedures and requirements apply to taxpayers before an Appeals Office or before a Federal Court. • If a taxpayer to which this Rev. Proc. applies changes to a method of accounting without complying with all the applicable provisions of this Rev. Proc., the taxpayer is deemed to have initiated a change in method of accounting <i>without</i> obtaining the consent of the Commissioner as required by Section 446(e). • The deemed treatment of making a change without obtaining the Commissioner's consent may occur if: <ul style="list-style-type: none"> ◆ The taxpayer changes to a method of accounting that varies from the applicable accounting method described in this Rev. Proc., or ◆ The taxpayer changes to a method or the taxpayer is outside the scope of this Rev. Proc.



TERMINATING LIFO ELECTIONS

Overview

- **IRS Liberalizes LIFO Termination Procedures**
- Text of Revenue Procedure revised to read: "This change applies to any taxpayer that wants to change from the LIFO inventory method for all its LIFO inventory *or for a pool or pools within its LIFO inventory*; and change to the permitted method as determined in section 10.01(1)(b) of this *Appendix*."
- Text emphasized now allows taxpayers to elect after the end of the year to terminate their LIFO election for a portion of their inventories on LIFO.
- For auto dealers, this means that after year-end, they can decide to terminate a LIFO election for used vehicles... while retaining their LIFO election for new vehicles.
- Significant technical problem could emerge ... if IRS becomes very picky ... over whether the method employed after terminating the LIFO election is really a "permitted method."

Determining Method to Be Used for Goods after LIFO Election Is Terminated

- The inventory method to be used by a taxpayer is determined as follows:
 - ♦ If the taxpayer has inventoriable goods not included in its LIFO inventory computations (non-LIFO inventory) and, for all the taxpayer's non-LIFO inventory, the taxpayer uses an inventory method that is a permitted method, then the taxpayer must use that same inventory method for its entire inventory.
 - ♦ If the LIFO inventory method is used by the taxpayer with respect to all its inventoriable goods, then the taxpayer must use the same inventory method it used prior to the adoption of the LIFO inventory method, if that prior method is a permitted method.
 - ♦ If the taxpayer has only LIFO inventory and the method used by the taxpayer prior to the adoption of the LIFO inventory method is not a permitted method, then the taxpayer must use a permitted method.
 - ♦ If the taxpayer did not use an inventory method prior to the adoption of the LIFO inventory method and has no inventoriable goods other than its LIFO inventory, then the taxpayer must use a permitted method.

Definition of "Permitted Method"

- For purposes of section 10.01 of this *Appendix*, a permitted method is a method under which:
 - ♦ The identification method is either the first-in, first-out (FIFO) inventory method or the specific identification inventory method; and
 - ♦ The valuation method is cost; cost or market, whichever is lower; market (but only if the taxpayer is a dealer in securities, as defined in Section 1.471-5); the "farm price method" or the "unit-livestock-price method" (but only if the taxpayer is a farmer permitted to use such methods); or the retail method, reduced to either approximate cost or approximate cost or market, whichever is lower (but only if the taxpayer is a retail merchant).
- The average cost method (sometimes also referred to as "the rolling average method") is not a permitted method. (See Rev. Rul. 71-234, 1971-1 C.B. 148 for more on this method.)

Determining Permitted Method

- Whether an inventory method is a permitted method is determined by the taxpayer's method of inventory identification and valuation, and not by which types and amounts of costs are capitalized under the taxpayer's method of computing inventory cost. See Section 263A and the regulations thereunder, which govern the types and amounts of costs required to be included in inventory cost for taxpayers subject to those provisions.



TERMINATING LIFO ELECTIONS

<i>Limitation on Subsequent LIFO Election after Previous Automatic Termination</i>	<ul style="list-style-type: none"> • The taxpayer may not re-elect the LIFO inventory method for a period of at least five taxable years beginning with the year of change unless, based on a showing of unusual and compelling circumstances, consent is specifically granted by the Commissioner to change the method of accounting at an earlier time. • A taxpayer that wants to re-elect the LIFO inventory method within a period of five taxable years (beginning with the year of change) must file a Form 3115 in accordance with Rev. Proc. 97-27, 1997-1 C.B. 680. • A taxpayer that wants to re-elect the LIFO inventory method after a period of five taxable years (beginning with the year of change) is not required to file a Form 3115 in accordance with Rev. Proc. 97-27, but must file a Form 970, Application to Use LIFO Inventory Method, in accordance with Section 1.472-3.
<i>Effect of Subchapter S Election by Corporation</i>	<ul style="list-style-type: none"> • <i>S election effective for year of LIFO discontinuance.</i> If a C corporation elects to be treated as an S corporation for the taxable year in which it discontinues use of the LIFO inventory method, Section 1363(d) requires an increase in the taxpayer's gross income for the LIFO recapture amount (as defined in Section 1363(d)(3)) for the taxable year preceding the year of change (the taxpayer's last taxable year as a C corporation), and a corresponding adjustment to the basis of the taxpayer's inventory as of the end of the taxable year preceding the year of change. Any increase in income tax as a result of the inclusion of the LIFO recapture amount is payable in four equal installments, beginning with the taxpayer's last taxable year as a C corporation as provided in Section 1363(d)(2). Any corresponding basis adjustment is taken into account in computing the Section 481(a) adjustment (if any) that results upon the discontinuance of the LIFO method by the corporation. • <i>S election effective for a year after LIFO discontinuance.</i> If a C corporation elects to be treated as an S corporation for a taxable year after the taxable year in which it discontinued use of the LIFO inventory method, the remaining balance of any positive Section 481(a) adjustment must be included in its gross income in its last taxable year as a C corporation. If this inclusion results in an increase in tax for its last taxable year as a C corporation, this increase in tax is payable in four equal installments, beginning with the taxpayer's last taxable year as a C corporation as provided in Section 1363(d)(2), unless the taxpayer is required to take the remaining balance of the Section 481(a) adjustment into account in the last taxable year as a C corporation under another acceleration provision in section 5.04(3)(c) of this Revenue Procedure.
<i>Additional Requirements</i>	<ul style="list-style-type: none"> • The taxpayer must complete the following statements and attach them to the application: <ul style="list-style-type: none"> ♦ "The new method of identifying inventory goods is the [insert method; that is, specific identification; FIFO; retail; etc.] method." ♦ "The new method of valuing inventory goods is [insert method; that is, cost; cost or market, whichever is lower; etc.]." ♦ "The new method conforms to the requirements of section 10.01(1)(b)(i) [insert either (A), (B), (C), or (D)] of the <i>Appendix</i> of Rev. Proc. 2002-9 because [explain in detail how the new method conforms to the specific subdivision]." • The last item enumerated above could create some real problems.
<i>Citation</i>	<ul style="list-style-type: none"> • Section 9.05 of Revenue Procedure 2002-9 (2002-3 I.R.B. 327)



AUTOMATIC LIFO CHANGES
Other Than Terminating a LIFO Election

<p>General</p>	<ul style="list-style-type: none"> • All automatic LIFO changes are covered in Section 10 of the Appendix to R.P. 2002-9. • Section 10.01 deals with automatically terminating a LIFO election, either partially or entirely ... See separate summary. • All other automatic LIFO change situations are in Sec. 10.02 - 10.07 of the Appendix.
<p>Determining Current-Year Cost under the LIFO Inventory Method</p> <p>Sec. 10.02 - Appendix</p>	<ul style="list-style-type: none"> • This change applies to a LIFO taxpayer that wants to change to a method of determining current year cost <ul style="list-style-type: none"> ... by reference to the actual cost of the goods most recently purchased or produced; ... by reference to the actual cost of the goods purchased or produced during the taxable year in the order of acquisition; or ... by application of an average unit cost equal to the aggregate actual cost of all the goods purchased or produced throughout the taxable year divided by the total number of units so purchased or produced. See Reg. Sec. 1.472-8(e)(2)(ii). • Cut-Off Method applies. This change is made using a cut-off method. (See Sec. 2.06 of the Rev. Proc.)
<p>NEW VEHICLES</p> <p>Alternative LIFO Method for Retail Auto Dealers</p> <p>Sec. 10.03 - Appendix</p>	<ul style="list-style-type: none"> • Applies to taxpayers engaged in the trade or business of retail sales of new automobiles or new light-duty trucks ("automobile dealers") who want to change to the <i>Alternative LIFO Method for Retail Automobile Dealers</i> described in Sec. 4 of Rev. Proc. 97-36, for its LIFO inventories of new automobiles and new light-duty trucks. Light-duty trucks are trucks with a gross vehicle weight of 14,000 pounds or less, which also are referred to as class 1, 2, or 3 trucks. • <i>Alternative LIFO Method for New Vehicles</i> ... methodology, special rules and definitions, and conditions ... is described in Rev. Proc. 97-36 (formerly Rev. Proc. 92-79). • Does <i>not</i> apply to an auto dealer who uses the inventory price index computation (IPIC) method for goods other than new automobiles, new light-duty trucks, parts and accessories, used automobiles and used trucks. • Cut-Off Method applies. This change is made using a cut-off method. (See Sec. 2.06 of this Rev. Proc. and Sec. 5.03(6) of Rev. Proc. 97-36.) • IPIC Method changes. An automobile dealer that uses the IPIC method also must change from the IPIC method under Sec. 10.03 of this <i>Appendix</i> to another acceptable method for its goods other than new automobiles and new light-duty trucks. <ul style="list-style-type: none"> ... For <i>parts and accessories</i>, the auto dealer must change to the dollar-value, index method, with all parts and accessories within each separate trade or business in a separate LIFO pool. ... For <i>used vehicles</i>, the auto dealer must change to the dollar-value, link-chain method, with all used automobiles within each separate trade or business in one LIFO pool and all used trucks within each separate trade or business in another separate LIFO pool. • Additional requirements. An automobile dealer also must comply with the following: <ul style="list-style-type: none"> ... the conditions in section 5.03 of Rev. Proc. 97-36; and ... for an auto dealer changing from the IPIC method, the dealer also must attach to the application a schedule showing the classes of goods for which the dealer has elected to use the LIFO method and the accounting method changes being made under Sec. 10.03 of this <i>Appendix</i> for each class of goods.



AUTOMATIC LIFO CHANGES

Other Than Terminating a LIFO Election

**USED
VEHICLES**

*Alternative
LIFO Method*

*Sec. 10.04 -
Appendix*

- Applies to taxpayers who sell used automobiles and used light-duty trucks ("used vehicle dealers") who wish to change to the *Used Vehicle Alternative LIFO Method*.
- *Used Vehicle Alternative LIFO Method* ... methodology, special rules and definitions, and conditions ... is described in Rev. Proc. 2001-23, 2001-10 I.R.B. 784.
- Does *not* apply to used vehicle dealers who use the IPIC method and have in inventory goods other than new or used automobiles, new or used light duty trucks, and parts and accessories. See Sec. 5.03(2) of Rev. Proc. 2001-23.
- **Additional requirements.** A taxpayer making this change must comply with the additional conditions set forth in Sec. 5.04 of Rev. Proc. 2001-23.
- The scope limitations in Sec. 4.02 of this Rev. Proc. do not apply to this change, provided that the change is made for the first or second taxable year ending on or after December 31, 2000, unless the taxpayer's method of valuing its LIFO inventories of used automobiles or used light-duty trucks is an issue pending within the meaning of Sec. 6.01(6) of Rev. Proc. 2000-38, 2000-40 I.R.B. 310.
- **Cut-Off Method applies.** This change must be effected on a cut-off method, which requires that the value of the taxpayer's used automobile and used light-duty truck inventory at the beginning of the year of change must be the same as the value of that inventory at the end of the preceding taxable year, plus cost restorations, if any, required by Sec. 5.04(5) of Rev. Proc. 2001-23.
 - ... **Exception:** If the taxpayer has previously improperly accounted for a bulk bargain purchase, the taxpayer, as part of a change to the Used Vehicle Alternative LIFO Method, must first change its method of accounting to comply with *Hamilton Industries, Inc. v. Commissioner*, 97 T.C. 120 (1991), and compute a Section 481(a) adjustment for that part of the change (see Ann. 91-173, 1991-47 I.R.B. 29).
- **Indexes required to be rebased - New base year.** In effecting a change to the Used Vehicle Alternative LIFO Method, any LIFO inventory cost increments previously determined and the value of those increments must be retained.
 - ... Instead of using the earliest taxable year for which the taxpayer adopted LIFO as the base year, the year of change must be used as the new base year in determining the value of all existing LIFO cost increments for the year of change and later taxable years. (The cumulative index at the beginning of the year of change will be 1.0000.)
 - ... The base-year cost of all LIFO cost increments at the beginning of the year of change must be restated in terms of new base-year costs, using the year of change as the new base year, and the indexes for previously determined inventory increments must be recomputed accordingly.
 - ... The new base-year cost of a pool is equal to the total current-year cost of all the vehicles in the pool.
- All applicable parts of Form 3115, including Part I of Schedule B, must be completed.
- **Concurrent change available for certain IPIC users.** A used vehicle dealer using the IPIC method who also has parts and accessories, new automobiles, or new light-duty trucks in inventory may incorporate a change, using a cut-off method, from IPIC to another acceptable LIFO method for these other goods into this change.
 - ... When changing from IPIC to a dollar-value LIFO method for parts and accessories, new automobiles, or new light-duty trucks, a separate inventory pool must be established for each of these types of inventory.



AUTOMATIC LIFO CHANGES

Other Than Terminating a LIFO Election

Determining the Cost of Used Vehicles Purchase or Taken as a Trade-In

Sec. 10.05 - Appendix

- This change is not applicable to taxpayers who are using the Used Vehicle Alternative LIFO Method.
- Its more limited application is to LIFO taxpayers who want to
 - ... Determine the cost of used vehicles acquired by trade-in using the average wholesale price listed by an official used car guide on the date of the trade-in ... as allowed for by Rev. Rul. 67-107, 1967-1 C.B. 115. The official used car guide selected must be consistently used;
 - ... Determine the cost of used vehicles purchased for cash using the actual purchase price of the vehicle; or
 - ... Reconstruct the beginning-of-the-year cost of used vehicles purchased for cash using values computed by national auto auction companies based on vehicles purchased for cash. The national auto auction company selected must be consistently used.
- **Cut-Off Method applies.** In these change situations, the change is made using a cut-off method and applies to used vehicles acquired during the year of change and all subsequent years.
 - ... Only the items arising on or after the beginning of the year of change are accounted for under the new method.
 - ... Any items arising before the year of change continue to be accounted for under the former method of accounting.
 - ... No Section 481(a) adjustment is necessary because no items are duplicated or omitted from income under this approach.

Change TO the IPIC Method

Inventory Price Index Computation Method

Sec. 10.06 - Appendix

- Applies to taxpayers who want to change from a non-IPIC LIFO inventory method to the IPIC method under Reg. Sec. 1.472-8(e)(3).
- Taxpayers may change their methods of determining current-year cost as part of a change made under Section 10.06 of this *Appendix* by also following the provisions of Section 10.02 of this *Appendix*.
 - ... These changes may be made using a single application, provided the application is labeled as being filed under both Sections 10.02 and 10.06 of this *Appendix*. See Section 6.02(4) of this Revenue Procedure.
- Taxpayers may change their methods of pooling to a method permitted under Reg. Sec. 1.472-8(b)(4) or Reg. Sec. 1.472-8(c)(2) as part of a change made under Section 10.06 of this *Appendix* by also following the provisions of section 10.07 of this *Appendix*.
 - ... These changes may be made using a single application, provided the application is labeled as being filed under both Sections 10.06 and 10.07 of this *Appendix*. See Section 6.02(4) of this Revenue Procedure.
- **Cut-Off Method applies.** In these change situations, the change is made using a cut-off method.
 - ... Only the items arising on or after the beginning of the year of change are accounted for under the new method.
 - ... Any items arising before the year of change continue to be accounted for under the former method of accounting.
 - ... No Section 481(a) adjustment is necessary because no items are duplicated or omitted from income under this approach.
 - ... **Exception:** If the taxpayer has previously improperly accounted for a bulk bargain purchase, the taxpayer, as part of this change, must first change its method of accounting to comply with *Hamilton Industries, Inc. v. Commissioner*, 97 T.C. 120 (1991), and compute a Section 481(a) adjustment for that part of the change (see Ann. 91-173, 1991-47 I.R.B. 29).



