FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Check this box if no longer subject to
Section 16. Form 4 or Form 5
obligations may continue. See
Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL

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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* BURNS URSULA M														5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director Officer (give title Delow) Director Other (specify					
(Last) (First) (Middle) 800 LONG RIDGE ROAD						3. Date of Earliest Transaction (Month/Day/Year) 01/30/2006							Senior Vice President						
P. O. 1600						4 If A	4 If Amendment Date of Original Filed (Month/Day/Vaar)							2 Individual or Joint/Croup Filips (Cheek Appliesh)					
(Street) STAMFORD 06904					4.117								6. Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person Form filed by More than One Reporting Person						
(City)	(City) (State) (Zip)								r 613011										
			Та	ble I - No	n-Deriv	ative	Securities Ac	quired	l, Dis	sposed of	, or Ben	eficiall	y Owned						
1. Title of Security (Instr. 3)			2. Transac Date (Month/Da		Execution Date,		ction Instr.	4. Securities Acquired (A Disposed Of (D) (Instr. 3,		(A) or 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported		6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)		7. Nature of ndirect Beneficial Dwnership Instr. 4)				
									v	Amount	(A) or (D) Pric		Transaction(s) (Instr. 3 and 4)				,		
Common	Stock				01/03/	2006		J ⁽⁴⁾	V	27,667	A	\$0 ⁽²⁾	169,4	58	Ι)			
Common	Stock				01/03/2006			F ⁽⁴⁾	V	9,750	D	\$0 ⁽²⁾	\$0 ⁽²⁾ 159,708		Ι)			
Common Stock				01/30/2006			S ⁽⁵⁾		10,081	D	\$14.06	.06 149,627		Ι)				
Common Stock				01/30/2006			S ⁽⁵⁾		3,300	D	\$14.04	146,327		Ι)				
Common Stock			01/30/2006			S ⁽⁵⁾		700	D	\$14.03	\$14.03 145,627		D						
Common Stock			01/30/2006			S ⁽⁵⁾		13,200	D	D \$14.02 132,427		27	D						
Common Stock			01/30/2006			S ⁽⁵⁾		15,700	D	\$14	116,7	27	I						
Common Stock			01/30/2006			S ⁽⁵⁾		3,900	D	\$13.99	112,8	27	I						
Common Stock			01/30/2006			S ⁽⁵⁾		5,000	D	\$13.96	107,8	27	I						
Common Stock			01/30/2006			M ⁽⁵⁾		149,600	A	\$0 ⁽²⁾	257,4	27	I						
Common Stock				01/30/	2006		S ⁽⁵⁾		10,000	D	\$14.06	247,4	27	I					
Common Stock				01/30/	2006		S ⁽⁵⁾		3,200	D	\$14.04	244,2	27	I)				
Common Stock				01/30/2006			S ⁽⁵⁾		600	D	\$14.03	243,6	27	I)				
Common Stock			01/30/2006			S ⁽⁵⁾		12,500	D	\$14.02	231,1	.27	I						
Common Stock			01/30/2006)06			35,600	D	\$14	195,527		I)					
Common Stock			01/30/2006			S ⁽⁵⁾		32,700	D	\$13.99	162,8	27	D						
Common Stock			01/30/2006			S ⁽⁵⁾		50,000	D	\$13.97	112,8	27	D						
Common Stock				01/30/2006			S ⁽⁵⁾		5,000	D	\$13.96	107,8	27	D					
Incentive Stock Rights				01/03/2006			J ⁽⁴⁾	V	27,667	D	\$0.0(2)	27,667		D					
Common Stock												3,316	3,316.78		[Empolyee Stock Ownership Plan			
Common Stock											3,45	3,458		[Children				
Xerox Stock Fund													2,078	2,078.23		[]	Kerox Stock Fund ⁽³⁾		
				Table II			ecurities Acqualls, warrants						Owned						
1. Title of Derivative Security (Instr. 3)	ritle of 2. 3. Transaction 3A. Deemed Execution Date Execution Date if any		d 4. Date, Transaction Code (Instr.		5. Number of Derivative	6. Date Exercis Expiration Dat (Month/Day/Ye		sable and e ar)	7. Title and Amou of Securities Underlying Derivative Securi (Instr. 3 and 4)		8. Price of Derivative derivati Security (Instr. 5) (Instr. 5) Benefic Owned Followi Reporte Transac (Instr. 4)		ive ies cially ing ed ction(s)	10. Ownershi Form: Direct (D) or Indirec (I) (Instr. 4	Beneficial Ownership t (Instr. 4)				

