

ZIMMERMAN LAWRENCE A
 Form 5
 January 31, 2006

FORM 5

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).
 Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person *
 ZIMMERMAN LAWRENCE A

(Last) (First) (Middle)

800 LONG RIDGE ROAD, P. O. BOX 1600

(Street)

STAMFORD, CT 06904

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 XEROX CORP [XRX]

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
 12/31/2005

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
 Senior Vice President and CFO

6. Individual or Joint/Group Reporting

(check applicable line)

Form Filed by One Reporting Person
 Form Filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|--|--|---|
| | | | | (A) or (D) | Price | | |
| Common Stock | 01/03/2005 | ^ | J ⁽²⁾ | 24,666 A | \$ 0 (3) | 158,808 D | ^ |
| Common Stock | 01/03/2005 | ^ | F ⁽²⁾ | 8,078 D | \$ 0 (3) | 150,730 D | ^ |
| Common Stock | ^ | ^ | ^ | ^ | ^ | 5,000 I | Spouse |
| Common Stock | ^ | ^ | ^ | ^ | ^ | 4,000 I | Custodian/Trustee for Grandchildren |

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| | | | | | | | | | |
|------------------------|------------|---|------------------|--------|---|-------------|--------|---|-------------------------------|
| Common Stock | Â | Â | Â | Â | Â | Â | 4.019 | I | Employee Stock Ownership Plan |
| Incentive Stock Rights | 01/03/2005 | Â | J ⁽²⁾ | 24,666 | D | \$ 0 (3) | 49,334 | D | Â |

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

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 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. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| Stock Option | \$ 7.885 | Â | Â | Â | Â | Date Exercisable: 01/01/2004 ⁽¹⁾ Expiration Date: 12/31/2012 | Common Stock 187,000 |
| Stock Option | \$ 8.975 | Â | Â | Â | Â | Date Exercisable: 01/01/2003 ⁽¹⁾ Expiration Date: 12/31/2011 | Common Stock 121,500 |
| Stock Option | \$ 8.975 | Â | Â | Â | Â | Date Exercisable: 01/01/2005 ⁽¹⁾ Expiration Date: 12/31/2011 | Common Stock 150,000 |
| Stock Option | \$ 13.685 | Â | Â | Â | Â | Date Exercisable: 01/01/2005 ⁽¹⁾ Expiration Date: 12/31/2011 | Common Stock 122,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| ZIMMERMAN LAWRENCE A 800 LONG RIDGE ROAD P. O. BOX 1600 STAMFORD, CT 06904 | Â | Â | Â Senior Vice President and CFO | Â |

Signatures

K. W. Fizer,
Attorney-In-Fact 01/31/2006

**Signature of Reporting Person

 Date

Explanation of Responses:

* 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).

(1) Options vest over three years, 33.3% per year beginning in year shown.

(2) Vesting of incentive stock rights.

(3) Not Applicable

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