

# The Impact Of LIFO In The Fortune 500 In 2007


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## ABSTRACT

*Recent legislative consideration to end the use of the Last-in, First-out (LIFO) inventory method, as well as the movement to adopt international accounting standards which do not permit LIFO, have created anew the debate over how important LIFO is to U.S. businesses. This paper catalogs the use of LIFO during 2007 among the largest 500 U.S. companies by analyzing disclosures from the Form 10-K annual report (or the corporate annual report for privately-held firms). Analysis of the data provides evidence of the frequency of use of LIFO, the financial impact on reported income and on reported assets due to its use, and the particular industry categories that are the major beneficiaries of the method.*

**Keywords:** Last-in First-out, LIFO, inventory analysis, IFRS, SEC Roadmap

## INTRODUCTION

 ver the last half century, the Last-in, First-out (LIFO) accounting method has been highlighted in the media, researched by academics, evaluated by stock analysts, and debated in Congress. In 1957 Time Magazine observed that “To many a U.S. corporation, LIFO is a magic formula in times of inflation. It cuts their profits for tax purposes without taking a penny out of their coffers” (Time Magazine, February 1957). Serious debate erupted in 2006, when Congress proposed to eliminate the use of LIFO for tax reporting.

Testimony before the Senate Committee on Finance by Professor George Plesko of the University of Connecticut affirmed that the use of LIFO has declined steadily since the early 1980’s from approximately 70 percent of large firms to about 40 percent in 2004. Plesko gave further evidence that large firms from one-third of all industry categories and most small publicly-traded firms do not use LIFO. Finally, Plesko noted that most businesses are privately held, and while there is little public data for these firms, there is evidence that most use the first-in, first-out (FIFO) accounting method.

A contrary position on LIFO was presented to the Committee by The LIFO Coalition, an industry group formed in response to the LIFO-elimination proposal. The Coalition argued that “Professor Plesko’s testimony significantly understates the use of LIFO by the U.S. business community and the very substantial adverse effect of repeal on the U.S. economy, with such inaccuracies based in part on inclusion of irrelevant data and failure to recognize accounting protocols that create differences between statements of book and tax LIFO reserves.

In 2007, the Securities and Exchange Commission (SEC) approved the use of International Financial Reporting Standards (IFRS) by foreign private issuing companies and considered allowing or requiring U.S. firms to also use IFRS. Since IFRS does not allow LIFO, the issue raised by the Congressional tax proposals resurfaced and debate over its impact resumed. The August 2008 SEC release containing a proposed roadmap for the potential mandatory adoption of International Financial Reporting Standards (IFRS) by issuers in the US in 2014 brings the focus on LIFO full to a peak.

This paper catalogs the use of LIFO in 2007 among the largest 500 U.S. companies. To mitigate the potential industry bias inherent in a single index, both the Fortune 500 and Standard & Poor’s (S&P) 500 companies were examined. Using disclosures in the Management Discussion and Analysis and footnote sections of the Form 10-K annual report (or the corporate annual report for privately-held firms), information about the company’s

inventory and its valuation methods was gathered for 2007 and 2006. The data are analyzed to determine the relative popularity of LIFO, its general impact on earnings, and industry preference.

## **KEY FINDINGS**

Databases of inventory information were constructed for firms comprising the 2007 Fortune 500 and the 2007 Standard and Poor's 500 using footnote disclosures in Form 10-K or the company's annual report. Each database includes the amount of inventory, the inventory method (where applicable), the size of LIFO Reserve, and the effect of any LIFO liquidations on income. Analysis of the data shed light on the frequency with which LIFO was used, as well as the frequency of use of the other methods, and the proportion of firms which carry no inventory.

Data analysis also provided interesting insight into how reported profits would have increased if an alternate inventory method had been used instead of the LIFO method. Since oil companies, whose profits have been recently criticized, were major benefactors from using LIFO, the impact of LIFO on profits takes on increased significance. Also of interest is the greatly increased inventory value that would have been reported in the absence of LIFO.

