Instruction 1(b).

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549 STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB	APPROVAL
CIVID	

OMB Number: 3235-0287 Estimated average burden hours per response: 0.5

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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* MACDONALD MICHAEL C				2. Issuer Name and Ticker or Trading Symbol XEROX CORP [XRX]							(Ched	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner Officer (give title Other (specify below)					
	Last) (First) (Middle) 600 LONG RIDGE ROAD 2. O. BOX 1600				3. Date of Earliest Transaction (Month/Day/Year) 02/16/2006								below)	enior V	ice Pre	below) sident	
(Street)				4. If Amendment, Date of Original Filed (Month/Day/Year)								Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person Form filed by More than One Reporting Person					
(City)	(Sta	ate)	(Zip)														
1 Title of Co	acceptate (Impate		able I - Noi			_		cquired,	Dis	_			Owned 5. Amount o	.f	l s Own	rehin 7	. Nature of
1. Title of Security (Instr. 3)			2. Transaction Date (Month/Day/Yea		ar) 2A. Deemed Execution Date if any (Month/Day/Ye		te, Transaction Code (Instr.					and 5) Securities Beneficially Following		6. Ownersh Form: Direc (D) or Indire (I) (Instr. 4)	oirect E	ndirect Beneficial Ownership	
									Code V		Amount (A) or (D)		Reported			(nstr. 4)
Common S	Stock												58,30)7	I)	
Common S	mon Stock											4,228.78			1	Employee Stock Ownership Plan	
Common S	Stock												45			[(Children
Incentive S	Stock Rights	5											55,000		I		
Xerox Stock Fund												11,626.77		I ⁽³⁾ St		Kerox Stock Fund	
										osed of, or convertible			wned				
1. Title of Derivative Security (Instr. 3)	Conversion Date	3. Transaction		te, 4. Tran	nsaction	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercis. Expiration Date (Month/Day/Yea		able and	7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative		ollowing eported	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature
	Derivative	(Month/Day/Year)		Cod	le (Instr.	Securities Acquired or Dispos of (D) (Ins	s (A) sed				Underlyin Derivative	g Security	Security (Instr. 5)	Securi Benefi Owned Follow Report	ties cially I ring ted	Form: Direct (D) or Indirec	of Indirect Beneficial Ownership (Instr. 4)
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	Derivative		if any	Cod	e (Instr.	Securities Acquired or Dispos of (D) (Ins	s (A) sed		y/Yea		Underlyin Derivative	g Security and 4)	Security	Securi Benefi Owned Follow Report Transa	ties cially I ring ted action(s)	Form: Direct (D) or Indirec	of Indirect Beneficial Ownership (Instr. 4)
Stock Option	Derivative		if any	ear) Cod	e (Instr.	Securities Acquired or Dispos of (D) (Ins 4 and 5)	(A) sed str. 3,	(Month/Da	y/Yea	ur)	Underlyin Derivative (Instr. 3 ai	g e Security nd 4) Amount or Number	Security	Securi Benefi Owned Follow Report Transa (Instr.	ties cially I ring ted action(s)	Form: Direct (D) or Indirec	of Indirect Beneficial Ownership (Instr. 4)
	Derivative Security		if any	ear) Cod	e (Instr.	Securities Acquired or Dispos of (D) (Ins 4 and 5)	(A) sed str. 3,	(Month/Da	le 07	Expiration Date	Underlyin Derivative (Instr. 3 au Title	Amount or Number of Shares	Security (Instr. 5)	Securi Benefi Owned Follow Report Transa (Instr.	ties cially I ing ted action(s)	Form: Direct (D) or Indirec (I) (Instr. 4	of Indirect Beneficial Ownership (Instr. 4)
Option Stock	Derivative Security		if any	ear) Cod	e (Instr.	Securities Acquired or Dispos of (D) (Ins 4 and 5)	(A) sed str. 3,	Date Exercisab	le)7	Expiration Date	Underlyin Derivative (Instr. 3 and Title Common Stock Common	Amount or Number of Shares	Security (Instr. 5)	Securi Benefi Ownec Follow Report Transa (Instr	ties cially i ing ted action(s) 4)	Form: Direct (D) or Indirec (I) (Instr. 4	of Indirect Beneficial Ownership (Instr. 4)
Option Stock Option Stock	\$5.14 \$7.885		if any	ear) Cod	e (Instr.	Securities Acquired or Dispos of (D) (Ins 4 and 5)	(A) sed str. 3,	Date Exercisab 10/14/200	yy/Yea	Expiration Date 12/31/2011 12/31/2012	Underlyin Derivative (Instr. 3 au Title Common Stock Common Common Stock	Amount or Number of Shares 50,000	Security (Instr. 5)	Securi Benefi Ownec Follow Report Transa (Instr 50	ties cially i ing ling ted action(s) 4)	Form: Direct (D) or Indirec (I) (Instr. 4	of Indirect Beneficial Ownership (Instr. 4)
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Option Stock Option	\$5.14 \$7.885 \$10.365 \$21.7812 \$46.875		if any	ear) Cod	e (Instr.	Securities Acquired or Dispos of (D) (Ins 4 and 5)	(A) sed str. 3,	Date Exercisab 10/14/200 01/01/2004 01/01/2003 01/01/2003 01/01/1999 03/01/200	Page	Expiration Date 12/31/2011 12/31/2012 12/31/2011 12/31/2009 12/31/2008 12/31/2009	Title Common Stock	9 Security nd 4) Amount or Number of Shares 50,000 105,600 93,500 30,000 17,166 6,282	Security (Instr. 5)	Securi Benefii Owned Follow Report Transa (Instr	ties cically 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Form: Direct (D) or Indirect (I) (Instr. 4	of Indirect Beneficial Ownership (Instr. 4)
Option Stock Option Deferred	\$5.14 \$7.885 \$10.365 \$21.7812 \$46.875 \$47.5		if any	ear) Cod	e (Instr.	Securities Acquired or Dispos of (D) (Ins 4 and 5)	(A) sed str. 3,	Date Exercisab 10/14/200 01/01/2004 01/01/2003 01/01/2003 01/01/2000 01/01/2000	le	Expiration Date 12/31/2011 12/31/2012 12/31/2011 12/31/2009 12/31/2008 12/31/2009 12/31/2006	Title Common Stock	9 Security nd 4) Amount or Number of Shares 50,000 105,600 93,500 30,000 17,166 6,282 1,184	Security (Instr. 5)	Securi Securi Securi Seneti Seneti Seneti Securi Securit Securi Securit Securi Securit Securi Securi Securit Securi Securit Securiti S	ties cially 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Form: Direct (D) or Indirect (I) (Instr. 4	of Indirect Beneficial Ownership (Instr. 4)
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Explanation of Responses:

- 1. Not Applicable
- 2. Options vest over three years, 33.3% per year beginning in year shown.
- 3. Units purchased in Xerox Stock Fund under Xerox Savings Plan. Amount does not represent shares of stock, but dollars invested divided by unit value.
- 4. These performance shares were earned based on achievement of specific annual performance criteria that are not tied solely to the market price of Issuer securities. Performance shares, to the extent earned, are scheduled to vest three years from their respective grant date.

K.W. Fizer, Attorney-In-Fact

02/21/2006

** 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.

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