AUTOMATIC LIFO CHANGES

Other Than Terminating a LIFO Election

*Changes
WITHIN
the
IPIC
Method*

*Inventory Price
Index Computation
Method*

*Sec. 10.07 -
Appendix*

- All of the following changes are covered by this Section:
 - ... Change *from the double-extension IPIC method to the link-chain IPIC method*, or vice versa. Principles for computing the inventory price index under the double-extension IPIC method and the link-chain IPIC method are discussed in Reg. Sec. 1.472-8(e)(3)(iii)(E);
 - ... Change *to or from the 10 percent method*. Principles for assigning items in a dollar-value pool to BLS categories are discussed in Reg. Sec. 1.472-8(e)(3)(iii)(C);
 - ... Change *in selection of BLS table* from Table 3 (Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, detailed expenditure categories) of the monthly CPI Detailed Report to Table 6 (Producer price indexes and percent changes for commodity groupings and individual items, not seasonally adjusted) of the monthly PPI Detailed Report, or vice versa. Principles for selecting a BLS table under the IPIC method are discussed in Reg. Sec. 1.472-8(e)(3)(iii)(B); or
 - ... Changes to a pooling method described in Reg. Sec. 1.472-8(b)(4) or Reg. Sec. 1.472-8(c)(2), including a change to begin or discontinue applying one or both of the 5 percent pooling rules;
 - ... Combination or separation of pools as a result of the application of a 5 percent pooling rule described in Reg. Sec. 1.472-8(b)(4) or Reg. Sec. 1.472-8(c)(2);
 - ... Change the representative month when necessitated because of a change in taxable year or a change in method of determining current-year cost made pursuant to Section 10.02 of this *Appendix*. Principles for determining a representative month under the IPIC method are discussed in Reg. Sec. 1.472-8(e)(3)(iii)(B).
- *Cut-Off Method applies*. In these change situations, the change is made using a cut-off method.
 - ... Only the items arising on or after the beginning of the year of change are accounted for under the new method.
 - ... Any items arising before the year of change continue to be accounted for under the former method of accounting.
 - ... No Section 481(a) adjustment is necessary because no items are duplicated or omitted from income under this approach.
- For the first three changes (*italicized above*), a new base year in the year of change must be established.

Citation

- Section 10.02-10.07 of Revenue Procedure 2002-9 (2002-3 I.R.B. 327)



VOLUME-RELATED TRADE DISCOUNTS

Overview	<ul style="list-style-type: none"> • Many dealers have recently changed their accounting method for volume-related trade discounts. • There appears to be some opposition to making these changes by some practitioners who are concerned that if certain cost elements are excluded from inventory where LIFO inventories are involved, the exclusion of costs from inventory could be a violation of one of the eligibility requirements to use LIFO.
Now Change in Method Involving Trade Discounts May Be Automatic	<ul style="list-style-type: none"> • <i>Appendix</i> Section 9 ... dealing with inventories under IRC Section 471 ... now includes changes for taxpayers who want to change their methods of accounting to treat qualifying volume-related trade discounts as reductions in the cost of merchandise purchased at the time the discount is recognized in accordance with Reg. Sec. 1.471-3(b). • Automatic change treatment only applies to discounts that satisfy the criteria/definition below.
Definition of "Qualifying Volume-Related Trade Discount"	<ul style="list-style-type: none"> • The taxpayer receives or earns the discount solely as the result of the purchase of the merchandise to which the discount relates; • The taxpayer is neither obligated nor expected to perform or provide any services in exchange for the discount; and • The discount is not a reimbursement of any expenditure incurred or to be incurred by the taxpayer.
Specifics of Automatic Change	<ul style="list-style-type: none"> • The net Section 481 adjustment attributable to the change is computed in a manner similar to the computation of a net Section 481 adjustment in the case of a change to the net invoice method of accounting for cash discounts. See section 9.01(2) of the <i>Appendix</i>. • Text of cross-referenced section (9.01(2)): <i>Computation of Section 481 adjustment for changes to net invoice method</i>. In the case of a taxpayer changing from the gross invoice method to the net invoice method, a negative adjustment must be made to prevent duplications arising from the fact that the gross invoice method reported income upon timely payment for some or all of the goods that remain in inventory, and a positive adjustment must be made to prevent omissions arising from the fact that the gross method included the invoice price, unadjusted for the cash discounts, of some or all goods in cost of goods sold and the discount will be earned by payment in a subsequent taxable year. The net Section 481 adjustment can be computed by deducting the "Applicable Discount" at the beginning of the year of change from the "Available Discount" at the beginning of the year of change. The Available Discount is equal to the difference between the accounts payable balance under the gross invoice method and the net invoice method. The Applicable Discount is equal to the difference between the beginning inventory value under the gross invoice method and the net invoice method. • Example included in the <i>Appendix</i> ... Taxpayer's accounts payable balance at the beginning of the year of change was \$1,000x under the gross invoice method and \$980x under the net invoice method. Taxpayer's inventory value was \$3,000x under the gross invoice method and \$2,955x under the net invoice method. The Available Discount is \$20 (\$1,000x - \$980x) and the Applicable Discount is \$45 (\$3,000x - \$2,955x). Thus, Taxpayer's net § 481(a) adjustment is a negative \$25 (\$20 - \$45).
Citation	<ul style="list-style-type: none"> • Section 9.05 of the Appendix of Revenue Procedure 2002-9 (2002-3 I.R.B. 327)



NEW ITEM REPORT

FOR 2001 CALENDAR YEAR DEALERS

2001-2002 MODELS IN DECEMBER, 2001 INVENTORIES

NEW
ITEM
REPORT

We are pleased to present our December 31, 2001 Year-End New Item Report showing our *unofficial* determinations of new items for all new vehicle item categories under the Alternative LIFO Method for Automobile Dealers. This is extracted from the database module portion of our *SUPERLIFO 2001™* Alternative LIFO Software Program.

For the added perspective of showing which makes and models have been more affected by the introduction of a significant number of new items over a three-year period, we have included comparable Reports for the last two years.

These comparative lists show the extent of the changes *by make and by model* over the three-year period ending December 31, 2001. When considered over an even longer time period, such as five years or all the way back to 1991, it becomes evident that frequent changes by some manufacturers render the Alternative LIFO Method decidedly more or less advantageous for some dealers.

THREE OBSERVATIONS

- **FIRST.** Although fiscal year dealerships are looking at slightly different "slices" or time frames of reference, all dealerships should be experiencing the *frequency of comparable new item treatment*—with only the year in which the item category is new being off slightly from the corresponding calendar year.

- **SECOND.** In drafting the original Alternative LIFO Revenue Procedure (92-79), the IRS anticipated that over a number of years, there would be a certain "turnover" of item categories, resulting in new items appearing sooner or later. Accordingly, a dealership's LIFO computations over a period of years should be reflecting the presence of new items based on the specialized rules (below) which define a "new" item.

- **THIRD.** Some manufacturers and makes reflect a much higher incidence of new items than others. For these, the benefits of the Alternative LIFO Method may be comparatively less attractive ... but that by no means renders them unattractive *per se*.

DEFINITION OF A "NEW" ITEM

A *new* item category is defined as an item category not considered to be in existence in the prior taxable year. Under Section 4.02(5) of Rev. Proc. 97-36, a new item category results from any one of the following:

- Any new or reassigned manufacturer's model code that was caused by a change in an existing vehicle,
- A manufacturer's model code created or reassigned because the classified vehicle did not previously exist, or
- If there is no change in a manufacturer's model code, but there has been a change to the platform (i.e., the piece of metal at the bottom of the chassis that determines the length and width of the vehicle and the structural set-up of the vehicle) that results in a change in track width or wheel base, whether or not the same model name was previously used by the manufacturer, a new item category is created.

NEW ITEM: WHAT DIFFERENCE DOES IT MAKE?

New item categories are required to be included at a 1.000 factor in the annual computation of the index of inflation or deflation. This is accomplished by using the same dollar amount for the end-of-the-year base cost as for the beginning-of-the-year base cost. Since any number divided by itself equals 1.000, this new item treatment will contribute no inflation (or deflation) *for that item* to the annual index.

However, if there is overall inflation for the year, the inclusion of the same dollar amount for that new item in both the numerator and the denominator of the fraction will **reduce** the overall weighted index result (i.e., it will depress the index computed).

The opposite result occurs in an overall deflationary year. New item treatment (at 1.000) will **increase** the overall weighted index result if there would otherwise be overall deflation for the year. ❄



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LIFO LOOKOUT

2002

NEW ITEM REPORT

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NEW ITEM CATEGORIES FOR NEW AUTOMOBILES												AUTOS	
UNDER THE ALTERNATIVE LIFO (LAST-IN, FIRST-OUT) METHOD FOR AUTOMOBILE DEALERS												PAGE 1 OF 9	
REVENUE PROCEDURES 97-38 & 92-79													
W/RT NEW VEHICLE INVENTORIES FOR TAXABLE YEARS ENDING ON DECEMBER 31, 2001 - 2000 - 1999													
DECEMBER 31, 2001				DECEMBER 31, 2000				DECEMBER 31, 1999					
MAKE				MAKE				MAKE					
MDL	BODY STYLE	CODE		MDL	BODY STYLE	CODE		MDL	BODY STYLE	CODE			
ACURA				ACURA				ACURA					
RSX	3-DR SPORT COUPE 5-SP W/CLOTH	DC538		CL	2-DR COUPE AUTO	YA424		TL	4-DR SEDAN 3.2 AUTO	UA566			
	3-DR SPORT COUPE 5-SP W/LEATHER	DC538 L			2-DR COUPE S AUTO	YA426			4-DR SEDAN 3.2 AUTO W/NAV SYS	UA567			
	3-DR SPORT COUPE AUTO W/CLOTH	DC546			2-DR COUPE S W/NAV AUTO	YA427							
	3-DR SPORT COUPE AUTO W/LEATHER	DC548 L			2-DR COUPE W/NAV AUTO	YA425							
	3-DR SPORT COUPE S 6-SP	DC530											
TL	4-DR SEDAN S	UA568											
	4-DR SEDAN S W/NAV SYS	UA569											
AUDI				AUDI				AUDI					
A4 SERIES	4-DR SEDAN 1.8T 5-SP	8E2524		A8 SERIES	4-DR SEDAN QUATTRO LWB	4D82GZ		A4 SERIES	4-DR SEDAN 1.8 5-SP	8D25H4			
	4-DR SEDAN 1.8T AUTO	8E252H			4-DR WAGON AVANT 2.7 AUTO	8D5572			4-DR SEDAN 1.8 AUTO	8D25HK			
	4-DR SEDAN 1.8T AWD 5-SP	8E2525			4-DR WAGON AVANT 2.7 6-SP	8D5579			4-DR SEDAN 1.8 QUATTRO 5-SP	8D25H5			
	4-DR SEDAN 1.8T AWD AUTO	8E252Z							4-DR SEDAN 1.8 QUATTRO AUTO	8D25HZ			
	4-DR SEDAN 3.0 AUTO	8E25FH		S8	4-DR SEDAN QUATTRO 4.2 AUTO	4D22FZ			4-DR SEDAN 2.8 5-SP	8D25U4			
	4-DR SEDAN 3.0 QUATTRO AWD 6-SP	8E25F9		TT	2-DR COUPE QUATTRO 225HP	8N3E69			4-DR SEDAN 2.8 AUTO	8D25JK			
	4-DR SEDAN 3.0 QUATTRO AWD AUTO	8E25FZ			2-DR ROADSTER 180HP	8N9E54			4-DR SEDAN 2.8 QUATTRO 5-SP	8D25U5			
	4-DR WGN 1.8 QUATTRO TRB AWD 5-SP	8E5525			2-DR ROADSTER QUATTRO 225HP	8N9E69			4-DR SEDAN 2.8 QUATTRO AUTO	8D25UZ			
	4-DR WGN AVANT 1.8 QUATTRO TRB AWD AUTO	8E552Z							4-DR WAGON AVANT 1.8 QUATTRO 5-SP	8D55H5			
	4-DR WGN AVANT 3.0 QUATTRO AWD 6-SP	8E55F9							4-DR WAGON AVANT 1.8 QUATTRO AUTC 8D55HZ				
	4-DR WGN AVANT 3.0 QUATTRO AWD AUTO	8E55FZ							4-DR WAGON AVANT 2.8 QUATTRO 5-SP	8D55U5			
A6 SERIES	4-DR SEDAN 3.0	4B252H						A6 SERIES	4-DR SEDAN 2.7 QUATTRO 6-SP	4B2479			
	4-DR SEDAN 3.0 QUATTRO AWD	4B252Z							4-DR SEDAN 2.7 QUATTRO AUTO	4B247Z			
	4-DR WGN 3.0 AVANT QUATTRO	4B552Z							4-DR SEDAN 4.2 QUATTRO AUTO	4B444Z			
S6	4-DR WGN 4.2 V8 AVANT QUATTRO AWD	4B654Z						A8 SERIES	4-DR SEDAN 4.2 QUATTRO 5-SP	4D22GZ			
								S4	4-DR SEDAN 2.7 QUATTRO 6-SP	8D2579			
									4-DR SEDAN 2.7 QUATTRO AUTO	8D257Z			
								TT	2-DR COUPE FRONTTRAK	8N3554			
									2-DR COUPE QUATTRO	8N355N			



**NEW ITEM CATEGORIES FOR NEW AUTOMOBILES
 UNDER THE ALTERNATIVE LIFO (LAST-IN, FIRST-OUT) METHOD FOR AUTOMOBILE DEALERS
 REVENUE PROCEDURES 97-36 & 92-79
 W/RT NEW VEHICLE INVENTORIES FOR TAXABLE YEARS ENDING ON DECEMBER 31, 2001 - 2000 - 1999**