Several key findings of this study are:

1. In the Fortune 500, 135 companies reported using LIFO for valuing all or some of their inventory. Given that 141 Fortune 500 firms do not carry inventory, the proportion of firms choosing LIFO was 38 percent (135/359). The S&P 500 results were similar.
2. LIFO is employed in 37 of the 54 Fortune 500 industry categories whose firms carry inventory. Another 18 industry categories, such as banking and insurance, do not report inventory.
3. Exxon Mobil topped the list of firms with the largest LIFO Reserves, reporting a reserve of \$25.4 billion. The next 9 largest LIFO Reserve amounts ranged between \$1.4 billion and \$7.0 billion.
4. Fewer than 20 LIFO firms in the Fortune 500 would have seen their 2007 net income increase by more than 2 percent if their inventory had been valued on a more current basis. However, there are several firms whose net income would have increased significantly. Sunoco's 2007 net income of \$891 million would have more than doubled to an estimated \$1.9 billion if LIFO had not been used as the inventory method. Exxon's net income would have increased about 15 percent, or \$6.2 billion.
5. The total LIFO Reserves of the 135 LIFO companies in the Fortune 500 grew to \$82 billion, up 39 percent from the 2006 level of \$59 billion. Most of this increase occurred in the oil sector. Note that the value of the LIFO Reserves for tax reporting purposes cannot be calculated from information in the 10-K but is thought to be higher.
6. Thirty six LIFO firms would have reported at least a 20 percent increase in inventory under an alternative inventory method. At the top of this list, Sunoco's inventory would have quadrupled from \$1.1 billion to over \$5 billion if LIFO had not been used. Exxon Mobil's inventory would have tripled from \$11.1 billion to \$36.5 billion.
7. Not surprisingly, the LIFO Reserve of major oil and energy firms increased sharply in 2007 as the price of oil surged to all-time highs. Ten such firms recorded an increase of more than 50 percent in their LIFO Reserves. Marathon Oil had the largest relative increase of 140 percent, jumping from \$1.7 billion to \$4.0 billion.

## **USE OF LIFO**

As was mentioned in the Introduction, the extent of use of the LIFO method has been debated in recent years. This study documents the frequency of use of various inventory methods across the industry categories that comprise the Fortune 500 firms. Table 1 details the 72 industry categories that comprise the Fortune 500.<sup>1</sup>

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<sup>1</sup> There were 74 individual groups that were collapsed to 72 for this study. The industry group "insurance: life, health was identified in two separate categories, one for mutual companies and one for stock companies. The same was true for the industry group "insurance: property & casualty.

**Table 1**  
**Number of Fortune 500 Firms by Industry Category**

<b>Industry Category</b>	<b>Total</b>
Advertising, marketing	2
Aerospace & defense	10
Airlines	7
Apparel	4
Automotive retailing, services	8
Beverages	6
Building materials, glass	2
Chemicals	17
Commercial banks	21
Computer peripherals	3
Computer software	2
Computers, office equipment	8
Diversified financials	9
Diversified outsourcing	1
Electronics, electrical equipment	4
Energy	13
Engineering, construction	5
Entertainment	6
Financial data services	4
Food & drug stores	10
Food consumer products	14
Food production	5
Food services	4
Forest & paper products	3
Furniture	1
General merchandisers	10
Health care: insurance & managed care	7
Health care: medical facilities	6
Health care: pharmacy & other services	5
Home equipment, furnishings	3
Homebuilders	11
Hotels, casinos, resorts	5
Household & personal products	6
Industrial & farm equipment	13
Information technology services	5
Insurance: life, health	18
Insurance: property & casualty	20
Internet services & retailing	6
Mail, package, freight delivery	2
Medical products & equipment	5
Metals	8
Mining, crude oil production	9
Miscellaneous	3
Motor vehicle & parts	15
Network & other communications equipment	6
Oil & gas equipment, services	5
Packaging, containers	7
Payroll services	1
Petroleum refining	10
Pharmaceuticals	9
Pipelines	6
Publishing, printing	4
Railroads	4
Real estate	2
Savings institutions	2
Scientific, photo, control equipment	3
Securities	7
Semiconductors & other electronic components	7
Specialty retailers	24
Telecommunications	13

**Table 1 continued**  
**Number of Fortune 500 Firms by Industry Category**

<b>Industry Category</b>	<b>Total</b>
Temporary help	2
Tobacco	2
Toys, sporting goods	1
Transportation & logistics	2
Transportation equipment	2
Trucking, truck leasing	2
Utilities: gas & electric	26
Waste management	2
Wholesalers: diversified	9
Wholesalers: electronics & office equipment	7
Wholesalers: food & grocery	4
Wholesalers: health care	5
<b>Grand Total</b>	<b>500</b>

