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

POST EFFECTIVE AMENDMENT NO. 2
TO REGISTRATION STATEMENT
ON FORM S-8
Under
THE SECURITIES ACT OF 1933

MICROSOFT CORPORATION

(Exact name of registrant as specified in its charter)

Washington
(State or other jurisdiction
of incorporation or organization)

91-1144442
(IRS Employer
Identification No.)

One Microsoft Way
Redmond, Washington 98052-6399
(425) 882-8080

(Address of registrant's Principal Executive Offices)

MICROSOFT CORPORATION 1991 STOCK OPTION PLAN

(Full title of the plan)

Robert A. Eshelman
General Counsel
One Microsoft Way
Redmond, Washington 98052-6399
(425) 882-8080

(Name and address of agent for service)

Copies of all communications to:
Richard B. Dodd
Matthew S. Topham
Preston Gates & Ellis LLP
701 Fifth Avenue, Suite 5000
Seattle, WA 98104
(206) 623-7580

EXPLANATORY STATEMENT

A total of 2,080,000,000 shares of common stock of Microsoft Corporation (as adjusted for stock splits) were registered in connection with the Microsoft Corporation 1991 Stock Option Plan, as amended (the "1991 Stock Plan") by two separate registration statements on Form S-8 as follows: (a) 480 million shares (as adjusted for stock splits) were registered by a registration statement on Form S-8, filed in November 1991; (b) 800 million shares (as adjusted for stock splits) were registered by a registration statement on Form S-8, File No. 33-51583, filed in December 1993 (the "1993 Form S-8"); and (c) 800 million shares (as adjusted for stock splits) were registered by Post-Effective Amendment No. 1 to the 1993 Form S-8, filed on November 22, 1996. On November 9, 2000, the stockholders of Microsoft Corporation approved the Microsoft Corporation 2001 Stock Plan (the "2001 Stock Plan"), which replaces the 1991 Stock Plan. Of the 2,080,000,000 shares registered in connection with the 1991 Stock Plan, 680,000,000 shares have not been issued and are not subject to issuance upon the exercise of outstanding options granted under the 1991 Stock Plan. Pursuant to Instruction E to Form S-8 and the telephonic interpretation of the Securities and Exchange Commission set forth at pages 123-124 of the Division of Corporation Finance's Manual of Publicly Available Telephone Interpretations dated July 1997 (see G. Securities Act Forms, number 89), 680,000,000 shares of Microsoft common stock registered on the 1993 Form S-8, as amended, are carried forward to, and deemed covered by, the registration statement on Form S-8 filed on or about the date hereof in connection with the 2001 Stock Plan (the "2000 Form S-8").

In addition to the 680,000,000 shares being carried forward to the 2000 Form S-8 on or about the date hereof, approximately 838,317,382 shares registered in connection with the 1991 Stock Plan have not been issued but may be issued upon the exercise of outstanding options granted under the 1991 Stock Plan. In the event any of these approximately 838,317,382 shares are not issued in connection with the 1991 Stock Plan, such as when a currently outstanding option granted under the 1991 Stock Plan is cancelled without being exercised, Microsoft Corporation intends to periodically file additional post effective amendments to the 1993 Form S-8 and 2000 Form S-8 carrying forward such shares for issuance in connection with the 2001 Stock Plan.

PART II. INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

Pursuant to General Instruction E to Form S-8, the contents of the Registration Statement filed by Microsoft Corporation (the "Company") under Registration Number 33-51583, as amended, with respect to securities offered pursuant to the 1991 Stock Plan are hereby incorporated by reference herein.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Redmond, State of Washington, on this 28th day of December, 2000.

MICROSOFT CORPORATION

/s/ Steven A. Ballmer

Steven A. Ballmer
President, Chief Executive Officer
And Director

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints William H. Gates III, his or her attorney-in-fact, for him or her in any and all capacities, to sign any amendments to this registration statement, and to file the same, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that said attorney-in-fact, or his substitute, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

		Dated -----
/s/ William H. Gates III ----- William H. Gates III	Chairman and Principal Software Architect	December 28, 2000
/s/ Steven A. Ballmer ----- Steven A. Ballmer	President and Chief Executive Officer and Director (principal executive officer)	December 28, 2000
/s/ John G. Connors ----- John G. Connors	Senior Vice President, Finance and Administration; Chief Financial Officer (principal financial and accounting officer)	December 28, 2000
/s/ David F. Marquardt ----- David F. Marquardt	Director	December 28, 2000
----- Ann McLaughlin	Director	December __, 2000
/s/ William G. Reed, Jr. ----- William G. Reed, Jr.	Director	December 28, 2000
/s/ Jon A. Shirley ----- Jon A. Shirley	Director	December 28, 2000