AUTOS
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DECEMBER 31, 2001			DECEMBER 31, 2000			DECEMBER 31, 1999					
MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE
BMW			BMW			BMW					
3 SERIES				3 SERIES				3 SERIES			
	325I 4-DR SEDAN 2.5 SO. AFRICA		45		325CIC 2-DR CONVERTIBLE 2.5 5-SP		41		323CI 2-DR COUPE 5-SP		34
	325XI 4-DR SEDAN AWD 2.5		47		325I 4-DR SEDAN 5-SP		44		328CI 2-DR COUPLE 5-SP		33
	325XIT 4-DR SPORT WAGON AWD 2.5		36		325IT 4-DR SPORT WAGON 2.5		35		7 SERIES		
	330XI 4-DR SEDAN AWD 3.0		43		330CIC 2-DR CONVERTIBLE 3.0		46		740IL 4-DR SEDAN AUTO W/PROT		78
M SERIES				5 SERIES				X5	750IL 4-DR SEDAN AUTO W/PROT		77
	M3 2-DR CONVERTIBLE 3.2		32		525I 4-DR SEDAN		56		SPORT UTILITY VEHICLE		62
	M3 2-DR COUPE 3.2		37		525IA 4-DR SEDAN AUTO		57				
					525IT 4-DR SPORT WAGON		54				
					525ITA 4-DR SPORT WAGON AUTO		59				
				ZB							
					2-DR ROADSTER		80				
BUICK			BUICK			BUICK					
								LESABRE			
								4-DR SEDAN CUSTOM		4HP69	
								4-DR SEDAN LIMITED		4HR69	
CADILLAC			CADILLAC			CADILLAC					
SEVILLE								DE VILLE			
	4-DR SEDAN SLS W/T1S		6KS69 T1S					4-DR SEDAN		6KD69	
								4-DR SEDAN DHS		6KE69	
								4-DR SEDAN DTS		6KF69	
CHEVROLET / GEO			CHEVROLET / GEO			CHEVROLET / GEO					
CAVALIER				CORVETTE				IMPALA			
	2-DR COUPE LS		1JS37		2-DR HARDTOP Z06		1YY37 Z06	4-DR SEDAN		1WF19	
	2-DR COUPE LS SPORT		1JH37					4-DR SEDAN LS		1WH19	
	4-DR SEDAN LS SPORT		1JH69					MALIBU			
								4-DR SEDAN LS GOLD EDITION		1NE69 GE	
								MONTE CARLO			
								2-DR COUPE LS		1WW27 LS	
								2-DR COUPE SS		1WX27 SS	
CHRYSLER			CHRYSLER			CHRYSLER					
300M				SEBRING				CIRRUS			
	4-DR SEDAN SPECIAL		LHYX41		2-DR CONVERTIBLE LTD		JRCS27	4-DR SEDAN LX		JACH41	
CONCORDE					2-DR CONVERTIBLE LX		JRCH27	CONCORDE			
	4-DR SEDAN LTD		LHCP41 LTD		2-DR CONVERTIBLE LXI		JRCP27	4-DR SEDAN LXI		LHCM41	
SEBRING					2-DR COUPE LX		STCS22				
	4-DR SEDAN LX PLUS		JRCH41 PLUS		2-DR COUPE LXI		STCP22				
					4-DR SEDAN LX		JRCH41				
					4-DR SEDAN LXI		JRCP41				
DAEWOO			DAEWOO			DAEWOO					
				LANOS				NUBIRA			
					3-DR HATCHBACK SPORT 5-SP		D3MS5	4-DR SEDAN SE 5-SP		E4MQ5	
					3-DR HATCHBACK SPORT AUTO		D3MS4	4-DR SEDAN SE AUTO		E4MQ4	



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DECEMBER 31, 2001			DECEMBER 31, 2000			DECEMBER 31, 1999					
MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE
DODGE			DODGE			DODGE					
NEON				STRATUS				INTREPID			
4-DR SEDAN ACR		PLDS41		2-DR COUPE R/T 5-SP		STOS22		4-DR SEDAN R/T		LHDX41	
4-DR SEDAN ES		PLDP41		2-DR COUPE SE 5-SP		STDH22		NEON			
4-DR SEDAN R/T		PLDX41		4-DR SEDAN ES AUTO		JRDP41		4-DR SEDAN HIGHLINE		PLDH41	
4-DR SEDAN SE		PLDH41 SE		4-DR SEDAN SE AUTO		JRDH41					
STRATUS											
4-DR SEDAN SE AUTO		JRDM41									
FERRARI			FERRARI			FERRARI					
								360 MODENA			
								2-DR COUPE		360	
								2-DR COUPE FORMULA		360 F	
FORD			FORD			FORD					
CROWN VICTORIA				MUSTANG				CONTOUR			
4-DR SEDAN LX SPORT		P74 LXSP		2-DR CONVERTIBLE COBRA		P46 COBRA		4-DR SEDAN SE-FLEET		P66 SE	
ESCORT				2-DR CONVERTIBLE DELUXE		P44		4-DR SEDAN SPORT		P66	
4-DR SEDAN PREMIUM 110A		P13 PREM		2-DR CONVERTIBLE GT DELUXE		P45		FOCUS			
FOCUS				2-DR CONVERTIBLE GT PREMIUM		P45 PREM		3-DR HATCHBACK ZX3		P31	
3-DR HATCHBACK ZX3 PREM 110A		P13 PREM		2-DR CONVERTIBLE PREMIUM		P44 PREM		4-DR SEDAN LX		P33	
3-DR HATCHBACK ZX3 PREM PWR 120A		P31 PREMPWR		2-DR COUPE COBRA		P47 COBRA		4-DR SEDAN SE		P34	
4-DR SEDAN PREM LX 210A		P33 PREMLX		2-DR COUPE DELUXE		P40 DLX		4-DR SEDAN ZTS		P38	
4-DR SEDAN SE COMFORT W/SP1 310A		P34 COMF		2-DR COUPE GT DELUXE		P42		4-DR WAGON SE		P36	
4-DR SEDAN SE COMFORT W/ZTEC 320A		P34 COMFZ		2-DR COUPE GT PREMIUM		P42 PREM		TAURUS			
4-DR WAGON SE COMFORT 410A		P36 COMF		2-DR COUPE PREMIUM		P40 PREM		4-DR SEDAN COMFORT		P56	
4-DR WAGON ZTW 420A		P36 ZTW						4-DR SEDAN SE SVG		P55	
5-DR HATCHBACK ZX5		P37									
TAURUS											
4-DR SEDAN SEL PREM 420A		P56 PREM									
4-DR SEDAN SES DLX 310A		P55 DLX									
4-DR WAGON SE DLX 505A/508A		P58 DLX									
4-DR WAGON SE PREM 507A		P58 PREM									
4-DR WAGON SEL DLX 510A		P59									
THUNDERBIRD											
2-DR CONVERTIBLE DELUXE		P60 DLX									
2-DR CONVERTIBLE DELUXE W/RT		P60 DLXRT									
2-DR CONVERTIBLE NEIMAN MARCUS ED		P64									
2-DR CONVERTIBLE PREMIUM		P60 PREM									
2-DR CONVERTIBLE PREMIUM R/T		P60 PREMRT									
ZX2											
2-DR COUPE DELUXE 110A		P11 DLX									
2-DR COUPE PREMIUM 120A		P11 PREM									
HONDA			HONDA			HONDA					
ACCORD				ACCORD				ACCORD			
2-DR COUPE SE AUTO		CG320		2-DR COUPE LX 5-SP W/SRS		CG318		2-DR COUPE 3.0 EX AUTO W/LEATHER		CG225 L	
2-DR COUPE SE AUTO W/SRS		CG321		2-DR COUPE LX AUTO W/SRS		CG319		2-DR COUPE ULEV EX 5-SP		CG317	
2-DR COUPE ULEV SE AUTO		CG322		2-DR COUPE LX AUTO W/SRS		CG328		2-DR COUPE ULEV EX 5-SP W/LEATHER		CG317 L	
2-DR COUPE ULEV SE AUTO W/SRS		CG323		2-DR COUPE ULEV LX AUTO W/SRS		CG329		2-DR COUPE ULEV LX 5-SP		CG316	
4-DR SEDAN SE AUTO		CG567		4-DR SEDAN AUTO VALUE PKG		CF866		4-DR SEDAN SE AUTO		CG567	
4-DR SEDAN SE AUTO W/SRS		CG567 SRS		4-DR SEDAN AUTO VALUE PKG W/SRS		CF866 SRS		4-DR SEDAN ULEV EX 5-SP		CG657	
4-DR SEDAN ULEV SE AUTO		CG668 SE		4-DR SEDAN DX 5-SP W/SRS		CF854 SRS		4-DR SEDAN ULEV EX 5-SP W/LEATHER		CG668	
4-DR SEDAN ULEV SE AUTO W/SRS		CG668 SRS		4-DR SEDAN DX AUTO W/SRS		CF864 SRS		4-DR SEDAN ULEV EX AUTO W/LEATHER		CG668 L	
INSIGHT				4-DR SEDAN EX SULEV AUTO W/LEATHER		CG660		4-DR SEDAN ULEV LX 5-SP		CG655	
3-DR HATCHBACK AUTO W/AC		ZE147		4-DR SEDAN LX 5-SP W/SRS		CG554 SRS		4-DR SEDAN ULEV SE AUTO		CG669	
				4-DR SEDAN LX AUTO W/ABS/SRS		CG565 SRS		CIVIC			
				4-DR SEDAN LX AUTO W/SRS		CG564 SRS		2-DR COUPE SI 5-SP		EM115	
				4-DR SEDAN ULEV AUTO W/ABS/SRS		CG667 SRS		INSIGHT			
				4-DR SEDAN ULEV LX 5-SP W/SRS		CG656 SRS		3-DR HATCHBACK 5-SP		ZE135	



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AUTOS
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DECEMBER 31, 2001			DECEMBER 31, 2000			DECEMBER 31, 1999					
MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE
HONDA			HONDA			HONDA					
				ACCORD cont'd				INSIGHT cont'd			
				4-DR SEDAN ULEV LX AUTO W/SRS	CG665	SRS		3-DR HATCHBACK W/AC 5-SP	ZE137		
				CIVIC				S2000			
				2-DR COUPE DX 5-SP	EM212			2-DR CONVERTIBLE 6-SP	AP114		
				2-DR COUPE DX 5-SP W/SRS	EM212	SRS					
				2-DR COUPE DX AUTO	EM222						
				2-DR COUPE DX AUTO W/SRS	EM222	SRS					
				2-DR COUPE EX 5-SP	EM219						
				2-DR COUPE EX 5-SP W/SRS	EM219	SRS					
				2-DR COUPE EX AUTO	EM229						
				2-DR COUPE EX AUTO W/SRS	EM229	SRS					
				2-DR COUPE HX 5-SP	EM217						
				2-DR COUPE HX 5-SP W/SRS	EM217	SRS					
				2-DR COUPE HX CVT	EM227						
				2-DR COUPE HX CVT W/SRS	EM227	SRS					
				2-DR COUPE LX 5-SP	EM215						
				2-DR COUPE LX 5-SP W/SRS	EM215	SRS					
				2-DR COUPE LX AUTO	EM225						
				2-DR COUPE LX AUTO W/SRS	EM225	SRS					
				4-DR SEDAN DX 5-SP	ES152						
				4-DR SEDAN DX 5-SP W/SRS	ES152	SRS					
				4-DR SEDAN DX AUTO	ES162						
				4-DR SEDAN DX AUTO W/SRS	ES162	SRS					
				4-DR SEDAN EX 5-SP	ES257						
				4-DR SEDAN EX 5-SP W/SRS	ES257	SRS					
				4-DR SEDAN EX AUTO	ES267						
				4-DR SEDAN EX AUTO W/SRS	ES267	SRS					
				4-DR SEDAN LX 5-SP	ES155						
				4-DR SEDAN LX 5-SP W/SRS	ES155	SRS					
				4-DR SEDAN LX AUTO	ES166						
				4-DR SEDAN LX AUTO W/SRS	ES166	SRS					
HYUNDAI			HYUNDAI			HYUNDAI					
SONATA				ELANTRA				ACCENT			
4-DR SEDAN 5-SP			24403	4-DR SEDAN GLS 5-SP	42443			3-DR HATCHBACK GS 5-SP	13333		
4-DR SEDAN AUTO			24402	4-DR SEDAN GLS AUTO	42442			3-DR HATCHBACK GS AUTO	13332		
4-DR SEDAN GLS V6 5-SP			24453	SONATA				3-DR HATCHBACK L 5-SP	13303		
4-DR SEDAN GLS V6 AUTO			24452	4-DR SEDAN GLS V6 5-SP W/LEATHER	23463			4-DR SEDAN GL 5-SP	13423		
4-DR SEDAN LX V6 5-SP			24463	4-DR SEDAN GLS V6 AUTO W/LEATHER	23462			4-DR SEDAN GL AUTO	13422		
4-DR SEDAN LX V6 AUTO			24462	XG300				ELANTRA			
4-DR SEDAN V6 5-SP			24412	4-DR SEDAN	70442			4-DR WAGON GLS 5-SP	41543		
4-DR SEDAN V6 AUTO			24413	4-DR SEDAN L	70452			SONATA			
								4-DR SEDAN AUTO	23402		
INFINITI			INFINITI			INFINITI					
I35								I30			
4-DR LUXURY SEDAN AUTO			9501					4-DR SEDAN LUXURY AUTO	9501		
Q45								4-DR SEDAN TOURING AUTO	9571		
4-DR SEDAN			9431					Q45			
JAGUAR			JAGUAR			JAGUAR					
S-TYPE								S-TYPE			
4-DR SEDAN SPORT 3.0 V6 AUTO			S 3.0SPORT					4-DR SEDAN 3.0L V6 AUTO	JAG1		
4-DR SEDAN SPORT 4.0 V8 AUTO			S 4.0SPORT					4-DR SEDAN 4.0L V8 AUTO	JAG2		
X-TYPE								XJ8			
4-DR SEDAN AWD 2.5 V6			X 2.5					4-DR SEDAN VANDEN PLAS SUPERCHAR XJVPSC			
4-DR SEDAN AWD 3.0 V6			X 3.0					XKR			
4-DR SEDAN SPORT AWD 2.5 V6			X 2.5SPORT					2-DR CONVERTIBLE AUTO	XKR CON		
4-DR SEDAN SPORT AWD 3.0 V6			X 3.0SPORT					2-DR COUPE AUTO	XKR CPE		
XJ SERIES											
XJ 4-DR SEDAN SPORT			XJ SPORT								
XJ 4-DR SEDAN SUPERCHARGED			XJ SUPER								



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AUTOS
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DECEMBER 31, 2001			DECEMBER 31, 2000			DECEMBER 31, 1999		
MAKE			MAKE			MAKE		
MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
KIA			KIA			KIA		
RIO			OPTIMA			SEPHIA		
5-DR WAGON CINCO 5-SP		31501	4-DR SEDAN LX 5-SP		51221	4-DR SEDAN 5-SP SPEC VALUE		14203
5-DR WAGON CINCO AUTO		31502	4-DR SEDAN LX AUTO		51222	4-DR SEDAN AUTO SPEC VALUE		14204
SPECTRA			4-DR SEDAN LX V6 AUTO		52222	4-DR SEDAN LS 5-SP W/PWR PKG SV		14243
4-DR SEDAN 5-SP		24401	4-DR SEDAN SE 5-SP		51241	4-DR SEDAN LS AUTO W/PWR PKG SV		14244
4-DR SEDAN AUTO		24402	4-DR SEDAN SE AUTO		51242			
4-DR SEDAN LS 5-SP		24441	4-DR SEDAN SE V6 AUTO		52242			
4-DR SEDAN LS AUTO		24442	RIO					
			4-DR SEDAN 5-SP		31201			
			4-DR SEDAN AUTO		31202			
			SPECTRA					
			4-DR SEDAN GS 5-SP		24201			
			4-DR SEDAN GS AUTO		24202			
			4-DR SEDAN GSX 5-SP		24241			
			4-DR SEDAN GSX AUTO		24242			
LEXUS			LEXUS			LEXUS		
ES 300			GS 430 SEDAN					
4-DR LUXURY SPORT SEDAN AUTO		9000	4-DR LUXURY SPORT AUTO		9320			
IS300			IS 300					
4-DR LUXURY SPORT CROSS AUTO		9520	4-DR SPORTS SEDAN		9500			
4-DR LUXURY SPORTS SEDAN 5-SP		9501	LS 430 SEDAN					
SC430			4-DR LUXURY SEDAN AUTO		9100			
2-DR LUXURY SPORT COUPE AUTO		9270						
LINCOLN			LINCOLN			LINCOLN		
CONTINENTAL			TOWN CAR			LS		
4-DR SEDAN DRIVER SELECT		M97 DR5	4-DR CARTIER L		M85	4-DR SEDAN V6 5-SP		M86
4-DR SEDAN LUXURY APPEARANCE		M97 LA	4-DR EXECUTIVE L		M84	4-DR SEDAN V8 AUTO		M86 AUTO
4-DR SEDAN PERSONAL SECURITY		M97 PS				4-DR SEDAN V8 AUTO		M87
LS								
4-DR SEDAN PREMIUM		M86 PREM						
4-DR SEDAN V6 CONVENIENCE AUTO		M86 CON						
4-DR SEDAN V6 SPORT 5-SP		M86 5SP						
4-DR SEDAN V6 SPORT AUTO		M86 SP						
4-DR SEDAN V6 PREM AUTO		M87 PREM						
4-DR SEDAN V6 SPORT AUTO		M87 SP						
TOWN CAR								
4-DR SEDAN CARTIER PREMIUM		M83 PREM						
4-DR SEDAN SIGNATURE TOUR SDN PREM		M82 TSP						
4-DR SIGNATURE PREMIUM		M82 PREM						
4-DR SIGNATURE TOUR SDN		M82 TS						
MAZDA			MAZDA			MAZDA		
PROTÉGÉ			MILLENNIA			MILLENNIA		
4-DR SEDAN 2.0 LX		PROLX 2.0	4-DR SEDAN P AUTO		MILPA	4-DR SEDAN AUTO MILLENNIUM ED		MILMA
4-DR SEDAN MP3		PROMP3	MX-5 MIATA			4-DR SEDAN L AUTO		MILL
PROTÉGÉ S			2-DR CONVERTIBLE SE 6-SP		MIA5E	MX-5 MIATA		
5-DR HATCHBACK		PRO5				2-DR CONVERTIBLE 6-SP ANN ED		MIA ANN
						2-DR CONVERTIBLE LS 5-SP		MIALP
MERCEDES			MERCEDES			MERCEDES		
C CLASS			C CLASS			CLK		
C230 2-DR SPORT COUPE		C230 K	C240 4-DR SEDAN 5-SP		C240 W	CLK430 2-DR CABRIOLET AUTO		CLK430 A
C32 4-DR SPORT SEDAN AUTO		C32 AMG	C320 4-DR SEDAN AUTO		C320 W	E CLASS		
C320 4-DR WAGON AUTO		C320 S	CL CLASS			E430 4-DR SEDAN AUTO AWD		E430W A
CLK CLASS			CL55 AMG 2-DR SPORT COUPE AUTO		CL55 AMG	S CLASS		
CLK55 AMG 2-DR CABRIOLET AUTO		CLK55 AAMG	CLK CLASS			S430 4-DR SEDAN AUTO		S430V
SLK CLASS			CLK55 AMG 2-DR SPORT COUPE AUTO		CLK55 AMG	S500 4-DR SEDAN AUTO		S500V
SLK32 2-DR COUPE/ROADSTER AUTO		SLK32	S CLASS					
			S55 AMG 4-DR SPORT SEDAN AUTO		S55 AMG			
			S600 4-DR SEDAN AUTO		S600 V			
			SLK CLASS					
			SLK320 2-DR COUPE/ROADSTER		SLK320			



