



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. INDEX OF LOOKOUT ARTICLES THROUGH MARCH 31, 2004 IS NOW AVAILABLE.

We have now expanded and updated our Index of all articles that have appeared in the *LIFO Lookout* from our first issue, over 13 years ago (March, 1991) through March, 2004.

This *Index of Articles* has fifteen sections. In addition to listing all articles by subject, there are *Finding Lists* for all tax cases, IRS Coordinated Issue Papers, Field Service Advice Memoranda, Letter Rulings (including TAMs), Revenue Rulings, Revenue Procedures and the *Practice Guides* included with various articles.

We expect to have this *Index of Articles* up on our web site, www.defilippis.com very soon. In the meantime, if you're interested, we'd be pleased to send you a printed copy of this Index.

#3. USED VEHICLE LIFO ELECTIONS... TO HOLD OR TO FOLD?

As last year came to a close, we found ourselves busier than usual discussing (once again) the questions on the minds of many dealers who had previously elected LIFO for their used vehicle inventories. Simply, should they hold onto LIFO for one more year or should they terminate the election?

As we've said a number of times in the past, there are only 3 problems with LIFO ... (1) Getting on ... (2) Staying on ... and (3) Getting off.

Some dealers had made their used vehicle LIFO elections many years ago, as far back as the early 70s. These dealers still had large LIFO reserves for their used vehicles because they had been built up over many years of price inflation. However, those LIFO reserves had been going down in the more recent years because of the general price deflation experienced in the used vehicle marketplace. So, for those dealers who still had positive LIFO reserves, terminating their LIFO elections would mean taking

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into income a fairly large dollar amount of the LIFO reserves, even though the repayment might be spread over 4 years.

Other dealers had relatively small LIFO reserve balances for their used vehicle pools at the end of 2002 and, based on our projections, would be going negative with their LIFO reserves at Dec. 31, 2003 if they stayed on one more year with a little more deflation.

Within a span of a few days, I had identical discussions with two dealers. Each owned several dealerships. You know what? I heard two 180 degree opposite opinions about staying on LIFO.

One dealer had several dealerships with June 30 fiscal year-ends. He said, in effect, "I've been on LIFO for used cars so darn long that I'm going to stay with it, because I'm certain prices are going to go up soon. I just know they will." The other dealer had several calendar-year dealerships. He said that the decision whether to stay on LIFO or get off was a "no-brainer" ... "(He said) get me off of LIFO for 2003."

see LIFO UPDATE, page 2

We've looked at each of these scenarios in this issue of the *LIFO Lookout*. Update #3 relates to the surprisingly large LIFO reserve increases/deductions that the dealer who stayed on LIFO enjoyed.

Update #4 relates to the ease with which we were able to terminate the LIFO election for the dealer who wanted to get off. What seemed to be foremost in this dealer's mind was that he would be able to use significantly large lower-of-cost-or-market inventory valuation deductions as an offset to taking his positive LIFO reserve balances remaining at December 31, 2002 into income over 4 years.

#3. THE GOOD NEWS FOR THE DEALER WHO STAYED ON LIFO. On pages 3 through 11, I've walked you through the significant benefits that the dealer who stayed on LIFO enjoyed when his LIFO reserves went up at June 30, 2004. In this case, I've selected a few of his used vehicle LIFO pools to illustrate some practical points. You can be assured that if you go through an analysis of the composition of the LIFO reserves for your own used vehicle inventories, similar conditions should be there that would create similar beneficial results.

These examples should also be sufficient to help you understand similar situations that involve any other type of business inventory on LIFO that has experienced price deflation in recent years.

In addition, they also show how you can produce maximum LIFO reserve benefits through proper inventory level management (i.e., increasing, maintaining or decreasing inventory levels) at the end of the next year.

Why is it a "good" thing when there is a decrease in inventory level (i.e., a decrement) that's carried back to previous years where deflation was experienced? What happens to the contributions to the LIFO reserve after a few years of deflation when they are followed by a new year of inflation? For answers to these questions and some other observations on the interesting—but completely predictable—mathematics behind LIFO reserves, see pages 3-11.

#4. TERMINATING USED VEHICLE LIFO ELECTION WASN'T THAT DIFFICULT EITHER. For the dealers who wanted to terminate their used vehicle LIFO elections for 2003, most of them had adopted the Alternative LIFO Method for Used Vehicles when it first became available a few years ago. As a result, there were some sticky practical problems that were discussed in more detail in Update #6 of the December 2003 *LIFO Lookout*.

Briefly, the first problem was whether this termination was an automatic change in accounting method

that could be made without first securing consent or permission from the IRS. If this change wasn't an "automatic," then Form 3115 had to be filed **before** December 31, 2003, **and** the payment of a user fee would be required. On the other hand, if terminating the LIFO election was an "automatic" change, then the Form 3115 did not have to be filed until after the end of the year when the income tax return was filed months later.

The second problem was caused by the fact that in December, the IRS was still in the process of revising Form 3115, and several different versions were floating around. One could not be sure which Form 3115 to use—the old Form (May 1999) or one of several preliminary versions that appeared on the IRS' web site at various times.

Pages 12-13 show the narrative explanations that we attached to each Form 3115. Here's what we did as a practical matter. One could have been driven crazy trying to fill out the Form 3115—I've seen some 3115s filed in this regard that contain page-after-page of redundant responses. That's why I thought it would be more practical to submit a simpler and more direct 2-page narrative statement.

P.S. ... The IRS didn't seem to mind. ... Or at least, they didn't say that they did.

On page 14, you will find the transmittal letter we sent to the IRS with the Forms 3115 that we filed before December 31, 2003.

On pages 15-17, you'll find a slightly edited copy of the consent letter that the IRS sent back granting permission to terminate the LIFO election. This letter from the IRS was received about 6 months after the Form 3115 was filed.

#5. NEW ITEMS FOR DECEMBER 31, 2003 YEAR-END LIFO COMPUTATIONS ... 2001-2002-2003 COMPARATIVE LISTS. Last quarter's issue of the *LIFO Lookout* included the side-by-side comparisons of our *SuperLIFO™* New Items List and the most recently released IRS New Items List.

Another comparison that we've included in the *LIFO Lookout* over the years is a 3-year comparative listing of our own *SuperLIFO™* New Items Lists under the Alternative LIFO Method for New Vehicles. This allows you to see the variations—or the extent to which new items appear—for various changes **by make and by model** over the three-year period ending December 31, 2003.

Our summary comments are on page 18. The lists by make, model, etc., for new automobiles appear on pages 19-28 and the lists for new light-duty trucks are on pages 29-39. *

DEALERS WHO'VE REMAINED ON LIFO THROUGH A FEW YEARS OF DEFLATION ARE FINALLY REWARDED BY INFLATION & BIG LIFO RESERVE INCREASES

Another title for this article could have been, *"What to Look for in 2004 if Your Dealer Still Has a LIFO Election for Used Vehicles and Prices Go Up"* ... but that's another story.

LIFO is great as long as prices are going up, but when inflation turns to deflation, LIFO just keeps rolling along, but in reverse. This article illustrates the benefits that one taxpayer, who happened to be an automobile dealer, who decided to stay with his LIFO election ... through several years of deflation ... finally received when this year prices finally went up.

As the alternative title above indicates, if you, too, have dealers that have stayed on LIFO for used vehicles, you should expect to see similar results in your 2004 LIFO calculations if used vehicle prices are still up at the end of the year.

Many auto dealers elected LIFO for their used vehicle inventories years ago when they elected LIFO for their new vehicles. Over the years, they had/have built up sizeable LIFO reserves before the more recent multi-year period of price deflation was experienced for used vehicles.

These dealers would continually ask whether they should stay on LIFO for another year. The big attraction for getting off of LIFO, of course, is the hunger to deduct year-end writedowns. But these year-end writedowns are simply flip-flops or timing differences. They are annually erased and only offset if there are equal or greater writedowns at the end of the next year. The big disadvantage of terminating the LIFO election is that if the LIFO reserves at the beginning of the year are/were still positive, then there would be the recapture effect which is usually spread equally over four years.

Late last year, in discussing the status of his LIFO elections for used vehicles with one dealer who owned several dealerships, he was very sure that sooner—rather than later—used car prices were bound to go up. He decided to stay with his LIFO elections for his June 30 group of dealerships.

Earlier this year, some of the used car dealer publications and used vehicle wholesale price tracking sources started to indicate that there might just be a turnaround (from deflation to inflation) by mid-year. This was expected even though prices for many sport utility vehicles were still significantly depressed. In

doing the LIFO calculations for the June 30 year-end dealerships, these observations rang true. The dealer's LIFO computations reflected several trends in numbers that are quite logical, even though at first glance, they may seem to be unusual.

For this dealer, the inflation computed as of June 30, 2004 for his 7 dealerships' used car pools ranged from a low of 1.3% to a high of 4.5%. Similarly, the inflation computed for his used light-duty truck pools ranged from a low of 1.1% to a high of 3.3% for the 6 pools showing inflation. Only one pool showed deflation and that was only a negative 0.1%. But, it should be observed that inventory mix is a key determinant in the computation of the final inflation index for each inventory pool and in his case, each inventory pool included vehicles representing a good cross-section of many different makes, models and model years.

We've selected 4 pools to illustrate what happened to the dealer's LIFO reserves this year. These examples will help you understand what to expect in similar situations regardless of whether they involve (1) auto dealers who have recently experienced deflation for their used vehicle pools or (2) any other type of business inventory on LIFO that has experienced price deflation recently.

What is even more useful for planning purposes is the analysis of the composition of LIFO reserve. This indicates the significant potential to increase the LIFO reserve that can be realized if the inventory levels at the end of the next year can be decreased. This is discussed in more detail in the last section of this article.

For a summary of the facts for these four pools, see page 7. Computations for these examples ... **Cases A, B, C and D** ... appear on pages 8 to 11. The format for each is identical. The left-hand side of each page (Schedules 1, 3, 5 and 7) shows the calculations of the LIFO reserves for the current and for the preceding year. This enables you to see which pools had decreases or increases in ending inventory levels on a comparative basis. This also enables you to see which pools had positive LIFO reserves at both the beginning and the end of the current year and which pools had negative LIFO reserves at both the beginning and the end of the year.

see **DEALERS WHO'VE STAYED FINALLY REWARDED**, page 4



The right-hand side of each page (Schedules 2, 4, 6 and 8) shows three sets of calculations. At the top is the composition of the LIFO reserve for each pool at the end of the year—June 30, 2004. Below the composition of the LIFO reserve is the analysis of the factors causing the exact dollar amount of the change in that pool's LIFO reserve for the year. Finally, at the bottom, you'll see the composition of the LIFO reserve by year layer as of the previous year (June 30, 2003) so you can further track the impact of the current year decrements if you choose.

WHY LIFO RESERVES

CHANGE THE WAY THEY DO

Before analyzing these four examples in some detail, let's set the technical perspective in broader, more general terms. In many instances, the *net amount of change* in the LIFO reserve for a year is the result of complementing or offsetting price and inventory investment level and payback factors. See the accompanying table, *Why LIFO Reserves Change the Way They Do* on the facing page.

FURTHER BACKGROUND INFORMATION

The following background information and overall observations may be helpful.

First, the dealer owns several dealerships. They all have June 30 fiscal year-ends. For accounting and reporting consistency purposes, all of the dealerships have elected LIFO for new and for used vehicles under their respective Alternative LIFO methods.

Second, the LIFO elections for these dealership pools had been made many years ago. The election for the pools in *Cases A & B* was made in 1979, and the LIFO election for the pools in *Cases C & D* was made in 1991.

Third, in the immediately preceding years, each of the pools had experienced deflation in varying amounts. This resulted in prior year inventory layers contributing negative—rather than positive—amounts to the composition of the LIFO reserves. Each of the layer “contributions” to the LIFO reserve has been precisely computed for each of the prior years. See Schedules 2, 4, 6 and 8.

Fourth, the increases in the LIFO reserves for the current year (fiscal year ended June 30, 2004) either (1) further increased already positive LIFO reserves (*Cases A & B*) or (2) significantly reduced the size/amount of the beginning-of-the-year negative LIFO reserve (*Cases C & D*).

Fifth, the cumulative LIFO indexes for these pools have previously been rebased to 1.000 to reflect the change to the Alternative LIFO Method for

Used Vehicles under Rev. Proc. 2001-23. That explains why there are positive amounts of LIFO reserve balances for some of the pools at June 30, 2004 even though the cumulative inflation indexes at that date are less than 1.000.

Finally, in analyzing the change in the LIFO reserve attributable to the current year's inflation, because the cumulative LIFO indexes were less than 1.000 (due to deflation), the change factor for the year in all cases was less than the current year's computed inflation index. See, for example, *Case A* where the current-year inflation index is 4.5% in Schedule 1, but the increase attributable to inflation is only 4% (3.968%) in Schedule 2.

Key Point ... Current-year decrements invading prior years' increments in several cases actually increased this year's LIFO reserve for that pool. The important result illustrated in two of the examples, *Case A* and *Case C*, is that, where the ending inventory level was smaller than at the beginning of the year and a current-year decrement resulted, the carryback of that decrement to prior years involved carrybacks to specific years where the contributions to the LIFO reserve for those years were negative because deflation had been experienced in those years.

As a result, in a later year if there is a penetration or invasion of those prior year layers because of the current year's decrement, there will be a change factor that increases the LIFO reserve for the current year. See, specifically, *Case A*, Schedule 2 to the extent of \$44,829 (\$35,745 + 9,084) and *Case C*, Schedule 6 to the extent of \$31,576 (\$16,293 + 15,283).

The reason that this did not happen in *Case B* is because the decrement experienced in the current year (\$137,386) was carried back against the immediately preceding year's increment of \$204,979, and in that prior year, this increment had no effect on that year's change in the LIFO reserve. Therefore, the invasion of the June 30, 2003 layer increment by this year's decrement produces no payback effect this year because the creation of that increment in 2003 had not been a factor that influenced the change in the LIFO reserve last year.

ANALYSIS OF CURRENT-YEAR CHANGES IN LIFO RESERVES

In *Case A* (page 8), Schedule 1 shows that the current-year decrement (\$493,808) was considerably larger than the increment (\$53,972) in the immediately preceding year. As a result, to the extent that the decrement was carried back against 2003, there was no payback of the LIFO reserve.

→



Change Factors	<u>WHY LIFO RESERVES CHANGE THE WAY THEY DO</u>
Variation Analysis	<p>The <i>net amount of change</i> in the LIFO reserve for any year is the result of two complementing and/or offsetting factors. This simple variation analysis involves ...</p> <ul style="list-style-type: none"> • Price changes, i.e., inflation or deflation, and • Quantity changes, i.e., changes in inventory investment levels.
Upward ... Increases	<p>Upward influences ... causing increases (i.e., factors causing the LIFO reserve to go up) ...</p> <ul style="list-style-type: none"> • Price increases ...inflation. • Quantity increases, if a dual index LIFO methodology/approach is used for valuing increments. • Certain decreases in inventory investment levels - To the extent that a current-year quantity decrease (referred to as a "decrement") is carried back against an increment built up in a prior year or years, any pay-back of the previously built-up LIFO increment and its related contribution to the LIFO reserve will increase the current year's LIFO reserve if ... <ul style="list-style-type: none"> ◆ There was deflation in the prior year(s)'s layers that are now being invaded, and ◆ The layers being invaded are/were contributing "negatively" or negative amounts to the LIFO reserve at the end of the preceding year. ◆ Stated another way ... The layers of inventory being invaded by the carryback of a decrement (expressed in base dollars) are contributing negative amounts toward the overall LIFO reserve balance; Accordingly, to the extent that any carryback of the current-year's decrement eliminates these negative effects, that leaves only inventory layers contributing positive amounts toward the overall LIFO reserve balance ... or fewer inventory layers still contributing negatively toward the overall LIFO reserve balance.
Downward ... Decreases	<p>Downward influences ... causing decreases (i.e., factors causing the LIFO reserve to go down) ...</p> <ul style="list-style-type: none"> • Price decreases ...deflation. • Decreases in inventory investment levels - i.e., pay-backs of previously built-up LIFO reserves to the extent resulting from the carryback of a current-year inventory quantity decrease (referred to as "decrements") against increases ("increments") built up in prior years. • Decreases in inventory investment levels ... But not always ... Sometimes no payback. <ul style="list-style-type: none"> ◆ An inventory decrease/decrement may not necessarily cause, or result in, any pay-back of some or any of the LIFO reserve at the beginning of the year. Whether or not there is a "pay-back" depends the order in which the prior year layers were built up over time and how they were valued for LIFO purposes.
No Effect	<ul style="list-style-type: none"> • If the decrement in the current year is less than the amount of the increment in the immediately preceding year, there will be no dollar change in the LIFO reserve due to the carryback of that decrement against that prior year's increment. • This result will occur under any LIFO method that values a current-year increment by using the cumulative inflation index (factor) at the end of the year. <ul style="list-style-type: none"> ◆ Alternative LIFO Methods for New and/or Used Vehicles

Dealers Who've Stayed Finally Rewarded

(Continued)

However, Schedule 2 shows that to the extent that the increments built up in the years 2000 and 2001 were invaded, these increments had contributed "negatively" to the LIFO reserve to the extent of \$44,829 (\$35,745 + 9,084 = \$44,829). Therefore, the invasion of the inventory layers for these two years actually increased the LIFO reserve at June 30, 2004 by this amount. But, there's more.... Because the current-year decrement was as large as it was (\$493,808), there was still some portion of it to be accounted for after completely erasing the layers for 2003, 2001 and 2000. The remaining portion was carried back to the years 1990 and 1979 and, to that extent, it invaded layers that had previously contributed positively to the LIFO reserve to the extent of \$13,993 (\$4,281 + 9,712 = \$13,993). By the way,

note how "costly" it was to invade the 1979 base layer ... 58.4 cents per base dollar!

The **net result** of the carryback of the current-year decrement was to increase the current-year LIFO reserve by \$30,836. In addition, the effect of the current-year inflation (computed as 4.50%, but effectively 3.968%) produced an upward, or an increase, effect of \$14,164. The sum of these two amounts produces the net increase of \$45,000 in the LIFO reserve for the year.

In **Case B** (page 9), again the current-year inventory level dropped slightly compared to the beginning of the year. This produced a decrement of \$137,386 that was carried back against the immediately preceding year (2003) in which an increment of \$204,979 had been experienced.

see **DEALERS WHO'VE STAYED FINALLY REWARDED**, page 6



In 2003, the year when this increment was experienced, the LIFO reserve was not affected or increased by this increment. Therefore, invading this layer as a result of a decrement in the immediately following year resulted in no LIFO reserve repayment. Consequently, as Schedule 4 shows, the LIFO reserve went up by \$30,183 and this increase was only as a result of the inflation—effectively 2.847%. None of the increase in the LIFO reserve was due to the carryback of the current-year decrement.

In **Case C** (page 10), there was a decrease in inventory level for the pool from \$886,780 actual and \$1,040,272 base dollars to \$628,947 actual and \$726,393 base dollars, respectively. This produced a decrement of \$313,879. Because there had been a decrement in the immediately preceding year (2003), the 2004 decrement was carried back against increments for the years 2002 and 2000. This carryback resulted in an increase factor in the LIFO reserve of \$31,576 (\$15,283 + 16,293) because the layers for these years (2002 and 2000) had been contributing negative amounts to the LIFO reserve at June 30, 2003.

In addition, the inflation of 1.572% computed for this pool (but effectively only 1.340%) caused the LIFO reserve to increase by \$9,734. The sum of these two factors (\$31,576 + 9,734) brings the total increase in the LIFO reserve for the year to \$41,310. Note that this increase in the LIFO reserve really reduced the larger negative balance of the LIFO reserve at the beginning of the year from \$-108,511 to \$-67,201 at the end of the year.

In **Case D** (page 11), there was a slight increase in the ending inventory level from \$1,475,897 actual and \$1,730,263 base dollars at the beginning of the year to \$1,578,433 actual and \$1,823,745 base dollars at the end of the year. This increment for the current year (\$93,482), as noted elsewhere, results in no increase in the current-year LIFO reserve. Therefore, the increase in the LIFO reserve of \$21,628 is only attributable to the 1.465% price inflation computed for the pool (which effectively is only 1.25%). Here, again, this increase in the LIFO reserve simply reduced the larger negative LIFO reserve balance at the beginning of the year to a smaller negative balance at the end of the year.

**COMPOSITION OF LIFO RESERVES
AT YEAR-END & PROJECTION VALUE
... CASE-BY-CASE ANALYSIS**

The schedule showing the composition of the LIFO reserve at the end of each year is important for two reasons. **First**, it “proves” or reconciles that the amount of the LIFO reserve at the end of the year has been correctly calculated based on each underlying

years’ exact inventory levels and inflation or deflation rates. **Second**, this analysis provides the basis for evaluating the impact of projected changes in subsequent year-end inventory levels. **As such, it facilitates the key analysis for critical year-end LIFO projections, planning and inventory level management.**

Making LIFO “Work” for You. You should carefully review the analyses at the top of Schedules 2, 4, 6 and 8 on pages 8-11, respectively. Three of these analyses show that significant benefits in the form of increased LIFO reserves may be obtained by reducing the year-end inventory levels in accordance with the information derived from the composition of the LIFO reserves. In other words, if the inventory levels at June 30, 2005 are “managed,” it may be possible to increase the LIFO reserves in several situations by deliberately decreasing inventory levels. However, the amount of potential payback benefit differs significantly by pool, and no overall generalization for all pool situations can be made.

In **Case A** (page 8), it can readily be seen that all of the LIFO reserve benefit is locked into the early base layer for 1979 (... that’s 25 years ago). If the year-end 2005 inventory level drops, any invasion of that base layer by a decrement will result in a payback of the LIFO reserve for that pool to the extent of roughly 62% of each base dollar. **Therefore, for this pool at June 30, 2005, every effort should be made to maintain a slightly higher ending inventory level than the previous year’s level.**

In **Case B** (page 9), there’s a much different situation. If the prior layers can be significantly invaded, there could be a significant increase in the LIFO reserve. This is because there is only one small layer (the layer for 2003 of \$67,593 [\$204,979 - 137,386] base dollars) that would first be invaded resulting in a small payback of \$1,924. After that, however, there are layers for 4 years that could be invaded creating as much as \$57,225 of LIFO reserve increase (\$32,246 + 14,147 + 5,410 + 5,422 = \$57,225). Simplistically, this would restore the LIFO reserve to the \$149,027 level represented by the sum of the contributions to the LIFO reserve made by the base year and 1989 and 1992 increments (\$134,878 + 3,609 + 10,540 = \$149,027).

In **Case C** (page 10), there’s a similarly attractive situation where significantly dropping the 2005 inventory level could create a LIFO deduction (i.e., an increase in the LIFO reserve). The maximum result would be obtained if LIFO reserve balance could be reduced from a negative (\$67,201) to a positive \$20,246. →



Dealers Who've Stayed Finally Rewarded

(Continued)

The swing of \$87,448 in potential deductions is the sum of the contributions to the LIFO reserve at June 30, 2004 for the 5 layers (\$6,090 + 7,357 + 46,166 + 26,835 + 1,000 = \$87,448). It's unlikely that the exact dollar level necessary to precisely accomplish this could be achieved. However, it's obvious here that significant increases in the LIFO reserve will result if the inventory level for the pool drops at year end and a decrement occurs at June 30, 2005 so that some of these layers are invaded. ***This pool probably is the best candidate for significant benefits through "inventory level management" planning.***

In **Case D** (page 11), there is a potential benefit result similar to **Case C** except for a few "twists." First, a decrement in 2005 to the extent of \$93,482 would first go back against 2004 producing no pay-back. The next step, if there were a decrement in excess of \$93,482, would be the carryback against 2003 where that year's layer (\$670,096) is contributing a positive \$8,376 to the LIFO reserve.

