

**REV. PROC. 2008-23 PERMITS SINGLE POOLING**  
**FOR NEW & FOR USED VEHICLE LIFO INVENTORIES**

**Willard J. De Filippis, CPA - April 24, 2008 - Audio Seminar**

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**Auto Dealers Using LIFO Just Received a  
Significant Tax Savings Opportunity From the IRS ...  
& It's Available for 2007 if You Act Fast**

This new development was just announced by the IRS on March 7, 2008 in Revenue Procedure 2008-23. You can learn all the details from Willard J. De Filippis, CPA, a leading expert on the application of the Last-In, First-Out (LIFO) Method of valuing inventories for automobile dealerships.

According to Mr. De Filippis ... *right now, all you need to know about this favorable opportunity* ... is to advise auto dealerships using LIFO not to file their 2007 income tax returns until you've determined whether the new single-pool LIFO election should be made for 2007.

Currently, the IRS requires auto dealerships using LIFO to maintain separate inventory pools for new automobiles and for new light-duty-trucks (14,000 lbs. and under). If the dealership is also applying LIFO to its used vehicle inventories, a similar two-pool requirement exists.

*Starting in calendar year 2007*, the IRS will allow a dealership to combine its two new vehicle pools into a single new vehicle LIFO pool. Similarly, the IRS will permit a dealership to combine its two used vehicle pools, one for used autos and one for used trucks, into a single used vehicle LIFO pool.

This means that questions over the proper LIFO pool classification for crossovers, SUVs, hybrids and whatever may come next ... will vanish. Dealerships can make this change simply as an automatic change (with no advance IRS permission or user fees required).

If dealerships haven't already filed their 2007 income tax returns, some of them may find significant benefits from this new single pool approach for 2007. It's simply theirs for the taking!

Mr. De Filippis has been analyzing this development for numerous dealership LIFO clients with a wide array of LIFO facts and patterns.

Right now, all you need to do to tap into Mr. De Filippis' expertise is to save the date, April 24, for this audio seminar. In this seminar, he will explain how to quickly determine if the change to use the single, combined pool method is advantageous for a dealership to adopt in its 2007 income tax return when it is filed.

What to expect from Mr. De Filippis' interactive audio seminar ...

*In-Depth, Technical Discussions including ...*

- A full analysis of this new "Vehicle-Pool Method," including emphasis on its advantages and how dealerships can obtain them.

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- A discussion of the technical requirements to be considered in order to obtain the “treasure” buried in Rev. Proc. 2008-23. There is some “work” to using this new method, as this involves the combining of LIFO pools and the rebasing of indexes.
- A walk-through of the procedures, including filing Form 3115 and Form 970, to properly make the change.
- An understanding of the consequences if the dealership does not elect to change to the “Vehicle-Pool Method.”
- Coverage of the special tax issues that arise in applying the “Vehicle-Pool Method” to used vehicle inventories (if they are on LIFO).

*Practical Insights & “How to” Guidance ...*

- The benefit of Mr. De Filippis’ long experience in analyzing the impact of the alternatives and procedures with many of our dealers on LIFO and their CPAs. Almost every situation will be different ... it’s not safe to generalize from one situation to another.
- Valuable *Practice Guides* that show and tell you exactly how he has approached this development with his clients. These *Practice Guides* and sample computations will save you many hours of “reinventing the wheel.”

In his usual, comprehensive way, Mr. De Filippis will provide detailed program materials that you can study and use after the presentation. In addition, this session will allow ample opportunity for interactive questions and answers with Mr. De Filippis.

March 13, 2008

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