**NEW ITEM CATEGORIES FOR NEW AUTOMOBILES
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AUTOS
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DECEMBER 31, 2001			DECEMBER 31, 2000			DECEMBER 31, 1999		
MDL	BODY STYLE	MAKE	MDL	BODY STYLE	MAKE	MDL	BODY STYLE	MAKE
MERCURY			MERCURY			MERCURY		
COUGAR			COUGAR			SABLE		
3-DR COUPE V6 SPORT	T61 SP		3-DR COUPE S V-6	T62		4-DR SEDAN LS PREMIUM	M55	
3-DR COUPE V6 SPORT PREMIUM	T61 PREM					4-DR WAGON GS	M58 GS	
3-DR COUPE V6 SPORT ULTIMATE	T61 ULT					4-DR WAGON LS PREMIUM	M59	
GRAND MARQUIS								
4-DR SEDAN GS CONV	M74 CONV							
4-DR SEDAN GS CONV W/REG PKG	M74 CONVR							
4-DR SEDAN LS PREMIUM	M75							
4-DR SEDAN LS ULT W/REG PKG	M75 ULTR							
4-DR SEDAN LS ULTIMATE	M75 ULT							
4-DR SEDAN LSE	M75 LSE							
4-DR SEDAN LSE W/REG PKG	M75 LSER							
SABLE								
4-DR SEDAN GS PLUS	M50 GS+							
4-DR WAGON GS PLUS	M58 GS+							
MITSUBISHI			MITSUBISHI			MITSUBISHI		
GALANT			ECLIPSE			DIAMANTE		
4-DR SEDAN LS AUTO	GA41-M AUTO		2-DR CONVERT SPYDER GS 5-SP	EC28-B		4-DR SEDAN LS AUTO	DM42-G	
			2-DR CONVERT SPYDER GS 5-SP	EC28-K		ECLIPSE		
			2-DR CONVERT SPYDER GS SPORTRONIC	EC28-B AUTO		2-DR CONVERT SPYDER GS 5-SP	EC28-K 5-SP	
			2-DR CONVERT SPYDER GS SPORTRONIC	EC28-K AUTO		2-DR CONVERT SPYDER GS AUTO	EC28-K AUTO	
			2-DR CONVERT SPYDER GT 5-SP	EC28-G		2-DR CONVERT SPYDER GS-T 5-SP	EC28-P 5-SP	
			2-DR CONVERT SPYDER GT 5-SP	EC28-P		2-DR CONVERT SPYDER GS-T AUTO	EC28-P AUTO	
			2-DR CONVERT SPYDER GT SPORTRONIC	EC28-G AUTO		3-DR COUPE GS 5-SP	EC24-K 5-SP	
			2-DR CONVERT SPYDER GT SPORTRONIC	EC28-P AUTO		3-DR COUPE GS SPORTRONIC	EC24-K AUTO	
						3-DR COUPE GT 5-SP	EC24-P 5-SP	
						3-DR COUPE GT 5-SP	EC24-X 5-SP	
						3-DR COUPE GT AUTO	EC24-X AUTO	
						3-DR COUPE GT SPORTRONIC	EC24-P AUTO	
						3-DR COUPE RS 5-SP	EC24-G 5-SP	
						3-DR COUPE RS AUTO	EC24-G AUTO	
NISSAN			NISSAN			NISSAN		
ALTIMA			MAXIMA			ALTIMA		
4-DR SEDAN 2.5 5-SP	0565		4-DR SEDAN SE 20TH ANNIV 5-SP	0835		4-DR SEDAN SE-L 5-SP	1595	
4-DR SEDAN 2.5 AUTO	0561		4-DR SEDAN SE 20TH ANNIV AUTO	0831		4-DR SEDAN SE-L AUTO	1591	
4-DR SEDAN 2.5 S 5-SP	0576		SENTRA			MAXIMA		
4-DR SEDAN 2.5 S AUTO	0571		4-DR SEDAN CA AUTO	4261		4-DR SEDAN GLE AUTO	0861	
4-DR SEDAN 2.5 SL 5-SP	0585		4-DR SEDAN GXE 5-SP	4225		4-DR SEDAN GXE 5-SP	0845	
4-DR SEDAN 2.5 SL AUTO	0581		4-DR SEDAN GXE AUTO	4221		4-DR SEDAN GXE AUTO	0841	
4-DR SEDAN 3.5 SE 5-SP	0595		4-DR SEDAN SE 5-SP	4245		4-DR SEDAN SE 5-SP	0825	
4-DR SEDAN 3.5 SE AUTO	0591		4-DR SEDAN SE AUTO	4241		4-DR SEDAN SE AUTO	0821	
SENTRA			4-DR SEDAN XE 5-SP	4215		SENTRA		
4-DR SEDAN SE-R 5-SP	4245		4-DR SEDAN XE AUTO	4211		4-DR SEDAN SE-L 5-SP	4255	
4-DR SEDAN SE-R AUTO	4241					4-DR SEDAN SE-L AUTO	4251	
4-DR SEDAN SE-R SPEC V	4256							
OLDSMOBILE			OLDSMOBILE			OLDSMOBILE		
			ALERO			ALERO		
			2-DR COUPE GL4	3NL37		2-DR COUPE GL1 1SA	3NL37 1SA	
			4-DR SEDAN GL4	3NL69		2-DR COUPE GL3 1SC	3NL37 1SC	
			AURORA			4-DR SEDAN GL2 1SB	3NL69 1SB	
			4-DR SEDAN 3.5 AUTO	3GR29		4-DR SEDAN GL3 1SC	3NL69 1SC	
			4-DR SEDAN 4.0 AUTO	3GS29				
PLYMOUTH			PLYMOUTH			PLYMOUTH		
						NEON		
						4-DR SEDAN HIGHLINE	PLPH41	



NEW ITEM CATEGORIES FOR NEW AUTOMOBILES
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AUTOS
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DECEMBER 31, 2001			DECEMBER 31, 2000			DECEMBER 31, 1999					
MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE
PONTIAC				PONTIAC				PONTIAC			
				GRAND PRIX				BONNEVILLE			
				4-DR SEDAN SE		2WK69		4-DR SEDAN SE		2HX69	
								4-DR SEDAN SLE		2HY69	
								4-DR SEDAN SSE		2HZ69	
								GRAND AM			
								2-DR COUPE SE1		2NF37	
								4-DR SEDAN SE1		2NF69	
PORSCHE				PORSCHE				PORSCHE			
911	GT2 2-DR COUPE 6-SP		996840 2002	911 CARRERA				BOXTER			
	CARRERA			2-DR COUPE TURBO		996420		BOXSTER S		986320	
	CARR 2-DR TARGA		996210	2-DR COUPE TURBO TIP		996420 TIP					
	CARR 4S 2-DR COUPE		996430								
	CARR 4S 2-DR COUPE TIP		996430 TIP								
ROLLS ROYCE				ROLLS ROYCE				ROLLS ROYCE			
	ROLLS ROYCE			BENTLEY							
	SILVER SERAPH LAST OF LINE		ROLLS RRSSL	CONTINENTAL R 420 LT ED		BENTLEY BCR420					
				ROLLS-ROYCE							
				SILVER SERAPH CONCOURS LT ED		ROLLS RRSSC					
SAAB				SAAB				SAAB			
9.3 SERIES				9.3 SERIES				9.3 SERIES			
5-DR HATCHBACK SE 2.0			355	2-DR CONVERTIBLE SE 5-SP		352		2-DR CONVERTIBLE VIGGEN		382	
9.5 SERIES				9.5 SERIES				3-DR HATCHBACK VIGGEN		383	
4-DR SEDAN ARC V6 3.0			574	5-DR WAGON 2.3 FISHER ED 5-SP		515		5-DR HATCHBACK VIGGEN		385	
4-DR SEDAN LINEAR 2.3			524	5-DR WAGON AERO 5-SP		585		9.5 SERIES			
5-DR WAGON ARC V6 3.0			575					4-DR SEDAN AERO 5-SP		584	
5-DR WAGON LINEAR 2.3			525					5-DR WAGON 2.3 5-SP		505	
								5-DR WAGON SE V6 AUTO		575	
								5-DR WAGON V6 AUTO		565	
SATURN				SATURN				SATURN			
								LS			
								4-DR SEDAN 5-SP		ZJR19	
								4-DR SEDAN AUTO		ZJS19	
								LS1			
								4-DR SEDAN 5-SP		ZJT19	
								4-DR SEDAN AUTO		ZJU19	
								LS2			
								4-DR SEDAN AUTO		ZJW19	
								LW1			
								4-DR WAGON AUTO		ZJU35	
								LW2			
								4-DR WAGON AUTO		ZJW35	
SUBARU				SUBARU				SUBARU			
IMPREZA				LEGACY				IMPREZA			
4-DR SEDAN RS 2.5 AWD 5-SP			JA	WAGON OUTBACK AWD 3.0 AUTO		BZ		4-DR SEDAN 2.5 RS AWD 5-SP		JC	
4-DR SEDAN RS 2.5 AWD AUTO			JB	WAGON OUTBACK LLBEAN AWD 3.0 5-SF BY				4-DR SEDAN 2.5 RS AWD AUTO		JD	
4-DR SEDAN WRX AWD 5-SP			JC					LEGACY			
4-DR SEDAN WRX AWD AUTO			JD					4-DR SEDAN GT AWD 5-SP		AC	
5-DR SPORT WGN 2.5 TS AWD 5-SP			LA					4-DR SEDAN GT AWD AUTO		AD	
5-DR SPORT WGN 2.5 TS AWD AUTO			LB					4-DR SEDAN GT LTD AWD 5-SP		AE	



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AUTOS
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DECEMBER 31, 2001			DECEMBER 31, 2000			DECEMBER 31, 1999		
MDL	BODY STYLE	MAKE	MDL	BODY STYLE	MAKE	MDL	BODY STYLE	MAKE
SUBARU			SUBARU			SUBARU		
IMPREZA cont'd.						LEGACY cont'd.		
	5-DR SPORT WGN OUTBACK AWD 5-SP	LE					4-DR SEDAN GT LTD AWD AUTO	AF
	5-DR SPORT WGN OUTBACK AWD AUTO	LF					4-DR SEDAN L AWD 5-SP	AA
	5-DR SPORT WGN WRX AWD 5-SP	LC					4-DR SEDAN L AWD AUTO	AB
	5-DR SPORT WGN WRX AWD AUTO	LD					4-DR SEDAN OUTBACK LTD AWD AUTO	AG
LEGACY							WAGON BRIGHTON AWD 5-SP	BA
	4-DR SEDAN OUTBACK H6 3.0 AWD	AI					WAGON BRIGHTON AWD AUTO	BB
	4-DR SEDAN OUTBACK VDC H6 3.0 AWD	AH					WAGON GT AWD 5-SP	BE
	5-DR WAGON OUTBACK VDC H6 3.0 AWD	BZ					WAGON GT AWD AUTO	BF
							WAGON L AWD 5-SP	BC
							WAGON L AWD AUTO	BD
							WAGON OUTBACK AW/ PK AWD 5-SP	BU
							WAGON OUTBACK AW/ PK AWD AUTO	BV
							WAGON OUTBACK AW/ PK W/ICSS AWD	BW
							WAGON OUTBACK AW/ PK W/ICSS AWD	BX
							WAGON OUTBACK AWD 5-SP	BQ
							WAGON OUTBACK AWD AUTO	BR
							WAGON OUTBACK AWD W/ICSS 5-SP	BS
							WAGON OUTBACK AWD W/ICSS AUTO	BT
							WAGON OUTBACK LTD AWD 5-SP	BY
							WAGON OUTBACK LTD AWD AUTO	BZ
SUZUKI			SUZUKI			SUZUKI		
			ESTEEM			ESTEEM		
				4-DR SEDAN GLX 5-SP W/CRUISE	SGL777		4-DR SEDAN GL 1.8 5-SP	SGL77C
				4-DR SEDAN GLX AUTO W/CRUISE	SGL787		4-DR SEDAN GL 1.8 AUTO	SGL78C
				4-DR WAGON GLX 5-SP W/CRUISE	WGN777		4-DR SEDAN GLX 1.8 5-SP	SGL775
				4-DR WAGON GLX AUTO W/CRUISE	WGN787		4-DR SEDAN GLX 1.8 AUTO	SGL785
				4-DR WAGON GLX PLUS AUTO W/TTP	WGM78F TTP		4-DR SEDAN GLX PLUS 1.8 AUTO	SGL78G
							4-DR SEDAN GLX W/SP PKG 5-SP	SGL77F
							4-DR SEDAN GLX W/SP PKG AUTO	SGL78F
							4-DR WAGON GL 1.8 5-SP	WGN77C
							4-DR WAGON GL 1.8 AUTO	WGN78C
							4-DR WAGON GLX 1.8 5-SP	WGN77E
							4-DR WAGON GLX 1.8 AUTO	WGN78E
							4-DR WAGON GLX PLUS 1.8 AUTO	WGM78F
						SWIFT		
							3-DR HATCHBACK GL 5-SP	HES533
							3-DR HATCHBACK GL AUTO	HES553
TOYOTA			TOYOTA			TOYOTA		
CAMRY			CAMRY			AVALON		
	2-DR CONV SOLARA SE AUTO	2752		2-DR CONVERT SOLARA SE AUTO	2752		4-DR SEDAN XL BENCH	3536
	2-DR CONV SOLARA V6 SLE AUTO	2764		2-DR CONVERT SOLARA V6 SE AUTO	2764		4-DR SEDAN XL BUCKETS	3534
	2-DR CONV SOLARA V6 SE AUTO	2764		2-DR CONVERT SOLARA V6 SLE AUTO	2764		4-DR SEDAN XLS BENCH	3546
	2-DR COUPE SOLARA 4CYL SE 5-SP	2731	COROLLA				4-DR SEDAN XLS BUCKETS	3544
	2-DR COUPE SOLARA 4CYL SE AUTO	2732		4-DR SEDAN CE 5-SP	1711	CELICA		
	2-DR COUPE SOLARA V6 SE 5-SP	2733		4-DR SEDAN CE AUTO	1710		2-DR LIFTBACK GTS 5-SP	2133
	2-DR COUPE SOLARA V6 SE AUTO	2734		4-DR SEDAN LE 5-SP	1723		2-DR LIFTBACK GTS AUTO	2134
	2-DR COUPE SOLARA V6 SLE AUTO	2744		4-DR SEDAN LE AUTO	1724		3-DR LIFTBACK GT 5-SP	2123
	4-DR SEDAN 4CYL AUTO	2532		4-DR SEDAN S 5-SP	1719		3-DR LIFTBACK GT AUTO	2124
	4-DR SEDAN LE 4CYL 5-SP	2531		4-DR SEDAN S AUTO	1718	ECHO		
	4-DR SEDAN LE V6 AUTO	2534	MR2 SPYDER				2-DR SEDAN 5-SP	1413
	4-DR SEDAN SE 4CYL 5-SP	2545		2-DR CONVERTIBLE 5-SP	3233		2-DR SEDAN AUTO	1414
	4-DR SEDAN SE 4CYL AUTO	2546	PRIUS				4-DR SEDAN 5-SP	1415
	4-DR SEDAN SE V6 AUTO	2548		4-DR SEDAN AUTO	1222		4-DR SEDAN AUTO	1416
	4-DR SEDAN XLE AUTO	2540						
	4-DR SEDAN XLE V6 AUTO	2544						
MR2 SPYDER								
	2-DR CONVERTIBLE SMT	3235						