And, to the extent that this 2003 increment layer is invaded, there will first be a decrease in the LIFO

reserve reflecting taxable income. These layers comprising roughly 1/3 of the total base dollars have to be "dealt with" before moving back in time to the increments for the years 2002, 2000, 1999, 1998 and 1996.

Beyond the year 2003 layer lies the promised land: A total of \$93,740 worth of negative contributions to the LIFO reserve (\$9,635 + 42,716 + 13,312 + 26,012 + 2,065 = \$93,740). In theory, if all of these previous layers were invaded, the LIFO reserve would move from a negative (\$73,539) to a positive \$11,826 (\$9,734 + 2,092 = \$11,826), hence the \$85,365 swing potential.

CONCLUSION

These examples are typical. Many planning opportunities are still available for dealers who have stayed with their LIFO elections through a (brief) period of declining prices. The key is to be sure that you have analyzed the contribution made by each year's LIFO layer to the LIFO reserve at the end of the year. By doing this, you will be able to see how you can ***make LIFO work for you*** through planning the most desirable inventory levels at the next year-end.



<u>Summary</u>	<i>Ending Inventory Level Compared to Beginning Inventory</i>	<i>Year 2004 Inflation (Deflation) as Computed</i>	<i>LIFO Reserves at EOY & BOY</i> Net Change	<i>Change Factors Increasing LIFO Reserve At Year End</i>
<u>Case A</u> <i>Schedules 1-2 Page 8</i>	Big Decrease	4.50% * 3.97%	EOY 222,694 BOY 177,695 Increase 44,999	Inflation (3.97%*) 14,164 Decrement (13,993) carryback (5 yrs) 44,828 Net 30,835 Net Increase in L/R 44,999
<u>Case B</u> <i>Schedules 3-4 Page 9</i>	Slight Decrease	3.27% * 2.85%	EOY 93,727 BOY 63,544 Increase 30,183	Inflation (2.85%*) 30,183 Decrement carryback (1 yr) 0 Net Increase in L/R 30,183
<u>Case C</u> <i>Schedules 5-6 Page 10</i>	Slight Decrease	1.57% * 1.34%	EOY (67,201) BOY (108,511) Increase 41,310	Inflation (1.34%*) 9,734 Decrement carryback (2 yrs) 31,576 Net Increase in L/R 41,310
<u>Case D</u> <i>Schedules 7-8 Page 11</i>	Slight Increase	1.47% * 1.25%	EOY (73,539) BOY (95,167) Increase 21,628	Inflation (1.25%*) 21,628 No decrement N/A Net Increase in L/R 21,628
* Effective rate of inflation for current-year analysis (Current-year inflation x BOY cumulative index). Actual inflation rate computed for the year is shown in <i>italics</i> above the effective rate used in analysis.				





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A Quarterly Update of LIFO - News, Views and Ideas

CASE A ... SCHEDULE 1

REPORT #1 - CALCULATION OF ANNUAL LIFO INVENTORY AND RESERVE CHANGES - USED AUTOS POOL #1

	Used Autos Pool #1 2003	Used Autos Pool #1 2004
A. BEGINNING OF YEAR INVENTORY AT BASE DATE COST - AS REBASED	796,804	850,776
B. END OF YEAR INVENTORY AT END OF YEAR (CURRENT) PRICES	750,087	328,885
C. END OF YEAR INVENTORY AT BEGINNING OF YEAR (BASE) PRICES	NOT FULLY REPRICED	NOT FULLY REPRICED
D. CURRENT YEAR PRICE INDEX END OF YEAR INVENTORY PRICED AT END OF YEAR PRICES (DIVIDED BY) RATIO OF: $\frac{\text{END OF YEAR INVENTORY PRICED AT END OF YEAR PRICES (DIVIDED BY)}}{\text{END OF YEAR INVENTORY PRICED AT BEGINNING OF YEAR PRICES}}$	0.93797	1.04501
E. CUMULATIVE LINK-CHAIN INDEX CURRENT YEAR PRICE INDEX (LINE D) MULTIPLIED BY (X) PRIOR YEARS CUMULATIVE INDEX (LINE E OF PRIOR YEAR)	0.88165	0.92133
F. END OF YEAR INVENTORY AT BASE DATE COST (LINE B DIVIDED BY LINE E)	850,776	356,988
G. CURRENT YEAR INVENTORY INCREASE (DECREASE) - EXPRESSED IN BASE DOLLARS		
1. END OF YEAR INVENTORY AT BASE DATE COST (LINE F)	850,776	356,988
2. BEGINNING OF YEAR INVENTORY AT BASE DATE COST (LINE A)	(796,804)	(850,776)
3. CURRENT YEAR INCREMENT (G(1) EXCEEDS G(2)) OR DECREASE (IF G(2) EXCEEDS G(1))	53,972 X 0.88165	(493,808)
4. LIFO VALUATION OF CURRENT YEAR INCREMENT (F G(1) EXCEEDS G(2), MULTIPLY LINE G(3) BY LINE E)	47,584	N/A
H. ANALYSIS OF YEAR-END INVENTORY LIFO "LAYERS" - AS REBASED		
	BASE VALUATION	
	DOLLARS	FACTOR
BASE INVENTORY 1/1/79	356,988 X	0.29748
FISCAL YEAR 1990 INCREMENT	0 X	0.79518
FISCAL YEAR 2000 INCREMENT	0 X	1.00000
REBASED 6/30/00	0 X	1.00000
FISCAL YEAR 2001 INCREMENT	0 X	1.00839
FISCAL YEAR 2003 INCREMENT	0 X	0.88165
	356,988	
ENDING INVENTORY AT LIFO VALUATION, TOTAL PER ABOVE	572,392	106,191
LESS: ENDING INVENTORY AT END OF YEAR PRICES (LINE B)	750,087	328,885
LIFO RESERVE AT END OF CURRENT YEAR	177,695	222,894
LESS: LIFO RESERVE AT END OF PREVIOUS YEAR	224,156	177,695
INCREASE (DECREASE) IN LIFO RESERVE AT END OF CURRENT YEAR	(46,461)	44,999

CASE A ... SCHEDULE 2

REPORT #3 - ANALYSIS OF LIFO RESERVES - USED AUTOS POOL #1

JUNE 30, 2004 LIFO RESERVE CONSISTS OF:	BASE DOLLARS	INDEX FACTOR	COMPOSITION OF LIFO RESERVE
BASE INVENTORY 1/1/79	356,988 X	0.29748	(0.82133 - 0.29748)= 222,694
FISCAL YEAR 1990 INCREMENT	0 X	0.12815	(0.82133 - 0.79518)= 0
FISCAL YEAR 2000 INCREMENT	0 X	(0.07867)	(0.82133 - 1.00000)= 0
REBASED 6/30/00	0 X	(0.07867)	(0.82133 - 1.00000)= 0
FISCAL YEAR 2001 INCREMENT	0 X	(0.08709)	(0.82133 - 1.00839)= 0
FISCAL YEAR 2002 INCREMENT	0 X	(0.01863)	(0.82133 - 0.93996)= 0
FISCAL YEAR 2003 INCREMENT	0 X	0.03988	(0.82133 - 0.88165)= 0
TOTALS	356,988		222,694

PROFIT/RECONCILIATION OF INCREASE IN LIFO RESERVE AS OF JUNE 30, 2004

	Used Autos Pool #1
AMOUNT OF BASE DOLLARS THAT REMAINED INTACT THROUGHOUT FYE JUNE 30, 2004	356,988
(X) MULTIPLIED BY CURRENT YEAR INFLATION (0.92133 - 0.88165)	X 0.03988
INCREASE (DECREASE) IN LIFO RESERVE DUE TO INFLATION (DEFLATION) FACTOR	14,184
LESS PAYBACK DUE TO DECREMENT CARRIED BACK AGAINST PRIOR YEAR LAYER(S)	
FYE JANUARY 1, 1979	18,626 X 0.59417 (0.88165 - 0.29748)= (9,712)
FYE JUNE 30, 1990	49,509 X 0.08647 (0.88165 - 0.79518)= (4,281)
FYE JUNE 30, 2000	302,028 X (0.11835) (0.88165 - 1.00000)= (35,745)
FYE JUNE 30, 2001	71,873 X (0.12874) (0.88165 - 1.00839)= 9,084
FYE JUNE 30, 2003	53,972 X 0.00000 (0.88165 - 0.88165)= 0
	493,808
TOTAL PAYBACK DUE TO DECREMENT	30,636
ROUNDING	(1)
INCREASE (DECREASE) IN LIFO RESERVE AT END OF CURRENT YEAR	44,999

REPORT #3 - ANALYSIS OF LIFO RESERVES - USED AUTOS POOL #1

JUNE 30, 2003 LIFO RESERVE CONSISTS OF:	BASE DOLLARS	INDEX FACTOR	COMPOSITION OF LIFO RESERVE
BASE INVENTORY 1/1/79	373,594 X	0.59417	(0.88165 - 0.29748)= 218,242
FISCAL YEAR 1990 INCREMENT	49,509 X	0.08647	(0.88165 - 0.79518)= 4,281
FISCAL YEAR 2000 INCREMENT	302,028 X	(0.11835)	(0.88165 - 1.00000)= (35,745)
REBASED 6/30/00	0 X	(0.11835)	(0.88165 - 1.00000)= 0
FISCAL YEAR 2001 INCREMENT	71,873 X	(0.12874)	(0.88165 - 1.00839)= (9,084)
FISCAL YEAR 2002 INCREMENT	0 X	(0.05831)	(0.88165 - 0.93996)= 0
FISCAL YEAR 2003 INCREMENT	53,972 X	0.00000	(0.88165 - 0.88165)= 0
ROUNDING			1
TOTALS	850,776		177,695

CASE B ... SCHEDULE 3

REPORT #2 - CALCULATION OF ANNUAL LIFO INVENTORY AND RESERVE CHANGES - USED LIGHT-DUTY TRUCKS POOL #2

	USED TRUCKS POOL #2 2003	USED TRUCKS POOL #2 2004
A. BEGINNING OF YEAR INVENTORY AT BASE DATE COST - AS REBASED	992,542	1,197,521
B. END OF YEAR INVENTORY AT END OF YEAR (CURRENT) PRICES	1,041,807	952,468
C. END OF YEAR INVENTORY AT BEGINNING OF YEAR (BASE) PRICES	NOT FULLY REPRICED	NOT FULLY REPRICED
D. CURRENT YEAR PRICE INDEX		
END OF YEAR INVENTORY PRICED AT END OF YEAR PRICES (DIVIDED BY)		
RATIO OF:	0.93717	1.03272
END OF YEAR INVENTORY PRICED AT BEGINNING OF YEAR PRICES		
E. CUMULATIVE LINK-CHAIN INDEX		
CURRENT YEAR PRICE INDEX (LINE D)		
MULTIPLIED BY (X) PRIOR YEARS CUMULATIVE INDEX (LINE E OF PRIOR YEAR)	0.86997	0.89844
F. END OF YEAR INVENTORY AT BASE DATE COST (LINE B DIVIDED BY LINE E)	1,197,521	1,080,135
G. CURRENT YEAR INVENTORY INCREASE (DECREASE) - EXPRESSED IN BASE DOLLARS		
1. END OF YEAR INVENTORY AT BASE DATE COST (LINE F)	1,197,521	1,080,135
2. BEGINNING OF YEAR INVENTORY AT BASE DATE COST (LINE A)	<u>992,542</u>	<u>1,187,521</u>
3. CURRENT YEAR INCREMENT (G(1) EXCEEDS G(2)) OR DECREASE (IF G(2) EXCEEDS G(1))	204,979	(137,386)
	<u>X 0.86997</u>	
4. LIFO VALUATION OF CURRENT YEAR INCREMENT (IF G(1) EXCEEDS G(2), MULTIPLY LINE G(3) BY LINE E)	<u>178,326</u>	<u>N/A</u>
H. ANALYSIS OF YEAR-END INVENTORY LIFO "LAYERS" - AS REBASED		
	BASE VALUATION	
	DOLLARS	FACTOR
BASE INVENTORY 1/1/79	193,782 X 0.20234	39,206
FISCAL YEAR 1989 INCREMENT	15,494 X 0.86548	10,311
FISCAL YEAR 1992 INCREMENT	67,709 X 0.74277	50,292
FISCAL YEAR 1995 INCREMENT	102,048 X 0.95157	97,106
FISCAL YEAR 1998 INCREMENT	81,439 X 0.98487	78,578
FISCAL YEAR 1997 INCREMENT	214,583 X 0.96437	206,937
FISCAL YEAR 2000 INCREMENT	317,507 X 1.00000	317,507
REBASED 6/30/00	0 X 1.00000	0
FISCAL YEAR 2003 INCREMENT	<u>67,593 X 0.86997</u>	<u>178,326</u>
	<u>1,080,135</u>	<u>58,804</u>
ENDING INVENTORY AT LIFO VALUATION, TOTAL PER ABOVE	978,263	858,741
LESS: ENDING INVENTORY AT END OF YEAR PRICES (LINE B)	<u>1,041,807</u>	<u>952,468</u>
LIFO RESERVE AT END OF CURRENT YEAR	63,544	93,727
LESS: LIFO RESERVE AT END OF PREVIOUS YEAR	<u>121,430</u>	<u>63,544</u>
INCREASE (DECREASE) IN LIFO RESERVE AT END OF CURRENT YEAR	<u>57,886</u>	<u>30,183</u>

CASE B ... SCHEDULE 4

REPORT #4 - ANALYSIS OF LIFO RESERVES - USED LIGHT-DUTY TRUCKS POOL #2

JUNE 30, 2004 LIFO RESERVE CONSISTS OF:	BASE DOLLARS	INDEX FACTOR	COMPOSITION OF LIFO RESERVE
BASE INVENTORY 1/1/79	193,782 X	0.86610	(0.86944 - 0.20234)= 134,878
FISCAL YEAR 1989 INCREMENT	15,494 X	0.23236	(0.86944 - 0.86548)= 3,900
FISCAL YEAR 1992 INCREMENT	67,709 X	0.18587	(0.86944 - 0.74277)= 10,540
FISCAL YEAR 1995 INCREMENT	102,048 X	(0.08313)	(0.86944 - 0.95157)= (5,422)
FISCAL YEAR 1998 INCREMENT	81,439 X	(0.08643)	(0.86944 - 0.98487)= (5,410)
FISCAL YEAR 1997 INCREMENT	214,583 X	(0.08593)	(0.86944 - 0.96437)= (14,147)
FISCAL YEAR 2000 INCREMENT	317,507 X	(0.10195)	(0.86944 - 1.00000)= (32,246)
REBASED 6/30/00	0 X	(0.10195)	(0.86944 - 1.00000)= 0
FISCAL YEAR 2001 INCREMENT	0 X	(0.08211)	(0.86944 - 0.98055)= 0
FISCAL YEAR 2002 INCREMENT	0 X	(0.02985)	(0.86944 - 0.82829)= 0
FISCAL YEAR 2003 INCREMENT	67,593 X	0.02947	(0.86944 - 0.86997)= 1,824
ROUNDING			1
TOTALS	<u>1,080,135</u>		<u>93,727</u>

PROOF / RECONCILIATION OF INCREASE IN LIFO RESERVE AS OF JUNE 30, 2004	USED TRUCKS POOL #2
AMOUNT OF BASE DOLLARS THAT REMAINED INTACT THROUGHOUT FYE JUNE 30, 2004	1,080,135
(X) MULTIPLIED BY CURRENT YEAR INFLATION (0.89844 - 0.86997)	<u>X 0.02847</u>
INCREASE (DECREASE) IN LIFO RESERVE DUE TO INFLATION (DEFLATION) FACTOR	<u>30,182</u>
LESS PAYBACK DUE TO DECREMENT CARRIED BACK AGAINST PRIOR YEAR LAYER(S)	
FYE JUNE 30, 2003	137,386 X 0.00000 (0.86997 - 0.86997)= 0
TOTAL PAYBACK DUE TO DECREMENT	<u>0</u>
ROUNDING	1
INCREASE (DECREASE) IN LIFO RESERVE AT END OF CURRENT YEAR	<u>30,183</u>

JUNE 30, 2003 LIFO RESERVE CONSISTS OF:	BASE DOLLARS	INDEX FACTOR	COMPOSITION OF LIFO RESERVE
BASE INVENTORY 1/1/79	193,782 X	0.86763	(0.86997 - 0.20234)= 129,361
FISCAL YEAR 1989 INCREMENT	15,494 X	0.20449	(0.86997 - 0.86548)= 3,168
FISCAL YEAR 1992 INCREMENT	67,709 X	0.12720	(0.86997 - 0.74277)= 8,613
FISCAL YEAR 1995 INCREMENT	102,048 X	(0.08160)	(0.86997 - 0.95157)= (8,327)
FISCAL YEAR 1998 INCREMENT	81,439 X	(0.08490)	(0.86997 - 0.98487)= (7,729)
FISCAL YEAR 1997 INCREMENT	214,583 X	(0.08440)	(0.86997 - 0.96437)= (20,257)
FISCAL YEAR 2000 INCREMENT	317,507 X	(0.13003)	(0.86997 - 1.00000)= (41,285)
REBASED 6/30/00	0 X	(0.13003)	(0.86997 - 1.00000)= 0
FISCAL YEAR 2001 INCREMENT	0 X	(0.11059)	(0.86997 - 0.98055)= 0
FISCAL YEAR 2002 INCREMENT	0 X	(0.06832)	(0.86997 - 0.82829)= 0
FISCAL YEAR 2003 INCREMENT	204,979 X	0.00000	(0.86997 - 0.86997)= 0
TOTALS	<u>1,187,521</u>		<u>63,544</u>



CASE C ... SCHEDULE 5

REPORT #1 - CALCULATION OF ANNUAL LIFO INVENTORY AND RESERVE CHANGES - USED AUTOS POOL #1

	Used Autos Pool #1 2003	Used Autos Pool #1 2004
A. BEGINNING OF YEAR INVENTORY AT BASE DATE COST - AS REBASED	1,372,460	1,040,272
B. END OF YEAR INVENTORY AT END OF YEAR (CURRENT) PRICES	886,780	628,947
C. END OF YEAR INVENTORY AT BEGINNING OF YEAR (BASE) PRICES	NOT FULLY REPRICED	NOT FULLY REPRICED
D. CURRENT YEAR PRICE INDEX END OF YEAR INVENTORY PRICED AT END OF YEAR PRICES (DIVIDED BY) RATIO OF: END OF YEAR INVENTORY PRICED AT BEGINNING OF YEAR PRICES	0.91901	1.01572
E. CUMULATIVE LINK-CHAIN INDEX CURRENT YEAR PRICE INDEX (LINE D) MULTIPLIED BY (2) PRIOR YEARS CUMULATIVE INDEX (LINE E OF PRIOR YEAR)	0.86245	0.86585
F. END OF YEAR INVENTORY AT BASE DATE COST (LINE B DIVIDED BY LINE E)	1,040,272	726,393
G. CURRENT YEAR INVENTORY INCREASE (DECREASE) - EXPRESSED IN BASE DOLLARS 1. END OF YEAR INVENTORY AT BASE DATE COST (LINE F) 2. BEGINNING OF YEAR INVENTORY AT BASE DATE COST (LINE A) 3. CURRENT YEAR INCREMENT (G(1) EXCEEDS G(2)) OR DECREASE (F G(2) EXCEEDS G(1)) 4. LIFO VALUATION OF CURRENT YEAR INCREMENT (IF G(1) EXCEEDS G(2), MULTIPLY LINE G(3) BY LINE E)	1,040,272 1,372,460 (332,188)	726,393 1,040,272 (313,879)
H. ANALYSIS OF YEAR-END INVENTORY LIFO "LAYERS" - AS REBASED		
	BASE VALUATION DOLLARS FACTOR	
BASE INVENTORY 7/1/81	108,059 X 0.88434	73,949
FISCAL YEAR 1983 INCREMENT	8,202 X 0.78883	6,470
FISCAL YEAR 1986 INCREMENT	42,813 X 1.00808	43,159
FISCAL YEAR 1987 INCREMENT	54,281 X 1.00139	54,356
FISCAL YEAR 1988 INCREMENT	319,488 X 1.01036	322,793
FISCAL YEAR 1989 INCREMENT	186,084 X 1.01005	187,984
FISCAL YEAR 2000 INCREMENT	7,457 X 1.00000	7,457
REBASED 8/30/00	0 X 1.00000	0
FISCAL YEAR 2002 INCREMENT	0 X 0.92757	188,717
	726,392	
ENDING INVENTORY AT LIFO VALUATION, TOTAL PER ABOVE	995,291	696,148
LESS: ENDING INVENTORY AT END OF YEAR PRICES (LINE B)	886,780	628,947
LIFO RESERVE AT END OF CURRENT YEAR	(108,511)	(67,201)
LESS: LIFO RESERVE AT END OF PREVIOUS YEAR	(30,366)	(108,511)
INCREASE (DECREASE) IN LIFO RESERVE AT END OF CURRENT YEAR	(78,145)	41,310

CASE C ... SCHEDULE 6

REPORT #3 - ANALYSIS OF LIFO RESERVES - USED AUTOS POOL #1

JUNE 30, 2004 LIFO RESERVE CONSISTS OF:	BASE DOLLARS	INDEX FACTOR	COMPOSITION OF LIFO RESERVE
BASE INVENTORY 7/1/81	108,059 X	0.18151	(0.86585 - 0.88434)= 18,614
FISCAL YEAR 1983 INCREMENT	8,202 X	0.07702	(0.86585 - 0.78883)= 632
FISCAL YEAR 1986 INCREMENT	42,813 X	(0.14224)	(0.86585 - 1.00808)= (8,090)
FISCAL YEAR 1987 INCREMENT	54,281 X	(0.13654)	(0.86585 - 1.00139)= (7,357)
FISCAL YEAR 1988 INCREMENT	319,488 X	(0.14460)	(0.86585 - 1.01036)= (48,188)
FISCAL YEAR 1989 INCREMENT	186,084 X	(0.14420)	(0.86585 - 1.01005)= (28,836)
FISCAL YEAR 2000 INCREMENT	7,457 X	(0.13415)	(0.86585 - 1.00000)= (1,000)
REBASED 8/30/00	0 X	(0.13415)	(0.86585 - 1.00000)= 0
FISCAL YEAR 2001 INCREMENT	0 X	(0.12480)	(0.86585 - 0.86075)= 0
FISCAL YEAR 2002 INCREMENT	0 X	(0.08172)	(0.86585 - 0.92757)= 0
FISCAL YEAR 2003 INCREMENT	0 X	0.01340	(0.86585 - 0.85245)= 0
ROUNDING			1
TOTALS	726,392		(67,201)