**Table 2**  
**Number of Fortune 500 Firms Using LIFO, by Industry Category**

<b>Fortune 500 Industry Category</b>	<b>Number</b>
Chemicals	13
Industrial & farm equipment	11
Food & drug stores	9
Petroleum refining	9
General merchandisers	7
Motor vehicle & parts	7
Metals	6
Specialty retailers	5
Utilities: gas & electric	5
Wholesalers: diversified	5
Aerospace & defense	4
Energy	4
Food consumer products	4
Household & personal products	4
Packaging, containers	4
Wholesalers: health care	4
Pharmaceuticals	3
Beverages	2
Building materials, glass	2
Electronics, electrical equipment	2
Food production	2
Forest & paper products	2
Home equipment, furnishings	2
Insurance: property & casualty	2
Publishing, printing	2
Tobacco	2
Transportation equipment	2
Wholesalers: food & grocery	2
Apparel	1
Computers, office equipment	1
Diversified financials	1
Furniture	1
Medical products & equipment	1
Mining, Crude oil products	1
Oil & gas equipment, services	1
Scientific, photo, control equipment	1
Wholesalers: electronics & office equipment	1
<b>Grand Total</b>	<b>135</b>

The use of the LIFO inventory method is widespread, spanning 37 of the 72 industry groups comprising the Fortune 500 and including 135 of the 359 Fortune firms that carry inventory. Table 2 identifies the industry groups where LIFO is employed, listed in declining order of frequency of use.

When examining the use of a particular inventory method within an industry group, it must be remembered that a single company may simultaneously use more than one inventory method and that a conglomerate firm will be grouped in its main industry category. Thus, not only will the number of inventory methods sum to over 500 but also there may be firms reporting inventory in industry categories where inventory is not expected. Table 3 reports the number of firms by industry which use LIFO exclusively or in combination with other inventory methods.

**Table 3**  
**Number of Fortune 500 Firms Using LIFO And Other Inventory Methods, By Industry Category**  
**(L=LIFO, AC=average cost, F=FIFO, SP=specific identification)**

<b>Industry Category</b>	<b>L</b>	<b>L, AC</b>	<b>L, F</b>	<b>L, F, AC</b>	<b>L, AC, F, SP</b>	<b>Total</b>
Aerospace & defense		1	2	1		4
Apparel			1			1
Beverages	1		1			2
Building materials, glass			1	1		2
Chemicals	2	2	7	2		13
Computers, office equipment			1			1
Diversified financials			1			1
Electronics, electrical equipment			1	1		2
Energy		4				4
Food & drug stores	7		2			9
Food consumer products			3	1		4
Food production			2			2
Forest & paper products		1		1		2
Furniture			1			1
General merchandisers	5		2			7
Home equipment, furnishings			2			2
Household & personal products			2	2		4
Industrial & farm equipment	4		7			11
Insurance: property & casualty	1				1	2
Medical products & equipment			1			1
Metals	1	1	3	1		6
Mining, crude oil products		1				1
Motor vehicle & parts			6	1		7
Oil & gas equipment, services		1				1
Packaging, containers		2	1	1		4
Petroleum refining	3	3	1	2		9
Pharmaceuticals	2		1			3
Publishing, printing	1		1			2
Scientific, photo, control equipment	1					1
Specialty retailers	2		3			5
Tobacco	1		1			2
Transportation equipment			2			2
Utilities: gas & electric		5				5
Wholesalers: diversified	2	1	2			5
Wholesalers: electronics & office equipment			1			1
Wholesalers: food & grocery			2			2
Wholesalers: health care	1		3			4
<b>Grand Total</b>	<b>34</b>	<b>22</b>	<b>64</b>	<b>14</b>	<b>1</b>	<b>135</b>

**LIFO Reserves**

Since the LIFO method calculates cost of goods sold using the “last-in” (newer) prices, a company’s inventory will be valued using older and typically lower prices. As a consequence, LIFO inventories will typically

have a market value considerably greater than their accounting value. This price differential is referred to as the LIFO Reserve. The LIFO Reserve is the cumulative differential between LIFO pricing for inventory and an alternative inventory valuation method. As such, the Reserve represents the cumulative income differential that a firm would have reported over the time period it has been using LIFO.