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DECEMBER 31, 2001			DECEMBER 31, 2000			DECEMBER 31, 1999		
MDL	BODY STYLE	MAKE	MDL	BODY STYLE	MAKE	MDL	BODY STYLE	MAKE
VOLKSWAGEN			VOLKSWAGEN			VOLKSWAGEN		
GOLF	4-DR HATCHBACK GL 5-SP	9B1DH4	CABRIO	2-DR GLX 5-SP	1V77L4	BEETLE	2-DR GLS 1.8 5-SP	1C15T4
	4-DR HATCHBACK GL AUTO	9B1DH3		2-DR GLX AUTO	1V77L3		2-DR GLS 1.8 AUTO	1C15T3
	4-DR HATCHBACK GL TDI 5-SP	9B1D14	GOLF	2-DR HATCHBACK GTI GLS 1.8 5-SP	1J16N4		2-DR GLX 1.8 5-SP	1C17T4
	4-DR HATCHBACK GL TDI AUTO	9B1D13		2-DR HATCHBACK GTI GLS 1.8 AUTO	1J16N3		2-DR GLX 1.8 AUTO	1C17T3
GTI	2-DR HATCHBACK 1.8 5-SP	9B17N4		4-DR HATCHBACK GLS 1.8 5-SP	1J15N4	CABRIO	2-DR GL 5-SP	1V72N4
	2-DR HATCHBACK 1.8 AUTO	9B17N8		4-DR HATCHBACK GLS 1.8 AUTO	1J15N3		2-DR GL AUTO	1V72N3
	2-DR HATCHBACK VR6 2.8 5-SP	9B16U4	JETTA	4-DR SEDAN GLS 1.8 5-SP	9M25N4		2-DR GLS 5-SP	1V73N4
JETTA	4-DR SEDAN GLX 2.8 V6 TIP AUTO	9M27W8		4-DR SEDAN GLS 1.8 5-SP WOLFSBURG	9M25N4	JETTA	2-DR GLS AUTO	1V73N3
	4-DR WAGON GL 1.9 TDI 5-SP	1J6414		4-DR SEDAN GLS 1.8 AUTO	9M25N3		4-DR SEDAN GLS 2.8 5-SP	9M28W4
	4-DR WAGON GL 1.9 TDI AUTO	1J6413	PASSAT	4-DR SEDAN GLS V6 4MOTION AUTO	3B24SU		4-DR SEDAN GLS 2.8 AUTO	9M28W3
	4-DR WAGON GL 2.0 5-SP	1J64H4		4-DR SEDAN GLX V6 4MOTION AUTO	3B25SU		4-DR SEDAN GLX 2.8 5-SP	9M26W4
	4-DR WAGON GL 2.0 AUTO	1J64H3		5-DR WAGON GLS V6 4MOTION AUTO	3B54SU		4-DR SEDAN GLX 2.8 AUTO	9M26W3
	4-DR WAGON GLS 1.8 5-SP	1J65P4		5-DR WAGON GLX V6 4MOTION AUTO	3B55SU	PASSAT	4-DR SEDAN GLX 5-SP	3B25SR
	4-DR WAGON GLS 1.8 TIP	1J65P8					4-DR SEDAN GLX AUTO	3B25ST
	4-DR WAGON GLS 1.9 TDI 5-SP	1J6514					5-DR WAGON GLX 5-SP	3B55SR
	4-DR WAGON GLS 1.9 TDI AUTO	1J6513					5-DR WAGON GLX AUTO	3B55ST
	4-DR WAGON GLS 2.0 5-SP	1J65H4						
	4-DR WAGON GLS 2.0 AUTO	1J65H3						
	4-DR WAGON GLS 2.8 5-SP	1J65U4						
	4-DR WAGON GLS 2.8 AUTO	1J65U3						
	4-DR WAGON GLX 2.8 5-SP	1J66U4						
	4-DR WAGON GLX 2.8 AUTO	1J66U3						
VOLVO			VOLVO			VOLVO		
60 SERIES	S60 4-DR SEDAN 2.4T AUTO W/SR	S60 2.4TASR	40 SERIES	4-DR SEDAN SPORT ED	S40 SP	40 SERIES	S40 4-DR SEDAN AUTO	S40A
	S60 4-DR SEDAN 2.4T AUTO W/SR/AWD	S60 2.4TASRAW		5-DR WAGON SPORT ED	V40 SP		S40 4-DR SEDAN W/DR AUTO	S40AS
	S60 4-DR SEDAN T5 5-SP W/SR	S60 T5MSR	60 SERIES	S60 4-DR SEDAN 2.4 5-SP	S60 2.4		V40 5-DR WAGON AUTO	V40A
70 SERIES	C70 2-DR COUPE HT 5-SP W/SR	C70 HTMSR		S60 4-DR SEDAN 2.4T AUTO	S60 2.4TA	70 SERIES	V40 5-DR WAGON W/SR AUTO	V40AS
	C70 2-DR COUPE HT AUTO W/SR	C70 HTASR		S60 4-DR SEDAN T5 5-SP	S60 T5		C70 2-DR CONVERTIBLE HT 5-SP	C70HTMCV
	V70 5-DR WAGON AUTO W/AWD/SR	V70 24TAAWDSR	70 SERIES	C70 2-DR COUPE HT 5-SP	C70 HTM		C70 2-DR COUPE LT AUTO	C70LTA
	V70 5-DR WAGON T5 5-SP W/SR	V70 T5MSR		C70 2-DR COUPE HT 5-SP SE W/SR	C70 HTMSRSE			
	V70 5-DR WAGON XC 2.4T AUTO	V70 XC2.4TA		V70 5-DR WAGON 2.4 5-SP	V70 2.4			
80 SERIES	S80 4-DR SEDAN T6 EXEC AUTO W/SR	S80 T6EXECASR		V70 5-DR WAGON 2.4T AUTO	V70 2.4TA			
				V70 5-DR WAGON 2.4T AUTO W/SR	V70 2.4TASR			
				V70 5-DR WAGON T5 5-SP	V70 T5			
				V70 5-DR WAGON T5 AUTO W/SR	V70 T5ASR			
				V70 5-DR WAGON XC 2.4T AUTO W/SR	V70 XC2.4TASR			
				V70 5-DR WAGON XC AWD AUTO	V70 XCAWDA			
			80 SERIES	S80 4-DR SEDAN 2.9 AUTO W/SR	S80 2.9ASR			
				S80 4-DR SEDAN T6 AUTO W/SR	S80 T6ASR			
				S80 4-DR SEDAN T6 EXEC	S80 T6EXEC			



DE FILIPPS'

LIFO LOOKOUT

2002

NEW ITEM REPORT

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**NEW ITEM CATEGORIES FOR NEW LIGHT-DUTY TRUCKS
UNDER THE ALTERNATIVE LIFO (LAST-IN, FIRST-OUT) METHOD FOR AUTOMOBILE DEALERS
REVENUE PROCEDURES 97-36 & 92-79
W/R/T NEW VEHICLE INVENTORIES FOR TAXABLE YEARS ENDING ON DECEMBER 31, 2001 - 2000 - 1999**

LIGHT-DUTY
TRUCKS
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DECEMBER 31, 2001			DECEMBER 31, 2000			DECEMBER 31, 1999						
MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE	
ACURA			ACURA			ACURA						
			MDX									
			4-DR 4WD AUTO				YD182					
			4-DR 4WD TOURING AUTO				YD186					
			4-DR 4WD TOURING W/NAV AUTO				YD188					
			4-DR 4WD W/NAV AUTO				YD184					
BMW			BMW			BMW						
X5	4-DR SAV 4.6		66	X5	4-DR SPORT ACTIVITY VEHICLE 3.0		64	X5	SPORT UTILITY VEHICLE		62	
BUICK			BUICK			BUICK						
RENDEZVOUS												
4-DR AWD SPORT UTILITY CX			48T26									
4-DR FWD SPORT UTILITY CX			48K26									
CADILLAC			CADILLAC			CADILLAC						
ESCALADE												
4-DR SPORT UTILITY EXT AWD			8K15936									
CHEVROLET/GEO			CHEVROLET/GEO			CHEVROLET/GEO						
AVALANCHE			3500 CHASSIS-CABS			S10 PICKUP						
4-DR 1500 2WD SPORT UTILITY			CC15936	EXT CAB 161.5 WB			CK36053	2WD EXT CAB BASE			CS10653	
4-DR 1500 4WD SPORT UTILITY			CK15936	EXT CAB 161.5 WB L/D			CC36053	4WD EXT CAB BASE			CT10653	
4-DR 2500 2WD SPORT UTILITY			CC25936	EXT CAB 185.5 WB			CK36453	SILVERADO				
4-DR 2500 4WD SPORT UTILITY			CK25936	EXT CAB 185.5 WB L/D			CC36453	4-DR 2WD C1500 EXT CAB LS LWB			CC15953 LS4DR	
SILVERADO 1800									4-DR 2WD C1500 EXT CAB LT SWB			CC15753 LS4DR
2WD CREW CAB LS HD			CC15743 LS	EXT CAB LS 161.5 WB			CK36053 LS	4-DR 2WD C1500 EXT CAB LWB			CC15953 4DR	
2WD CREW CAB LT HD			CC15743 LT	EXT CAB LS 185.5 WB			CK36453 LS	4-DR 2WD C1500 EXT CAB SWB			CC18753 4DR	
4WD CREW CAB LS HD			CK15743 LS	EXT CAB LS 185.5 WB L/D			CC36453 LS	4-DR 2WD C2500 EXT CAB LS LWB			CC25953 LS4DR	
4WD CREW CAB LT HD			CK15743 LT	REG CAB 137 WB			CK36003	4-DR 2WD C2500 EXT CAB LS SWB			CC26753 LS4DR	
TRAILBLAZER									4-DR 2WD C2500 EXT CAB LT LWB			CC25953 LT4DR
4-DR 2WD SPORT UTILITY EXT LT			CS15806 LT	REG CAB 161.5 WB			CK36403	4-DR 2WD C2500 EXT CAB LT SWB			CC25753 LT4DR	
4-DR 2WD SPORT UTILITY LS			CS15508	REG CAB 161.5 WB L/D			CC36403	4-DR 2WD C2500 EXT CAB SWB			CC25953 4DR	
4-DR 2WD SPORT UTILITY LT			CS15506 LT	REG CAB LS 137 WB			CK36003 LS	4-DR 2WD C2500 EXT CAB SWB			CC25753 4DR	
4-DR 2WD SPORT UTILITY LTZ			CS15506 LTZ	REG CAB LS 137 WB L/D			CC36003 LS	4-DR 4WD C1500 EXT CAB LT LWB			CC15953 LT4DR	
4-DR 4WD SPORT UTILITY EXT LT			CT15806 LT	REG CAB LS 161.5 WB			CK36403 LS					
				REG CAB LS 161.5 WB L/D			CC36403 LS					