PROOF / RECONCILIATION OF INCREASE IN LIFO RESERVE AS OF JUNE 30, 2004	Used Autos Pool #1
AMOUNT OF BASE DOLLARS THAT REMAINED INTACT THROUGHOUT FYE JUNE 30, 2004	726,393
(2) MULTIPLIED BY CURRENT YEAR INFLATION (0.86585 - 0.85245)	X 0.01340
INCREASE (DECREASE) IN LIFO RESERVE DUE TO INFLATION (DEFLATION) FACTOR	9,734
LESS PAYBACK DUE TO DECREMENT CARRIED BACK AGAINST PRIOR YEAR LAYER(S)	
FYE JUNE 30, 2000	110,428 X (0.14755) (0.85245 - 1.00000)= 16,283
FYE JUNE 30, 2002	203,453 X (0.07512) (0.85245 - 0.92757)= 15,283
	313,879
TOTAL PAYBACK DUE TO DECREMENT	31,578
INCREASE (DECREASE) IN LIFO RESERVE AT END OF CURRENT YEAR	41,310

JUNE 30, 2004 LIFO RESERVE CONSISTS OF:	BASE DOLLARS	INDEX FACTOR	COMPOSITION OF LIFO RESERVE
BASE INVENTORY 7/1/81	108,059 X	0.16811	(0.85245 - 0.88434)= 18,186
FISCAL YEAR 1983 INCREMENT	8,202 X	0.06362	(0.85245 - 0.78883)= 522
FISCAL YEAR 1986 INCREMENT	42,813 X	(0.15584)	(0.85245 - 1.00808)= (8,863)
FISCAL YEAR 1987 INCREMENT	54,281 X	(0.14804)	(0.85245 - 1.00139)= (8,085)
FISCAL YEAR 1988 INCREMENT	319,488 X	(0.15780)	(0.85245 - 1.01036)= (50,447)
FISCAL YEAR 1989 INCREMENT	186,084 X	(0.15780)	(0.85245 - 1.01005)= (29,328)
FISCAL YEAR 2000 INCREMENT	117,883 X	(0.14755)	(0.85245 - 1.00000)= (17,394)
REBASED 8/30/00	0 X	(0.14755)	(0.85245 - 1.00000)= 0
FISCAL YEAR 2001 INCREMENT	0 X	(0.13830)	(0.85245 - 0.98075)= 0
FISCAL YEAR 2002 INCREMENT	203,453 X	(0.07512)	(0.85245 - 0.92757)= (15,283)
ROUNDING			1
TOTALS	1,040,271		(108,511)



CASE D ... SCHEDULE 1

REPORT #2 - CALCULATION OF ANNUAL LIFO INVENTORY AND RESERVE CHANGES - USED LIGHT-DUTY TRUCKS POOL #2

	USED TRUCKS POOL #2 2003	USED TRUCKS POOL #2 2004
A. BEGINNING OF YEAR INVENTORY AT BASE DATE COST - AS REBASED	1,080,167	1,730,263
B. END OF YEAR INVENTORY AT END OF YEAR (CURRENT) PRICES	1,475,997	1,579,433
C. END OF YEAR INVENTORY AT BEGINNING OF YEAR (BASE) PRICES	NOT FULLY REPRODUCED	NOT FULLY REPRODUCED
D. CURRENT YEAR PRICE INDEX AT END OF YEAR INVENTORY PRICED AT END OF YEAR PRICES (DIVIDED BY) AT BEGINNING OF YEAR PRICES	0.86459	1.01465

A. BEGINNING OF YEAR INVENTORY AT BASE DATE COST - AS REBASED

B. END OF YEAR INVENTORY AT END OF YEAR (CURRENT) PRICES

C. END OF YEAR INVENTORY AT BEGINNING OF YEAR (BASE) PRICES

D. CURRENT YEAR PRICE INDEX AT END OF YEAR INVENTORY PRICED AT END OF YEAR PRICES (DIVIDED BY) AT BEGINNING OF YEAR PRICES

RATIO OF:

END OF YEAR INVENTORY PRICED AT END OF YEAR PRICES

E. CUMULATIVE LINK-CHAIN INDEX

1. END OF YEAR INVENTORY PRICE INDEX (LINE D) MULTIPLIED BY (A) PRIOR YEAR'S CUMULATIVE INDEX (LINE E OF PRIOR YEAR)

F. END OF YEAR INVENTORY AT BASE DATE COST (LINE B DIVIDED BY LINE E)

G. CURRENT YEAR INVENTORY INCREASE (DECREASE) - EXPRESSED IN BASE DOLLARS

1. END OF YEAR INVENTORY AT BASE DATE COST (LINE F)
2. BEGINNING OF YEAR INVENTORY AT BASE DATE COST (LINE A)
3. CURRENT YEAR INCREMENT (G1) EXCEEDS (G2) OR DECREASE (F G2) EXCEEDS (G1)

4. LIFO VALUATION OF CURRENT YEAR INCREMENT (F G1) EXCEEDS (G2), MULTIPLY LINE G(2) BY LINE G

H. ANALYSIS OF YEAR-END INVENTORY LIFO LAYERS - AS REBASED

	BASE DOLLARS	VALUATION FACTOR
BASE INVENTORY 7/1/81	40,892 X	0.82745
FISCAL YEAR 1983 INCREMENT	28,717 X	0.78510
FISCAL YEAR 1988 INCREMENT	25,897 X	0.94481
FISCAL YEAR 1989 INCREMENT	212,242 X	0.98905
FISCAL YEAR 1989 INCREMENT	90,651 X	1.07287
FISCAL YEAR 2000 INCREMENT	317,597 X	1.00000
REBASED 6/30/00	0 X	1.00000
FISCAL YEAR 2002 INCREMENT	343,121 X	0.86357
FISCAL YEAR 2003 INCREMENT	670,098 X	0.86289
FISCAL YEAR 2004 INCREMENT	93,482 X	0.86549
TOTALS	1,623,745	

ENDING INVENTORY AT LIFO VALUATION, TOTAL PER ABOVE

LESS: ENDING INVENTORY AT END OF YEAR PRICES (LINE B)

LIFO RESERVE AT END OF CURRENT YEAR

LESS: LIFO RESERVE AT END OF PREVIOUS YEAR

INCREASE (DECREASE) IN LIFO RESERVE AT END OF CURRENT YEAR

CASE D ... SCHEDULE 2

REPORT #4 - ANALYSIS OF LIFO RESERVES - USED LIGHT-DUTY TRUCKS POOL #2

	BASE DOLLARS	INDEX FACTOR	COMPOSITION OF LIFO RESERVE
BASE INVENTORY 7/1/81	40,892 X	0.23604	9,734
FISCAL YEAR 1983 INCREMENT	28,717 X	0.07038	2,182
FISCAL YEAR 1988 INCREMENT	25,897 X	0.07942	(2,056)
FISCAL YEAR 1989 INCREMENT	212,242 X	0.12259	(28,012)
FISCAL YEAR 1989 INCREMENT	90,651 X	0.14689	(13,312)
FISCAL YEAR 2000 INCREMENT	317,597 X	0.13461	(42,716)
REBASED 6/30/00	0 X	0.00000	0
FISCAL YEAR 2001 INCREMENT	0 X	0.00000	0
FISCAL YEAR 2002 INCREMENT	343,121 X	0.02800	9,636
FISCAL YEAR 2003 INCREMENT	670,098 X	0.01250	8,376
FISCAL YEAR 2004 INCREMENT	93,482 X	0.00000	0
ROUNDING			(1)
TOTALS	1,623,745		(72,539)

BASE INVENTORY 7/1/81

FISCAL YEAR 1983 INCREMENT

FISCAL YEAR 1988 INCREMENT

FISCAL YEAR 1989 INCREMENT

FISCAL YEAR 1989 INCREMENT

FISCAL YEAR 2000 INCREMENT

REBASED 6/30/00

FISCAL YEAR 2001 INCREMENT

FISCAL YEAR 2002 INCREMENT

FISCAL YEAR 2003 INCREMENT

FISCAL YEAR 2004 INCREMENT

ROUNDING

TOTALS

PROCESSED INFLATION OF INCREASE IN LIFO RESERVES AS OF JUNE 30, 2004

AMOUNT OF BASE DOLLARS THAT REMAINED INTACT THROUGHOUT FIVE JUNE 30, 2004

(A) MULTIPLIED BY CURRENT YEAR INFLATION (0.86549 - 0.86289)

INCREASE (DECREASE) IN LIFO RESERVE DUE TO INFLATION (DEFLATION) FACTOR

INCREASE (DECREASE) IN LIFO RESERVE AT END OF CURRENT YEAR

	BASE DOLLARS	INDEX FACTOR	COMPOSITION OF LIFO RESERVE
BASE INVENTORY 7/1/81	40,892 X	0.22564	9,223
FISCAL YEAR 1983 INCREMENT	28,717 X	0.05789	1,720
FISCAL YEAR 1988 INCREMENT	25,897 X	0.09192	(2,300)
FISCAL YEAR 1989 INCREMENT	212,242 X	0.13009	(28,863)
FISCAL YEAR 1989 INCREMENT	90,651 X	0.18036	(14,449)
FISCAL YEAR 2000 INCREMENT	317,597 X	0.14701	(46,666)
REBASED 6/30/00	0 X	0.00000	0
FISCAL YEAR 2001 INCREMENT	0 X	0.00000	0
FISCAL YEAR 2002 INCREMENT	343,121 X	0.04056	(13,824)
FISCAL YEAR 2003 INCREMENT	670,098 X	0.00000	0
TOTALS	1,730,263		(85,160)

BASE INVENTORY 7/1/81

FISCAL YEAR 1983 INCREMENT

FISCAL YEAR 1988 INCREMENT

FISCAL YEAR 1989 INCREMENT

FISCAL YEAR 1989 INCREMENT

FISCAL YEAR 2000 INCREMENT

REBASED 6/30/00

FISCAL YEAR 2001 INCREMENT

FISCAL YEAR 2002 INCREMENT

FISCAL YEAR 2003 INCREMENT

TOTALS



Narrative Explanations Attached To Form 3115

XYZ DEALERSHIP

EI # XXXXXXXX

FORM 3115 REQUEST FOR IRS PERMISSION
TO TERMINATE LIFO ELECTION FOR USED VEHICLES
UNDER REVENUE PROCEDURE 97-27
FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2003

Page 1 of 2

Part II & Schedule B: Discussion of Change Requested

Taxpayer is a franchised automobile dealer engaged in the purchase and retail sale of new automobiles and light-duty trucks. Taxpayer also buys and sells used vehicles, and it provides parts, repair and maintenance services on the vehicles it sells, as well as on vehicles customers have purchased from other dealers. Taxpayer reports on the basis of a calendar year-end and it employs the accrual method of accounting for maintaining its records and for filing its Federal and State income tax returns.

Taxpayer is applying for permission to terminate its LIFO election for valuing its automobile and light-duty truck used vehicle inventories effective for calendar year 2003. Taxpayer's LIFO election for used vehicles was made in _____ (insert year). Within the past 5 years, Taxpayer changed its LIFO methodology to the Used Vehicle Alternative LIFO Method described in Revenue Procedure 2001-23 in order to bring its LIFO calculations for its used vehicle inventories into compliance with the "safe harbor" methodology described therein.

Taxpayer is not currently under audit by the Internal Revenue Service. Accordingly, there are no pending used vehicle LIFO valuation or cost issues. Taxpayer presently uses the Last-In, First-Out (LIFO) Inventory Method for the valuation of its new vehicles, and it is not requesting permission to terminate its LIFO election for new vehicles.

Taxpayer is not aware of any authorities that would be contrary to permitting the change requested.

Taxpayer's requested change in accounting method is described in Revenue Procedure 2002-9, Appendix Section 10.01, as an *automatic* change. However, because Taxpayer previously obtained automatic permission to change to the Alternative LIFO Method for Used Vehicles described in Revenue Procedure 2001-23 when that safe harbor method became available for 2001, it appears that Section 4.02(6) of Rev. Proc. 2002-9 could be interpreted to prevent Taxpayer's request for termination of its used vehicle LIFO election at this time from being treated as an automatic change situation.

After the termination of its LIFO election for used vehicles, Taxpayer will use the same method of accounting for valuing its used vehicle inventories that it used before it elected the LIFO method for them. The permitted method used by Taxpayer before electing LIFO for used vehicles was the specific identification method with an adjustment at year-end to reflect a lower of cost or market determination for vehicles in ending inventory. Taxpayer will use this method, which conforms to Generally Accepted Accounting Principles (GAAP) and to the best accounting practice in its trade or business, in order to more clearly reflect income, and it will use this method in keeping its books and records and for financial statement purposes.

Taxpayer consents to all of the terms and conditions of Revenue Procedures 97-27 and 2002-9.

(Continued)



Narrative Explanations Attached To Form 3115

XYZ DEALERSHIP

EI # XXXXXXXX

**FORM 3115 REQUEST FOR IRS PERMISSION
TO TERMINATE LIFO ELECTION FOR USED VEHICLES
UNDER REVENUE PROCEDURE 97-27
FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2003**

Page 2 of 2

Part III, Page 3 - Section 481(a) Adjustment

In connection with its request to terminate its LIFO election for used vehicles, Taxpayer's computation of its Section 481(a) adjustment is shown below.

<u>Used Vehicle Inventory at December 31, 2002</u>	<u>Pool #1</u>	<u>Pool #2</u>	<u>Total</u>
	<u>Used Automobiles</u>	<u>Used Light-Duty Trucks</u>	<u>All Used Vehicles</u>
Inventory at Cost (Specific Identification)	300,000	500,000	800,000
LIFO Valuation of Above Inventory	260,000	440,000	700,000
Section 481(a) Adjustment (LIFO Reserve)	40,000	60,000	100,000

Taxpayer Not Under Examination

Taxpayer is not under IRS audit examination on the date this Form 3115 is being filed with the IRS National Office.

Part II, Page 3, Item 18: Absence of (Anticipated) Transactions Involving Reorganizations or Mergers

Taxpayer has not entered into a transaction to which Section 381(c)(4) or Section 381(c)(5) applies (e.g. a reorganization or a merger) during the taxable year of change, nor is it considering such a transaction.

Section 263A Inventory Cost Capitalization Matters

Taxpayer is subject to the Section 263A Inventory Cost Capitalization Rules and uses a *Simplified Resale Method* as its method of accounting for inventories to reflect the Section 263A Uniform Cost Capitalization Rules. No changes are contemplated in connection with its Section 263A method of accounting.

Attachments

A copy of the original Form 970 LIFO election for used vehicle inventories (is) (is not) attached.
Copies of subsequent Forms 3115 filed in connection with the LIFO election for used vehicles (are) (are not) attached.
If requested, Taxpayer can provide copies of the original Form 970 and/or subsequent Forms 3115 filed.

Form 3115 Filings

The original of this Form 3115 has been sent to the IRS National Office in Washington, D.C.
A copy of the Form 3115 will be attached to Taxpayer's Federal Income Tax Return for the year of change.



**LETTER OF TRANSMITTAL FOR FORM 3115
TO BE PREPARED ON DEALERSHIP LETTERHEAD
& MAILED TO THE IRS BEFORE DECEMBER 31, 2003**

Date _____, 200__

Internal Revenue Service
Associate Chief Counsel (Domestic)
Attention: CC:DOM:CORP:T
P. O. Box 7604
Ben Franklin Station
Washington, DC 20044

Name: XYZ Dealership

EI No. _____

**Form 3115 Request for IRS Permission
To Terminate LIFO Election for Used Vehicles Under Revenue Procedure 97-27
For The Calendar Year Ending December 31, 2003**

Dear Sir or Madam:

Enclosed is Form 3115 for the dealership identified above. Taxpayer requests permission to terminate its Last-In, First-Out (LIFO) inventory method election for its *used* automobile and *used* light-duty truck inventories for the calendar year 2003. Taxpayer's used vehicle LIFO computations are currently being made in accordance with the Alternative LIFO Method for Used Vehicles prescribed in Revenue Procedure 2001-23.

Taxpayer's requested change is described in Revenue Procedure 2002-9, Appendix Section 10.01, as an *automatic* change. However, because Taxpayer previously obtained automatic permission to change to the Alternative LIFO Method for Used Vehicles described in Revenue Procedure 2001-23 when that safe harbor method became available for 2001, it appears that Section 4.02(6) of Rev. Proc. 2002-9 could be interpreted to prevent Taxpayer's request for termination of its used vehicle LIFO election at this time from being treated as an automatic change situation.

As of the date that this Form 3115 is being filed,

- Taxpayer is *not* under audit examination.
- Taxpayer does not have any Federal income tax return(s) under consideration by any IRS Appeals Officer or by any Federal Court.
- Taxpayer agrees to all of the conditions of Revenue Procedure 97-27.
- Taxpayer is unable to obtain from the IRS website a copy of any more recent revision of Form 3115, with instructions, and therefore, has filed its request using the May 1999 most recent version of Form 3115 available.

User fee. If Taxpayer's request were considered to fall within the automatic change provisions of Revenue Procedure 2002-9, no user fee would be required in connection with this filing. Taxpayer understands that in similar change request situations filed by other taxpayers, the IRS has waived payment of the user fee (but there has been no official announcement of such policy).

Accordingly, Taxpayer has included payment of a user fee with this application and hereby requests that you consider refunding its payment under these circumstances.

Enclosed is a Form 2848, *Power of Attorney and Declaration of Representative*. Please call if you have any questions in connection with this matter.

Respectfully submitted,

TAXPAYER NAME

(Authorized Officer), President



Internal Revenue Service

Department of the Treasury

Index No.: _____

Washington, DC 20224

XYZ Dealership
Address
City, State, Zip

Person to Contact: _____
Identifying Number: _____
Telephone Number: _____
Refer Reply To: _____

EIN: _____

Date: June , 2004

Attention: Mr./Ms. _____
XYZ Dealership President

Dear Mr./Ms. _____:

This letter refers to a Form 3115, Application for Change in Accounting Method, filed on behalf of the above-named taxpayer requesting permission to change from the Last-In, First-Out (LIFO) inventory method for used /vehicles, for the taxable year beginning January 1, 2003 (year of change).

Facts

The taxpayer, a C corporation, is engaged in retail automobile sales and service. The taxpayer uses an overall accrual method of accounting. The taxpayer is subject to the uniform capitalization rules prescribed by Section 263A of the Internal Revenue Code and the Income Tax Regulations thereunder.

Under its present method, the taxpayer uses the LIFO inventory method to account for new and used vehicles. The taxpayer values them at cost. The taxpayer accounts for parts and accessories at replacement cost.

Under the proposed method, the taxpayer will use the specific identification inventory method to account for used vehicles. The taxpayer will value them at cost or market, whichever is lower. See Reg. Sec. 1.472-6(b). The taxpayer will determine cost in accordance with Reg. Sec. 1.471-3 and Section 263A and the regulations thereunder. The taxpayer will determine market in accordance with Reg. Sec. 1.471-4 and Section 263A and the regulations thereunder. The market value of each article on hand at the inventory date shall then be compared with the cost of the article, and the lower of such values shall be taken as the inventory value of the article. See Reg. Sec. 1.471-4(c). The taxpayer will continue to use the LIFO method to account for new vehicles, and will continue to value them at cost. The taxpayer will continue to account for parts and accessories at replacement cost.

The taxpayer has represented that, on the date the Form 3115 was filed, it was not under examination and it was not before an Appeals Office or a Federal Court with respect to any income tax issue. See Sections 3.07, 4.02(2), 4.02(3), and 4.02(4) of Rev. Proc. 97-27, 1997-1 C.B. 680.

Section 481(a) Adjustment

The Section 481(a) adjustment for the year of change is \$100,000, computed as follows:

Beginning Inventory Revalued Under Taxpayer's Proposed Method	\$ 800,000
Beginning Inventory Valued Under Taxpayer's Present Method	\$ 700,000
Section 481(a) Adjustment (Increase in Computing Taxable Income)	\$ 100,000

Consent/Terms and Conditions of Consent

Based on the facts presented and the representations made, permission is hereby granted the taxpayer to change its method of accounting from the present method to the proposed method, beginning with the year of change, provided that:

(Continued)



(XYZ Dealership - Permission to Terminate Used Vehicle LIFO Election)

Page 2 of 3

1. The taxpayer takes one-fourth of the Section 481(a) adjustment into account in computing taxable income each taxable year of the adjustment period, beginning with the year of change. See Section 5.02(3) of Rev. Proc. 97-27.
2. If the taxpayer ceases to engage in a trade or business or terminates its existence, it 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. For purposes of this condition, the provisions in section 7.03(3) of Rev. Proc. 97-27 will apply in determining whether the taxpayer is treated as ceasing to engage in a trade or business.
3. If the taxpayer elects to be treated as an S corporation under Section 1362 for the taxable year in which it discontinues use of the LIFO inventory method, any corresponding basis adjustment required by Section 1363(d) must be taken into account in computing the Section 481(a) adjustment that results upon the discontinuance of the LIFO method by the taxpayer. See Section 7.03(3)(c)(ii) of Rev. Proc. 97-27.
4. If the taxpayer elects to be treated as an S corporation under Section 1362 effective for any tax year during the Section 481 (a) adjustment period, other than the year of change, the remaining balance of the 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 the taxpayer's 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 7.03(3) of Rev. Proc. 97-27. See Section 7.03(3)(c)(iii) of Rev. Proc. 97-27.
5. The taxpayer keeps its books and records for the year of change and for subsequent taxable years (provided they are not closed on the date it receives this letter) on the method of accounting granted in this letter. This condition is considered satisfied if the taxpayer reconciles the results obtained under the method used in keeping its books and records and the method used for federal income tax purposes and maintains sufficient records to support such reconciliation.

Effect of This Accounting Method Change

The accounting method change granted in this letter is a letter ruling pursuant to Section 601.204(c) of the Statement of Procedural Rules. See also Section 2.01 of Rev. Proc. 2004-1, 2004-1 I.R.B. 1,6 (or any successor). The taxpayer ordinarily may rely on this ruling subject to the conditions and limitations described in Rev. Proc. 97-27.

However, other than the method of accounting granted herein, we express no opinion regarding the propriety of the taxpayer's method of accounting for inventory. Specifically, we express no opinion regarding the propriety of the taxpayer's method of accounting for its LIFO and non-LIFO inventory or regarding the propriety of the computations incidental to the valuation of its inventories. Furthermore, we express no opinion regarding the propriety of the methods used to allocate direct and indirect costs to inventory under Section 263A and the Regulations thereunder. These determinations are to be made by the director in connection with the examination of the taxpayer's Federal income tax returns.

The taxpayer may not re-elect the LIFO inventory method for used vehicles for a period of at least five taxable years beginning with the year of change, unless based upon a showing of unusual and compelling circumstances, consent is specifically granted by the Commissioner to change to the LIFO inventory method at an earlier time. This consent must be requested by filing a Form 3115 under Rev. Proc. 97-27. If the taxpayer wants to re-elect the LIFO inventory method for used vehicles after a period of five taxable years (beginning with the year of change), the taxpayer is not required to file a Form 3115 under Rev. Proc. 97-27, but must file Form 970, *Application to Use LIFO Inventory Method*, in accordance with Reg. Sec. 1.472-3. See Section 10.01(2) of the *Appendix* of Rev. Proc. 2002-9, 2002-3 I.R.B. 327.

