

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

SCHEDULE 13G

UNDER THE SECURITIES EXCHANGE ACT OF 1934
(AMENDMENT NO. 7)*

MICROSOFT CORPORATION

(Name of Issuer)

COMMON STOCK

(Title of Class of Securities)

594918104

(CUSIP Number)

Check the following box if a fee is being paid with this statement . (A fee is not required only if the filing person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class.) (See Rule 13d-7).

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Continued on following page(s))

CUSIP NO. 594918104

1 NAME OF REPORTING PERSON
 S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
 William H. Gates III

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)
 (b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION
 U.S.A.

		SOLE VOTING POWER
NUMBER OF	5	141,108,310
SHARES		

BENEFICIALLY	6	SHARED VOTING POWER
OWNED BY		0

EACH	7	SOLE DISPOSITIVE POWER
REPORTING		141,108,310
PERSON		

WITH	8	SHARED DISPOSITIVE POWER
		0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 141,108,310 SHARES

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*
 NOT APPLICABLE

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9
 23.9%

12 TYPE OF REPORTING PERSON*
 IN

Schedule 13G

CUSIP NO.: 594918104

Item 1 Name of Issuer:
Microsoft Corporation
One Microsoft Way
Redmond, WA 98052

Item 2(a) Name of Person(s) Filing:
William H. Gates III

Item 2(b) Address of Principal Business Office:
One Microsoft Way
Redmond, WA 98052

Item 2(c) Citizenship: U.S.A.

Item 2(d) Title of Class of Securities: Common Stock, \$0.00005 per share

Item 2(e) CUSIP Number: 594918104

Item 3 Not applicable

Item 4 Ownership

(a) Amount Beneficially Owned: 141,108,310 shares

(b) Percent of Class: 23.9%

(c) Number of shares as to which such person has:

i) sole power to vote or to direct the vote
141,108,310

ii) shared power to vote or to direct the vote
0

iii) sole power to dispose or to direct the disposition of
141,108,310

iv) shared power to dispose or to direct the disposition of
0

Item 5 Ownership of 5% or Less of a Class: N/A

Item 6 Ownership of More than 5% on Behalf of Another Person: N/A

Item 7 Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company: N/A

Item 8 Identification and Classification of Members of the Group: N/A

Schedule 13G

Cusip No.: 594918104

Item 9 Notice of Dissolution of the Group: N/A

Item 10 Certification: N/A

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 7, 1996

Signature: /s/ William H. Gates III

William H. Gates III