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DECEMBER 31, 2001			DECEMBER 31, 2000			DECEMBER 31, 1999		
MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
CHEVROLET/GEO			CHEVROLET/GEO			CHEVROLET/GEO		
TRAILBLAZER (continued)			BLAZER			SILVERADO (continued)		
4-DR 4WD SPORT UTILITY LS		CT15506	2-DR 2WD XTREME		CS10516 XT	4-DR 4WD K1500 EXT CAB LS LWB		CK15953 LS4DR
4-DR 4WD SPORT UTILITY LT		CT15506 LT	S10 PICKUP			4-DR 4WD K1500 EXT CAB LS SWB		CK15753 LS4DR
4-DR 4WD SPORT UTILITY LTZ		CT15506 LTZ	4WD CREW CAB LS		CT10643	4-DR 4WD K1500 EXT CAB LT LWB		CK15953 LT4DR
VENTURE			SILVERADO 1500			4-DR 4WD K1500 EXT CAB LT SWB		CK15753 LT4DR
4-DR PASS WARNER BROS LWB AWD	1UT16 WB		2WD EXT CAB LWB 4-DR LT W/ONSTAR		CC15953 LT/OS	4-DR 4WD K1500 EXT CAB LWB		CK15953 4DR
4-DR PASS LS LWB AWD	1UT16 LS		2WD EXT CAB SWB 4-DR LT W/ONSTAR H/D		CC15753 LT/OS	4-DR 4WD K1500 EXT CAB SWB		CK15753 4DR
4-DR PASS LT LWB AWD	1UT16		4WD EXT CAB LWB 4-DR LT W/ONSTAR		CK15953 LT/OS	4-DR 4WD K2500 EXT CAB LS LWB		CK25753 LS4DR
4-DR PASS VAN BASE 1SA	1UN16		4WD EXT CAB SWB 4-DR LT W/ONSTAR		CK15753 LT/OS	4-DR 4WD K2500 EXT CAB LS LWB		CK25953 LS4DR
			SILVERADO 2500			4-DR 4WD K2500 EXT CAB LT LWB		CK25953 LT4DR
			2WD CREW CAB LWB H/D		CC25943	4-DR 4WD K2500 EXT CAB LT SWB		CK25753 LT4DR
			2WD CREW CAB LWB LS H/D		CC25943 LS	4-DR 4WD K2500 EXT CAB LWB		CK25953 4DR
			2WD CREW CAB LWB LT H/D		CC25943 LT	4-DR 4WD K2500 EXT CAB SWB		CK25753 4DR
			2WD CREW CAB LWB LT W/ONSTAR H/D		CC25943 LT/OS	SUBURBAN		
			2WD CREW CAB SWB H/D		CC25743	2WD 1500		CC15906
			2WD CREW CAB SWB LS H/D		CC25743 LS	2WD 2500		CC25906
			2WD CREW CAB SWB LT H/D		CC25743 LT	4WD 1500		CK15906
			2WD CREW CAB SWB LT W/ONSTAR H/D		CC25743 LT/OS	4WD 2500		CK25906
			2WD EXT CAB LWB 4-DR H/D		CC25953	TAHOE		
			2WD EXT CAB LWB 4-DR LS H/D		CC25953 LS	4-DR 2WD		CC15706
			2WD EXT CAB LWB 4-DR LT H/D		CC25953 LT	4-DR 2WD LT		CC10706 LT
			2WD EXT CAB LWB 4-DR LT W/ONSTAR H/D		CC25953 LT/OS	4-DR 4WD		CK15706
			2WD EXT CAB SWB 4-DR H/D		CC25753	4-DR 4WD Z71		CK10706 Z71
			2WD EXT CAB SWB 4-DR H/D		CC25753 LS	VENTURE		
			2WD EXT CAB SWB 4-DR LT H/D		CC25753 LT	4-DR PASS WARNER BROS ED LWB		1UM16 WB
			2WD EXT CAB SWB 4-DR LT W/ONSTAR H/D		CC25753 LT/OS	4-DR PASSENGER LS LWB		1UM16 LS
			2WD EXT CAB SWB 4-DR LT W/ONSTAR LD		CK25753 LT/OS	4-DR PASSENGER LS SWB		1UN16 LS
			2WD REG CAB LWB H/D		CC25903	4-DR PASSENGER LT LWB		1UM16 LT
			2WD REG CAB LWB LS H/D		CC25903 LS	4-DR PASSENGER PLUS LWB		1UM16 PL
			4WD CREW CAB LWB H/D		CK25943	4-DR PASSENGER PLUS SWB		1UN16 PL
			4WD CREW CAB LWB LS H/D		CK25943 LS	4-DR PASSENGER VALUE SWB		1UN16 VAL
			4WD CREW CAB LWB LT H/D		CK25943 LT			
			4WD CREW CAB LWB LT W/ONSTAR H/D		CK25943 LT/OS			
			4WD CREW CAB SWB H/D		CK25743			
			4WD CREW CAB SWB LS H/D		CK25743 LS			
			4WD CREW CAB SWB LT H/D		CK25743 LT			
			4WD CREW CAB SWB LT W/ONSTAR H/D		CK25743 LT/OS			
			4WD EXT CAB LWB 4-DR H/D		CK25953 4DRHD			
			4WD EXT CAB LWB 4-DR LS H/D		CK25953 LS			
			4WD EXT CAB LWB 4-DR LT H/D		CK25953 LT			
			4WD EXT CAB LWB 4-DR LT W/ONSTAR H/D		CK25953 LT/OS			
			4WD EXT CAB SWB 4-DR H/D		CK25753 4DRHD			
			4WD EXT CAB SWB 4-DR LS H/D		CK25753 LS			
			4WD EXT CAB SWB 4-DR LT H/D		CK25753 LT			
			4WD EXT CAB SWB 4-DR LT W/ONSTAR H/D		CK25753 LT/OSHD			
			4WD REG CAB LWB H/D		CK25903			
			4WD REG CAB LWB LS H/D		CK25903 LS			
			SILVERADO 3500					
			2WD CREW CAB		CC35943			
			2WD CREW CAB LS		CC35943 LS			
			2WD CREW CAB LT		CC35943 LT			
			2WD CREW CAB LT W/ONSTAR		CC35943 LT/OS			
			2WD EXT CAB		CC35953			
			2WD EXT CAB LS		CC35953 LS			
			2WD EXT CAB LT		CC35953 LT			
			2WD EXT CAB LT W/ONSTAR		CC35953 LT/OS			
			2WD REG CAB		CC35903			
			2WD REG CAB LS		CC35903 LS			
			4WD CREW CAB		CK35943			
			4WD CREW CAB LS		CK35943 LS			
			4WD CREW CAB LT		CK35943 LT			
			4WD CREW CAB LT W/ONSTAR		CK35943 LT/OS			
			4WD EXT CAB		CK35953			
			4WD EXT CAB LS		CK35953 LS			
			4WD EXT CAB LT		CK35953 LT			
			4WD EXT CAB LT W/ONSTAR		CK35953 LT/OS			
			4WD REG CAB		CK35903			



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DECEMBER 31, 2001			DECEMBER 31, 2000			DECEMBER 31, 1999		
MAKE			MAKE			MAKE		
MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
CHEVROLET/GEO			CHEVROLET/GEO			CHEVROLET/GEO		
			SILVERADO 3500 (continued)					
			4WD REG CAB LS		CK35903 LS			
			4WD CREW CAB		CK35943			
			4WD CREW CAB LS		CK35943 LS			
			4WD CREW CAB LT		CK35943 LT			
			4WD CREW CAB LT W/ONSTAR		CK35943 LT/OS			
			4WD EXT CAB		CK35953			
			4WD EXT CAB LS		CK35953 LS			
			4WD EXT CAB LT		CK35953 LT			
			4WD EXT CAB LT W/ONSTAR		CK35953 LT/OS			
			4WD REG CAB		CK35903			
			4WD REG CAB LS		CK35903 LS			
			TRACKER					
			2-DR 4WD CONVERTIBLE ZR2		CJ10367 ZR2			
			4-DR 2WD HARDTOP LT V6		CE10305 LT			
			4-DR 4WD HARDTOP LT V6		CJ10305 LT			
			4-DR 4WD HARDTOP ZR2 V6		CJ10305 ZR2			
CHRYSLER			CHRYSLER			CHRYSLER		
PT CRUISER			PT CRUISER			TOWN & COUNTRY		
4-DR SPORT WAGON LTD ED		PTCS44	4-DR WAGON		PTCH44	MPV LXI AWD		NSCP53
4-DR SPORT WAGON TOURING ED		PTCP44	TOWN & COUNTRY			MPV LXI FWD		NSYP53
TOWN & COUNTRY			5-DR WAGON EX		RSYX53			
5-DR WAGON EL		RSYM53	5-DR WAGON LTD AWD		RSCS53			
VOYAGER			5-DR WAGON LTD FWD		RSYS53			
4-DR WAGON EC		RSYE52	5-DR WAGON LX AWD		RSCH53			
			5-DR WAGON LX FWD		RSYH53			
			5-DR WAGON LXI AWD		RSCP53			
			5-DR WAGON LXI FWD		RSYP53			
			VOYAGER					
			4-DR WAGON		RSYL52			
			4-DR WAGON LX		RSYH52			
DODGE			DODGE			DODGE		
CARAVAN			CARAVAN			CARAVAN		
CARAVAN EC		RSKE52	CARAVAN SE		RSKL52	GRAND CARAVAN SPORT AWD		NSDH53 SP
GRAND CARAVAN EL		RSKM53	CARAVAN SPORT		RSKH52	DAKOTA		
DAKOTA			GRAND CARAVAN ES		RSKP53	4X2 QUAD CAB		AN1L84
4X2 CLUB CAB SLT 131WB		AN1H31	GRAND CARAVAN ES AWD		RSDP53	4X4 QUAD CAB		AN5L84
4X2 CLUB CAB SPORT 131WB		AN1M31	GRAND CARAVAN EX		RSKX53	RAM VAN		
4X2 QUAD CAB SLT		AN1H84	GRAND CARAVAN SE		RSKL53	2500 CONVERSION VAN 127WB		AB2X12
4X2 QUAD CAB SPORT 112WB		AN1M84	GRAND CARAVAN SPORT		RSKH53	3500 CONV. MAXI VAN 127WB		AB3X13
4X2 REG CAB SLT 112WB		AN1H61	GRAND CARAVAN SPORT AWD		RSDH53	3500 CONVERSION VAN 127WB		AB3X12
4X2 REG CAB SPORT		AN1M61						
4X4 CLUB CAB SLT 131WB		AN5H31						
4X4 CLUB CAB SPORT 131WB		AN5M31						
4X4 QUAD CAB SLT		AN5H84						
4X4 REG CAB SLT 112WB		AN5H61						
4X4 REG CAB SPORT 112WB		AN5M61						
DURANGO								
4-DR 2WD SLT		DN1H74						
4-DR 2WD SLT PLUS		DN1P74						
4-DR 4WD R/T		DN5X74						
4-DR 4WD SLT		DN5H74						
4-DR 4WD SLT PLUS		DN5P74						
RAM PICKUP								
2WD 1500 QUAD CAB LWB		DR1L42						
2WD 1500 QUAD CAB SWB		DR1L41						
2WD 1500 REG CAB LWB		DR1L62						
2WD 1500 REG CAB SWB		DR1L61						
4WD 1500 QUAD CAB LWB		DR6L42						
4WD 1500 QUAD CAB SWB		DR6L41						
4WD 1500 REG CAB LWB 135		DR6L62						
4WD 1500 REG CAB SWB 119		DR6L61						



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MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
FORD			FORD			FORD		
ESCAPE			ESCAPE			CUTAWAY VAN		
4-DR 4WD XLS CHOICE 220A		U02 CH	4-DR 4WD WAGON XLS		U02	COMM CUTAWAY S.D 158 WB		E45 158
4-DR 4WD XLS SPORT 210A		U02 SP	4-DR 4WD WAGON XLT		U04	ECONOLINE VAN/WAGON		
4-DR 4WD XLT CHOICE 400A		U04 CH	4-DR FWD WAGON XLS		U01	E150 4X2 RV VAN		E14 RV
4-DR 4WD XLT PREMIUM 420A		U04 PREM	4-DR FWD WAGON XLT		U03	E250 4X2 EXT RV VAN		E24 RV
4-DR 4WD XLT SPORT 410A		U04 SP	EXPLORER			E250 4X2 REG RV VAN		E24 RV
4-DR FWD V6 XLS CHOICE 120A		U01 CH	4DR WAGON 2WD EDDIE BAUER		U64 EB	E350 4X2 SUPER DUTY EXT RV VAN		S34 RV
4-DR FWD XLS SPORT 110A		U01 SP	4DR WAGON 2WD LTD		U65 LTD	E350 4X2 SUPER DUTY RV VAN		E34 RV
4-DR FWD XLT CHOICE 300A		U03 CH	4DR WAGON 2WD XLS		U62 XLS	EXCURSION		
4-DR FWD XLT CHOICE 310A		U03 CH2	4DR WAGON 2WD XLT		U63 XLT	4X2 WAGON LTD		U42
4-DR FWD XLT PREMIUM 320A		U03 PREM	4DR WAGON 4WD EDDIE BAUER		U74 EB	4X2 WAGON XLT		U40
EXCURSION			4DR WAGON 4WD LTD		U75 LTD	4X4 WAGON LTD		U43
4X2 WAGON LTD 5.4 UTL 330A		U42 330	4DR WAGON 4WD XLS		U72 XLS	4X4 WAGON XLT		U41
4X2 WAGON LTD 6.8 310A		U42 310	4DR WAGON 4WD XLT		U73 XLT	EXPLORER		
4X2 WAGON LTD 6.8 ULT 340A		U42 340	F150 PICKUP			4X2 4-DR XLS		U62 XLS
4X2 WAGON LTD 7.3 320A		U42 320	2WD SUPERCREW CAB KING RANCH		W07 KR	4X4 4-DR XLS		U72 XLS
4X2 WAGON LTD 7.3 ULT 350A		U42 350	4WD SUPERCREW CAB KING RANCH		W08 KR	EXPLORER SPORT		
4X2 WAGON XLT 5.4 PREM 130A		U40 130	4X2 SUPERCAB HARLEY-DAV ED		X07 HD	4X2 2-DR WAGON SPORT		U60
4X2 WAGON XLT 5.4 SSV 900A		U40 900	RANGER			4X2 4-DR SPORT TRAC		U67
4X2 WAGON XLT 6.8 110A		U40 110	2WD REG CAB EDGE 112WB 322A		R10 E322	4X4 2-DR WAGON SPORT		U70
4X2 WAGON XLT 6.8 910A		U40 910	2WD REG CAB EDGE PLUS 112WB 324A		R10 EP324	4X4 4-DR SPORT TRAC		U77
4X2 WAGON XLT 6.8 PREM 140A		U40 140	2WD REG CAB XL 112WB 302A		R10 XL302	F150 PICKUP		
4X2 WAGON XLT 7.3 120A		U40 120	2WD REG CAB XL 112WB 314A		R10 XL314	4X2 REG CAB F/S SVT LIGHTNING SWB		F07 SVTSWB
4X2 WAGON XLT 7.3 PREM 150A		U40 150	2WD REG CAB XL 118WB 304A		R10 XL304	F150 SUPERCREW		
4X2 WAGON XLT SSV 7.3 920A		U40 920	2WD REG CAB XL 118WB 308A		R10 XL308	2WD CREW CAB LARIAT		W07 LAR
4X4 WAGON LTD 6.8 ULT 420A		U43 420	2WD REG CAB XL 118WB 316A		R10 XL316	2WD CREW CAB XLT		W07
4X4 WAGON LTD 7.3 410A		U43 410	2WD REG CAB XLT 112WB 332A		R10 XLT332	4WD CREW CAB LARIAT		W08 LAR
4X4 WAGON LTD 7.3 ULT 430A		U43 430	2WD REG CAB XLT 112WB 333A		R10 XLT333	4WD CREW CAB XLT		W08
4X4 WAGON XLT 5.4 PREM 240A		U41 240	2WD REG CAB XLT 112WB 336A		R10 XLT336	WINDSTAR		
4X4 WAGON XLT 5.4 SSV 950A		U41 950	2WD REG CAB XLT 112WB 341A		R10 XLT341	4-DR WAGON LIMITED		A53 LTD
4X4 WAGON XLT 6.8 200A		U41 200	2WD REG CAB XLT 112WB 343A		R10 XLT343			
4X4 WAGON XLT 6.8 PREM 220A		U41 220	2WD REG CAB XLT 112WB 344A		R10 XLT344			
4X4 WAGON XLT 6.8 SSV 930A		U41 930	2WD REG CAB XLT 112WB 347A		R10 XLT347			
4X4 WAGON XLT 7.3 210A		U41 210	2WD SUPERCAB EDGE 126WB 371A		R14 E371			
4X4 WAGON XLT 7.3 PREM 230A		U41 230	2WD SUPERCAB EDGE PLUS 126WB 372A		R14 EP372			
4X4 WAGON XLT 7.3 SSV 940A		U41 940	2WD SUPERCAB EDGE PLUS 126WB 374A		R14 EP374			
EXPLORER SPORT			2WD SUPERCAB XL 126WB 361A		R14 XL361			
4X2 WGN SPORT CHOICE 120A		U60 CH	2WD SUPERCAB XLT 126WB 361A		R14 XLT361			
4X2 WGN SPORT PREM 130A		U60 PREM	2WD SUPERCAB XLT 126WB 362A		R14 XLT362			
4X2 WGN SPORT TRAC CHOICE 120A		U67 CH	2WD SUPERCAB XLT 126WB 385A		R14 XLT385			
4X2 WGN SPORT TRAC PREM 130A		U67 PREM	4-DR 2WD SUPERCAB XLT 126WB 387A		R14 XLT387			
4X4 WGN SPORT CHOICE 220A		U70 CH	4-DR 2WD SUPERCAB XLT 126WB 388A		R14 XLT388			
4X4 WGN SPORT PREM 230A		U70 PREM	4-DR 4WD SUPERCAB EDGE 126WB 378A		R15 E376			
4X4 WGN SPORT TRAC CHOICE 220A		U77 CH	4-DR 4WD SUPERCAB EDGE PLUS 126WB 377A		R15 EP377			
4X4 WGN SPORT TRAC PREM 230A		U77 PREM	4-DR 4WD SUPERCAB EDGE PLUS 126WB 378A		R15 EP378			
F150 PICKUP			4-DR 4WD SUPERCAB XLT 126WB 391A		R15 XLT391			
4X2 SUPERCAB S/S KING RANCH SWB		X17 KR	4-DR 4WD SUPERCAB XLT 126WB 392A		R15 XLT392			
4X4 SUPERCAB S/S KING RANCH SWB		X18 KR	4-DR 4WD SUPERCAB XLT 126WB 393A		R15 XLT393			
RANGER			4-DR 4WD SUPERCAB XLT 126WB 394A		R15 XLT394			
2WD REG CAB XL 118WB 305A		R10 XL305	4-DR 4WD SUPERCAB XLT 126WB 395A		R15 XLT395			
2WD REG CAB XL 112WB 311A		R10 XL311	4-DR 4WD SUPERCAB XLT 126WB 397A		R15 XLT397			
2WD REG CAB XLT 112WB 335A		R10 XLT335	4-DR 4WD SUPERCAB XLT 126WB 398A		R15 XLT398			
2WD REG CAB XLT 112WB 337A		R10 XLT337	4WD REG CAB EDGE PLUS 112WB 326A		R11 EP326			
2WD REG CAB XLT 112WB 338A		R10 XLT338	4WD REG CAB EDGE PLUS 112WB 328A		R11 EP328			
2WD SUPERCAB XL 126WB 355A		R14 XL355	4WD REG CAB XL 118WB 306A		R10 XL306			
2WD SUPERCAB XL 126WB 362A		R44 XL362	4WD SUPERCAB XL 126WB 351A		R15 XL351			
2WD SUPERCAB XLT 126WB 380A		R14 XLT380	WINDSTAR					
4-DR 2WD SUPERCAB EDGE 126WB 373A		R44 E373	4-DR WAGON LIMITED		A58			
4-DR 2WD SUPERCAB XLT 126WB 383A		R44 XLT383	4-DR WAGON SE SPORT		A67			
4-DR 4WD SUPERCAB XLT 126WB 390A		R45 XLT390						
4WD SUPERCAB XL 126WB 308A		R15 XL308						
4WD SUPERCAB XLT 126WB 396A		R15 XLT396						
WINDSTAR								
4-DR WAGON LX DELUXE		A51 LDXLX						