(Continued)



The director must apply the ruling in determining the taxpayer's liability unless the director recommends that the ruling should be modified or revoked. The director will ascertain whether (1) the representations on which this ruling was based reflect an accurate statement of the material facts, (2) the amount of the Section 481(a) adjustment was properly determined, (3) the change in method of accounting was implemented as proposed in accordance with the terms and conditions of the Consent Agreement and Rev. Proc. 97-27, (4) there has been any change in the material facts on which the ruling was based during the period the method of accounting was used, and (5) there has been any change in the applicable law during the period the method of accounting was used. If the director recommends that the ruling (other than the amount of the Section 481(a) adjustment) 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 the provisions of Rev. Proc. 2004-2, 2004-1 I.R.B. 83, (or any successor) will be followed. See Section 11.01 of Rev. Proc. 97-27.

Audit Protection

An examining agent may not propose that the taxpayer change the same method of accounting as the method changed by the taxpayer under this ruling for a year prior to the year of change provided the taxpayer implements the change as proposed, in accordance with the terms and conditions of this ruling and Rev. Proc. 97-27, and the ruling is not modified or revoked retroactively because there has been a misstatement or an omission of material facts. See Sections 9.01 and 9.02(1) of Rev. Proc. 97-27.

However, the Service may change the 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 (a) directly or indirectly, any issue relating to the taxpayer's Federal tax liability for any taxable year prior to the year of change, or (b) 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. See Section 9.02(4) of Rev. Proc. 97-27.

Consent Agreement

If the taxpayer agrees to the terms and conditions set forth above, an individual with the authority to bind the taxpayer in such matters must sign and date the attached copy and return it to Commissioner of Internal Revenue, Attention: CC:IT&A:B07, P.O. Box 14095, Benjamin Franklin Station, Washington, D.C. 20044, within 45 days from the date of this letter.

The signed copy constitutes an agreement regarding the terms and conditions under which the change is to be effected (herein referred to as the "Consent Agreement") within the meaning of Section 481(c) and as required by Reg. Sec. 1.481-4(b). The Consent Agreement shall be binding on both parties except that it will not be binding upon a showing of fraud, malfeasance, or misrepresentation of a material fact. *In addition, a copy of the executed Consent Agreement must be attached to the taxpayer's income tax return for the tax year of change.* For further instructions, see Section 8.11 of Rev. Proc. 97-27 (copy enclosed).

The accounting method change granted in this letter is directed only to the taxpayer and may not be used or cited as precedent.

* * *

Sincerely yours,

IRS Representative
Office of Associate Chief Counsel
(Income Tax & Accounting)

Enclosure:
Section 8.11 of Rev. Proc. 97-27



**NEW ITEM REPORT
FOR 2003 CALENDAR YEAR DEALERS
2003-2004 MODELS IN DECEMBER, 2003 INVENTORIES**

New
Item
Report

We are pleased to present our December 31, 2003 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 2003™* Alternative LIFO Software Program.

To show 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, 2003. 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.

<p>Three Observations</p>	<ul style="list-style-type: none"> • First. Although fiscal year dealerships are looking at slightly different “slices” or time frames of reference, all dealerships should be experiencing <i>the frequency of</i> 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 the introduction 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 <i>per se</i>.
<p>Three Tests to Determine “New” Item Status</p>	<p>A <i>new</i> 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 <i>any one of the following</i>:</p> <ul style="list-style-type: none"> • Any new or reassigned manufacturer’s model code that was <i>caused by a change in an existing vehicle</i>, • A manufacturer’s model code created or reassigned because the <i>classified vehicle did not previously exist</i>, or • If there is no change in a manufacturer’s model code, but <i>there has been a change to the platform</i> (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) <i>that results in a change in track width or wheel base</i>, whether or not the same model name was previously used by the manufacturer, a new item category is created.
<p>New Item: What Difference Does It Make?</p>	<p>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) <i>for that item</i> to the annual index.</p> <p>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 <i>reduce</i> the overall weighted index result (i.e., it will depress the index computed).</p> <p>The opposite result occurs in an overall deflationary year. New item treatment (at 1.000) will <i>increase</i> the overall weighted index result if there would otherwise be overall deflation for the year.</p>



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LIFO LOOKOUT

2004

NEW ITEM REPORT

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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/R/T NEW VEHICLE INVENTORIES FOR TAXABLE YEARS ENDING ON DECEMBER 31, 2003 - 2002 - 2001												AUTOS PAGE 1 OF 10	
DECEMBER 31, 2003				DECEMBER 31, 2002				DECEMBER 31, 2001					
MAKE				MAKE				MAKE					
MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE		
ACURA				ACURA				ACURA					
TL	4-DR SEDAN 6-SP W/HP TIRES	UA868	UA868	CL	2-DR COUPE S 6-SP	YA416	YA416	RSX	3-DR SPORT COUPE 5-SP W/CLOTH	DC538	DC538		
	4-DR SEDAN 6-SP	UA865	UA865		2-DR COUPE S W/NAV 6-SP	YA417	YA417		3-DR SPORT COUPE 5-SP W/LEATHER	DC538 L	DC538 L		
	4-DR SEDAN 6-SP W/NAV	UA865 NAV	UA865 NAV						3-DR SPORT COUPE AUTO W/CLOTH	DC548	DC548		
	4-DR SEDAN 6-SP W/NAV/HP TIRES	UA866 NAV	UA866 NAV						3-DR SPORT COUPE AUTO W/LEATHER	DC548 L	DC548 L		
	4-DR SEDAN AUTO	UA882	UA882						3-DR SPORT COUPE S 6-SP	DC530	DC530		
	4-DR SEDAN AUTO W/NAV	UA882 NAV	UA882 NAV					TL					
TSX	4-DR SEDAN 6-SP	CL968	CL968						4-DR SEDAN S	UA688	UA688		
	4-DR SEDAN 6-SP W/NAV	CL969	CL969						4-DR SEDAN S W/NAV SYS	UA689	UA689		
	4-DR SEDAN AUTO	CL968	CL968										
	4-DR SEDAN AUTO W/NAV	CL969	CL969										
AUDI				AUDI				AUDI					
A4 SERIES	2-DR CABRIOLET 1.8T AUTO	8H762H	8H762H	A4 SERIES	2-DR CABRIOLET CONVERT 3.0 AUTO	8H76FH	8H76FH	A4 SERIES	4-DR SEDAN 1.8T 5-SP	8E2524	8E2524		
	2-DR CABRIOLET 3.0 QUATTRO AWD AUTO	8H76FZ	8H76FZ						4-DR SEDAN 1.8T AUTO	8E252H	8E252H		
	4-DR SEDAN 1.8T 5-SP W/PB	8E2524 PB	8E2524 PB	TT	2-DR COUPE 1.8 226 ALMS COM ED	8NS589	8NS589		4-DR SEDAN 1.8T AWD 6-SP	8E2525	8E2525		
	4-DR SEDAN 1.8T AUTO W/PB	8E252H PB	8E252H PB						4-DR SEDAN 1.8T AWD AUTO	8E252Z	8E252Z		
	4-DR SEDAN 1.8T QUATTRO 6-SP W/PB	8E2529 PB	8E2529 PB						4-DR SEDAN 3.0 AUTO	8E25FH	8E25FH		
	4-DR SEDAN 1.8T QUATTRO AUTO W/PB	8E252Z PB	8E252Z PB						4-DR SEDAN 3.0 QUATTRO AWD 6-SP	8E25F9	8E25F9		
	4-DR SEDAN 3.0 AUTO W/PB	8425FH PB	8425FH PB						4-DR SEDAN 3.0 QUATTRO AWD AUTO	8E25FZ	8E25FZ		
	4-DR SEDAN 3.0 QUATTRO 6-SP W/PB	8E25F9 PB	8E25F9 PB						4-DR WGN 1.8 QUATTRO TRS AWD 6-SP	8E5525	8E5525		
	4-DR SEDAN 3.0 TIP QUATTRO AUTO W/PB	8E25FZ PB	8E25FZ PB						4-DR WGN AVANT 1.8 QUATTRO TRS AWD AU	8E552Z	8E552Z		
	4-DR WGN AVANT 1.8T QUATTRO 6-SP W/PB	8E5529 PB	8E5529 PB						4-DR WGN AVANT 3.0 QUATTRO AWD 6-SP	8E55F9	8E55F9		
	4-DR WGN AVANT 1.8T QUATTRO AUTO W/PB	8E552Z PB	8E552Z PB						4-DR WGN AVANT 3.0 QUATTRO AWD AUTO	8E55FZ	8E55FZ		
	4-DR WGN AVANT QUATTRO 6-SP W/PB	8E55F9 PB	8E55F9 PB					A6 SERIES					
	4-DR WGN AVANT QUATTRO AUTO W/PB	8E55FZ PB	8E55FZ PB						4-DR SEDAN 3.0	4B262H	4B262H		
A6 SERIES	4-DR SEDAN 2.7T QUATTRO S-LINE AUTO TIP	4B26GZ	4B26GZ						4-DR SEDAN 3.0 QUATTRO AWD	4B262Z	4B262Z		
A8 SERIES	4-DR SEDAN L QUATTRO AWD	4E861L	4E861L						4-DR WGN 3.0 AVANT QUATTRO	4B552Z	4B552Z		
ALLROAD	4-DR WGN 4.2 QUATTRO AWD AUTO	4B855Z	4B855Z					S6					
RS 6 SERIES	4-DR SEDAN QUATTRO AWD AUTO	4B45EZ	4B45EZ						4-DR WGN 4.2 V8 AVANT QUATTRO AWD	4B654Z	4B654Z		
S4 SERIES	4-DR SEDAN 4.2 QUATTRO AWD 6-SP	8E2549	8E2549										
	4-DR SEDAN 4.2 QUATTRO AWD TIP	8E254L	8E254L										
	4-DR WGN AVANT 4.2 QUATTRO AWD 6-SP	8E5549	8E5549										
	4-DR WGN AVANT 4.2 QUATTRO AWD TIP	8E554L	8E554L										
TT	2-DR COUPE 3.2 QUATTRO AWD AUTO	8N35BL	8N35BL										
	2-DR ROADSTER QUATTRO AWD AUTO	8N96BL	8N96BL										



**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/R/T NEW VEHICLE INVENTORIES FOR TAXABLE YEARS ENDING ON DECEMBER 31, 2003 - 2002 - 2001**

AUTOS
PAGE 2 OF 10

DECEMBER 31, 2003			DECEMBER 31, 2002			DECEMBER 31, 2001		
MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
BMW			BMW			BMW		
5 SERIES			3 SERIES			3 SERIES		
525i 4-DR SEDAN		56	325Ci 2-DR COUPE		31	325i 4-DR SEDAN 2.5 SO. AFRICA		45
530i 4-DR SEDAN		50	325i 4-DR SEDAN 2.5		48	325Xi 4-DR SEDAN AWD 2.5		47
545i 4-DR SEDAN 6-SP		53	325T 4-DR SPORT WAGON		38	325XiT 4-DR SPORT WAGON AWD 2.5		36
545iA 4-DR SEDAN AUTO		53 A	5 SERIES			330Xi 4-DR SEDAN AWD 3.0		43
7 SERIES			745i 4-DR SEDAN		74	M SERIES		
700Li 4-DR SEDAN		78	745Li 4-DR SEDAN		79	M3 2-DR CONVERTIBLE 3.2		32
Z8			Z4			M3 2-DR COUPE 3.2		37
2-DR ROADSTER ALPINA		81	2-DR ROADSTER 2.5		25			
			2-DR ROADSTER 3.0		28			
CADILLAC			CADILLAC			CADILLAC		
CTS			CTS			SEVILLE		
4-DR SEDAN V		6DN89	4-DR SEDAN		6DM89	4-DR SEDAN SLS W/T1S		6KS89 T1S
XLR								
2-DR HARDTOP CONVERTIBLE		6YV67						
CHEVROLET / GEO			CHEVROLET / GEO			CHEVROLET / GEO		
AVEO			CAVALIER			CAVALIER		
4-DR SEDAN BASE W/1SB		1TD69 1SB	2-DR COUPE LS		1JF37	2-DR COUPE LS		1JS37
4-DR SEDAN LS W/1SC		1TJ69				2-DR COUPE LS SPORT		1JH37
4-DR SEDAN SPECIAL VALUE W/1SA		1TD69				4-DR SEDAN LS SPORT		1JH89
5-DR SEDAN BASE W/1SB		1TD 1SB						
5-DR SEDAN LS W/1SC		1TJ48						
5-DR SEDAN SPECIAL VALUE W/1SA		1TD48						
CAVALIER								
2-DR COUPE W/1SV		1JC37 1SV						
IMPALA								
4-DR SEDAN SS		1WP19						
MALIBU								
4-DR SEDAN BASE		1ZS69						
4-DR SEDAN LS		1ZT69						
4-DR SEDAN LT		1ZU69						
MALIBU MAXX								
5-DR HATCHBACK (FLEET)								
5-DR HATCHBACK LS								
5-DR HATCHBACK LT								
MONTE CARLO								
2-DR COUPE SUPERCHARGED SS		1WZ27						
CHRYSLER			CHRYSLER			CHRYSLER		
CROSSFIRE						300M		
2-DR COUPE		ZHCS29				4-DR SEDAN SPECIAL		LHYX41
SEBRING						CONCORDE		
2-DR CONVERTIBLE TOURING 2.7		JRCP27				4-DR SEDAN LTD		LHCP41 LTD
2-DR COUPE LTD 3.0		STCP22				SEBRING		
4-DR SEDAN LTD 2.7		JRCS41				4-DR SEDAN LX PLUS		JRCH41 PLUS
4-DR SEDAN TOURING 2.7		JRCP41						
DODGE			DODGE			DODGE		
NEON			INTREPID			NEON		
4-DR SEDAN SRT HO TURBO		PLDS41	4-DR SEDAN SXT		LHDP41 SXT	4-DR SEDAN ACR		PLDS41
			NEON			4-DR SEDAN ES		PLDP41
			4-DR SEDAN S (WEST COAST)		PLDE41	4-DR SEDAN RT		PLDX41



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MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE
DODGE				DODGE				DODGE			
				STRATUS				4-DR SEDAN SE			PLDH41 SE
				2-DR COUPE SXT			STDH22 SXT	STRATUS			
				4-DR SEDAN R/T			JRDH41	4-DR SEDAN SE AUTO			JRDM41
				4-DR SEDAN SXT			JRDH41 SXT				
				VIPER							
				2-DR CONVERTIBLE SRT/10			ZBDS27				
FORD				FORD				FORD			
CROWN VICTORIA				CROWN VICTORIA				CROWN VICTORIA			
4-DR SDN POLICE INTERCEPTOR 730			P71 730	4-DR SDN POLICE INTERCEPTOR 720A			P71 720A	4-DR SEDAN LX SPORT			P74 LXSP
4-DR SEDAN POLICE INTERCEPTOR 770			P71 770	4-DR SEDAN FLEET 900			P70 900	ESCAP			
FOCUS				4-DR SEDAN NGV 110A			P73 110A	4-DR SEDAN PREMIUM 110A			P13 PREM
4-DR WAGON ZTW W/ZTEC 500			P35	FOCUS				3-DR HATCHBACK ZX3 PREM 110A			P13 PREM
5-DR HATCHBACK ZX5 SVT 010			P30	3-DR HATCHBACK SVT W/ZTEC 900A			P39	3-DR HATCHBACK ZX3 PREM PWR 120A			P31 PREMPWR
MUSTANG				4-DR WAGON SE ZTW 410A			P36 410A	4-DR SEDAN PREM LX 210A			P33 PREMLX
2-DR CONVERTIBLE 10TH ANNIV 375			P48 375	6-DR HATCHBACK ZX5 COMFORT 610A			P37 610A	4-DR SEDAN SE COMFORT W/SP1 310A			P34 COMF
2-DR COUPE 10TH ANNIV 325			P48 325	6-DR HATCHBACK ZX5 PREMIUM 620A			P37 620A	4-DR SEDAN SE COMFORT W/ZTEC 320A			P34 COMFZ
THUNDERBIRD				MUSTANG				4-DR WAGON SE COMFORT 410A			P36 COMF
2-DR PACIFIC COAST ROADSTER			P63	2-DR CONVERTIBLE COBRA 350A			P49	4-DR WAGON ZTW 420A			P36 ZTW
				2-DR COUPE COBRA 300A			P48	5-DR HATCHBACK ZX5			P37
				2-DR COUPE MACH 1 145A			P42 145	TAURUS			
				THUNDERBIRD				4-DR SEDAN SEL PREM 420A			P56 PREM
				LIMITED EDITION 007			P62	4-DR SEDAN SES DLX 310A			P56 DLX
								4-DR WAGON SE DLX 505A/506A			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/R/T			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 2.4 AUTO W/CRS			CM727 CRS	2-DR COUPE 2.4 EX 5-SP			CM716	2-DR COUPE SE AUTO			CG320
2-DR COUPE 2.4 EX 5-SP W/CRS			CM717 CRS	2-DR COUPE 2.4 EX 5-SP W/LTHR			CM716 L	2-DR COUPE SE AUTO W/SRS			CG321
4-DR SEDAN 2.4 EX 5-SP W/CRS			CM557 CRS	2-DR COUPE 2.4 EX 5-SP W/LTHR/NAV			CM717	2-DR COUPE ULEV SE AUTO			CG322
4-DR SEDAN 2.4 EX AUTO W/CRS			CM587 CRS	2-DR COUPE 2.4 EX AYTO			CM726	2-DR COUPE ULEV SE AUTO W/SRS			CG323
4-DR SEDAN 2.4 EX AUTO W/CRS/PZEV			CM587 CRS/PZEV	2-DR COUPE 2.4 EX AUTO W/LTHR			CM726 L	4-DR SEDAN SE AUTO			CG567
CIVIC				2-DR COUPE 2.4 EX AUTO W/LTHR/NAV			CM727	4-DR SEDAN SE AUTO W/SRS			CG567 SRS
2-DR COUPE VP 5-SP			EM211	2-DR COUPE 2.4 LX 5-SP			CM712	4-DR SEDAN ULEV SE AUTO			CG668 SE
2-DR COUPE VP 5-SP W/SRS			EM213	2-DR COUPE 2.4 LX AUTO			CM722	4-DR SEDAN ULEV SE AUTO W/SRS			CG668 SRS
2-DR COUPE VP AUTO			EM221	2-DR COUPE 2.4 LX AUTO W/SRS			CM723	INSIGHT			
2-DR COUPE VP AUTO W/SRS			EM223	2-DR COUPE 3.0 EX 6-SP W/LTHR			CM816	3-DR HATCHBACK AUTO W/AC			ZE147
4-DR SEDAN 5-SP PZEV HYBRID			ES986 PZEV	2-DR COUPE 3.0 6-SP W/LTHR/NAV			CM817				
4-DR SEDAN CVT AUTO PZEV HYBRID			ES986 PZEV	2-DR COUPE 3.0 EX AUTO W/LTHR			CM826				
4-DR SEDAN VP AUTO			ES163	2-DR COUPE 3.0 EX AUTO W/LTHR/NAV			CM827				
4-DR SEDAN VP AUTO W/SRS			ES164	2-DR COUPE 3.0 LX AUTO			CM822				
				2-DR COUPE 3.0 ULEV 6-SP W/LTHR			CM816 ULEV				
				2-DR COUPE 3.0 ULEV 6-SP W/LTHR/NAV			CM817 ULEV				
				2-DR COUPE 3.0 ULEV EX AUTO W/LTHR			CM826 ULEV				
				2-DR COUPE 3.0 ULEV EX AUTO W/LTHR/NAV			CM827 ULEV				
				2-DR COUPE 3.0 ULEV LX AUTO			CM822 ULEV				
				4-DR SEDAN 2.4 DX 5-SP			CM551				
				4-DR SEDAN 2.4 DX AUTO			CM561				



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MDL	MAKE	MDL	MAKE	MDL	MAKE	
MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	
HONDA		HONDA		HONDA		
			ACCORD			
			4-DR SEDAN 2.4 EX 5-SP	CM556		
			4-DR SEDAN 2.4 EX 5-SP W/LTHR	CM556 L		
			4-DR SEDAN 2.4 EX AUTO PZEV	CM566 PZEV		
			4-DR SEDAN 2.4 EX AUTO W/LTHR	CM566 L		
			4-DR SEDAN 2.4 EX AUTO W/LTHR PZEV	CM566 LP		
			4-DR SEDAN 2.4 EX AUTO W/LTHR/NAV	CM567		
			4-DR SEDAN 2.4 EX AUTO W/LTHR/NAV PZEV	CM567 PZEV		
			4-DR SEDAN 2.4 LX 5-SP	CM553		
			4-DR SEDAN 2.4 LX 5-SP W/SRS	CM554		
			4-DR SEDAN 2.4 LX AUTO	CM563		
			4-DR SEDAN 2.4 LX AUTO PZEV	CM563 PZEV		
			4-DR SEDAN 2.4 LX AUTO W/SRS	CM564		
			4-DR SEDAN 2.4 LX AUTO W/SRS PZEV	CM564 PZEV		
			4-DR SEDAN 3.0 AUTO W/LTHR/NAV	CM568		
			4-DR SEDAN 3.0 EX AUTO W/LTHR	CM566		
			4-DR SEDAN 3.0 LX AUTO	CM563		
			4-DR SEDAN 3.0 ULEV EX AUTO W/LTHR	CM565 ULEV		
			4-DR SEDAN 3.0 EX AUTO W/LTHR/NAV	CM568		
			4-DR SEDAN 3.0 ULEV LX AUTO	CM563 ULEV		
			4-DR SEDAN EX 5-SP W/LTHR/NAV	CM557		
			4-DR SEDAN EX AUTO	CM556		
			CIVIC			
			4-DR SEDAN HYBRID 5-SP	ES966		
			4-DR SEDAN HYBRID AUTO	ES966		
HYUNDAI		HYUNDAI		HYUNDAI		
ACCENT			ELANTRA		SONATA	
3-DR HATCHBACK 5-SP W/SRS	13303		4-DR SEDAN GT AUTO	42452	4-DR SEDAN 5-SP	24403
3-DR HATCHBACK GL 5-SP W/SRS	13333		5-DR HATCHBACK GT AUTO	42453	4-DR SEDAN AUTO	24402
3-DR HATCHBACK AUTO W/SRS	13332		TIBURON		4-DR SEDAN GLS V6 5-SP	24463
3-DR HATCHBACK GT 5-SP	13343		2-DR SPORT COUPE 5-SP	52323	4-DR SEDAN GLS V6 AUTO	24452
3-DR HATCHBACK GT AUTO	13342		2-DR SPORT COUPE AUTO	52322	4-DR SEDAN LX V6 5-SP	24463
4-DR SEDAN GL 5-SP W/SRS	13433		2-DR SPORT COUPE GT 5-SP	52343	4-DR SEDAN LX V6 AUTO	24462
4-DR SEDAN GL AUTO W/SRS	13432		2-DR SPORT COUPE GT 6-SP	52363	4-DR SEDAN V6 5-SP	24412
ELANTRA			2-DR SPORT COUPE GT AUTO	52342	4-DR SEDAN V6 AUTO	24413
5-DR HATCHBACK GT SULEV AUTO	42554					
4-DR SEDAN GLS SULEV AUTO	42444					
4-DR SEDAN GT SULEV AUTO	42454					
INFINITI		INFINITI		INFINITI		
G35			G35		I35	
4-DR SEDAN 6-SP W/LTHR	9066		2-DR COUPE 5MT W/LTHR	9936	4-DR LUXURY SEDAN AUTO	9601
4-DR SEDAN AWD AUTO W/LTHR	9061		2-DR COUPE AUTO	9901	Q45	
			2-DR COUPE AUTO W/LTHR	9921	4-DR SEDAN	9431
			4-DR SEDAN AUTO W/CLOTH	9001		
			4-DR SEDAN AUTO W/LTHR	9051		
			M45			
			4-DR SEDAN AUTO	9801		
			Q45			
			4-DR SEDAN PREMIUM	9471		