Which industries garner the most benefit from using LIFO can be partially answered by looking at the size of the LIFO Reserves across each industry. Table 4 reports the total dollars of LIFO Reserve for each of the Fortune 500 industries where LIFO was used. The total value of the LIFO Reserve across all 500 firms was \$82,371 million. Two-thirds of that resided in the petroleum refining industry, with the remainder scattered across 36 other industries. The apparel and specialty retailer groups reported using LIFO but had no LIFO Reserve.

**Table 4**  
**2007 LIFO Reserves in the Fortune 500 By Industry Category (Dollar amounts in millions)**

Industry Category	LIFO Reserves
Petroleum refining	\$56,267
Industrial & farm equipment	4,693
Metals	3,716
Chemicals	3,668
Motor vehicle & parts	2,828
Food & drug stores	2,786
Wholesalers: diversified	1,007
Utilities: gas & electric	934
Tobacco	751
Aerospace & defense	729
Diversified financials	623
Insurance: property & casualty	482
Forest & paper products	459
Wholesalers: food & grocery	445
Energy	329
Packaging, containers	325
Wholesalers: health care	313
Household & personal products	280
Food production	235
Beverages	232
Electronics, electrical equipment	175
Food consumer products	165
Transportation equipment	148
Pharmaceuticals	135
Oil & gas equipment, services	116
Mining, crude oil products	102
Building materials, glass	90
Publishing, printing	78
Furniture	64
Home equipment, furnishings	62
Wholesalers: electronics & office equipment	60
General merchandisers	29
Computers, office equipment	24
Scientific, photo, control equipment	18
Medical products & equipment	4
Apparel	0
Specialty retailers	0
Total LIFO Reserves 2007	\$82,371

The relative importance of LIFO to individual firms can be seen in Table 5 which reports the 10 largest LIFO Reserves for 2007.

**Table 5**  
**The Ten Largest LIFO Reserves for 2007: Fortune 500**  
**(Dollar amounts in millions)**

<b>Company</b>	<b>Industry Category</b>	<b>LIFO Reserve 2007</b>
Exxon Mobil	Petroleum refining	\$25,400
Chevron	Petroleum refining	6,958
ConocoPhillips	Petroleum refining	6,668
Valero Energy	Petroleum refining	6,200
Marathon Oil	Petroleum refining	4,034
Sunoco	Petroleum refining	3,868
Caterpillar	Industrial & farm equipment	2,617
Dow Chemical	Chemicals	1,511
General Motors	Motor vehicle & parts	1,423
Tesoro	Petroleum refining	1,400

As expected, the firms experiencing the most significant difference in inventory valuation caused by LIFO are in the petroleum refining industry. Interestingly, only one of the 10 firms in this category, Frontier Oil, did not use LIFO to value any part of its inventory.

As for which firms would have experienced the largest relative balance sheet impact, Table 6 identifies those firms whose inventory value would have increased by over 50 percent if LIFO had not been used. Petroleum refiners are again prominent on the list. Sunoco’s inventory would have more than quadrupled using an alternative inventory method. Exxon Mobil’s inventory would have tripled, while six other petroleum refiners would have reported more than double the LIFO value of inventory.

**Table 6**  
**Fortune 500 Companies With Adjusted Value for Inventory Greater Than 150% of LIFO Value (\$ millions)**  
**(Dollar amounts in millions)**

<b>Company</b>	<b>Industry Category</b>	<b>(Adjusted Value of Inventory) ÷ (Book Value)</b>	<b>2007 Inventory + LIFO Reserve</b>	<b>LIFO Reserve 2007</b>	<b>Inventory 2007</b>
Sunoco	Petroleum refining	436.35%	\$5,018	\$3,868	\$1,150
Exxon Mobil	Petroleum refining	329.06%	36,489	25,400	11,089
ConocoPhillips	Petroleum refining	257.90%	10,891	6,668	4,223
Valero Energy	Petroleum refining	248.18%	10,384	6,200	4,184
Chevron	Petroleum refining	231.04%	12,268	6,958	5,310
Marathon Oil	Petroleum refining	223.10%	7,311	4,034	3,277
Tesoro	Petroleum refining	216.67%	2,600	1,400	1,200
Murphy Oil	Petroleum refining	213.42%	1336	710	626
NiSource	Utilities: gas & electric	205.02%	939	481	458
Eastman Chemical	Chemicals	194.62%	1049	510	539
AK Steel Holding	Metals	183.31%	1186	539	647
Hess	Petroleum refining	182.32%	2,279	1,029	1,250
Loews	Insurance: property & casualty	167.41%	375	151	224
Deere	Industrial & farm equipment	152.76%	3,570	1,233	2,337

