

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

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1. Name and Address of Reporting Person [*] <u>MUGLIA ROBERT L</u>			2. Date of Event Requiring Statement (Month/Day/Year) 03/18/2008		3. Issuer Name and Ticker or Trading Symbol (Check all applicable) <u>MICROSOFT CORP [MSFT]</u>		
(Last)	(First)	(Middle)	4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director _____ 10% Owner _____ <input checked="" type="checkbox"/> Officer (give title below) _____ Other (specify below) _____ <u>Senior Vice President</u>			5. If Amendment, Date of Original Filed (Month/Day/Year)	
C/O MICROSOFT CORPORATION ONE MICROSOFT WAY						6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person	
(Street) REDMOND WA 98052-6399							
(City) (State) (Zip)							

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	274,764 ⁽¹⁾	D	
Common Stock	63,040 ⁽²⁾	I	By 401(k)
Common Stock	5,760	I	By Spouse
Common Stock	19,292 ⁽²⁾	I	By Spouse 401(k)
Common Stock	7,200	I	By IRA
Common Stock	34,793 ⁽³⁾	I	By Family Foundation

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date				
Employee Stock Option (right to buy) #0171066	03/06/2005	03/06/2010	Common Stock 4,444,444	40.7813	D	
Employee Stock Option (right to buy) #0203526	04/24/2005	04/24/2010	Common Stock 2,222,222	29.9813	D	
Employee Stock Option (right to buy) #0285244	02/20/2006	02/20/2011	Common Stock 1,072,422	25.1438	D	
Call Option (obligation to sell)	04/19/2008	04/19/2008	Common Stock 49,800 ⁽⁴⁾	32.5	D	

Explanation of Responses:

- Includes an aggregate of 150,549 shares represented by invested stock awards, of which 2,267 shares will vest on of August 29, 2008, 100,060 shares will vest on August 31, 2008, 25,244 shares will vest on August 31, 2009, and 22,978 shares will vest on August 31, 2010.
- Balance as of February 29, 2008.
- The reporting person disclaims beneficial ownership of these securities, and this report shall not be deemed an admission that the reporting person is the beneficial owner of such securities for purposes of Section 16 or for any other purpose.
- In October 2007, the reporting person wrote a Call Option (obligation to sell) under a Rule 10b5-1 Trading Plan for 498 lots (49,800 shares) shares at \$32.50 per share. The maturity date is April 19, 2008. If on the maturity date, the option is in-the-money it will be exercised (and settled in stock or cash). If the option is not in the money on the expiration date, the option will expire.

Remarks:

Robert L. Muglia

** Signature of Reporting Person

03/28/2008

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 5 (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.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

March 28, 2008

Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: Microsoft Corporation - Power of Attorney

To whom it may concern:

This will confirm that I have granted each of the individuals listed below the authority to, on my behalf, execute and file the Initial Statement of Beneficial Owner

The individuals who are authorized to act as my Attorney-In-Fact under this Power of Attorney are as follows:

Keith R. Dolliver
Peter A. Kraus
Christyne Mayberry
Ben O. Orndorff
John A. Seethoff
Bradford L. Smith

This Power of Attorney is effective immediately upon filing with the Securities Exchange Commission and for purposes of my future Form 4 and Form 5 filings relating

Sincerely,

/s/ Robert L. Muglia
Robert L. Muglia