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MAKE			MAKE			MAKE		
MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
JAGUAR			JAGUAR			JAGUAR		
XJ SERIES			S-TYPE			S-TYPE		
XJ 4-DR SEDAN VANDEN PLAS		XJ VDP	4-DR SEDAN 4.2 V8		S 4.2	4-DR SEDAN SPORT 3.0 V8 AUTO		S 3.0SPORT
XJ8 4-DR SEDAN		XJ8	4-DR SEDAN R		R	4-DR SEDAN SPORT 4.0 V8 AUTO		S 4.0SPORT
XJR 4-DR SEDAN		XJR				X-TYPE		
						4-DR SEDAN AWD 2.5 V6		X 2.5
						4-DR SEDAN AWD 3.0 V6		X 3.0
						4-DR SEDAN SPORT AWD 2.5 V6		X 2.5SPORT
						4-DR SEDAN SPORT AWD 3.0 V6		X 3.0SPORT
						XJ SERIES		
						XJ 4-DR SEDAN SPORT		XJ SPORT
						XJ 4-DR SEDAN SUPERCHARGED		XJ SUPER
KIA			KIA			KIA		
AMANTI						RIO		
4-DR SEDAN 3.5 V6 AUTO		82222				5-DR WAGON CINCO 5-SP		31501
SPECTRA						5-DR WAGON CINCO AUTO		31502
4-DR SEDAN BASE 5-SP		24401				SPECTRA		
4-DR SEDAN BASE AUTO		24402				4-DR SEDAN 5-SP		24401
4-DR SEDAN LS 5-SP		24441				4-DR SEDAN AUTO		24402
4-DR SEDAN LS AUTO		24442				4-DR SEDAN LS 5-SP		24441
5-DR HATCHBACK GS 5-SP		24501				4-DR SEDAN LS AUTO		24442
5-DR HATCHBACK GS AUTO		24502						
5-DR HATCHBACK GSX 5-SP		24541						
5-DR HATCHBACK GSX AUTO		24542						
LEXUS			LEXUS			LEXUS		
						ES 300		
						4-DR LUXURY SPORT SEDAN AUTO		9000
						IS300		
						4-DR LUXURY SPORT CROSS AUTO		9520
						4-DR LUXURY SPORTS SEDAN 5-SP		9501
						SC430		
						2-DR LUXURY SPORT COUPE AUTO		9270
LINCOLN			LINCOLN			LINCOLN		
LS			LS			CONTINENTAL		
4-DR SEDAN V8 AUTO 115		M88 115	4-DR SEDAN V8 LSE 5-SP 148A		M88 LSE	4-DR SEDAN DRIVER SELECT		M87 DRS
			4-DR SEDAN V8 LSE AUTO 138A		M86 LSEA	4-DR SEDAN LUXURY APPEARANCE		M87 LA
			4-DR SEDAN V8 LSE AUTO 221A		M87 221	4-DR SEDAN PERSONAL SECURITY		M87 PS
			4-DR SEDAN V8 PREM SPORT 222A		M87 222	LS		
			TOWN CAR			4-DR SEDAN PREMIUM		M86 PREM
			4-DR EXECUTIVE LIMO 910A		M81 910A	4-DR SEDAN V8 CONVENIENCE AUTO		M86 CON
			4-DR EXECUTIVE LIVERY		M81 900A	4-DR SEDAN V8 SPORT 5-SP		M86 5SP
			4-DR SEDAN CARTIER 300A		M83 300A	4-DR SEDAN V8 SPORT AUTO		M86 SP
			4-DR SEDAN CARTIER L 500A		M85 500A	4-DR SEDAN V8 PREM AUTO		M87 PREM
			4-DR SEDAN CARTIER PREM 320A		M83 320A	4-DR SEDAN V8 SPORT AUTO		M87 SP
			4-DR SEDAN EXECUTIVE 100A		M81	TOWN CAR		
			4-DR SEDAN EXECUTIVE 930A		M84 930A	4-DR SEDAN CARTIER PREMIUM		M83 PREM
			4-DR SEDAN SIGNATURE 200A		M82 200A	4-DR SEDAN SIGNATURE TOUR SDN PREM		M82 TSP
			4-DR SEDAN SIGNATURE PREM 220A		M82 220A	4-DR SIGNATURE PREMIUM		M82 PREM
						4-DR SIGNATURE TOUR SDN		M82 TS



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MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
MAZDA			MAZDA			MAZDA		
MAZDA 3			MAZDA 6			PROTÉGÉ		
4-DR SEDAN 2.0 I 5-SP		MZ3 I	6I 4-DR SEDAN		MZ6 I	4-DR SEDAN 2.0 LX		PROLX 2.0
4-DR SEDAN 2.3 S 5-SP		MZ3 S	6S 4-DR SEDAN		MZ6 S	4-DR SEDAN MP3		PROMP3
5-DR HATCHBACK 2.3 S 5-SP		MZ3 S5DR	MX 5 MIATA			PROTÉGÉ 5		
MX-5 MIATA			2-DR CONVERTIBLE CLUB SPORT		MIA CS	5-DR HATCHBACK		PRO5
2-DR CONVERTIBLE CLUB SPORT		MIA CS	PROTÉGÉ					
2-DR CONVERTIBLE SHINSEN		MIA SH	4-DR SEDAN MAZDASPEED		PRO MS			
RX-8								
4-DR COUPE SPORT 8-SP		RX8 SP						
4-DR COUPE SPORT AUTO		RX8 SA						
MERCEDES			MERCEDES			MERCEDES		
C CLASS			C CLASS			C CLASS		
C320 2-DR SPORT COUPE		C320 C	C230 KOMPRESSOR SPORT SEDAN		C230	C230 2-DR SPORT COUPE		C230 K
C320 4-DR SPORT SEDAN RWD		C320 WZ	C240 4-DR SEDAN 4M		C240 W4M	C32 4-DR SPORT SEDAN AUTO		C32 AMG
C320 4-DR SPORT SEDAN 4M		C320 W4MSP	C240 4-DR SEDAN W4 AUTO		C240 W4A	C320 4-DR WAGON AUTO		C320 S
C320 4-DR SPORT SEDAN		C320 WSP	C240 4-DR WAGON 4M		C240 S4M	CLK CLASS		
CLK CLASS			C240 4-DR WAGON S		C240 S	CLK55 AMG 2-DR CABRIOLET AUTO		CLK55 AAMG
CLK320 2-DR CABRIOLET		CLK320	C240 4-DR WAGON S4 AUTO		C240 S4A	SLK CLASS		
CLK600 2-DR CABRIOLET		CLK600	C320 4-DR SEDAN 4M		C320 W4M	SLK32 2-DR COUPE/ROADSTER AUTO		SLK32
CLK65 AMG 2-DR CABRIOLET		CLK65	C320 4-DR WAGON 4M		C320 S4M			
E CLASS			CLK					
E320 4-DR SEDAN 4M		E320 W4M	CLK320 2-DR COUPE		CLK320 C			
E320 STATION WAGON AWD		E320 AWD	CLK500 2-DR COUPE		CLK500 C			
E500 4-DR SEDAN 4M		E500 W4	E CLASS					
E500 STATION WAGON 4M		E500 4M	E320 4-DR SEDAN		E320 W			
E55 AMG 4-DR SEDAN		E55	E500 4-DR SEDAN		E500 W			
SL CLASS			S CLASS					
SL600 2-DR COUPE		SL600	4-DR SEDAN 4M AUTO		S430 V4M			
SLK CLASS			S600 4-DR SEDAN 4M AUTO		S600 V4M			
SLK230 2-DR COUPE SPEC ED		SLK230 SE	SL CLASS					
SLK320 2-DR COUPE SPEC ED		SLK320 SE	SL600 2-DR COUPE/ROADSTER		SL600			
			SL55 AMG 2-DR SPORT COUPE		SL55 AMG			
MERCURY			MERCURY			MERCURY		
			GRAND MARQUIS			COUGAR		
			4-DR SEDAN GS 100A		M74 100A	3-DR COUPE V6 SPORT		T81 SP
			4-DR SEDAN GS CONV 110A		M74 110A	3-DR COUPE V6 SPORT PREMIUM		T81 PREM
			4-DR SEDAN GS CONV 110A REGIONAL		M74 REG	3-DR COUPE V6 SPORT ULTIMATE		T81 ULT
			4-DR SEDAN LS PREMIUM 200A		M75 200A	GRAND MARQUIS		
			4-DR SEDAN LS ULT 230A		M75 230A	4-DR SEDAN GS CONV		M74 CONV
			4-DR SEDAN LS ULT 230A REGIONAL		M75 REG	4-DR SEDAN GS CONV W/REG PKG		M74 CONV R
			4-DR SEDAN LSE 220A		M75 220A	4-DR SEDAN LS PREMIUM		M75
			4-DR SEDAN LSE 220A REGIONAL		M75 220REG	4-DR SEDAN LS ULT W/REG PKG		M75 ULTR
			MARAUDER			4-DR SEDAN LS ULTIMATE		M75 ULT
			4-DR SEDAN 300A		M75	4-DR SEDAN LSE		M75 LSE
						4-DR SEDAN LSE W/REG PKG		M75 LSER
						SABLE		
						4-DR SEDAN GS PLUS		M80 GS+
						4-DR WAGON GS PLUS		M80 GS+



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MAKE				MAKE				MAKE			
MDL	BODY STYLE	CODE		MDL	BODY STYLE	CODE		MDL	BODY STYLE	CODE	
MINI				MINI				MINI			
				COOPER 2-DR HATCHBACK MC 2-DR HATCHBACK S SUPERCHARGED MC S							
MINI				MINI				MINI			
				DIAMANTE 4-DR SEDAN VR-X DM42-X ECLIPSE 2-DR CONVERT SPYDER GTS 5-SP EC28-X 2-DR CONVERT SPYDER GTS AUTO EC28-X AUTO 3-DR COUPE GTS 5-SP EC24-X 3-DR COUPE GTS AUTO EC24-X AUTO							
MINI				MINI				MINI			
								GALANT 4-DR SEDAN LS AUTO GA41-M AUTO			
MITSUBISHI				MITSUBISHI				MITSUBISHI			
GALANT 4-DR SEDAN DE AUTO GA41-B 4-DR SEDAN ES AUTO GA41-G 4-DR SEDAN ES V6 AUTO GA41-K 4-DR SEDAN GTS V6 AUTO GA41-P								GALANT 4-DR SEDAN LS AUTO GA41-M AUTO			
LANCER 4-DR SEDAN EVOLUTION LE41-B 4-DR SEDAN RALLIART 5-SP LN41-T 4-DR SEDAN RALLIART AUTO LN41-T AUTO 4-DR SEDAN SPORTBACK RALLIART AUTO LN45-G 4-DR SEDAN SPORTBACK RALLIART LS AUTO LN45-B AUTO								LANCER 4-DR SEDAN ES 5-SP LN41-B 5-SP 4-DR SEDAN ES AUTO LN41-B AUTO 4-DR SEDAN LS AUTO LN41-G AUTO 4-DR SEDAN OZ RALLY 5-SP LN41-R 5-SP 4-DR SEDAN OZ RALLY AUTO LN41-R AUTO			
NISSAN				NISSAN				NISSAN			
350Z 2-DR ROADSTER ENTHUSIAST 6-SP 5686 2-DR ROADSTER ENTHUSIAST AUTO 5681 2-DR ROADSTER TOURING 5-SP 5676 2-DR ROADSTER TOURING AUTO 5671				350Z 2-DR COUPE 5606 2-DR COUPE ENTHUSIAST 6-SP 5616 2-DR COUPE ENTHUSIAST AUTO 5611 2-DR COUPE PERFORMANCE 5626 2-DR COUPE TOURING 5-SP 5636 2-DR COUPE TOURING AUTO 5631 2-DR COUPE TRACK 5646				ALTIMA 4-DR SEDAN 2.5 5-SP CA 0516 4-DR SEDAN 2.5 AUTO CA 0511 4-DR SEDAN 2.5 S 5-SP CA 0525 4-DR SEDAN 2.5 S AUTO CA 0521 4-DR SEDAN 2.5 SL AUTO CA 0531			
ALTIMA 4-DR SEDAN 2.5 5-SP CA 0516 4-DR SEDAN 2.5 AUTO CA 0511 4-DR SEDAN 2.5 S 5-SP CA 0525 4-DR SEDAN 2.5 S AUTO CA 0521 4-DR SEDAN 2.5 SL AUTO CA 0531				SENTRA 4-DR SEDAN GXE 5-SP CA 4285 4-DR SEDAN GXE AUTO CA 4281 4-DR SEDAN LTD AUTO 4231 4-DR SEDAN XE 5-SP CA 4275 4-DR SEDAN XE AUTO CA 4271				ALTIMA 4-DR SEDAN 2.5 5-SP 0565 4-DR SEDAN 2.5 AUTO 0561 4-DR SEDAN 2.5 S 5-SP 0575 4-DR SEDAN 2.5 S AUTO 0571 4-DR SEDAN 2.5 SL 5-SP 0585 4-DR SEDAN 2.5 SL AUTO 0581 4-DR SEDAN 3.5 SE 5-SP 0595 4-DR SEDAN 3.5 SE AUTO 0591			
MAXIMA 4-DR SEDAN 3.5 SE 5-SP 0826 4-DR SEDAN 3.5 SE AUTO 0821 4-DR SEDAN 3.5 SL AUTO 0861								SENTRA 4-DR SEDAN SE-R 5-SP 4245 4-DR SEDAN SE-R AUTO 4241 4-DR SEDAN SE-R SPEC V 4256			
SENTRA 4-DR SEDAN SE-R AUTO CA 4291 4-DR SEDAN 2.5S AUTO CA 4281											
PONTIAC				PONTIAC				PONTIAC			
BONNEVILLE 4-DR SEDAN GXP 2H269				GRAND AM 4-DR SEDAN SE2 2NG69							
GRAND PRIX 4-DR SEDAN GT1 2WP69 4-DR SEDAN GT2 2WS69 4-DR SEDAN GTP 2WR69				VIBE 4-DR SPORT WAGON 2SL26 4-DR SPORT WAGON AWD 2SM26 4-DR SPORT WAGON GT 2SN26							
GTO 2-DR COUPE 2VX37											
SUNFIRE 2-DR COUPE W/1SV 2JB37 1SV											
PORSCHE				PORSCHE				PORSCHE			
CARRERA CARR 2-DR CABRIOLET C4S 996330 CARR 2-DR CABRIOLET TURBO 996620								911 GT2 2-DR COUPE 6-SP 996840 2002			
								CARRERA CARR 2-DR TARGA 996210 CARR 4S 2-DR COUPE 996430 CARR 4S 2-DR COUPE TIP 996430 TIP			



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, 2003 - 2002 - 2001

DECEMBER 31, 2003			DECEMBER 31, 2002			DECEMBER 31, 2001					
MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE
ROLLS ROYCE			ROLLS ROYCE			ROLLS ROYCE					
ROLLS ROYCE	PHANTOM 4-DR SEDAN	ROLLS RRPH		BENTLEY	ARNAGE R	BENTLEY R		ROLLS ROYCE	SILVER SERAPH LAST OF LINE	ROLLS RRSSL	
					ARNAGE RL	BENTLEY RL					
					ARNAGE RL	BENTLEY AT					
					ARNAGE T	BENTLEY AT					
SAAB			SAAB			SAAB					
9.3 SERIES	2-DR CONVERTIBLE 2.0 AERO	352 AERO		9.3 SERIES	2-DR CONVERTIBLE SE	352		9.3 SERIES	6-DR HATCHBACK SE 2.0	355	
	2-DR CONVERTIBLE 2.0 ARC	342			4-DR SPORT SEDAN ARC	344		9.5 SERIES			
	4-DR SPORT SEDAN 2.0 AERO	354			4-DR SPORT SEDAN LINEAR	304			4-DR SEDAN ARC V8 3.0	574	
9.5 SERIES	4-DR SEDAN 2.3 ARC	554			4-DR SPORT SEDAN VECTOR	354			4-DR SEDAN LINEAR 2.3	524	
	5-DR WAGON 2.3 ARC	555							5-DR WAGON ARC V8 3.0	575	
									5-DR WAGON LINEAR 2.3	525	
SATURN			SATURN			SATURN					
ION 2	2-DR QUAD COUPE 5-SP	ZAM37		ION 1	4-DR SEDAN 5-SP	ZAF89					
	2-DR QUAD COUPE AUTO	ZAN37			4-DR SEDAN AUTO	ZAG89					
ION 3	2-DR QUAD COUPE 5-SP			ION2	4-DR SEDAN SEDAN 5-SP	ZAZ89					
	2-DR QUAD COUPE AUTO				4-DR SEDAN AUTO	ZAJ89					
L300	4-DR SEDAN 2.2 AUTO	ZJC19		ION 3	4-DR SEDAN 5-SP	ZAK89					
	4-DR WAGON 2.2 AUTO	ZJC35			4-DR SEDAN AUTO	ZAL89					
	4-DR SEDAN V8 3.0 AUTO	ZJD19									
	4-DR WAGON V8 3.0 AUTO	ZJD35									
	4-DR SEDAN V8 3.0 AUTO	ZJL19									
	4-DR WAGON V8 3.0 AUTO	ZJL35									
SCION			SCION			SCION					
XA	5-DR HATCHBACK 5-SP	8211									
	5-DR HATCHBACK AUTO	8210									
XB	5-DR WAGON 5-SP	8201									
	5-DR WAGON AUTO	8200									
SUBARU			SUBARU			SUBARU					
IMPREZA	4-DR SEDAN WRX STI W/GOLD WHEELS JI			IMPREZA	4-DR SEDAN WRX AWD W/SPLR 5-SP	JE		IMPREZA	4-DR SEDAN RS 2.5 AWD 5-SP	JA	
	4-DR SEDAN WRX STI W/SILVER WHEEL JJ				4-DR SEDAN WRX AWD W/SPLR AUTO JF				4-DR SEDAN RS 2.5 AWD AUTO JB		
LEGACY	5-DR WAGON OUTBACK H6 3.0 AWD BX			LEGACY	4-DR SEDAN SPEC ED AWD 5-SP AA				4-DR SEDAN WRX AWD 5-SP JC		
					4-DR SEDAN L SPEC ED AWD AUTO AB				4-DR SEDAN WRX AWD AUTO JD		
					5-DR WAGON L SPEC ED AWD 5-SP BA				5-DR SPORT WGN 2.5 TS AWD 5-SP LA		
					5-DR WAGON L SPEC ED AWD AUTO BB				5-DR SPORT WGN 2.5 TS AWD AUTO LB		
									5-DR SPORT WGN OUTBACK AWD 5-SP LE		
									5-DR SPORT WGN OUTBACK AWD AUTO LF		
									5-DR SPORT WGN WRX AWD 5-SP LC		
									5-DR SPORT WGN WRX AWD AUTO LD		
									LEGACY		
									4-DR SEDAN OUTBACK H6 3.0 AWD AI		
									4-DR SEDAN OUTBACK VDC H6 3.0 AWD AH		
									5-DR WAGON OUTBACK VDC H6 3.0 AWD BZ		



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/R/T NEW VEHICLE INVENTORIES FOR TAXABLE YEARS ENDING ON DECEMBER 31, 2003 - 2002 - 2001