While the size of the LIFO Reserve indicates the cumulative difference in inventory value, the change in the LIFO Reserve from year to year indicates the income differential resulting from using the LIFO method. It is again interesting to note which industries reported the largest changes in their LIFO Reserve in 2007. Table 7 identifies the change in LIFO Reserve across the industry for each of the industries where LIFO was used.

**Table 7  
Change in Value of 2007 LIFO Reserves By Industry Category for the Fortune 500 Firms**

Industry Category	Change in LIFO Reserve (in \$millions)
Petroleum refining	\$21,489
Chemicals	529
Industrial & farm equipment	395
Energy	318
Metals	236
Food production	212
Food & drug stores	194
Utilities: gas & electric	108
Wholesalers: diversified	99
Aerospace & defense	65
Insurance: property & casualty	63
Diversified financials	59
Beverages	50
Packaging, containers	35
Mining, crude oil products	28
Food consumer products	24
Wholesalers: food & grocery	23
Oil & gas equipment, services	22
Pharmaceuticals	22
Household & personal products	21
Motor vehicle & parts	18
Electronics, electrical equipment	14
Transportation equipment	11
Wholesalers: electronics & office equipment	8
Scientific, photo, control equipment	7
Computers, office equipment	3
Home equipment, furnishings	2
Building materials, glass	1
Medical products & equipment	0
Apparel	0
Specialty retailers	0
Furniture	(7)
Publishing, printing	(7)
Tobacco	(12)
General merchandisers	(12)
Forest & paper products	(26)
Wholesalers: health care	(54)
<b>Total Changes in LIFO Reserves 2007</b>	<b>\$23,938</b>

Petroleum refining tops the list by a wide margin, indicating that profits in that industry would have been higher using other inventory methods. The dollar values of change taper quickly as one moves down the list.

Which individual firms would have felt the largest impact on earnings? Table 8 identifies the firms whose LIFO Reserve increased by over 50 percent in 2007.

Although several firms outside of the petroleum refining industry experienced large percentage increases in their LIFO Reserve, these increases were often based on relatively small Reserves. When large dollar amounts are considered, petroleum refining firms dominate this group, perhaps due to the large increases in the price of oil in 2007.

Viewing this factor from a different perspective, Table 9 shows the list of firms whose LIFO Reserve increased by more than \$100 million in 2007. This list is again dominated by firms in the petroleum refining industry, with several other industries bringing up the bottom of the list.



**Table 8**  
**Fortune 500 Companies With LIFO Reserve Increases Over 50% in 2007**  
**(Dollar amounts in millions)**

<b>Company</b>	<b>Industry Category</b>	<b>(2007 LIFO Reserve) ÷ (2006 LIFO Reserve)</b>	<b>LIFO Reserve 2007</b>	<b>LIFO Reserve 2006</b>
Integrlys Energy Group	Energy	n/a	\$304	\$0
Archer Daniels Midland	Food production	23.89	215	9
American Electric Power	Energy	2.750	11	4
Marathon Oil	Petroleum refining	2.40	4,034	1,682
Valero Energy	Petroleum refining	2.14	6,200	2,900
Ryerson	Petroleum refining	1.85	504	273
Murphy Oil	Petroleum refining	1.83	710	389
Tesoro	Petroleum refining	1.82	1,400	770
Sunoco	Petroleum refining	1.70	3,868	2,273
Danaher	Scientific, photo, control equipment	1.64	18	11
Exxon Mobil	Petroleum refining	1.60	25,400	15,900
ConocoPhillips	Petroleum refining	1.60	6,668	4,178
Hess	Petroleum refining	1.52	1,029	676
Whole Foods Market	Food & drug stores	1.52	20	13
Nucor	Metals	1.50	582	387
Black & Decker	Industrial & farm equipment	1.50	15	10