			Table II - Der (e.g	vativ , put	e Sec s, cal	urit Is, v	ies Acc varrant	uired, Disposons,	osed of, copwertit	or Bene le secu	ficiality C rities) of Shares	wned			
1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4: 5. Number of Derivative Scurities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			umber of vative urities uired (A) isposed o) (Instr.	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
													(Instr. 4)		
											Amount				
Stock Option	\$4.75	01/30/2006		M ⁽⁵⁾ Coue	v	(A)	149,600 (تا)	01/01/2002 ⁽¹⁾ Exercisable	12/31/2010 Date	Common Ti Stock	or 149,600	\$0 ⁽²⁾	0	D	
Stock Option	\$5.14							10/14/2007	12/31/2011	Common Stock	100,000		100,000	D	
Stock Option	\$7.885							01/01/2004 ⁽¹⁾	12/31/2012	Common Stock	280,400		280,400	D	
Stock Option	\$10.365							01/01/2003 ⁽¹⁾	12/31/2011	Common Stock	149,600		149,600	D	
Stock Option	\$21.7812							01/01/2005	12/31/2009	Common Stock	40,000		40,000	D	
Stock Option	\$46.875							01/01/1999 ⁽¹⁾	12/31/2008	Common Stock	15,282		15,282	D	
Stock Option	\$47.5							03/01/2003	12/31/2009	Common Stock	5,625		5,625	D	
Stock Option	\$59.4375							01/01/2000 ⁽¹⁾	12/31/2006	Common Stock	630		630	D	
Stock Option	\$13.685							01/01/2005 ⁽¹⁾	12/31/2011	Common Stock	138,000		138,000	D	

Explanation of Responses:

- 1. Options vest over three years, 33.3% per year beginning in year shown.
- 2. Not Applicable
- 3. Units purchased in and loan repayments to Xerox Stock Fund under Xerox Savings Plan. Amount does not represent shares of stock, but dollars invested divided by unit value.
- 4. Vesting of incentive stock rights.
- 5. This sale of shares was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on February 8, 2005 and disclosed under Item 8.01 of the Form 8-K filed with the Securities and Exchange Commission on November 5, 2004.

K. W. Fizer, Attorney-In-Fact 02/01/2006

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

- * If the form is filed by more than one reporting person, see Instruction 4 (b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

 $Persons \ who \ respond \ to \ the \ collection \ of \ information \ contained \ in \ this \ form \ are \ not \ required \ to \ respond \ unless \ the \ form \ displays \ a \ currently \ valid \ OMB \ Number.$

The undersigned hereby constitutes and appoints each of J. M. Farren, K. W. Fizer and S. K. Lee, as the undersigned's true and lawful attorney's-in-fact, with full powers to act alone, to execute and file with the Securities and Exchange Commission and any stock exchange or similar authority one or more beneficial ownership reports and any and all amendments thereto, together with any and all exhibits relating thereto including this Power of Attorney, in the name and on behalf of the undersigned, disclosing the undersigned's beneficial ownership of securities of Xerox Corporation, in connection with Section 16 and any other provisions of the Securities Exchange Act of 1934, as amended, and the rules promulgated thereunder (the "SEC Rules"), which reports, amendments and exhibits shall contain such information as any of J. Michael Farren, K. W. Fizer, and S. K. Lee deems appropriate. The undersigned hereby grants to each such Attorney-in-fact full power and authority to do and perform each and every act and thing whatsoever that said attorney or attorneys may deem necessary or advisable to carry out fully the intent of the foregoing as the undersigned might or could do personally. The undersigned acknowledges that none of the foregoing attorneys-in-fact, in serving in such capacity, which the undersigned acknowledges is at the request of the undersigned, is assuming, nor is Xerox Corporation assuming, any of the undersigned's responsibilities to comply with the SEC Rules. This power of attorney shall remain in full force and effect with respect to each of the foregoing attorneys-in-fact until the undersigned is no longer required to file any of the aforementioned reports under the SEC Rules, unless earlier revoked by the undersigned in a signed writing delivered to the applicable attorney-in-fact.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney as of the 18th day of July 2005. /s/Ursula M. Burns