DECEMBER 31, 2003			DECEMBER 31, 2002			DECEMBER 31, 2001		
MAKE			MAKE			MAKE		
MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
SUZUKI			SUZUKI			SUZUKI		
FORENZA			AERIO					
4-DR SEDAN EX AUTO			4-DR SPORT SEDAN 5-SP		STL83Q			
4-DR SEDAN LX 5-SP			4-DR SPORT SEDAN GS 5-SP W/ABS		STL83R			
4-DR SEDAN LX AUTO			4-DR SPORT SEDAN GS AUTO		STL84Q			
4-DR SEDAN S 5-SP			4-DR SPORT SEDAN GS AUTO AWD		STL85Q			
4-DR SEDAN S AUTO			4-DR SPORT SEDAN GS AUTO W/ABS		STL84R			
VERONA			4-DR SPORT SEDAN GS AUTO W/AWD/ABS		STL85R			
4-DR SEDAN EX AUTO		14CY4C	4-DR SPORT SEDAN S 5-SP		STL83T			
4-DR SEDAN EX AUTO W/TRAC		14CY4D	4-DR SPORT SEDAN S 5-SP W/ABS		STL83U			
4-DR SEDAN LX AUTO		14XY4B	4-DR SPORT SEDAN S AUTO		STL84T			
4-DR SEDAN S AUTO		14XY4A	4-DR SPORT SEDAN S AUTO W/ABS		STL84U			
			4-DR SPORT WAGON SX 5-SP		WTN83Q			
			4-DR SPORT WAGON SX 5-SP W/ABS		WTN83R			
			4-DR SPORT WAGON SX AUTO		WTN84Q			
			4-DR SPORT WAGON SX AUTO AWD		WTN85Q			
			4-DR SPORT WAGON SX AUTO W/ABS		WTN84R			
			4-DR SPORT WAGON SX AUTO W/AWD/ABS		WTN85R			
TOYOTA			TOYOTA			TOYOTA		
CAMRY SOLARA			COROLLA			CAMRY		
2-DR COUPE L4 SE 5-SP		2739	4-DR SEDAN CE 5-SP		1801	4-DR SEDAN 4CYL AUTO		2532
2-DR COUPE L4 SE AUTO		2736	4-DR SEDAN CE AUTO		1802	4-DR SEDAN LE 4CYL 5-SP		2531
2-DR COUPE L4 SLE AUTO		2740	4-DR SEDAN LE 5-SP		1821	4-DR SEDAN LE V6 AUTO		2534
2-DR COUPE L4 SPORT 5-SP		2749	4-DR SEDAN LE AUTO		1822	4-DR SEDAN SE 4CYL 5-SP		2546
2-DR COUPE L4 SPORT AUTO		2746	4-DR SEDAN S 5-SP		1811	4-DR SEDAN SE 4CYL AUTO		2546
2-DR COUPE SE V6 AUTO		2738	4-DR SEDAN S AUTO		1812	4-DR SEDAN SE V6 AUTO		2548
2-DR COUPE SLE V6 AUTO		2742	MATRIX			4-DR SEDAN XLE AUTO		2540
2-DR COUPE SPORT V6 AUTO		2748	4-DR 2WD SPORT WAGON 5-SP		1901	4-DR SEDAN XLE V6 AUTO		2544
CELICA			4-DR 2WD SPORT WAGON AUTO		1902	MR2 SPYDER		
2-DR LIFTBACK GT 5-SP W/ACT PKG		2126	4-DR 2WD SPORT WAGON XR 5-SP		1911	2-DR CONVERTIBLE SMT		3235
2-DR LIFTBACK GT AUTO W/ACT PKG		2126	4-DR 2WD SPORT WAGON XR AUTO		1912			
2-DR LIFTBACK GTS 6-SP W/ACT PKG		2135	4-DR 2WD SPORT WAGON XRS 6-SP		1921			
2-DR LIFTBACK GTS AUTO W/ACT PKG		2136	4-DR 2WD SPORT WAGON XRS AUTO		1922			
PRIUS			4-DR 4WD WAGON AUTO		1904			
4-DR SEDAN AUTO		1224	4-DR 4WD SPORT WAGON XR AUTO		1914			
VOLKSWAGEN			VOLKSWAGEN			VOLKSWAGEN		
JETTA			GTI			GOLF		
4-DR SEDAN GL 2.0 5-SP PZEV CA/NE		9M24C4	2-DR HATCHBACK VR6 1.8 6-SP		9B1JN6	4-DR HATCHBACK GL 5-SP		9B1DH4
4-DR SEDAN GL 2.0 AUTO PZEV CA/NE		9M24C3	2-DR HATCHBACK VR6 2.8 6-SP		9B16W6	4-DR HATCHBACK GL AUTO		9B1DH3
4-DR SEDAN GLS 2.0 5-SP PZEV CA/NE		9M26C4	JETTA			4-DR HATCHBACK GL TDI 5-SP		9B1D14
4-DR SEDAN GLS 2.0 AUTO PZEV CA/NE		9M25C3	4-DR SEDAN 1.8 5-SP WBRG ED		9M2WN4	4-DR HATCHBACK GL TDI AUTO		9B1D13
PHAETON			4-DR SEDAN 1.8 AUTO WBRG ED TIP		9M2WN8	GTI		
4-DR SEDAN V8 5 PASS AUTO		3D85FA	4-DR SEDAN GL 1.8 5-SP		9M24N4	2-DR HATCHBACK 1.8 5-SP		9B17N4
4-DR SEDAN V8 4 PASS AUTO		3D86FA	4-DR SEDAN GL 1.8 TIP AUTO		9M24N8	2-DR HATCHBACK 1.8 AUTO		9B17N8
4-DR SEDAN W12 4 PASS AUTO		3D86H9	NEW BEETLE			2-DR HATCHBACK VR6 2.8 5-SP		9B16U4
4-DR SEDAN W12 5 PASS AUTO		3D85H9	2-DR CONVERTIBLE GL 2.0 5-SP		1Y74G4	JETTA		
			2-DR CONVERTIBLE GL 2.0 AUTO TIP		1Y74GA	4-DR SEDAN GLX 2.8 V6 TIP AUTO		9M27W6
			2-DR CONVERTIBLE GLS 1.8T 5-SP		1Y75N4	4-DR WAGON GL 1.9 TDI 5-SP		1J6414
			2-DR CONVERTIBLE GLS 1.8T AUTO TIP		1Y75NA	4-DR WAGON GL 1.9 TDI AUTO		1J6413
			2-DR CONVERTIBLE GLS 2.0 5-SP		1Y75G4	4-DR WAGON GL 2.0 5-SP		1J64H4
			2-DR CONVERTIBLE GLS 2.0 AUTO TIP		1Y75GA	4-DR WAGON GL 2.0 AUTO		1J64H3
			2-DR CONVERTIBLE GLX 1.8T 5-SP		1Y76N4	4-DR WAGON GLS 1.8 5-SP		1J65P4
			2-DR CONVERTIBLE GLX 1.8T AUTO TIP		1Y76NA	4-DR WAGON GLS 1.8 TIP		1J65P8
			2-DR COUPE GL 1.8 5-SP		1C14N4	4-DR WAGON GLS 1.9 TDI 5-SP		1J6514
			2-DR COUPE GL 1.8 AUTO		1C14N3	4-DR WAGON GLS 1.9 TDI AUTO		1J6513
			2-DR COUPE GL 1.9 TDI 4-SP AUTO		1C1413	4-DR WAGON GLS 2.0 5-SP		1J65H4
			2-DR COUPE S 1.8T 5-SP		1C18N6	4-DR WAGON GLS 2.0 AUTO		1J65H3
			2-DR COUPE GL 1.9 TDI 5-SP		1C1414	4-DR WAGON GLS 2.8 5-SP		1J65U4



**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, 2003 - 2002 - 2001**

AUTOS
 PAGE 10 OF 10

DECEMBER 31, 2003			DECEMBER 31, 2002			DECEMBER 31, 2001		
MAKE			MAKE			MAKE		
MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
VOLKSWAGEN			VOLKSWAGEN			VOLKSWAGEN		
			PASSAT			JETTA (continued)		
			4-DR SEDAN GL 1.8 5-SP		3B36K1	4-DR WAGON GLS 2.8 AUTO		1J66U3
			4-DR SEDAN GL 1.8 AUTO		3B36K5	4-DR WAGON GLX 2.8 5-SP		1J66U4
			4-DR SEDAN W8 4.0 4MOTION 6-SP		3B38V6	4-DR WAGON GLX 2.8 AUTO		1J66U3
			4-DR SEDAN W8 4.0 4MOTION AUTO		3B38V9			
			5-DR WAGON GL 1.8 5-SP		3B66K1			
			5-DR WAGON GL 1.8 TIP AUTO		3B66K5			
			5-DR WAGON W8 4.0 4MOTION 6-SP		3B68V8			
			5-DR WAGON W8 4.0 4MOTION AUTO		3B68V9			
VOLVO			VOLVO			VOLVO		
40 SERIES			60 SERIES			60 SERIES		
S40 4-DR SEDAN LSE SR AUTO		S40 LSEASR	S60 4-DR SEDAN 2.5T AWD AUTO		S60 2.5TAWDA	S60 4-DR SEDAN 2.4T AUTO W/SR		S60 2.4TASR
V40 4-DR SEDAN LSE SR AUTO		V40 LSEASR	70 SERIES			S60 4-DR SEDAN 2.4T AUTO W/SR/AWD		S60 2.4TASRAW
60 SERIES			V70 5-DR WAGON 2.5T AWD AUTO		V70 2.5TAWDA	S60 4-DR SEDAN T5 5-SP W/SR		S60 T5MSR
S60 4-DR SEDAN 2.5T AUTO		S60 2.5TA	XC70 5-DR WAGON 2.5T AWD AUTO		XC70 2.5TAWDA	70 SERIES		
S60 4-DR SEDAN R 5-SP		S60 RM				C70 2-DR COUPE HT 5-SP W/SR		C70 HTMSR
70 SERIES						C70 2-DR COUPE HT AUTO W/SR		C70 HTASR
V70 5-DR WAGON 2.5T AUTO		V70 2.5TA				V70 5-DR WAGON AUTO W/AWD/SR		V70 24TAAWDSR
V70 5-DR WAGON R 5-SP		V70 RM				V70 5-DR WAGON T5 5-SP W/SR		V70 T5MSR
80 SERIES						V70 5-DR WAGON XC 2.4T AUTO		V70 XC2.4TA
S80 4-DR SEDAN 2.5T		S80 2.5TA				80 SERIES		
S80 4-DR SEDAN 2.5T AWD AUTO		S80 2.5TAWDA				S80 4-DR SEDAN T6 EXEC AUTO W/SR		S80 T6EXECASR
S80 4-DR SEDAN T6 PREMIER		S80 T6PREMIER						



DE FILIPPS'

LIFO LOOKOUT

2004

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, 2003 - 2002 - 2001												LIGHT-DUTY TRUCKS PAGE 1 OF 11
DECEMBER 31, 2003				DECEMBER 31, 2002				DECEMBER 31, 2001				
MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE	
ACURA				ACURA				ACURA				
				MDX								
				4-DR 4WD W/DVD AUTO			YD187					
				4-DR 4WD W/DVD/NAV AUTO			YD189					
BMW				BMW				BMW				
X3								X5				
	4-DR SUV 3.0i		65						4-DR SAV 4.8		66	
BUICK				BUICK				BUICK				
RAINIER								RENDEZVOUS				
	2WD SPORT UTILITY CXL		BS15506					4-DR AWD SPORT UTILITY CX			4BT26	
	2WD SPORT UTILITY CXL PLUS		BS15506 PLUS					4-DR FWD SPORT UTILITY CX			4BK26	
	AWD SPORT UTILITY CXL		BT15506									
	AWD SPORT UTILITY CXL PLUS		BT15506 PLUS									
RENDEZVOUS												
	AWD SPORT UTILITY ULTRA		4BT26 ULTRA									
	2WD SPORT UTILITY CXL		4BK26 CXL									
	AWD SPORT UTILITY CXL		4BT26 CXL									
CADILLAC				CADILLAC				CADILLAC				
SRX				ESCALADE				ESCALADE				
	4-DR SPORT UTILITY V8		6EB26	4-DR SPORT UTILITY ESV			6K15906	4-DR SPORT UTILITY EXT AWD			6K15936	
	4-DR SPORT UTILITY V8		6ED26									
CHEVROLET/GEO				CHEVROLET/GEO				CHEVROLET/GEO				
COLORADO				EXPRESS CARGO VAN				AVALANCHE				
	2WD CREW CAB LS Z71 W/1SE		CS15643 LS1SE	CARGO VAN			CG13405	4-DR 1600 2WD SPORT UTILITY			CC15636	
	2WD CREW CAB LS Z71 W/1SF		CS15643 LS1SF	CARGO VAN			CG23405	4-DR 1600 4WD SPORT UTILITY			CK15636	
	2WD CREW CAB LS Z85 W/1SB		CS15643 LS1SB	CARGO VAN			CG33405	4-DR 2500 2WD SPORT UTILITY			CC25636	
	2WD CREW CAB LS Z08 W/1SH		CS15643 LS1SH	CARGO VAN			CH13405	4-DR 2600 4WD SPORT UTILITY			CK25636	
	2WD CREW CAB LS Z08 W/1SJ		CS15643 LS1SJ	CARGO VAN			CH23405					
	2WD CREW CAB LS Z85 W/1SC		CS15643 LS 1SC	CARGO VAN YF7 UPFITTER			CG13405 YF7	SILVERADO 1500				
	2WD EXT CAB LS Z71		CS15663 Z71LS	CARGO VAN YF7 UPFITTER			CG23405 YF7	2WD CREW CAB LS HD			CC15743 LS	
	2WD EXT CAB LS Z85		CS15643 Z85LS	CARGO VAN YF7 UPFITTER			CG33405 YF7	2WD CREW CAB LT HD			CC15743 LT	
	2WD EXT CAB LS Z08		CS15663 Z08LS	CARGO VAN YF7 UPFITTER			CH13405 YF7	4WD CREW CAB LS HD			CK15743 LS	
				CARGO VAN YF7 UPFITTER				4WD CREW CAB LT HD			CK15743 LT	



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, 2003 - 2002 - 2001

DECEMBER 31, 2003				DECEMBER 31, 2002				DECEMBER 31, 2001			
MAKE		CODE		MAKE		CODE		MAKE		CODE	
MDL	BODY STYLE			MDL	BODY STYLE			MDL	BODY STYLE		
CHEVROLET/GEO				CHEVROLET/GEO				CHEVROLET/GEO			
COLORADO (Cont'd)				EXPRESS CARGO VAN (Cont'd)				TRAILBLAZER			
	2WD EXT CAB Z71	CS15643	Z71		EXT CARGO VAN	CG23705			4-DR 2WD SPORT UTILITY EXT LT	CS15806	LT
	2WD EXT CAB Z85	CS15653	Z85		EXT CARGO VAN	CG33705			4-DR 2WD SPORT UTILITY LS	CS15806	
	2WD EXT CAB Z85 FLEET	CS15653	FLEET		EXT CARGO VAN YF7 UPFITTER	CG23705	YF7		4-DR 2WD SPORT UTILITY LT	CS15606	LT
	2WD EXT CAB ZQ8	CS15653	ZQ8		EXT CARGO VAN YF7 UPFITTER	CG33705	YF7		4-DR 2WD SPORT UTILITY LTZ	CS15606	LTZ
	2WD REG CAB LS Z71	CS15403	Z71LS		EXPRESS CUTAWAY VAN				4-DR 4WD SPORT UTILITY EXT LT	CT15806	LT
	2WD REG CAB LS Z85	CS15403	LS		CUTAWAY VAN C6Y	CG33503			4-DR 4WD SPORT UTILITY LS	CT15606	
	2WD REG CAB LS ZQ8	CS15403	ZQ8LS		CUTAWAY VAN C7A	CG33503	C7A		4-DR 4WD SPORT UTILITY LT	CT15606	LT
	2WD REG CAB Z71	CS15403	Z71		CUTAWAY VAN C7A	CG33803			4-DR 4WD SPORT UTILITY LTZ	CT15606	LTZ
	2WD REG CAB Z85	CS15403	Z85		CUTAWAY VAN C7L	CG33503	C7L		VENTURE		
	2WD REG CAB Z85 FLEET	CS15403	FLEET		CUTAWAY VAN C7LUC7N	CG33803	C7L		4-DR PASS WARNER BROS LWB AWD	1UT16	WB
	2WD REG CAB ZQ8	CS15403	ZQ8		CUTAWAY VAN C7LUC7N	CG33803	C7L		4-DR PASS LS LWB AWD	1UT16	LS
	4WD CREW CAB LS Z71 W/1SE	CT15643	LS1SE		EXPRESS PASSENGER VAN				4-DR PASS LT LWB AWD	1UT16	
	4WD CREW CAB LS Z71 W/1SF	CT15643	LS1SF		EXT PASSENGER VAN	CG23706			4-DR PASS VAN BASE 1SA	1UN16	
	4WD CREW CAB LS Z85 W/1SB	CT15643	LS1SB		EXT PASSENGER VAN	CG33706					
	4WD CREW CAB LS Z85 W/1SC	CT15643	LS1SC		PASSENGER VAN	CG13406					
	4WD EXT CAB LS Z71	CT15653	Z71LS		PASSENGER VAN	CG23406					
	4WD EXT CAB LS Z85	CT15653	Z85LS		PASSENGER VAN	CG33406					
	4WD EXT CAB Z71	CT15653	Z71		PASSENGER VAN	CH13406					
	4WD EXT CAB Z85	CT15653	Z85		SILVERADO 1500						
	4WD REG CAB LS Z71	CT15403	Z71LS		4WD EXT CAB F/S SS	CK15753	SS				
	4WD REG CAB LS Z85	CT15403	Z85LS		VENTURE						
	4WD REG CAB Z71	CT15403	Z71		4-DR EXT PASS BASE 1SA	1UM16	1SA				
	4WD REG CAB Z85	CT15403	Z85		4-DR EXT PASS LT ENTERTAINER 1SG	1UM16	LTE				
	EXPRESS CARGO				4-DR EXT PASS Z10 CARGO 1SF	1UM16	Z10				
	EXT WORK VAN HD 6CP	CG23705	HD								
	SILVERADO 1500										
	2WD EXT CAB WT	CC15753	WT								
	2WD EXT CAB WT	CC15903	WT								
	2WD REG CAB WT	CC15703	WT								
	2WD REG CAB WT	CC15903	WT								
	4WD EXT CAB WT	CK15753	WT								
	4WD EXT CAB WT	CK15953	WT								
	4WD EXT CAB Z71	CK15753	Z71								
	4WD EXT CAB Z71	CK15953	Z71								
	4WD REG CAB WT	CK15703	WT								
	4WD REG CAB WT	CK15903	WT								
	4WD REG CAB Z71	CK15703	Z71								
	4WD REG CAB Z71	CK15903	Z71								
	SILVERADO 2500										
	2WD CREW CAB LD LS	CC25743	LDLS								
	2WD CREW CAB LD LT	CC25743	LT								
	2WD REG CAB LD WT	CC25903	LDWT								
	4WD CREW CAB LD LS	CK25743	LDLS								
	4WD CREW CAB LD LT	CK25743	LT								
	4WD EXT CAB LD WT	CK25753	LDWT								
	SILVERADO 2500 HD										
	2WD CREW CAB WT HD	CC25743	HDWT								
	2WD CREW CAB WT HD	CC25943	HDWT								
	2WD EXT CAB WT HD	CC25753	HDWT								
	2WD EXT CAB WT HD	CC25953	HDWT								
	2WD REG CAB WT HD	CC25903	HDWT								
	4WD CREW CAB WT HD	CK25743	HDWT								
	4WD CREW CAB WT HD	CK25943	HDWT								
	4WD EXT CAB WT HD	CK25753	HDWT								
	4WD EXT CAB WT HD	CK25953	HDWT								
	4WD REG CAB WT HD	CK25903	HDWT								
	SILVERADO 3500										
	2WD CREW CAB WT	CC35943	WT								
	2WD EXT CAB WT	CC35953	WT								
	2WD REG CAB WT	CK35903	WT								
	4WD CREW CAB LS SRW	CK35943	LSSRW								
	4WD CREW CAB LT SRW	CK35943	LTSRW								
	4WD CREW CAB SRW	CK35943	SRW								



**NEW ITEM CATEGORIES FOR NEW LIGHT-DUTY TRUCKS
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W/R/T NEW VEHICLE INVENTORIES FOR TAXABLE YEARS ENDING ON DECEMBER 31, 2003 - 2002 - 2001

DECEMBER 31, 2003			DECEMBER 31, 2002			DECEMBER 31, 2001		
MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
CHEVROLET/GEO			CHEVROLET/GEO			CHEVROLET/GEO		
SILVERADO 3500 (Cont'd)								
4WD CREW CAB WT		CK36943 WT						
4WD CREW CAB WT SRW		CK36943 WTSRW						
4WD EXT CAB LS SRW		CK36963 LSSRW						
4WD EXT CAB LT SRW		CK36963 LTSRW						
4WD EXT CAB SRW		CK36963 SRW						
4WD EXT CAB WT		CK36963 WT						
4WD EXT CAB WT SRW		CK36963 WTSRW						
4WD REG CAB LS SRW		CK36903 LSSRW						
4WD REG CAB SRW		CK36903 SRW						
4WD REG CAB WT SRW		CK36903 WTSRW						
EXT CAB 2WD WT		CC36053 WT						
CHASSIS CABS								
EXT CAB 4WD WT		CK38053 WT						
REG CAB 2WD WT		CC38003 WT						
REG CAB 2WD WT		CC38403 WT						
REG CAB 4WD WT		CK38003 WT						
REG CAB 4WD WT		CK38403 WT						
SSR								
2-DR CONVERTIBLE REG CAB		CS16703						
TRAILBLAZER								
4-DR 2WD SPORT UTILITY EXT LS		CS15806 LS						
4-DR 4WD SPORT UTILITY EXT LS		CT15806 LS						
VENTURE								
4-DR PASS LT ENTERTAINER 1SG		1UT16 LTE						
CHRYSLER			CHRYSLER			CHRYSLER		
PACIFICA			PT CRUISER			PT CRUISER		
5-DR SPORT WAGON AWD		CSCS74	4-DR UTILITY GT		PTCX44	4-DR SPORT WAGON LTD ED		PTCS44
5-DR SPORT WAGON FWD		CSY574				4-DR SPORT WAGON TOURING ED		PTCP44
TOWN & COUNTRY						TOWN & COUNTRY		
5-DR WAGON 2WD		RSYL63				5-DR WAGON EL		RSYM63
5-DR WAGON 2WD		RSYH62				VOYAGER		
5-DR WAGON TOURING AWD		RSCP63				4-DR WAGON EC		RSYE62
5-DR WAGON TOURING FWD		RSYP63						
DODGE			DODGE			DODGE		
CARAVAN			DAKOTA			CARAVAN		
CARAVAN SXT FLEET		RSKH62	4X2 CLUB CAB R/T 131WB		AN1X31	CARAVAN EC		RSKE62
GRAND CARAVAN SXT		RSKH63	4-2 REG CAB R/T 112WB		AN1X61	GRAND CARAVAN EL		RSKM63
GRAND CARAVAN SXT AWD		RSDH63	RAM PICKUP			DAKOTA		
DURANGO			2WD 1500 QUAD CAB SLT 140		DR1H41	4X2 CLUB CAB SLT 131WB		AN1H31
4-DR 2WD SPORT UTILITY		HB1M74	2WD 1500 QUAD CAB SLT 160		DR1H42	4X2 CLUB CAB SPORT 131WB		AN1M31
4-DR 2WD SPORT UTILITY LTD		HB1P74	2WD 1600 REG CAB SLT 120		DR1H61	4X2 QUAD CAB SLT		AN1H84
4-DR 2WD SPORT UTILITY SLT		HB1H74	2WD 1500 REG CAB SLT 140		DR1H62	4X2 QUAD CAB SPORT 112WB		AN1M84
4-DR 4WD SPORT UTILITY		HB5M74	2WD 2500 QUAD CAB SLT 139 HD		DR2H41	4X2 REG CAB SLT 112WB		AN1H61
4-DR 4WD SPORT UTILITY LTD		HB5P74	2WD 2500 QUAD CAB SLT 155		DR2H42	4X2 REG CAB SPORT		AN1M61
4-DR 4WD SPORT UTILITY SLT		HB5H74	2WD 2500 QUAD CAB ST 136HD		DR2L41	4X4 CLUB CAB SLT 131WB		AN5H31
SPRINTER			2WD 2500 QUAD CAB ST 156HD		DR2L42	4X4 CLUB CAB SPORT 131WB		AN5M31
2500 HC CARGO VAN TURBO 118		VA2L11	2WD 2500 REG CAB SLT 136HD		DR2H62	4X4 QUAD CAB SLT		AN5H84
2500 HC CARGO VAN TURBO 140		VA2L12	2WD 2500 REG CAB ST 136HD		DR2L62	4X4 REG CAB SLT 112WB		AN5H61
2500 HC WAGON TURBO 118		VA2L61	2WD 3500 QUAD CAB SLT 155 DRW HD		DR3H42	4X4 REG CAB SPORT 112WB		AN5M61
2500 HC WAGON TURBO 140		VA2L62	2WD 3500 QUAD CAB SLT 165 SRW HD		DR3H41	DURANGO		
2500 SUPER HC CARGO VAN TURBO 118		VA2L14	2WD 3500 QUAD CAB ST 165 DRW HD		DR3L42	4-DR 2WD SLT		DN1H74
2500 SUPER HC CARGO VAN TURBO 140		VA2L15	2WD 3500 QUAD CAB ST 165 SRW HD		DR3L41	4-DR 2WD SLT PLUS		DN1P74
2500 SUPER HC CARGO VAN TURBO 156		VA2L16	2WD 3500 QUAD CAB SLT 136 DRW		DR3H62	4-DR 4WD R/T		DN5X74
2500 SUPER HC WAGON TURBO 118		VA2L64	2WD 3500 REG CAB ST 135 DRW		DR3L62	4-DR 4WD SLT		DN5H74
2500 SUPER HC WAGON TURBO 140		VA2L65	4WD 1500 QUAD CAB SLT 140		DR6H41	4-DR 4WD SLT PLUS		DN5P74
2500 SUPER HC WAGON TURBO 156		VA2L66	4WD 1500 QUAD CAB SLT 160		DR6H42	RAM PICKUP		
3500 HC CARGO VAN TURBO 140		VA3L12	4WD 1600 REG CAB SLT 120		DR6H61	2WD 1500 QUAD CAB LWB		DR1L42
3500 SUPER HC VAN TURBO 140		VA3L15	4WD 1500 REG CAB SLT 150		DR6H62	2WD 1500 QUAD CAB SWB		DR1L41
3500 SUPER HC CARGO VAN TURBO 156		VA3L16	4WD 2500 REG CAB SLT 139 HD		DR7H41	2WD 1500 REG CAB LWB		DR1L62