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MAKE			MAKE			MAKE		
MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
GMC TRUCKS			GMC TRUCKS			GMC TRUCKS		
ENVOY			SAVANA			JIMMY		
2-DR 4WD SLT		TS15506 SLT	G3500 SPECIAL		TG31903	2WD 4-DR WAGON JDE 1SH/1SJ		TS10506 1SH
2WD 4-DR SLE		TS15506 SLT	SIERRA 3500 CHASSIS-CABS			4WD 4-DR WAGON JDE 1SH/1SJ		TT10506 1SH
4WD 4-DR SLE		TT15506	2WD 3500 REG CAB CHASSIS SL		TC36003 SL	4WD 4-DR WAGON JDE 1SK		TT10506 1SK
4WD 4-DR SLT		TT15506 SLT	2WD 3500 REG CAB CHASSIS SLE SWB		TC36003 SLE	SIERRA 2500 CAB/CHASSIS		
SIERRA 3600 CHASSIS-CABS			2WD 4-DR EXT CAB CHASSIS SL LWB		TC36453 SL	C2500 2WD SL		TC25903 SL
2WD 3500 EXT CAB CHASSIS LWB		TC36453	2WD 4-DR EXT CAB CHASSIS SL SWB		TC36053 SL	C2500 2WD SLE		TC25903 SLE
2WD 3500 REG CAB CHASSIS SWB		TC36053	2WD 4-DR EXT CAB CHASSIS SLE/SLT LWB		TC36453 SLT	K2500 4WD SL		TC25903 SL
2WD 3500 REG CAB CHASSIS LWB		TC36403	2WD 4-DR EXT CAB CHASSIS SLE/SLT SWB		TC36053 SLE	K2500 4WD SLE		TK25903 SLE
2WD 3500 REG CAB CHASSIS SL LWB		TC36003	2WD REG CAB CHASSIS SL LWB		TC36403 SL	SIERRA PICKUP		
4WD 3500 EXT CAB CHASSIS SWB		TK36453	2WD REG CAB CHASSIS SLE LWB		TC36403 SLE	2WD 4-DR 1500 EXT CAB SL LWB		TC15953 SL4DR
4WD 3500 EXT CAB CHASSIS LWB		TK36053	4WD 4-DR EXT CAB CHASSIS SL LWB		TK36453 SL	2WD 4-DR 1500 EXT CAB SL SWB		TC15753 SL4DR
4WD 3500 REG CAB CHASSIS LWB		TK36403	4WD 4-DR EXT CAB CHASSIS SL SWB		TK36053 SL	2WD 4-DR 1500 EXT CAB SLE LWB		TC15953 SLE4DR
4WD 3500 REG CAB CHASSIS SWB		TK36003	4WD 4-DR EXT CAB CHASSIS SLE/SLT SWB		TK36053 SLE	2WD 4-DR 1500 EXT CAB SLE SWB		TC25753 SL4DR
SIERRA HEAVY-DUTY PICKUP			4WD 4-DR REG CAB CHASSIS SL SWB		TK36003 SL	2WD 4-DR 2500 EXT CAB SL SWB		TC25953 SL4DR
2WD 2500 CREW CAB LWB H/D		TC25943 HD	4WD 4-DR REG CAB CHASSIS SLE SWB		TK36003 SLE	2WD 4-DR 2500 EXT CAB SLE LWB		TC25953 SLE4DR
2WD 2500 CREW CAB SWB H/D		TC25743 HD	4WD REG CAB CHASSIS SL LWB		TK36403 SL	4WD 4-DR 2500 EXT CAB SLE SWB		TC25753 SLE4DR
2WD 2500 EXT CAB LWB H/D		TC25953 HD	4WD REG CAB CHASSIS SLE LWB		TK36403 SLE	4WD 4-DR 1500 EXT CAB SL LWB		TK15953 SL4DR
2WD 2500 REG CAB LWB H/D		TC25903 HD	SIERRA H/D PICKUP			4WD 4-DR 1500 EXT CAB SL SWB		TK15753 SL4DR
2WD 4-DR 2500 EXT CAB SWB H/D		TC25753 HD	2WD 2500 CREW CAB SL SWB H/D		TC25743 SLHD	4WD 4-DR 1500 EXT CAB SLE LWB		TK15953 SLE4DR
4WD 2500 CREW CAB LWB H/D		TK25943 HD	2WD 2500 CREW CAB SL LWB H/D		TC25943 SLHD	4WD 4-DR 1500 EXT CAB SLE SWB		TK25953 SL4DR
4WD 2500 CREW CAB SWB H/D		TK25743 HD	2WD 2500 CREW CAB SLE/SLT SWB H/D		TC25743 SLEHD	4WD 4-DR 2500 EXT CAB SL LWB		TK25953 SL4DR
4WD 2500 EXT CAB LWB H/D		TK25953 HD	2WD 2500 CREW CAB SLE/SLT LWB H/D		TC25943 SLEHD	4WD 4-DR 2500 EXT CAB SL SWB		TK25753 SL4DR
4WD 2500 EXT CAB SWB H/D		TK25753 HD	2WD 2500 REG CAB SL H/D		TC25903 SLHD	4WD 4-DR 2500 EXT CAB SLE LWB		TK25953 SLE4DR
4WD 2500 REG CAB LWB H/D		TK25903 HD	2WD 2500 REG CAB SLE H/D		TC25903 SLEHD	4WD 4-DR 2500 EXT CAB SLE SWB		TK25753 SLE4DR
SIERRA PICKUP			2WD 4-DR 2500 EXT CAB SL SWB H/D		TC25753 SLHD	SONOMA		
2WD 1500 EXT CAB LWB		TC15953	2WD 4-DR 2500 EXT CAB SL LWB H/D		TC25953 SLHD	2WD W/S EXT CAB R9S		TS10653 R9S
2WD 1500 EXT CAB SWB		TC15753	2WD 4-DR 2500 EXT CAB SLE/SLT SWB H/D		TC25753 SLEHD	4WD W/S EXT CAB R9S		TT10653 R9S
2WD 1500 REG CAB HT SWB		TC15703 HT	2WD 4-DR 2500 EXT CAB SLE/SLT LWB H/D		TC25953 SLEHD	YUKON		
2WD 1500 REG CAB LWB		TC15903	4WD 2500 CREW CAB SL SWB H/D		TK25743 SLHD	2WD YUKON XL 1/2 TON		TC15906
2WD 1500 REG CAB SWB		TC15703	4WD 2500 CREW CAB SL LWB H/D		TK25943 SLHD	2WD YUKON XL 3/4 TON		TC25906
2WD 2500 REG CAB LWB		TC25903	4WD 2500 CREW CAB SLE/SLT SWB H/D		TK25743 SLEHD	2WD 4-DR YUKON		TC15706
2WD 4-DR 3500 EXT CAB		TC35953	4WD 2500 CREW CAB SLE/SLT LWB H/D		TK25943 SLEHD	4WD 4-DR YUKON		TK15706
4WD 1500 EXT CAB LWB		TK15953	4WD 2500 EXT CAB SL H/D		TK25753 SLHD	4WD YUKON XL 1/2 TON		TK15906
4WD 1500 EXT CAB SWB		TK15753	4WD 2500 REG CAB SL H/D		TK25903 SLHD	4WD YUKON XL 3/4 TON		TK25906
4WD 1500 REG CAB HT SWB		TK15703 HT	4WD 2500 REG CAB SLE H/D		TK25903 SLEHD			
4WD 1500 REG CAB LWB		TK15903	4WD 2500 EXT CAB SL H/D		TK25953 SLHD			
4WD 1500 REG CAB SWB		TK15703	4WD 4-DR 2500 EXT CAB SLE/SLT H/D		TK25753 SLEHD			
4WD 2500 EXT CAB SWB		TK25753	4WD 4-DR EXT CAB SLE/SLT H/D		TK25953 SLEHD			
4WD 3500 REG CAB		TK35903	SIERRA PICKUP					
4WD 4-DR 3500 CREW CAB		TK35943	2WD 3500 CREW CAB SL		TC35943 SL			
4WD 4-DR 3500 EXT CAB		TK35953	2WD 3500 CREW CAB SLE/SLT		TC35943 SLE			
AWD 2-DR 3500 CREW CAB		TC35943	2WD 3500 EXT CAB SL		TC35953 SL			
AWD 4-DR EXT CAB DENALI SWB		TK15753 DEN	2WD 3500 EXT CAB SLE/SLT		TC35953 SLE			
			2WD 3500 REG CAB SL		TC35903 SL			
			2WD 3500 REG CAB SLE		TC35903 SLE			
			4WD 3500 CREW CAB SL		TK35943 SL			
			4WD 3500 CREW CAB SLE/SLT		TK35943 SLE			
			4WD 3500 EXT CAB SL		TK35953 SL			
			4WD 3500 EXT CAB SLE/SLT		TK35953 SLE			
			4WD 3500 REG CAB SL		TK35903 SL			
			4WD 3500 REG CAB SLE		TK35903 SLE			
			AWD 4-DR 1500 EXT CAB C3		TK15753 C3			
			SONOMA					
			4WD W/S CREW CAB YC3		TT10643			
			YUKON					
			4WD 4-DR WAGON XL DENALI		TK15906 DEN			
			AWD 4-DR YUKON DENALI		TK15706 DEN			



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MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE
HONDA			HONDA			HONDA					
CR-V	2WD 5-DR LX AUTO		RD684	CR-V	4WD 5-DR SE AUTO		RD187	ODYSSEY	5-DR EX-NAVI 4-SP		RL187
	2WD 5-DR LX AUTO W/SRS		RD685								
	4WD 5-DR EX 5-SP		RD778								
	4WD 5-DR EX AUTO		RD788								
	4WD 5-DR LX 5-SP		RD774								
	4WD 5-DR LX 5-SP W/SRS		RD775								
	4WD 5-DR LX AUTO		RD784								
	4WD 5-DR LX AUTO W/SRS		RD785								
ODYSSEY	4-DR EX-L AUTO W/ LEATHER		RL189								
	5-DR EX-L AUTO W/LEATHER/DVD		RL180								
HYUNDAI			HYUNDAI			HYUNDAI					
				SANTA FE	4-DR 2WD SUV 5-SP		60423				
					4-DR 2WD SUV AUTO		60422				
					4-DR 2WD SUV GLS V6 AUTO		60452				
					4-DR 2WD SUV LX V6 AUTO		60462				
					4-DR 2WD SUV V6 AUTO		60442				
					4-DR 4WD SUV GLS V6 AUTO		60552				
					4-DR 4WD SUV LX V6 AUTO		60562				
					4-DR 4WD SUV V6 AUTO		60542				
INFINITI			INFINITI			INFINITI					
				QX4	4-DR SUV 2WD		7121	QX4	4-DR LUXURY SUV		7101
					4-DR SUV 4WD		7141				
ISUZU			ISUZU			ISUZU					
AXIOM	4-DR 2WD		Y54	RODEO	2WD 4-DR (4 CYL) S AUTO		P44	HOMBRE	2WD SPACECAB S 5-SP		P05
	4-DR 4WD		Z54	RODEO SPORT	2WD S AUTO		B14		2WD SPACECAB S V6 AUTO		P74
	4-DR XS 4WD		Z64		2WD S HARDTOP AUTO		E14		4WD SPACECAB S V6 5-SP		T75
	4-DR XS 4WD		Z64						2WD SPACECAB S AUTO		P04
JEEP			JEEP			JEEP					
GRAND CHEROKEE	4-DR 2WD WAGON SPORT		WJTM74 SP	CHEROKEE	4-DR 2WD WAGON RHD		XJBL74	CHEROKEE	2-DR 2WD WAGON SPORT		XJTH72 SP
	4-DR 4WD WAGON OVERLAND		WJJS74		4-DR 4WD WAGON RHD		XJUL74		2-DR 4WD WAGON SPORT		XJH72 SP
	4-DR 4WD WAGON SPORT		WJJM74 SP						4-DR 2WD WAGON CLASSIC		XJTP74 CL
LIBERTY	4-DR 2WD LTD ED		KJTP74						4-DR 2WD WAGON LIMITED		XJTS74 LTD
	4-DR 2WD SPORT		KJTH74						4-DR 2WD WAGON SPORT		XJTH74 SP
	4-DR 4WD LTD ED		KJJP74						4-DR 4WD WAGON CLASSIC		XJJP74 CL
	4-DR 4WD SPORT		KJH74						4-DR 4WD WAGON LIMITED		XJJS74 LTD
WRANGLER	WRANGLER X		TJJM77						4-DR 4WD WAGON SPORT		XJH74 SP
									WRANGLER		
									WRANGLER SAHARA		TJJP77 SA
									WRANGLER SPORT		TJH77 SPORT



