SMART ONLINE INC Form 4

Check this box

if no longer

subject to

Section 16.

May 21, 2008

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

OMB Number:

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SECURITIES

Form 4 or Form 5 obligations may continue. See Instruction

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(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * Atlas Capital SA

(Street)

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to Issuer

SMART ONLINE INC [SOLN]

(Check all applicable)

(First) (Last)

(Middle)

3. Date of Earliest Transaction (Month/Day/Year)

10% Owner _ Other (specify

118 RUE DU RHONE

05/19/2008

6. Individual or Joint/Group Filing(Check

Director

Officer (give title

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

Applicable Line)

X 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

below)

GENEVA, V8 CH-1204

(City) (State) (Zip) 1.Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if

4. Securities Acquired Transaction(A) or Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Beneficial Indirect (I) Ownership (Instr. 4) (Instr. 4)

(Month/Day/Year)

Reported (A)

Transaction(s) (Instr. 3 and 4)

Common Stock

(Instr. 3)

Code V Amount 05/19/2008 P 132,011 (D) Price 5,037,296

D

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

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SEC 1474 (9-02)

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

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I S	. Title of Derivative Security Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	4. Transaction Code (Instr. 8)	of	Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr	
				Code V	4, and 5) (A) (D)		Expiration Date		Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships						
1	Director	10% Owner	Officer	Other			
Atlas Capital SA							
118 RUE DU RHONE		X					
GENEVA V8 CH-1204							

Signatures

/s/ Avy Lugassy, Atlas Capital, SA 05/21/2008

**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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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