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DECEMBER 31, 2003		DECEMBER 31, 2002		DECEMBER 31, 2001	
MAKE		MAKE		MAKE	
MDL	BODY STYLE	MDL	BODY STYLE	MDL	BODY STYLE
DODGE		DODGE		DODGE	
		RAM PICKUP (Cont'd)		RAM PICKUP (Cont'd)	
		4WD 2500 QUAD CAB SLT 155 HD	DR7H42	2WD 1600 REG CAB SWB	DR1L61
		4WD 2500 QUAD CAB ST 139 HD	DR7L41	4WD 1600 QUAD CAB LWB	DR6L42
		4WD 2500 QUAD CAB ST 155 HD	DR7L42	4WD 1600 QUAD CAB SWB	DR6L41
		4WD 2500 REG CAB SLT 135 HD	DR7H62	4WD 1600 REG CAB LWB 135	DR6L62
		4WD 2500 REG CAB ST 135 HD	DR7L62	4WD 1500 REG CAB SWB 119	DR6L61
		4WD 3500 QUAD CAB SLT 155 DRW HD	DR8H42		
		4WD 3500 QUAD CAB SLT 155 SRW HD	DR8H41		
		4WD 3500 QUAD CAB ST 155 DRW HD	DR8L42		
		4WD 3500 QUAD CAB ST 155 SRW HD	DR8L41		
		4WD 3500 REG CAB 140 HD	DR8H62		
		4WD 3500 REG CAB SLT 135 DRW	DR8L62 SLT		
		4WD 3500 REG CAB ST 135 DRW	DR8L62		
FORD		FORD		FORD	
E-SERIES		ESCAPE		ESCAPE	
E160 3-DR WAGON CHATEAU	E11 CH	4-DR 2WD XLS SPORT 111A	U01 SP111	4-DR 4WD XLS CHOICE 220A	U02 CH
E350 SUPER DUTY WAGON CHATEAU	E31 CH	4-DR 2WD XLS SPORT 211A	U02 SP211	4-DR 4WD XLS SPORT 210A	U02 SP
EXPEDITION		4-DR 2WD XLT MIDNIGHT 330A	U03 MDN	4-DR 4WD XLT CHOICE 400A	U04 CH
4-DR 2WD XLS 4.6 100	U13 100	4-DR 2WD XLT SPORT 330	U03 330	4-DR 4WD XLT PREMIUM 420A	U04 PREM
4-DR 2WD XLS 4.6 200	U14 200	4-DR 4WD LTD 600A	U94 600A	4-DR 4WD XLT SPORT 410A	U04 SP
EXPLORER SPORT		4-DR 4WD XLT MIDNIGHT 430A	U04 MDN430	4-DR FWD V8 XLS CHOICE 120A	U01 CH
4X2 WGN SPORT TRAC ADRENALIN 140	U67 140	4-DR FWD LTD 500A	U04 500A	4-DR FWD XLS SPORT 110A	U01 SP
4X4 WGN SPORT TRAC ADRENALIN 240	U77 240	EXCURSION		4-DR FWD XLT CHOICE 300A	U03 CH
F150 PICKUP		4X2 6.8 XLT LIMO 800	U40 800	4-DR FWD XLT CHOICE 310A	U03 CH2
2WD REG CAB F/S STX 125WB	F02 STXSWB	4X2 WAGON 6.0 EDDIE BAUER 326	U44 326	4-DR FWD XLT PREMIUM 320A	U03 PREM
2WD REG CAB F/S XLT 125WB	F02 XLTSWB	4X2 WAGON 6.0 LTD 351	U42 351	EXCURSION	
2WD REG CAB STX 125WB	F12 STXSWB	4X2 WAGON 6.0 XLT 351	U42 351	4X2 WAGON LTD 6.4 UTL 330A	U42 330
2WD REG CAB XL 125WB	F12 XLSWB	4X2 WAGON 6.0 XLT PREM 151	U40 151	4X2 WAGON LTD 6.8 310A	U42 310
2WD REG CAB XL 145WB	F12 XLLWB	4X2 WAGON 6.0 XLT SSV 921	U40 921	4X2 WAGON LTD 6.8 ULT 340A	U42 340
2WD REG CAB XLT 125WB	F12 XLTSWB	4X2 WAGON 6.0 XLT VAL 121	U40 121	4X2 WAGON LTD 7.3 320A	U42 320
2WD REG CAB XLT 145WB	F12 XLT	4X2 WAGON EDDIE BAUER 306A	U44 306A	4X2 WAGON LTD 7.3 320A	U42 320
2WD SUPERCAB F/S STX 145WB	X02 STX	4X2 WAGON EDDIE BAUER 315A	U44 315A	4X2 WAGON LTD 7.3 ULT 350A	U42 350
2WD SUPERCAB F/S XLT 145WB	X02 XLT	4X2 WAGON EDDIE BAUER 325A	U44 325A	4X2 WAGON XLT 5.4 PREM 130A	U40 130
2WD SUPERCAB LARIAT 133WB	X12 LARSWB	4X4 WAGON 6.0 LTD 431	U43 431	4X2 WAGON XLT 5.4 SSV 900A	U40 900
2WD SUPERCAB LARIAT 145WB	X12 LARLWB	4X4 WAGON 6.0 XLT PREM 231	U41 231	4X2 WAGON XLT 6.8 110A	U40 110
2WD SUPERCAB STX 133WB	X12 STXSWB	4X4 WAGON 6.0 SSV 941	U41 941	4X2 WAGON XLT 6.8 910A	U40 910
2WD SUPERCAB STX 145WB	X12 STXLWB	4X4 WAGON 6.0 XLT VAL 211	U41 211	4X2 WAGON XLT 6.8 PREM 140A	U40 140
2WD SUPERCAB XL 145WB	X12 XLSWB	4X4 WAGON EDDIE BAUER 405A	U45 405A	4X2 WAGON XLT 7.3 120A	U40 120
2WD SUPERCAB XL 163WB	X12 XLLWB	4X4 WAGON EDDIE BAUER 415A	U45 415A	4X2 WAGON XLT 7.3 PREM 150A	U40 150
2WD SUPERCAB XLT 133WB	X12 XLTSWB	4X4 WAGON EDDIE BAUER 6.0 416	U45 416	4X2 WAGON XLT SSV 7.3 920A	U40 920
2WD SUPERCAB XLT 145WB	X12 XLT	EXPEDITION		4X4 WAGON LTD 6.8 ULT 420A	U43 420
2WD SUPERCAB XLT 163WB	X12 XLT163	4-DR 2WD EDDIE BAUER 300A	U17 300A	4X4 WAGON LTD 7.3 410A	U43 410
2WD SUPERCREW LARIAT 139WB	W12 LAR	4-DR 2WD EDDIE BAUER 310A	U17 310A	4X4 WAGON LTD 7.3 ULT 430A	U43 430
2WD SUPERCREW XLT 139WB	W12 XLT	4-DR 2WD XLT POPULAR 110A	U15 110A	4X4 WAGON XLT 5.4 PREM 240A	U41 240
4WD REG CAB F/S FX4 125WB	F04 FX4	4-DR 2WD XLT POPULAR 130A	U15 130A	4X4 WAGON XLT 5.4 SSV 950A	U41 950
4WD REG CAB F/S STX 125WB	F04 STXSWB	4-DR 2WD XLT PREMIUM 120A	U15 120A	4X4 WAGON XLT 6.8 200A	U41 200
4WD REG CAB F/S XLT 125WB	F04 XLT	4-DR 2WD XLT PREMIUM 140A	U15 140A	4X4 WAGON XLT 6.8 PREM 220A	U41 220
4WD REG CAB FX4 125WB	F14 FX4	4-DR 2WD XLT SSV 910	U15 910	4X4 WAGON XLT 6.8 SSV 930A	U41 930
4WD REG CAB STX 125WB	F14 STXSWB	4-DR 2WD XLT SSV 920	U15 920	4X4 WAGON XLT 7.3 210A	U41 210
4WD REG CAB XL 125WB	F14 XLSWB	4-DR 2WD XLT VALUE 100A	U15 100A	4X4 WAGON XLT 7.3 PREM 230A	U41 230
4WD REG CAB XL 145WB	F14 XLLWB	4-DR 4WD EDDIE BAUER 400A	U18 400A	4X4 WAGON XLT 7.3 SSV 940A	U41 940
4WD REG CAB XLT 125WB	F14 XLTSWB	4-DR 4WD XLT FX4 240A	U18 240A	EXPLORER SPORT	
4WD REG CAB XLT 145WB	F14 XLT	4-DR 4WD XLT POPULAR 210A	U16 210A	4X2 WGN SPORT CHOICE 120A	U60 CH
4WD SUPERCAB F/S FX4 145WB	X04 FX4	4-DR 4WD XLT POPULAR 230A	U16 230A	4X2 WGN SPORT PREM 130A	U60 PREM
4WD SUPERCAB F/S STX 145WB	X04 STX	4-DR 4WD XLT PREMIUM 220A	U16 220A	4X2 WGN SPORT TRAC CHOICE 120A	U67 CH
4WD SUPERCAB F/S XLT 145WB	X04 XLT	4-DR 4WD XLT PREMIUM 250A	U16 250A	4X2 WGN SPORT TRAC PREM 130A	U67 PREM
4WD SUPERCAB FX4 133WB	X14 FX4SWB	4-DR 4WD XLT SSV 930	U16 930	4X4 WGN SPORT CHOICE 220A	U70 CH
4WD SUPERCAB FX4 145WB	X14 FX4LWB	4-DR 4WD XLT VALUE 200A	U16 200A	4X4 WGN SPORT PREM 230A	U70 PREM
4WD SUPERCAB LARIAT 133WB	X14 LARSWB	EXPLORER		4X4 WGN SPORT TRAC CHOICE 220A	U77 CH
4WD SUPERCAB LARIAT 145WB	X14 LARLWB	4-DR WAGON 2WD XLS SPORT 110A	U62 110	4X4 WGN SPORT TRAC PREM 230A	U77 PREM
4WD SUPERCAB STX 133WB	X14 STXSWB	4-DR WAGON 4WD XLS SPORT 210A	U72 210	F150 PICKUP	
4WD SUPERCAB STX 145WB	X14 STXLWB	4WD WAGON 2WD EDDIE BAUER 155A	U64 155	4X2 SUPERCAB S/S KING RANCH SWB	X17 KR
		4-DR WAGON 2WD LTD 165A	U65 165	4X4 SUPERCAB S/S KING RANCH SWB	X18 KR



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DECEMBER 31, 2003			DECEMBER 31, 2002			DECEMBER 31, 2001		
MAKE			MAKE			MAKE		
MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
FORD			FORD			FORD		
F-150 PICKUP (Cont'd)			EXPLORER (Cont'd)			RANGER		
4WD SUPERCAB XL 145WB	X14 XLSWB		4-DR WAGON 2WD NBX 140A	U63 140		2WD REG CAB XL 118WB 305A	R10 XL305	
4WD SUPERCAB XL 163WB	X14 XLLWB		4-DR WAGON 4X2 NBX 145A	U63 145		2WD REG CAB XL 112WB 311A	R10 XL311	
4WD SUPERCAB XLT 133WB	X14 XLT133		4-DR WAGON 2WD XLT 125A	U63 125		2WD REG CAB XLT 112WB 335A	R10 XLT335	
4WD SUPERCAB XLT 145WB	X14 XLT145		4-DR WAGON 2WD XLT SPORT 130A	U63 130		2WD REG CAB XLT 112WB 337A	R10 XLT337	
4WD SUPERCAB XLT 163WB	X14 XLT163		4-DR WAGON 2WD SPORT 135A	U63 135		2WD REG CAB XLT 112WB 338A	R10 XLT338	
4WD SUPERCREW FX4 139WB	W14 FX4		4-DR WAGON 4WD EDDIE BAUER 255A	U74 255		2WD SUPERCAB XL 126WB 355A	R14 XL355	
4WD SUPERCREW LARIAT 139WB	W14 LAR		4-DR WAGON 4WD LTD 265A	U75 265		2WD SUPERCAB XL 126WB 362A	R44 XL362	
4WD SUPERCREW XLT 139WB	W14 XLT		4-DR WAGON 4WD NBX 240A	U73 240		2WD SUPERCAB XLT 126WB 380A	R14 XLT380	
FREESTAR			4-DR WAGON 4WD NBX 245A	U73 245		4-DR 2WD SUPERCAB EDGE 126WB 373A	R44 E373	
4-DR CARGO VAN 900	A54		4-DR WAGON 4WD XLT 225A	U73 225		4-DR 2WD SUPERCAB XLT 126WB 383A	R44 XLT383	
4-DR WAGON LT 300	A58		4-DR WAGON 4WD XLT 235A	U73 235		4-DR 4WD SUPERCAB XLT 126WB 390A	R45 XLT390	
4-DR WAGON S 110	A50		4-DR WAGON 4WD SPORT 230A	U73 230		4WD SUPERCAB XL 126WB 308A	R15 XL308	
4-DR WAGON SE 120	A51		4-DR WAGON AWD EDDIE BAUER 350A	U84 350		4WD SUPERCAB XLT 126WB 398A	R15 XLT398	
4-DR WAGON SEL 120	A52		4-DR WAGON AWD EDDIE BAUER 355A	U84 355		WINDSTAR		
4-DR WAGON SES 130	A57		4-DR WAGON AWD LTD 380A	U85 380		4-DR WAGON LX DELUXE	A51 LXDLX	
RANGER			4-DR WAGON AWD LTD 385A	U85 385				
4-DR 4WD SUPERCAB TREMOR 459	R45 T459		4-DR WAGON AWD XLS 300A	U82 300				
			4-DR WAGON AWD XLS SPORT 310A	U82 310				
			4-DR WAGON AWD XLT 320A	U83 320				
			4-DR WAGON AWD XLT 325A	U83 325				
			4-DR WAGON AWD XLT SPORT 330A	U83 330				
			4-DR WAGON AWD XLT SPORT 335A	U83 335				
			EXPLORER SPORT					
			4X2 WAGON SPORT TRAC XLS 110A	U67 110A				
			4X2 WAGON SPORT TRAC XLS 110A	U60 110A				
			4X4 WAGON SPORT TRAC XLS 210A	U77 VAL				
			4X4 WAGON SPORT XLS 210A	U70 210A				
			F150 PICKUP					
			4X2 SUPERCAB F/S KING RANCH SWB	X07 KR				
			4X4 SUPERCAB F/S KING RANCH SWB	X08 KR				
			RANGER					
			2WD SUPERCAB EDGE 126WB 472	R14 472				
			2WD SUPERCAB EDGE 126WB 372	R14 372A				
			4-DR 4WD SUPERCAB EDGE 126WB 354A	R44 E354A				
			4WD REG CAB XL 118WB 309A	R11 XL309A				
			4WD SUPERCAB XL 126WB 307A	R15 XL307A				
			4WD SUPERCAB XLT 126WB 395	R15 XLT395				
			4WD SUPERCAB XLT 126WB 493 (REG)	R45 XLT493				
			4WD SUPERCAB XLT VALUE 496	R15 496				
GMC TRUCKS			GMC TRUCKS			GMC TRUCKS		
CANYON			ENVOY XL			ENVOY		
2WD CREW CAB SLE Z71 W/1SE	TS15643 SLE1SE		2WD 4-DR SLE	TS15806 SLE		2-DR 4WD SLT	TS15506 SLT	
2WD CREW CAB SLE Z71 W/1SF	TS15643 SLE1SF		2WD 4-DR SLT	TS15806 SLT		2WD 4-DR SLE	TS15506 SLT	
2WD CREW CAB SLE Z85 W/1SB	TS15643 SLE1SB		4WD 4-DR SLE	TS15806 SLE		4WD 4-DR SLE	TT15506	
2WD CREW CAB SLE Z85 W/1SC	TS15643 SLE1SC		4WD 4-DR SLT	TT15806 SLT		4WD 4-DR SLT	TT15506 SLT	
2WD EXT CAB BASE Z71	TS15643 Z71		SAVANNA CARGO VAN			SIERRA 3500 CHASSIS-CABS		
2WD EXT CAB BASE Z85	TS15653 X85		CARGO VAN	TG13405		2WD 3500 EXT CAB CHASSIS LWB	TC36453	
2WD EXT CAB SLE Z71	TS25853 SLEZ1		CARGO VAN	TG23405		2WD 3500 EXT CAB CHASSIS SWB	TC36053	
2WD EXT CAB SLE Z85	TS15653 ZLEZ85		CARGO VAN	TG33405		2WD 3500 REG CAB CHASSIS LWB	TC36403	
2WD EXT CAB Z85 FLEET	TS 16653 Z85FL		CARGO VAN	TH13405		2WD 3500 REG CAB CHASSIS SWB	TC36003	
2WD REG CAB BASE SL Z71	TS 16403 SLZ71		CARGO VAN	TH23405		4WD 3500 EXT CAB CHASSIS LWB	TK36453	
2WD REG CAB BASE SL Z85	TS15403 SLZ85		CARGO VAN YF7 UPFITTER	TG13405 YF7		4WD 3500 EXT CAB CHASSIS SWB	TK36053	
2WD REG CAB BASE SL Z85 FLEET	TS15403 SLZ85FL		CARGO VAN YF7 UPFITTER	TG23405 YF7		4WD 3500 REG CAB CHASSIS LWB	TK36403	
2WD REG CAB SLE Z71	TS 15403 SLEZ71		CARGO VAN YF7 UPFITTER	TG33405 YF7		4WD 3500 REG CAB CHASSIS SWB	TK36003	
2WD REG CAB SLE Z85	TS15403 SLEZ85		CARGO VAN YF7 UPFITTER	TH13405 YF7		SIERRA HEAVY-DUTY PICKUP		
4WD CREW CAB SLE Z71 W/1SE	TT15643 SLE1SE		EXT CARGO VAN	TG23705		2WD 2500 CREW CAB LWB H/D	TC25943 HD	
4WD CREW CAB SLE Z71 W/1SF	TT15643 SLE1SF		EXT CARGO VAN	TG33705		2WD 2500 CREW CAB SWB H/D	TC25743 HD	
4WD CREW CAB SLE Z85 W/1SB	TT15643 SLE1SB		EXT CARGO VAN YF7	TG23705 YF7		2WD 2500 EXT CAB LWB H/D	TC25953 HD	
4WD CREW CAB SLE Z85 W/1SC	TT15643 SLE1SC		EXT CARGO VAN YF7 UPFITTER	TG33705 YF7		2WD 2500 REG CAB LWB H/D	TC25903 HD	



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DECEMBER 31, 2003				DECEMBER 31, 2002				DECEMBER 31, 2001			
MAKE		CODE		MAKE		CODE		MAKE		CODE	
MDL	BODY STYLE			MDL	BODY STYLE			MDL	BODY STYLE		
GMC TRUCKS				GMC TRUCKS				GMC TRUCKS			
CANYON (Cont'd)				SAVANA CUTAWAY VAN				SIERRA HEAVY-DUTY PICKUP (Cont'd)			
4WD EXT CAB BASE Z71		TT15643	Z71	CUTAWAY VAN C6Y		TG33603		2WD 4-DR 2500 EXT CAB SWB H/D		TC25763	HD
4WD EXT CAB BASE Z85		TT15663	Z85	CUTAWAY VAN C7A		TG33603 C7A		4WD 2500 CREW CAB LWB H/D		TK25943	HD
4WD EXT CAB SLE Z71		TT15683	SLEZ71	CUTAWAY VAN C7A		TG33903		4WD 2500 CREW CAB SWB H/D		TK25743	HD
4WD EXT CAB SLE Z85		TT15643	SLEZ85	CUTAWAY VAN C7L		TG33503 C7L		4WD 2500 EXT CAB LWB H/D		TK25663	HD
4WD REG CAB BASE SL Z71		TT15403	SLZ71	CUTAWAY VAN C7L		TG33803 C7L		4WD 2500 EXT CAB SWB H/D		TK25763	HD
4WD REG CAB BASE SL Z85		TT15403	SLZ85	CUTAWAY VAN C7L		TG33903		4WD 2500 REG CAB LWB H/D		TK25903	HD
4WD REG CAB SLE Z71		TT15403	SLEZ71					SIERRA PICKUP			
4WD REG CAB SLE Z85		TT15403	SLEZ85	SAVANA PASSENGER VAN				2WD 1500 EXT CAB LWB		TC15953	
ENVOY XUV				EXT PASSENGER VAN		TG23706		2WD 1500 EXT CAB SWB		TC15763	
2WD 4-DR SLE		TS15838		PASSENGER VAN		TG13406		2WD 1500 REG CAB HT SWB		TC15703	HT
2WD 4-DR SLT		TS15836	SLT	PASSENGER VAN		TG23406					
4WD 4-DR SLE		TT15836		PASSENGER VAN		TG33406		2WD 1500 REG CAB LWB		TC15903	
SAVANA CARGO VAN				PASSENGER VAN		TH13406		2WD 1500 REG CAB SWB		TC15703	
CARGO VAN HD		TG33406		SIERRA HEAVY-DUTY PICKUP				2WD 2500 REG CAB LWB		TC25903	
CARGO WORK VAN		TG13406	WV	2WD 2500 REG CAB HD WORK TRK PKG		TC25903	WTHD	2WD 4-DR 3500 EXT CAB		TC35963	
CARGO WORK VAN HD		TG23406	HD	4WD REG CAB HD WORK TRK		TK25903	WTHD	4WD 1500 EXT CAB LWB		TK15953	
EXT CARGO WORK VAN		TG23406	WV	SIERRA PICKUP				4WD 1500 EXT CAB SWB		TK15753	
SIERRA 3500 CHASSIS-CABS				2WD 1600 EXT CAB WORK TRK PKG		TC15763	WT	4WD 1600 REG CAB HT SWB		TK15703	HT
2WD 3500 EXT CAB CHASSIS WT PKG SWB		TC38053	WT	2WD 1500 REG CAB WORK TRK PKG		TC15903	WT	4WD 1500 REG CAB LWB		TK15903	
2WD 3500 REG CAB CHASSIS WT PKG LWB		TC38403	WT	2WD 1500 REG CAB WORK TRK PKG SLE		TC15703	WTSLE	4WD 1500 REG CAB SWB		TK15703	
2WD 3500 REG CAB CHASSIS WT PKG SWB		TC38003	WT	2WD 2500 REG CAB WORK TRK PKG		TC28903	WT	4WD 2500 EXT CAB SWB		TK25783	
4WD 3500 EXT CAB CHASSIS WT PKG LWB		TK38053	WT	2WD 3500 CREW CAB STANDARD		TC35943		4WD 3500 REG CAB		TK35903	
4WD 3500 REG CAB CHASSIS WT PKG LWB		TK38403	WT	4WD 1500 REG CAB WORK TRK PKG		TK15903	WT	4WD 4-DR 3500 CREW CAB		TK35943	
4WD REG CAB CHASSIS WT PKG SWB		TK38003	WT								
SIERRA HEAVY DUTY PICKUP											
2WD 2500 CREW CAB WT PKG HD		TC25943	WTHD								
2WD 2500 CREW CAB WT PKG SWB HD		TC25743	WTHD								
2WD 4-DR 2500 EXT CAB WT PKG LWB HD		TC25963	WTHD								
2WD 4-DR 2500 EXT CAB WT PKG SWB HD		TC25763	WTHD								
4WD 2500 CREW CAB WT PKG LWB HD		TK25943	WTHD								
4WD 2500 CREW CAB WT PKG SWB HD		TK25743	WTHD								
4WD 4-DR 2500 EXT CAB WT PKG LWB HD		TK25963	WTHD								
4WD 4-DR 2500 EXT CAB WT PKG SWB HD		TK25763	WTHD								
SIERRA PICKUP											
2WD 1500 EXT CAB WT PKG LWB		TC15953	WT								
2WD 1500 REG CAB WT PKG SWB		TC15703	WT								
2WD 2500 CREW CAB SLE		TC25743	SLE								
2WD 2500 CREW CAB SLT SWB		TC25743	SLT								
2WD 3500 CREW CAB WT PKG		TC35943	WT								
2WD 3500 EXT CAB WT		TC35953	WT								
2WD 3500 EXT CAB WT PKG LWB		TK35963	WT								
4WD 1500 EXT CAB WT PKG LWB		TK15963	WT								
4WD 1500 EXT CAB WT PKG SWB		TK15753	WT								
4WD 1500 REG CAB WT PKG SWB		TK15703	WT								
4WD 2500 CREW CAB SLT		TK25743	SLT								
4WD 2500 CREW CAB SLE SWB		TK25743	SLE								
4WD 2500 EXT CAB WT PKG SWB		TK25763	WT								
4WD 3500 CREW CAB SRW		TK35943	SRW								
4WD 3500 CREW CAB SRW SLE		TK35943	SRWSLE								
4WD 3500 CREW CAB SRW SLT		TK35943	SRWSLT								
4WD 3500 CREW CAB WT PKG LWB		TK35943	WT								
4WD 3500 EXT CAB SRW		TK35953	SRW								
4WD 3500 EXT CAB SRW SLE		TK35963	SRWSLE								
4WD 3500 EXT CAB SRW SLT		TK35903	SRWSLT								
4WD 3500 EXT CAB SRW WT PKG		TK35943	SRWWT								
4WD 3500 EXT CAB SRW WT PKG		TK35953	SRWWT								
4WD 3500 REG CAB SRW		TK35903	SRW								
4WD 3500 REG CAB SRW SLE		TK35903	SRWSLE								
4WD 3500 REG CAB SRW WT PKG		TK35903	SRWWT								
4WD 3500 REG CAB WT PKG LWB		TK359603									