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MAKE			MAKE			MAKE		
MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
KIA			KIA			KIA		
SEDONA			SPORTAGE					
4-DR MINIVAN EX AUTO		62242	4X2 4-DR LIMITED 5-SP		42261			
4-DR MINIVAN EX AUTO		62222	4X2 4-DR LIMITED AUTO		42262			
			4X4 4-DR LIMITED 5-SP		42461 LTD			
			4X4 4-DR LIMITED AUTO		42462 LTD			
LAND ROVER/RANGE ROVER			LAND ROVER/RANGE ROVER			LAND ROVER/RANGE ROVER		
LAND ROVER FREELANDER			RANGE ROVER			RANGE ROVER		
5-DR UTILITY AWD S		S	4-DR 4WD 4.6 SE		SXLL	4-DR 4WD 4.0		SXLD 4.0
5-DR UTILITY AWD SE		SE				4-DR 4WD 4.6 HSK		SXLQ HSK
5-DR UTILITY HSE		HSE				4-DR 4WD 4.6 VITESSE		SXLQ VIT
						4-DR 4WD COUNTY		SXLD CTY
LEXUS			LEXUS			LEXUS		
LINCOLN			LINCOLN			LINCOLN		
BLACKWOOD		W05 NM						
4-DR 2WD NEIMAN MARCUS								
MAZDA			MAZDA			MAZDA		
TRUCK			B SERIES PICKUP			B SERIES PICKUP		
4X2 2-DR B2300 REG CAB BASE		B23	4X2 B3000 CAB PLUS DS 5-SP		B30CDSP	4X2 B2500 REG CAB TL 5-SP		B25STL2P
4X4 2-DR B3000 CAB PLUS		B30	4X2 B3000 CAB PLUS DS AUTO		B30CDSA	4X2 B3000 CAB PLUS 4 TL 5-SP		B304TL2P
			4X2 B3000 REG CAB DS 5-SP		B30SDSP	4X2 B3000 CAB PLUS 4 TL AUTO		B304TL2A
			4X2 B3000 REG CAB DS AUTO		B30SDSA	4X2 B3000 REG CAB SE 5-SP		B30SSE2P
			4X2 B4000 CAB PLUS DS 5-SP		B404DSP	4X2 B3000 REG CAB SE AUTO		B30SSE2A
			4X2 B4000 CAB PLUS DS AUTO		B404DSA	4X2 B3000 REG CAB SX 5-SP		B30SSX2P
			4X4 B3000 CAB PLUS SE 5-SP		B3XCSEP	4X2 B3000 REG CAB SX AUTO		B30SSX2A
			4X4 B3000 CAB PLUS SE AUTO		B3XCSEA	4X4 B4000 CAB PLUS 4 TL 5-SP		B4X4TLXP
			4X4 B4000 CAB PLUS SE 5-SP		B4X4SEP	4X4 B4000 CAB PLUS 4 TL AUTO		B4X4TLXA
			4X4 B4000 CAB PLUS SE AUTO		B4X4SEA			
			TRIBUTE			MPV		
			2WD 4-DR DX 5-SP		TR2DX4P	4-DR MINIVAN DX AUTO		MP2DXA
			2WD 4-DR DX V6 AUTO		TR2DXA	4-DR MINIVAN ES AUTO		MP2ESA
			2WD 4-DR ES V6 AUTO		TR2ESA	4-DR MINIVAN LX AUTO		MP2LXA
			2WD 4-DR LX V6 AUTO		TR2LXA			
			4WD 4-DR DX 5-SP		TRXDX4P			
			4WD 4-DR DX V6 AUTO		TRXDXA			
			4WD 4-DR ES V6 AUTO		TRXESA			
			4WD 4-DR LX V6 AUTO		TRXLXA			
MERCEDES			MERCEDES			MERCEDES		
M CLASS			M CLASS			M CLASS		
ML500 4-DR SPORT UTILITY		ML500	ML55 AMG 4-DR SPORT UTILITY		ML55	ML55 AMG 4-DR SPORT UTILITY		ML55
MERCURY			MERCURY			MERCURY		
VILLAGER			MOUNTAINEER			MOUNTAINEER		
5-DR WAGON ESTATE PREMIUM		V14 ESTPR	4DR WAGON 2WD		U66	2WD WAGON		U66
5-DR WAGON POPULAR		V11 POP	4DR WAGON AWD		U86	4WD WAGON		U76
5-DR WAGON SPORT PLUS		V12 SP+				AWD WAGON		U86
						VILLAGER		
						5-DR WAGON ESTATE		V12
						5-DR WAGON SPORT		V14



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MDL	BODY STYLE	MAKE	MDL	BODY STYLE	MAKE	MDL	BODY STYLE	MAKE
MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
MITSUBISHI			MITSUBISHI			MITSUBISHI		
			MONTERO					
			4-DR LTD AUTO		MP45-D			
			4-DR XLS AUTO		MP45-B			
			MONTERO SPORT					
			4-DR 2WD SPORT XS V6 AUTO		MT45-L AUTO			
			4-DR 4WD SPORT ES V6 AUTO		MT45-C AUTO			
			4-DR 4WD SPORT XS V6 AUTO		MT45-M AUTO			
NISSAN			NISSAN			NISSAN		
FRONTIER PICKUP			FRONTIER PICKUP			FRONTIER PICKUP		
2WD CC SC V6 LONG BED AUTO		7381	2WD CREW CAB V6 SC 5-SP		5385	2WD CREW CAB V6 SE 5-SP		5315
2WD CC SE LONG BED AUTO		7331	2WD CREW CAB V6 SC AUTO		5381	2WD CREW CAB V6 SE AUTO		5311
2WD CC SE LONG BED W/LTH AUTO		7341	2WD CREW CAB V6 SE W/LTH 5-SP		5325	2WD CREW CAB V6 SE 5-SP		5305
2WD CC XE V6 LONG BED 5-SP		7325	2WD CREW CAB V6 SE W/LTH AUTO		5321	2WD CREW CAB V6 XE AUTO		5301
2WD CC XE V6 LONG BED AUTO		7321	2WD KING CAB V6 SC 5-SP		3385	2WD KC DESERT RUNNER SE V6 5-SP		3315
2WD KC I4 5-SP		1305	2WD KING CAB V6 SC AUTO		3381	2WD KC DESERT RUNNER SE V6 AUTO		3311
2WD KC I4 AUTO		1301	4WD CREW CAB V6 SC 5-SP		6385	2WD KC DESERT RUNNER XE V6 5-SP		3305
2WD KC SE V6 W/LTH AUTO		3341	4WD CREW CAB V6 SC AUTO		6381	2WD KC DESERT RUNNER XE V6 AUTO		3301
4WD CC SC V6 LONG BED AUTO		8381	4WD CREW CAB V6 SE W/LTH 5-SP		6325	4WD CREW CAB V6 SE 5-SP		6315
4WD CC SE V6 LONG BED AUTO		8331	4WD CREW CAB V6 SE W/LTH AUTO		6321	4WD CREW CAB V6 SE AUTO		6311
4WD CC SE V6 LONG BED W/LTH AUTO		8341	4WD KING CAB V6 SC 5-SP		4385	4WD CREW CAB V6 XE 5-SP		6305
4WD CC XE V6 LONG BED 5-SP		8325	4WD KING CAB V6 SC AUTO		4381	4WD CREW CAB V6 XE AUTO		6301
4WD CC XE V6 LONG BED AUTO		8321	PATHFINDER			PATHFINDER		
4WD KC SE V6 W/LTH AUTO		4341	4-DR 4X2 LE AUTO		0941	4-DR 4X2 LE AUTO		0931
			4-DR 4X2 SE 5-SP		0935	4-DR 4X2 SE 5-SP		0945
XTERRA			4-DR 4X2 SE AUTO		0931	4-DR 4X2 SE AUTO		0941
2WD SE V6 S/C 5-SP		1435	4-DR 4X4 LE AUTO		1981	4-DR 4X2 XE AUTO		0921
2WD SE V6 S/C AUTO		1431				4-DR 4X4 LE AUTO		0981
2WD XE V6 S/C 5-SP		1455				4-DR 4X4 SE 5-SP		0975
2WD XE V6 S/C AUTO		1451				4-DR 4X4 SE AUTO		0971
4WD SE V6 S/C 5-SP		1445				4-DR 4X4 XE AUTO		0981
4WD SE V6 S/C AUTO		1441				QUEST		
4WD XE V6 S/C 5-SP		1465				WAGON SE LEATHER AUTO		1051
4WD XE V6 S/C AUTO		1461				XTERRA		
						2WD SE V6 5-SP		0435
						2WD SE V6 AUTO		0431
						2WD XE I4 5-SP		0405
						2WD XE V6 5-SP		0415
						2WD XE V6 AUTO		0411
						4WD SE V6 5-SP		0445
						4WD SE V6 AUTO		0441
						4WD XE V6 5-SP		0425
						4WD XE V6 AUTO		0421
OLDSMOBILE			OLDSMOBILE			OLDSMOBILE		
BRAVADA								
4-DR 2WD UTILITY		HS15506						
4-DR AWD UTILITY		HT15506						
SILHOUETTE								
4-DR MINIVAN GLS AWD EXT 1SC		3UT16 GLS						
4-DR MINIVAN PREMIERE AWD EXT		3UT16						
PLYMOUTH			PLYMOUTH			PLYMOUTH		



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MAKE			MAKE			MAKE		
MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
PONTIAC			PONTIAC			PONTIAC		
MONTANA			AZTEK			MONTANA		
4-DR MINIVAN EXT WB 1SA		2UM16 1SA	4-DR AWD		2BT46	4-DR MINIVAN REG WB		2UV16
4-DR MINIVAN EXT WB AWD 1SX		2UT16 1SX	4-DR FWD		2BK46			
4-DR MINIVAN EXT WB AWD 1SY W/PDY		2UT16 1SY	4-DR GT		2BK46 GT			
			4-DR GT AWD		2BT46 GT			
			MONTANA					
			4-DR MINIVAN EXT WB W/1SC		2UM16 1SC			
			4-DR MINIVAN EXT WB W/1SD		2UM16 1SD			
			4-DR MINIVAN EXT WB W/1SE		2UM16 1SE			
			4-DR MINIVAN EXT WB W/1SF		2UM16 1SF			
			4-DR MINIVAN EXT WB W/1SG		2UM16 1SG			
			4-DR MINIVAN EXT WB W/1SH		2UM16 1SH			
			4-DR MINIVAN EXT WB W/1SJ		2UM16 1SJ			
			4-DR MINIVAN REG WB W/1SB		2UN16 1SB			
SATURN			SATURN			SATURN		
VUE								
4-DR 2WD SPORT UTILITY 5-SP		ZLK26						
4-DR 2WD SPORT UTILITY AUTO		ZLM26						
4-DR AWD SPORT UTILITY AUTO		ZLL26						
4-DR AWD SPORT UTILITY V6 AUTO		ZLN26						
SUBARU			SUBARU			SUBARU		
FORESTER			FORESTER			FORESTER		
4-DR S 2.5 W/PREM PKG/LTH AWD AUTO		CG	4-DR S AWD W/PREM PKG 5-SP		CE	4-DR L AWD 5-SP		CA
			4-DR S AWD W/PREM PKG AUTO		CF	4-DR L AWD AUTO		CB
						4-DR S AWD 5-SP		CC
						4-DR S AWD AUTO		CD
SUZUKI			SUZUKI			SUZUKI		
XL-7			GRAND VITARA			GRAND VITARA		
2WD LIMITED AUTO		LVS82W	4-DR 2WD JLS PLUS SE AUTO		LFN89S	4-DR 2WD HARDTOP LTD AUTO		LFN89W
2WD STANDARD AUTO		LVN82F				4-DR 4WD HARDTOP LTD AUTO		LJN89W
4WD LIMITED AUTO		LWS82W	XL-7			VITARA		
4WD STANDARD AUTO		LWN82F	2WD 5-SP		LVR81F	2-DR 2WD 1.6 JS S/TOP AUTO		FME89C
			2WD PLUS 5-SP		LVR81U	2-DR 2WD 1.6 S/TOP 5-SP		FME86C
			2WD PLUS AUTO		LVR82U	2-DR 2WD 2.0 JLS S/TOP 5-SP		FME83F
			2WD TOURING AUTO		LVS82T	2-DR 2WD 2.0 S/TOP JLS AUTO		FM384F
			4WD 5-SP		LWR81F	2-DR 4WD 1.6 S/TOP JX 5-SP		FGE86C
			4WD PLUS 5-SP		LWR81U	2-DR 4WD 1.6 S/TOP JX AUTO		FGE89C
			4WD PLUS AUTO		LWR82U	2-DR 4WD 2.0 S/TOP JX 5-SP		FGE83F
			4WD TOURING 5-SP		LWS81T	2-DR 4WD 2.0 S/TOP JX AUTO		FGE84F
			4WD TOURING AUTO		LWS82T	4-DR 2WD HARDTOP JLS 5-SP		LLN83E
						4-DR 2WD HARDTOP JLS AUTO		LLN84E
						4-DR 2WD HARDTOP JLS PLUS 5-SP		LLN83F
						4-DR 2WD HARDTOP JLS PLUS AUTO		LLN84F
						4-DR 2WD HARDTOP JS 5-SP		LLN83C
						4-DR 2WD HARDTOP JS AUTO		LLN84C
						4-DR 4WD HARDTOP JX 5-SP		LKN83E
						4-DR 4WD HARDTOP JX AUTO		LKN84E
						4-DR 4WD HARDTOP JX PLUS 5-SP		LKN83F
						4-DR 4WD HARDTOP JX 5-SP		LKN83C
						4-DR 4WD HARDTOP JX AUTO		LKN84C
						4-DR 4WD HARDTOP JX PLUS AUTO		LKN84F



**NEW ITEM CATEGORIES FOR NEW LIGHT-DUTY TRUCKS
 UNDER THE ALTERNATIVE LIFO (LAST-IN, FIRST-OUT) METHOD FOR AUTOMOBILE DEALERS
 REVENUE PROCEDURES 97-36 & 92-79**

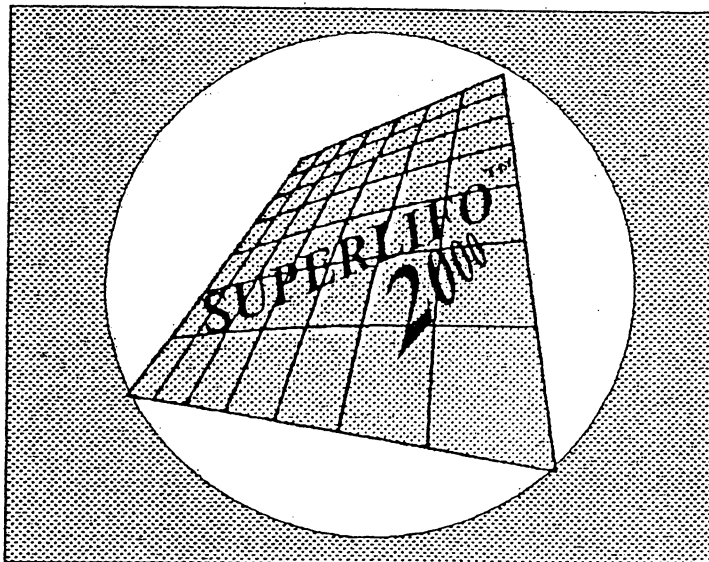
LIGHT-DUTY
TRUCKS
PAGE 10 OF 10

W/I/R/T NEW VEHICLE INVENTORIES FOR TAXABLE YEARS ENDING ON DECEMBER 31, 2001 - 2000 - 1999

DECEMBER 31, 2001				DECEMBER 31, 2000				DECEMBER 31, 1999			
MAKE				MAKE				MAKE			
MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE
TOYOTA				TOYOTA				TOYOTA			
HIGHLANDER				RAV4				TUNDRA			
4-DR 2WD AUTO			6910	2WD 4-DR 5-SP			4417	2WD ACCESS CAB LTD V8 AUTO			7738
4-DR 2WD LTD V6 AUTO			6934	2WD 4-DR AUTO			4416	2WD ACCESS CAB SR5 5-SP			7721
4-DR 2WD V6 AUTO			6914	4WD 4-DR 5-SP			4427	2WD ACCESS CAB SR5 AUTO			7722
4-DR 4WD AUTO			6920	4WD 4-DR AUTO			4426	2WD ACCESS CAB SR5 V8 AUTO			7728
4-DR 4WD V6 AUTO			6924	SEQUOIA				2WD REG CAB 5-SP			7711
4-DR 4WD LTD V6 AUTO			6936	2WD 4-DR LTD AUTO			7914	2WD REG CAB AUTO			7710
				2WD 4-DR SR5 AUTO			7910	4WD ACCESS CAB LTD V8 AUTO			7838
				4WD 4-DR LTD AUTO			7924	4WD ACCESS CAB SR5 5-SP			7821
				4WD 4-DR SR5 AUTO			7920	4WD ACCESS CAB SR5 AUTO			7822
				TACOMA PICKUP				4WD ACCESS CAB SR5 V8 AUTO			7828
				2WD PRERUNNER DCAB AUTO			7186	4WD REG CAB SR5 5-SP			7811
				2WD PRERUNNER DCAB V6 AUTO			7188	4WD REG CAB SR5 AUTO			7810
				2WD XTRACAB S-RUNNER 5-SP			7153	4WD REG CAB SR5 V8 AUTO			7818
				4WD DCAB V6 AUTO			7594				
VOLKSWAGEN				VOLKSWAGEN				VOLKSWAGEN			



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Notes: _____

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