**Table 9**  
**Fortune 500 Companies: Increase in LIFO Reserve 2007 > \$100 Million**  
**(Dollar amounts in millions)**

<b>Company</b>	<b>Industry Category</b>	<b>Increase in LIFO Reserve</b>	<b>LIFO Reserve 2007</b>	<b>LIFO Reserve 2006</b>
Exxon Mobil	Petroleum refining	\$9,500	\$25,400	\$15,900
Valero Energy	Petroleum refining	3,300	6,200	2,900
ConocoPhillips	Petroleum refining	2,490	6,668	4,178
Marathon Oil	Petroleum refining	2,352	4,034	1,682
Sunoco	Petroleum refining	1,595	3,868	2,273
Chevron	Petroleum refining	948	6,958	6,010
Tesoro	Petroleum refining	630	1,400	770
Dow Chemical	Chemicals	419	1,511	1,092
Hess	Petroleum refining	353	1,029	676
Murphy Oil	Petroleum refining	321	710	389
Integrlys Energy Group	Energy	304	304	0
Caterpillar	Industrial & farm equipment	214	2,617	2,403
Archer Daniels Midland	Food production	206	215	9
Nucor	Metals	195	582	387
Kroger	Food & drug stores	154	604	450
NiSource	Utilities: gas & electric	118	481	363

As mentioned earlier, it is the change in the LIFO Reserve that determines the income differential that LIFO firms have experienced. The change in Reserve is a pretax number, so the after-tax income difference can be estimated at 65 percent of the change in LIFO Reserve (assuming a 35 percent tax rate). Rather than focus on the absolute dollar-value of change, which has already been specified in Table 9, the proportionate change in net income resulting from the use of an alternative inventory method is estimated. Table 10 is the list of Fortune 500 firms whose net income would have increased by over 10 percent if LIFO had not been used.

**Table 10**  
**Fortune 500 Companies Adjusted Net Income More Than 10% Greater Than LIFO Net Income**  
**(Dollar amounts in millions)**

Company	Industry Category	(Adjusted Net Income) ÷ (LIFO Net Income)	Adjusted Net Income 2007	LIFO Net Income 2007	2007 Increase in LIFO Reserve
Sunoco	Petroleum refining	2.16	\$1,928	\$891	1,595
Integrus Energy Group	Energy	1.78	452	254	304
Tesoro	Petroleum refining	1.72	976	566	630
Valero Energy	Petroleum refining	1.41	7,379	5,234	3,300
Marathon Oil	Petroleum refining	1.39	5,485	3,956	2,352
Murphy Oil	Petroleum refining	1.27	976	767	321
NiSource	Utilities: gas & electric	1.24	398	321	118
Exxon Mobil	Petroleum refining	1.15	46,785	40,610	9,500
ConocoPhillips	Petroleum refining	1.14	13,510	11,891	2,490
Hess	Petroleum refining	1.13	2,061	1,832	353
Eastman Chemical	Chemicals	1.10	330	300	46

As can be seen, Sunoco's net income would have more than doubled from \$891 million to \$1,928 million if LIFO had not been used. Again, petroleum refiners would have reported substantially increased net income under an alternative inventory method. Given the interest by Congress in "excess oil profits," the adjusted profits estimated in Table 10 would have heightened Congressional interest.

## SUMMARY AND CONCLUSION

While it may be true that the use of LIFO has declined in recent years, it is undeniable that LIFO is still widely used across the Fortune 500 by 38 percent of firms reporting inventory. The total LIFO Reserve across the Fortune 500 was \$82,371 million, an amount equal to 24 percent of the book value of the inventories of Fortune companies using LIFO and 12 percent of the book value of all inventories for the 500 companies.

LIFO causes significant differences in the reported value of inventory and net income for a small group of the Fortune 500 firms, many of which reside in the petroleum refining industry. At the extreme, inventory under LIFO is valued for one firm at 25 percent of a more current value and income for 2007 at less than half of what an alternative inventory method would report. Such extreme differences were limited to the top three to five firms being assessed. Although the exact tax consequences cannot be determined using the book accounting values, it can be estimated that \$82,371 million of income is deferred from taxation, delaying the payment of approximately 35 percent tax on that amount, or \$28.8 billion. More than 65 percent of this amount was in the petroleum refining industry.

## AUTHOR INFORMATION

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