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MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE	MDL	BODY STYLE	MAKE	CODE
HONDA			HONDA			HONDA					
ELEMENT				ELEMENT				CR-V			
2WD 5-DR EX 5-SP W/SRS		YH178		2WD 5-DR DX 5-SP		YH172		2WD 5-DR LX AUTO			RD684
2WD 5-DR EX AUTO W/SRS		YH188		2WD 5-DR DX AUTO		YH182		2WD 5-DR LX AUTO W/SRS			RD685
2WD 5-DR LX 5-SP		YH173		2WD 5-DR EX 5-SP		YH175		4WD 5-DR EX 5-SP			RD778
2WD 5-DR LX AUTO		YH173		2WD 5-DR EX AUTO		YH186		4WD 5-DR EX AUTO			RD788
4WD 5-DR DX 5-SP		YH272		4WD 5-DR DX AUTO		YH282		4WD 5-DR LX 5-SP			RD774
4WD 5-DR EX 5-SP		YH276		4WD 5-DR EX AUTO		YH286		4WD 5-DR LX 5-SP W/SRS			RD775
4WD 5-DR EX 5-SP W/SRS		YH276		PILOT				4WD 5-DR LX AUTO			RD784
4WD 5-DR EX AUTO W/SRS		YH286		4WD 4-DR EX AUTO		YF184		4WD 5-DR LX AUTO W/SRS			RD785
4WD 5-DR LX 5-SP		YH273		4WD 4-DR EX-L AUTO W/LTHR		YF185		ODYSSEY			
4WD 5-DR LX AUTO		YH283		4WD 4-DR EX-L AUTO W/LTHR/DVD		YF186		4-DR EX-L AUTO W/ LEATHER			RL189
				4WD 4-DR EX-L AUTO W/LTHR/NAV		YF187		5-DR EX-L AUTO W/LEATHER/DVD			RL180
				4WD 4-DR LX AUTO		YF181					
HUMMER			HUMMER			HUMMER					
				H-2							
				H-2 4-DR 4WD		N25706					
HYUNDAI			HYUNDAI			HYUNDAI					
SANTA FE											
4-DR 2WD SUV GLS V6 3.5 AUTO		80472									
4-DR 2WD SUV LX V6 3.5 AUTO		80482									
4-DR 4WD SUV GLS V6 3.5 AUTO		80572									
4-DR 4WD SUV LX V6 3.5 AUTO		80582									
INFINITI			INFINITI			INFINITI					
FX35											
4-DR 2WD SUV		7721									
4-DR 2WD SUV W/AVAIL OP		8721									
4-DR AWD SUV		7741									
4-DR AWD SUV W/AVAIL OP		8741									
FX45											
4-DR SUV AWD		7781									
4-DR AWD SUV W/AVAIL OP											
ISUZU			ISUZU			ISUZU					
RODEO				ASCENDER				AXIOM			
4-DR 2WD S V6 3.2 5-SP		R45		2WD 4-DR AUTO		H46		4-DR 2WD			Y64
4-DR 2WD S V6 3.5 5-SP		G44		4WD 4-DR AUTO		N46		4-DR 4WD			Z54
4-DR 4WD S V6 3.5 AUTO		Q44						4-DR XS 4WD			Z64
								4-DR XS 4WD			Z64
JEEP			JEEP			JEEP					
GRAND CHEROKEE				LIBERTY				GRAND CHEROKEE			
4-DR 2WD WAGON OVERLAND		WJTS74		4-DR 2WD RENEGADE		KJTM74		4-DR 2WD WAGON SPORT			WJTM74 SP
WRANGLER				4-DR 4WD RENEGADE		KJUM74		4-DR 4WD WAGON OVERLAND			WJJS74
WRANGLER SPORT RHD		TJUH77		WRANGLER				4-DR 4WD WAGON SPORT			WJJM74 SP
				WRANGLER RUBICON		TJJS77		LIBERTY			
								4-DR 2WD LTD ED			KJTP74
								4-DR 2WD SPORT			KJTH74
								4-DR 4WD LTD ED			KJJP74
								4-DR 4WD SPORT			KJUH74
								WRANGLER			
								WRANGLER X			TJJM77



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MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
KIA			KIA			KIA		
SORENTO			SORENTO			SEDONA		
2WD 4-DR LX 5-SP		72221	2WD 4-DR EX AUTO		72242	4-DR MINIVAN EX AUTO		62242
4WD 4-DR LX 5-SP		72421	2WD 4-DR LX AUTO		72222	4-DR MINIVAN EX AUTO		62222
			4WD 4-DR EX AUTO		72442			
			4WD 4-DR LX AUTO		72422			
LAND ROVER/RANGE ROVER			LAND ROVER/RANGE ROVER			LAND ROVER/RANGE ROVER		
			LAND ROVER DISCOVERY			LAND ROVER FREELANDER		
			4-DR UTILITY HSE		SDSH	5-DR UTILITY AWD S		S
			4-DR UTILITY S		SDSD	5-DR UTILITY AWD SE		SE
			4-DR UTILITY SE		SDSE	5-DR UTILITY HSE		HSE
			LAND ROVER FREELANDER					
			2-DR UTILITY SE		SE 2DR			
			RANGE ROVER					
			4-DR UTILITY		L322			
LEXUS			LEXUS			LEXUS		
RX330			GX 470					
4-DR 2WD SPORT UTILITY		9420	4-DR 4WD SPORT UTILITY		9700			
4-DR 4WD SPORT UTILITY		9424						
LINCOLN			LINCOLN			LINCOLN		
AVIATOR			AVIATOR			BLACKWOOD		W05 NM
4-DR AWD 310		U88 310	4-DR 2WD LUXURY 100A		U68	4-DR 2WD NEIMAN MARCUS		
			4-DR 2WD PREMIUM 110A		U68 PREM			
			4-DR AWD LUXURY 300A		U88			
			4-DR AWD PREMIUM 210A		U78			
			NAVIGATOR					
			4-DR 2WD LUX SUV 100A		U27 LUX			
			4-DR 2WD PREM SUV 110A		U27 PREM			
			4-DR 2WD ULT SUV 120A		U27 ULT			
			4-DR 4WD LUX SUV 200A		U28 LUX			
			4-DR 4WD PREM SUV 210A		U28 PREM			
			4-DR 4WD ULT SUV 220A		U28 ULT			
			TRUCK			TRUCK		
			4X2 2-DR B2300 CAB PLUS 5-SP		B23C 2P	4X2 2-DR B2300 REG CAB BASE		B23
			4X2 4-DR B3000 CAB PLUS SE 5-SP		B304 2P	4X4 2-DR B3000 CAB PLUS		B30
			4X2 4-DR B3000 CAB PLUS SE AUTO		B304 2A			
			4X4 2-DR B4000 CAB PLUS SE 5-SP		B400 XP			
			4X4 2-DR B4000 CAB PLUS SE AUTO		B400 XA			
			4X4 B4000 CAB PLUS 5-SP		B40C XP			
			4X4 B4000 CAB PLUS AUTO		B40C XA			
MAZDA			MAZDA			MAZDA		
MPV			TRUCK			TRUCK		
4-DR MINIVAN LX S-V		MP2 LSSV	4X2 2-DR B2300 CAB PLUS 5-SP		B23C 2P	4X2 2-DR B2300 REG CAB BASE		B23
			4X2 4-DR B3000 CAB PLUS SE 5-SP		B304 2P	4X4 2-DR B3000 CAB PLUS		B30
			4X2 4-DR B3000 CAB PLUS SE AUTO		B304 2A			
			4X4 2-DR B4000 CAB PLUS SE 5-SP		B400 XP			
			4X4 2-DR B4000 CAB PLUS SE AUTO		B400 XA			
			4X4 B4000 CAB PLUS 5-SP		B40C XP			
			4X4 B4000 CAB PLUS AUTO		B40C XA			



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MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
MERCEDES			MERCEDES			MERCEDES		
			G CLASS			M CLASS		
			G500 4-DR SPORT UTILITY AWD	G600		ML500 4-DR SPORT UTILITY	ML500	
			G65 AMG 4-DR UTILITY	G65 AMG				
MERCURY			MERCURY			MERCURY		
MONTEREY			MOUNTAINEER			VILLAGER		
4-DR WAGON CONVENIENCE 100	A20 100		4-DR WAGON 2WD CONV 4.6L 105A	U66 105A		5-DR WAGON ESTATE PREMIUM	V14 ESTPR	
4-DR WAGON LUXURY 120	A20 120		4-DR WAGON 2WD LUX 4.0L 110A	U66 110A		5-DR WAGON POPULAR	V11 POP	
4-DR WAGON PREMIER 130	A20 130		4-DR WAGON 2WD LUX 4.6L 115A	U66 115A		5-DR WAGON SPORT PLUS	V12 SP+	
			4-DR WAGON 2WD PREM 4.0L 120A	U66 120A				
			4-DR WAGON 2WD PREM 4.6L 125A	U66 125A				
			4-DR WAGON AWD CONV 4.6L 306A	U66 306A				
			4-DR WAGON AWD LUX 4.0L 310A	U66 310A				
			4-DR WAGON AWD LUX 4.6L 316A	U66 316A				
			4-DR WAGON AWD PREM 4.0L 320A	U66 320A				
			4-DR WAGON AWD PREM 4.6L 326A	U66 326A				
MITSUBISHI			MITSUBISHI			MITSUBISHI		
ENDEAVOR			OUTLANDER					
4-DR 2WD LIMITED	MJ45-P		4-DR 2WD LS	OT45-B				
4-DR 2WD LS	MJ45-D		4-DR 2WD XLS	OT45-K				
4-DR 2WD XLS	MJ45-G		4-DR AWD LS	OT45-G				
4-DR AWD LIMITED	MJ45-X		4-DR AWD XLS	OT45-P				
4-DR AWD LS	MJ45-F							
4-DR AWD XLS	MJ45-K							
NISSAN			NISSAN			NISSAN		
PATHFINDER ARMADA			FRONTIER PICKUP			FRONTIER PICKUP		
4-DR 2WD LE AUTO	4941		4WD CC SC VALUE ED AUTO LWB	8391		2WD CC SC V6 LONG BED AUTO	7381	
4-DR 2WD SE AUTO	4921		4WD CC SC VALUE ED AUTO SWB	8391		2WD CC SE LONG BED AUTO	7331	
4-DR 2WD OFF-ROAD AUTO	4931		4WD KC SC VALUE ED 5-SP	4395		2WD CC SE LONG BED W/LTH AUTO	7341	
4-DR 4WD LE AUTO	4981		4WD KC SC VALUE ED AUTO	4391		2WD CC XE V6 LONG BED 5-SP	7325	
4-DR 4WD SE AUTO	4961		MURANO			2WD CC XE V6 LONG BED AUTO	7321	
4-DR 4WD SE OFF-ROAD AUTO	4971		4-DR 2WD SE	1731		2WD KC H 5-SP	1305	
			4-DR 2WD SL	1741		2WD KC H AUTO	1301	
			4-DR AWD SE	1771		2WD KC SE V6 W/LTH AUTO	3341	
			4-DR AWD SL	1781		4WD CC SC V6 LONG BED AUTO	8381	
						4WD CC SE V6 LONG BED AUTO	8331	
						4WD CC SE V6 LONG BED W/LTH AUTO	8341	
						4WD CC XE V6 LONG BED 5-SP	8325	
						4WD CC XE V6 LONG BED AUTO	8321	
						4WD KC SE V6 W/LTH AUTO	4341	
						XTERRA		
						2WD SE V6 S/C 5-SP	1435	
						2WD SE V6 S/C AUTO	1431	
						2WD XE V6 S/C 5-SP	1455	
						2WD XE V6 S/C AUTO	1451	
						4WD SE V6 S/C 5-SP	1445	
						4WD SE V6 S/C AUTO	1441	
						4WD XE V6 S/C 5-SP	1485	
						4WD XE V6 S/C AUTO	1481	
OLDSMOBILE			OLDSMOBILE			OLDSMOBILE		
						BRAVADA		
						4-DR 2WD UTILITY	HS15506	
						4-DR AWD UTILITY	HT15506	
						SILHOUETTE		
						4-DR MINIVAN GLS AWD EXT 15C	3UT16 GLS	
						4-DR MINIVAN PREMIERE AWD EXT	3UT16	



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MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
PONTIAC			PONTIAC			PONTIAC		
			MONTANA			MONTANA		
			4-DR MINIVAN EXT WB W/1SV		2UM16 1SV	4-DR MINIVAN EXT WB 1SA		2UM16 1SA
						4-DR MINIVAN EXT WB AWD 1SX		2UT16 1SX
						4-DR MINIVAN EXT WB AWD 1SY W/PDY		2UT16 1SY
PORSCHE			PORSCHE			PORSCHE		
			CAYENNE					
			CAYENNE S		CAY S			
			CAYENNE TURBO		CAY T			
SATURN			SATURN			SATURN		
VUE			VUE			VUE		
4-DR 2WD SPORT UTILITY AUTO		ZLU26	4-DR 2WD SPORT UTILITY V6 AUTO		ZLR26	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		
BAJA			BAJA			FORESTER		
4-DR SPORT UTILITY AWD 5-SP		PC	4-DR SPORT UTILITY AWD 5-SP		PA	4-DR S 2.5 W/PREM PKG/LTH AWD AUTO		CG
4-DR SPORT UTILITY AWD AUTO		PD	4-DR SPORT UTILITY AWD AUTOPB		PB			
4-DR SPORT UTILITY TURBO AWD 5-SP		PG	FORESTER					
4-DR SPORT UTILITY TURBO AWD AUTO		PH	4-DR X AWD 5-SP		CA			
4-DR SPORT UTILITY TURBO W/LTH AUTO		PF	4-DR X AWD AUTO		CB			
FORESTER			4-DR XS AWD 5-SP		CC			
4-DR XT 5-SP		CI	4-DR XS AWD AUTO		CD			
4-DR XT AUTO		CJ	4-DR XS W/PREM PKG 5-SP		CE			
4-DR XT W/PREM PKG AUTO		CK	4-DR XS W/PREM PKG AUTO		CF			
			4-DR XS W/PREM PKG/LTH AUTO		CG			
SUZUKI			SUZUKI			SUZUKI		
GRAND VITARA			XL-7			XL-7		
4-DR 2WD EX AUTO		LFM89F	2WD TOURING AUTO W/3RD ROW		LVR82F	2WD LIMITED AUTO		LVS82W
4-DR 4WD EX AUTO		LJM89T	2WD TOURING W/3RD ROW		LVR81F	2WD STANDARD AUTO		LVN82F
VITARA			4WD TOURING 5-SP W/3RD ROW		LWR81T	4WD LIMITED AUTO		LWS82W
4-DR 2WD V6 LX 5-SP W/AW		LLN88E LX	4WD TOURING AUTO W/3RD ROW		LWR82T	4WD STANDARD AUTO		LWN82F
4-DR 2WD V6 LX AUTO W/AW		LLN89E LX						
4-DR 4WD V6 LX 5-SP W/AW		LKN88E LX						
4-DR 4WD V6 LX AUTO W/AW		LKN89E LX						
TOYOTA			TOYOTA			TOYOTA		
HIGHLANDER			4RUNNER			HIGHLANDER		
4-DR 2WD V6 LTD W/3RD ROW		8932	2WD 4-DR LTD V6		8848	4-DR 2WD AUTO		8910
4-DR 2WD V6 W/3RD ROW		8918	2WD 4-DR SPORT V6		8848	4-DR 2WD LTD V6 AUTO		8934
4-DR 2WD W/3RD ROW		8912	2WD 4-DR SPORT V8		8878	4-DR 2WD V6 AUTO		8914
4-DR 4WD V6 LTD W/3RD ROW		8938	2WD 4-DR SR5 V6		8842	4-DR 4WD AUTO		8920
4-DR 4WD V6 W/3RD ROW		8928	2WD 4-DR SR5 V8		8872	4-DR 4WD V6 AUTO		8924
RAV4			2WD 4-DR V8 LTD		8878	4-DR 4WD LTD V6 AUTO		8936
2WD 4-DR 5-SP		4419	4WD 4-DR LTD V6		8868			
2WD 4-DR AUTO		4418	4WD 4-DR SPORT V6		8866			
4WD 4-DR 5-SP		4420	4WD 4-DR SPORT V8		8886			
4WD 4-DR AUTO		4428	4WD 4-DR SR5 V6		8864			
SIENNA			4WD 4-DR SR5 V8		8882			
7 PASS VAN CE FWD AUTO		5326	4WD 4-DR V8 LTD		8688			



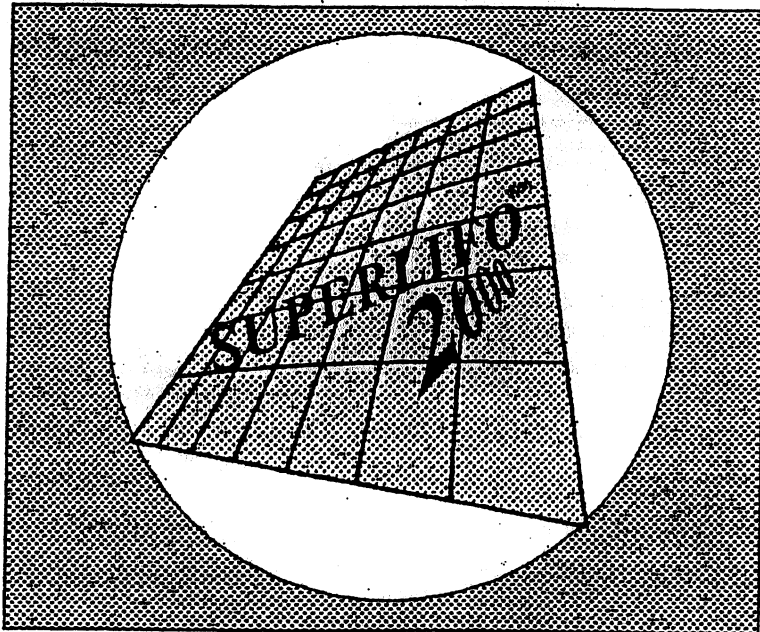
**NEW ITEM CATEGORIES FOR NEW LIGHT-DUTY TRUCKS
 UNDER THE ALTERNATIVE LIFO (LAST-IN, FIRST-OUT) METHOD FOR AUTOMOBILE DEALERS
 REVENUE PROCEDURES 97-36 & 92-79
 W/RT NEW VEHICLE INVENTORIES FOR TAXABLE YEARS ENDING ON DECEMBER 31, 2003 - 2002 - 2001**

LIGHT-DUTY
 TRUCKS
 PAGE 11 OF 11

DECEMBER 31, 2003			DECEMBER 31, 2002			DECEMBER 31, 2001		
MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE	MDL	BODY STYLE	CODE
TOYOTA			TOYOTA			TOYOTA		
SIENNA (Cont'd)			TUNDRA					
	7 PASS VAN LE AWD AUTO	5366		2WD ACCESS CAB LTD SS V8 AUTO	7736			
	7 PASS VAN LE FWD AUTO	5336		2WD ACCESS CAB SS SR6 V8 AUTO	7726			
	7 PASS VAN LTD AWD AUTO	5386		4WD ACCESS CAB LTD SS V8 AUTO	7836			
	7 PASS VAN XLE AWD AUTO	5376		4WD ACCESS CAB SS SR6 V8 AUTO	7826			
	7 PASS VAN XLE FWD AUTO	5346						
	8 PASS VAN CE FWD AUTO	5328						
	8 PASS VAN LE FWD AUTO	5338						
TUNDRA								
	2WD DOUBLE CAB AUTO	7744						
	2WD DOUBLE CAB LTD AUTO	7748						
	4WD DOUBLE CAB AUTO	7844						
VOLKSWAGEN			VOLKSWAGEN			VOLKSWAGEN		
TOUAREG								
	4-DR UTILITY V6 3.2 AUTO TIP	7LABC1						
	4-DR UTILITY V6 4.2 AUTO TIP	7LACM1						
	4-DR UTILITY V8 4.2 AUTO TIP	7LADM1						
	4-DR UTILITY V10 TDI 5.0 AUTO TIP	7LAEH1						
VOLVO			VOLVO					
90 SERIES			90 SERIES					
	XC90 2.5T FWD AUTO	XC90 2.5TAFWD		X90 T8 AUTO W/SRAWD	XC90 T8ASRAWD			
				X90 2.5T AUTO	XC90 2.5TA			



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WILLARD J. DE FILIPPS, CPA, P.C., MANAGER**

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