Rometty Virginia M Form 4 August 09, 2010

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL

OMB Number:

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Section 16. Form 4 or Form 5 obligations may continue.

See Instruction

Check this box

if no longer

subject to

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 *

Rometty Virginia M

2. Issuer Name and Ticker or Trading

Symbol

INTERNATIONAL BUSINESS

MACHINES CORP [IBM]

(Month/Day/Year)

5. Relationship of Reporting Person(s) to

Issuer

below)

(Check all applicable)

(Last)

(City)

(Instr. 3)

(First) (Middle) 3. Date of Earliest Transaction

08/06/2010

Director 10% Owner X_ Officer (give title Other (specify

> below) Senior Vice President

IBM CORPORATION, 294 ROUTE 100

(Street)

(State)

4. If Amendment, Date Original

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

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

SOMERS, NY 10589

1. Title of 2. Transaction Date 2A. Deemed Security

(Month/Day/Year) Execution Date, if

(Zip)

3. Code (Month/Day/Year) (Instr. 8)

4. Securities TransactionAcquired (A) or Disposed of (D) (Instr. 3, 4 and 5) 5. Amount of Securities Beneficially Owned Following Reported

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

(A) Transaction(s) or (Instr. 3 and 4)

Code V Amount (D) Price

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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

3. Transaction Date 3A. Deemed 1. Title of (Month/Day/Year) Execution Date, if TransactionNumber Derivative Conversion

5.

6. Date Exercisable and **Expiration Date**

7. Title and Amount of 8. Price of Underlying Securities Derivative

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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year	Code) (Instr. 8)	of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	e :	Month/Day/Year)		(Instr. 3 and 4)	
			Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Phantom Stock Unit	\$ 0 (1)	08/06/2010	A(2)	71	(3)	(3)	Common Stock	71	\$ 0

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Rometty Virginia M IBM CORPORATION 294 ROUTE 100 SOMERS, NY 10589

Senior Vice President

Signatures

D. Cummins on behalf of V. M. Rometty

08/09/2010

**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) Phantom stock units convert to the cash value of the company's common stock on a one-for-one basis.
- (2) Acquisition of phantom stock units under the IBM Excess 401(k) Plus Plan.
- (3) Distribution of phantom stock units under the IBM Excess 401(k) Plus Plan is deferred until separation from the company. The reporting person may transfer these phantom stock units into an alternative investment account under such plan.

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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